

STATE OF CALIFORNIA  
Budget Change Proposal - Cover Sheet  
DF-46 (REV 10/20)

<b>Fiscal Year</b> 2023-24	<b>Business Unit</b> 3970	<b>Department</b> Department of Resources Recycling and Recovery	<b>Priority No.</b> Click or tap here to enter text.
<b>Budget Request Name</b> 3970-020-BCP-2023-GB		<b>Program</b> 3700—Waste Reduction and Management	<b>Subprogram</b> Click or tap here to enter text.

**Budget Request Description**

Battery Embedded Waste: Implementation (SB 1215)

**Budget Request Summary**

The Department of Resources Recycling and Recovery (CalRecycle) requests 14.0 permanent ongoing positions (PY) to be phased in over three fiscal years (FY) to implement Senate Bill (SB) 1215 (Chapter 370, Statutes of 2022). This request includes 12.0 PYs to begin in 2023-24 with annual costs of \$2 million from the Covered Battery-Embedded Waste Recycling Fee Subaccount (Subaccount) in 2023-24, and 2024-25, with an additional 2.0 PYs to start in 2025-26 with ongoing costs of \$2.2 million for all 14.0 positions. In addition, CalRecycle requests budget bill language to provide loan authority of \$6.2 million in 2023-24 from the Electronic Waste Recovery and Recycling Account (EWRRA) to the Subaccount to ensure that adequate cash is available to implement SB 1215 and support all direct appropriations drawing from the fund. This loan authority is necessary until CalRecycle can collect the battery-embedded waste recycling fee in 2025-26, as authorized by SB 1215.

<b>Requires Legislation</b> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<b>Code Section(s) to be Added/Amended/Repealed</b> Click or tap here to enter text.	
<b>Does this BCP contain information technology (IT) components?</b> <input type="checkbox"/> Yes <input type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	<b>Department CIO</b> Click or tap here to enter text.	<b>Date</b> Click or tap to enter a date.

**For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.**

**Project No.** Click or tap here to enter text. **Project Approval Document:** Click or tap here to enter text.

**Approval Date:** Click or tap to enter a date.

**If proposal affects another department, does other department concur with proposal?** ☐ Yes ☐ No  
*Attach comments of affected department, signed and dated by the department director or designee.*

<b>Prepared By</b> Ana Maria Stoin-Chu	<b>Date</b> Click or tap to enter a date.	<b>Reviewed By</b> Robert Chester	<b>Date</b> Click or tap to enter a date.
<b>Department Director</b> Rachel Machi Wagoner	<b>Date</b> Click or tap to enter a date.	<b>Agency Secretary</b> Yana Garcia	<b>Date</b> Click or tap to enter a date.

**Department of Finance Use Only**

**Additional Review:** ☐ Capital Outlay ☐ ITCU ☐ FSCU ☐ OSAE ☐ Dept. of Technology

<b>PPBA</b> Christian Beltran	<b>Date submitted to the Legislature</b> 1/10/2023
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## Analysis of Problem

### A. Budget Request Summary

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The Department of Resources Recycling and Recovery (CalRecycle) requests 14.0 permanent ongoing positions (PY) to be phased in over three fiscal years (FY) to implement Senate Bill (SB) 1215 (Chapter 370, Statutes of 2022). This request includes 12.0 PYs to begin in 2023-24 with annual costs of \$2 million from the Covered Battery-Embedded Waste Recycling Fee Subaccount (Subaccount) in 2023-24, and 2024-25, with an additional 2.0 PYs to start in 2025-26 with ongoing costs of \$2.2 million for all 14.0 positions. In addition, CalRecycle requests budget bill language to provide loan authority of \$6.2 million in 2023-24 from the Electronic Waste Recovery and Recycling Account (EWRRRA) to the Subaccount to ensure that adequate cash is available to implement SB 1215 and support all direct appropriations drawing from the fund. This loan authority is necessary until CalRecycle can collect the batter-embedded waste recycling fee in 2025-26, as authorized by SB 1215.

### B. Background/History

The Electronic Waste Recycling Act (the Act) of 2003 (Public Resources Code 42460 et seq) established the Covered Electronic Waste (CEW) Recycling Program, which provides a funding mechanism to support the proper collection and recycling of covered electronic devices (CED), specifically video display devices that are presumed to be hazardous when discarded. The CEW Recycling Program was established to manage California's growing stockpile of cathode ray tube (CRT) televisions and monitors, which have limited material value and contain hazardous residuals that pose a serious threat to human health and the environment. In the intervening years, the list of CEDs has grown to include non-CRT devices such as liquid crystal display (LCD) and organic light emitting diode (OLED) televisions and monitors, tablets, smart devices, laptop computers, and portable DVD players.

The CEW Recycling Program is funded by consumers who pay a recycling fee at the time of retail purchase of a CED. The retailer collects those fees and remits them to the California Department of Tax and Fee Administration (CDTFA), who deposits the funds into the Electronic Waste Recovery and Recycling Account and is also responsible for ensuring that the CEW recycling fee is appropriately collected. The Act tasks CalRecycle with administering a program that provides payments to approved recyclers and collectors of CEW to offset the average net cost of appropriate recovery, processing, and recycling activities. CalRecycle pays approved recyclers the combined recovery and recycling payment, and recyclers pass the recovery payment on to the approved collectors who recovered the CEWs. Only CEWs from California sources supported by compliant documentation are eligible for payment. In addition, the CEWs must be processed in California and the derived treatment residuals must be properly managed for the recycler to be eligible for payments. CalRecycle works closely with the Department of Toxic Substances Control (DTSC), who is responsible for regulating and enforcing the physical management of electronic waste (e-waste). DTSC conducts inspections and compliance activities with approved recyclers and collectors. DTSC is also responsible for making CED determinations for video display devices.

Main CEW Recycling Program functions as established by the Act include:

- Review applications for completeness and compliance to participate in the program.
- Review payment claims to ensure compliance with applicable laws and regulations (this includes analyzing the following documentation: collection logs to validate the CEW origin, collector-recycler transfers, processing logs, and residual management).
- Conduct enforcement activities (Administrative Civil Penalties) for non-compliance with the Act.

- Analyze annual Net Cost Reports submitted by approved collectors and recyclers.
- Set the recovery and recycling payment rates paid to approved collectors and recyclers.
- Set the CEW recycling fee paid by consumers.
- Review manufacturer reports and respond to manufacturer inquiries.
- Collaborate extensively with DTSC and CDTFA to implement the Act. Collaborate with Department of Food and Agriculture (CDFA) to ensure the CEW weights and measures are determined and recorded compliantly.
- Conduct outreach and education and engage with stakeholders.
- Conduct scientific research of hazardous waste management processes, commodity markets, and industry trends.

Since 2003, the CEW Recycling Program has accounted for the recovery and recycling of over 2.6 billion pounds of CEW and fostered the creation of a robust e-waste collection and recycling infrastructure throughout California. The CEW Recycling Program has provided free collection opportunities for consumers and relieved costs for local jurisdictions. By minimizing illegal disposal and abandonment of CEWs in California, the program also protects the health and safety of communities and the environment.

SB 1215 amends the Act to expand the definition of "covered electronic device" (and hence "covered electronic waste") to include a "covered battery-embedded product," thereby adding new products not presently regulated by the existing CEW Recycling Program. Therefore, this new mandate will require CalRecycle to establish an entirely new program dedicated to an evolving universe of covered battery-embedded products. SB 1215 also authorizes CalRecycle to assess the payment rates paid to approved collectors and recyclers annually (instead of biennially). In addition, SB 1215 tasks CalRecycle with sole responsibility for making CED determinations and collecting and reviewing Manufacturer Notices for battery-embedded products. SB 1215 requires CalRecycle to adopt regulations to implement the statutory provisions effective January 1, 2025, and establish the consumer recycling fee for battery-embedded products by October 1, 2025.

Because the new workload focuses on an entirely new universe of products that CalRecycle has neither scoped nor regulated previously, there is no associated resource history. However, the Workload History below for the existing CEW Recycling program provides a comparative frame of reference for many of the same types of tasks that will be required for the new workload created by SB 1215.

**Workload History (existing CEW Recycling Program covering video display devices)**

<b>Workload Measure</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23</b>
Applications Received and Reviewed	216	234	175	171	217	17
Number of Claims Received and Reviewed	215	229	236	209	203	25
Total \$ Claimed	\$56,227,216	\$49,709,964	\$43,523,669	\$58,573,573	\$52,846,718	\$6,315,850
Total CEW Pounds Claimed*	114,749,421	96,376,085	82,350,689	77,883,633	67,806,923	6,665,389
Total CEW Units Claimed	2,025,864	1,910,770	1,857,697	1,829,566	1,913,345	63,842
Number of Claim Transfers Analyzed	31,279	30,234	26,527	26,092	25,039	575
Net Cost Reports Received and Analyzed	366	334	358	336	339	N/A
Enforcement Activities Conducted	7	3	8	18	3	4
Manufacturer Reports Received and Reviewed	42	50	51	53	50	42 (10 late or missing)
CED Determinations	N/A**	N/A	N/A	N/A	N/A	N/A
Manufacturer Notices Received and Reviewed	N/A**	N/A	N/A	N/A	N/A	N/A

\*Total CEW Pounds Claimed have decreased due to consumer transition from heavier CRT devices to lighter flatscreen devices. Program projects a baseline CRT CEW level to persist.

\*\*CED determinations for video display devices are based on toxicity and are completed by DTSC.

\*\*\*Manufacturer Notices for video display devices are collected and reviewed by CDTFA.

### **C. State Level Consideration**

California continues to move towards a circular economy regarding consumer batteries and electronics, and SB 1215 brings the state closer to a closed-loop system. Batteries are regulated as Universal Waste in California, and as such, are banned from disposal in a solid waste landfill.

Although the 2005 [California Rechargeable Battery Recycling Act](#) created a collection program for rechargeable batteries, this program does not include single-use batteries or batteries that are embedded in an electronic device. Additionally, California residents are generally unaware of battery chemistries, disposal laws, or the dangers some battery chemistries pose, such as fire risks and toxicity. In a recent study, researchers estimate that less than five percent of lithium batteries are recycled at the end of their lives.<sup>1</sup> Additionally, collection sites are not conveniently located for all consumers, and it is unclear which sites accept battery-embedded products such as portable vacuum cleaners or electric toothbrushes free of charge. As a result, solid waste facilities frequently find loose batteries and battery-embedded products in solid waste and recycling containers.

Rechargeable lithium-ion batteries, and single-use lithium metal batteries, are extremely flammable, and are used extensively in battery-embedded products. Because both loose batteries and battery-embedded products are not being recycled properly, they are accounting for fires in material recovery facilities (MRFs). There has been an average of over 300 reported fires per year at MRFs in North America since 2018, with an estimated cost of \$1.2 billion annually.<sup>2</sup> Far more fires occur across the country, but they remain unreported because they were extinguished before causing damage.

In addition to the fire risks associated with improper disposal of batteries, valuable materials are being wasted. The U.S. Geologic Survey lists the battery components nickel, manganese, lithium, and cobalt among the mineral commodities critical to the U.S. economy and national security.<sup>3</sup> Since these mineral commodities are necessary for security and economic functions, including growth of green technologies, and are sourced internationally, supply disruptions could create vulnerabilities. Recovering these scarce materials from batteries will not only help alleviate that vulnerability, but it also produces benefits from a carbon-footprint standpoint, since recycling processes generate fewer greenhouse gas emissions than mining and refining raw materials.

SB 1215 will foster conditions for a circular economy in California for battery-embedded products, while protecting the health and safety of communities, businesses, and the environment by minimizing illegal disposal and significantly reducing the risk of fires. Successful implementation of SB 1215 will ultimately create local jobs, resulting in a stronger collection and recycling infrastructure in California, while ensuring that critical metals are recovered and reused in future products.

#### **D. Justification**

The resources requested by this proposal are necessary for CalRecycle to fulfill its statutory responsibilities as required by SB 1215 and successfully implement a complex new program with a large universe of new products to the scope. Consequently, CalRecycle does not have staffing resources available to perform the workload necessitated by SB 1215.

##### Claim Review

Existing staff resources are not able to absorb the volume of future claim review and payment for collection and recycling of the additional battery-embedded waste. Per statute, CalRecycle must complete review within the 90-day limit. Failure to meet the statutory deadline may result in recyclers suing CalRecycle. There would also be risk of bankrupting recyclers, damaging industry, and depriving the public of CEW collection and recycling opportunities.

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<sup>1</sup> [Sustainability and Second Life: The case for cobalt and lithium recycling | International Institute for Sustainable Development \(iisd.org\)](#)

<sup>2</sup> [October 2021 Fire Report: Q&A with The Battery Queen \(waste360.com\)](#)

<sup>3</sup> [U.S. Geological Survey Releases 2022 List of Critical Minerals | U.S. Geological Survey \(usgs.gov\)](#)

### Eligible Product Determination

As stated previously, CEDs currently in the CEW Recycling Program include CRT TVs and monitors, and non-CRT devices such as LCD and OLED televisions and monitors, tablets, smart devices, laptop computers and portable DVD players. The number of distinct devices expected to be added with the passage of SB 1215 will far surpass the categories covered by the existing program. The following list of device categories are extensive, but likely not exhaustive: toys, radio-controlled vehicles, flashlights, laser pointers, gaming remote controls, keyboards, mice, portable charging devices, blood pressure wrist bands, watches, wireless ear buds, cell phones, GPS devices, greeting cards, and vacuum cleaners.

In the case of video display devices, it is within DTSC's purview to determine which devices are CEDs, and which are excluded from the program. SB 1215 puts the responsibility for battery-embedded product determination on CalRecycle, and it will be up to CalRecycle to make individual determinations on what will likely be hundreds of battery-embedded categories and thousands of individual products. Since staff expect both new battery-embedded products and new classes of battery-embedded products to enter the market annually, this will be an ongoing staffing need.

### Reporting and Notification Requirements

Currently, manufacturers that sell CEDs in California must send annual Manufacturer Reports to CalRecycle and Manufacturer Notifications to CDTFA. The CEW Recycling Program typically collects and analyzes fifty or more Manufacturer Reports each year, and CDTFA should receive the same number of notifications. SB 1215 includes a similar requirement, though the number of manufacturers required to report will likely be hundreds. Additionally, SB 1215 places the requirements to collect copies of the annual Manufacturer Notifications on CalRecycle rather than with CDTFA. The new notices not only list the products that manufacturers identify as covered under the Act, as is required with current Manufacturer Notices for video display devices, they must also list the devices that have embedded batteries that they believe are excluded from the Act. It will be the responsibility of CalRecycle to determine if these lists are complete and correct.

### Fee Determination

Currently, the Act authorizes CalRecycle to assess the consumer recycling fees for video display devices annually and payment rates to approved collectors and recyclers for video display devices biennially. With the passage of SB 1215, the consumer recycling fees and recycling payment rates for both video display devices and battery-embedded products are to be assessed annually.

To supply CalRecycle with the data necessary to set the payment rates, approved collectors and recyclers are required to list the costs and revenues associated with recovery and recycling of CEW. These Net Cost Reports are then used to calculate the average net cost for e-waste industry to collect and recycle CEWs in California. To assess the consumer recycling fees, CalRecycle must assess the sufficiency, and any surplus, of revenues in the Electronic Waste Recovery and Recycling Account to fund the collection, consolidation, and recycling of CEW that is projected to be recycled in the state.

### Rulemaking

SB 1215 requires CalRecycle to adopt regulations, effective January 1, 2025, to establish a process for covered electronic waste recyclers to submit payment claims for covered battery-embedded products. Additionally, the regulations will need to include a process for CalRecycle to make CED determinations and establish the consumer recycling fee for battery-embedded products. Since the potential universe of covered battery-embedded products is vast, this process will require extensive stakeholder input, including surveys, site tours, and informal workshops.

## Positions

Due to the new tasks required to develop, implement, and enforce SB 1215, this proposal requests a total of 14.0 permanent positions. The staffing levels requested are based on CalRecycle's experience implementing multiple programs with similar technical workload duties. Workload and staff activities are explained in detail below:

## Implementation and Enforcement

CalRecycle requests 7.0 PY to develop, implement, and enforce SB 1215. Early and ongoing implementation will require 5.0 PY to start in 2023-24, with the remaining 2.0 PY to start in 2025-26:

- One (1.0) Environmental Program Manager I (Supervisory) (EPM I)
- One (1.0) Staff Services Manager II (SSM II)
- One (1.0) Senior Environmental Scientist (SES)
- One (1.0) Staff Services Manager I (SSM I)
- Three (3.0) Associate Governmental Program Analyst (AGPA)

The EPM I will be responsible for leading and overseeing the integration of battery-embedded products into CalRecycle's CEW Recycling Program. In this capacity, the EPM I will determine products that should be covered under the program and will coordinate with DTSC on the technical and scientific aspects of hazardous materials in the products. In addition to the more technical and scientific duties, the EPM II will oversee staff who process applications, claims, enforcement, net cost reports, payment rates, consumer fees, CED determinations, and manufacturer notices and reports. In addition, the SSM III will oversee complex collaborations with partnering agencies responsible for implementing the Act (e.g., DTSC and CDTFA).

The Sr. ES will be responsible for conducting scientific research and evaluating the universe of products included in the scope of the Act, which is extremely large and diverse. The Sr. ES will map out the extremely large and diverse stakeholders that will need to be engaged as part of the rulemaking as well as respond to inquiries from manufacturers of battery-embedded products and make CED determinations. In addition, the Sr. ES will be engaged in rulemaking efforts.

The SSM II will be responsible for managing employees dedicated to the review of recycling payment claims. The SSM II will oversee the integration of battery-embedded product claims into CalRecycle's new recycling payment claim section. In addition, the SSM II will manage sensitive and complex communication with e-waste collectors and recyclers.

The SSM I will be responsible for supervising staff that will perform duties related to the review of payment claims for battery-embedded products.

Four of the AGPAs will be responsible for developing and adopting regulations, organizing informal and formal rulemaking workshops, and consulting with stakeholders and partnering agencies. In addition, the AGPAs will develop and test upgrades to the existing database (CEWIS) to build more capacity. Starting in 2025-26, CalRecycle is requesting two additional AGPAs. The two AGPAs will be responsible for examining, reviewing, and approving payment claims for battery-embedded waste within 90 days of receipt.

## Legal

- One (1.0) Attorney IV

The Attorney IV will initially focus on drafting and preparing the regulatory package, which includes informal and formal comment periods and OAL review. This process will require the

attorney's full attention as soon as possible to meet the January 1, 2025, regulations adoption deadline.

The regulations required for this program will require integration with regulations for products that are currently part of the CEW Recycling Program, necessitating the specialized knowledge and high level of legal expertise of the attorney. These regulations must cover numerous complex and novel program requirements, including: (1) clarifying which products fit the definition of battery-embedded products and which products are excluded; (2) establishing a collection and recycling process for a wide range of battery-embedded products with hazardous waste components; (3) establishing a process for approved recyclers to submit payment claims for battery-embedded products; (4) establishing the battery-embedded waste recycling fee; (5) establishing and clarifying administrative, labeling, reporting, and enforcement requirements for manufacturers of battery-embedded products; (6) clarifying and establishing definitions; and (7) establishing a process for revising recovery and recycling payment rates. The attorney will also prepare annual regulatory packages for recycling fee and payment rate revisions.

Ongoing legal support will be required to respond to large numbers of inquiries regarding battery-embedded product determinations. These complex determinations will require specialized knowledge and expertise in several areas of law as well as a comprehensive understanding of the regulated industry. The attorney will be responsible for responding to a substantial number of public records requests, which requires reviewing sensitive documents. Given the new and broad range of products covered, the program is likely to generate novel legal questions and involve potential precedential decisions, requiring inside counsel-type advice to department staff and decision makers.

Complex and sensitive litigation is likely at all stages of implementation and enforcement of this program, which will require substantial time and legal expertise. In later years, the attorney will switch focus from regulation development towards enforcement actions and will inform, lead, defend, and support Program enforcement at every point.

#### Administrative Support

- One (1.0) Research Data Specialist I (RDS I)
- One (1.0) Associate Personnel Analyst (APA)
- Two (2.0) Accounting Officer (Specialist)
- One (1.0) Research Data Supervisor

The Research Data Supervisor will manage the research and data analysis work, provide analytical and statistical support and supervision to all analytical staff in the Economic Analysis and Forecasting Unit. The responsibilities of this group include revenue forecasting, economic analysis, research projects, and data analysis assignments. Both the Research Data Supervisor and the RDS I will assist with fee calculations and revenue forecasting to ensure that regulated entities reimburse CalRecycle for the reasonable costs required to implement SB 1215 and administer the program for its entire duration. Due to the evolving and expanding universe of producers and products that will be regulated and the novelty and diversity of the covered devices, each year will bring additional layers of complexity to the data analysis required to calculate resource needs, fee rates, and revenue projections. Under the guidance of the Research Data Supervisor, the RDS I will also assist in the development of economic analyses for all rulemakings required by SB 1215 and for other rulemakings conducted by CalRecycle.

The APA will perform classification, recruitment, and pay efforts related to staff implementing SB 1215. This position will ensure correct classification and placement of positions, active targeted recruitments to ensure the most highly qualified, diverse candidates, and once candidates are selected, ensure all civil service hiring processes are completed and that correct salary rules are applied.



The two AOs will provide support to accommodate the workload increase impacting the Accounts Receivable and General Ledger Unit and to support activities to implement SB 1215.

### Technology

In order to support the department's technology needs in implementing SB 1215, CalRecycle is requesting 1.0 PY.

- One (1.0) Information Technology Specialist II (ITS II)

The requested ITS II will be responsible for database administration, software engineering, architecture, development, operation, and maintenance of software systems including user research, user-centric design, development or configuration, programming, enterprise architecture, service-oriented architecture, testing, and implementation of the business application services.

This is a lead role for enterprise mobility, Intune, and other supporting software management. The incumbent in this role will make sure that our staff has hardware and software support to perform their duties effectively.

This position is critical because the current processes are impacted due to the lack of automation in the Covered Electronic Waste Information (CEWIS) application. The claim intake and review process is a paper process and extremely complex in nature. With the introduction of SB 1215, there will be an amplification of the volume and complexity of claims which will become unsustainable if additional resources are not added to support the needs. Below are some of the high-level updates required by SB 1215 to the CEWIS per SB1215 are required:

Updates to CalRecycle Application is required - CEWIS per SB 1215:

- Update Claims process (overhaul) – needed mid 2025 because claims for new products will come in March 2026
- Update Collector and Recycler applications by July 2025
- Update Net Cost Reports needed mid 2026
- Enable new functionality/solution for Manufacturers (600+) to report annually info about their products July 2027

## **E. Outcomes and Accountability**

### **Projected Outcomes**

The workload below identifies the tasks required to implement SB 1215. For example, the “Number of Claims Received and Reviewed” workload identifies the total number of claims that CalRecycle estimates to receive and review pertaining to battery-embedded products. CalRecycle will need to integrate the battery-embedded products into the CEW Recycling Program.

<b>Workload Measure</b>	<b>(2022-23)</b>	<b>(2023-24)</b>	<b>(2024-25)</b>	<b>(2025-26)</b>	<b>(2026-27)</b>	<b>(2027-28)</b>
<b>Conduct scientific research to evaluate the universe of products included in the scope of SB 1215.</b>	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
<b>Map out the stakeholders that will need to be engaged as part of the rulemaking.</b>	Ongoing	Ongoing	Ongoing			
<b>Collaborate with the other agencies responsible for implementing the Act and SB 1215 (DTSC and CDTFA).</b>	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing
<b>Hold rulemaking workshops and engage with stakeholders.</b>	Ongoing	Ongoing	Ongoing			
<b>Write and adopt regulations. Develop and publish implementation guidance and public education and outreach materials for battery-embedded products.</b>	Ongoing	Ongoing	Ongoing	Ongoing	Ongoing	
<b>Develop and test upgrades to the existing database (CEWIS) to build capacity.</b>		Ongoing	Ongoing	Ongoing	Ongoing	
<b>Applications Received and Reviewed</b>	N/A	N/A	N/A	40	50	50
<b>Number of Claims Received and Reviewed</b>	N/A	N/A	N/A	80	180	180
<b>Total \$ Claimed</b>	N/A	N/A	N/A	\$7,000,000	\$12,000,000	\$17,000,000
<b>Total CEW Pounds Claimed</b>	N/A	N/A	N/A	5,000,000	15,000,000	20,000,000
<b>Total CEW Units Claimed</b>	N/A	N/A	N/A	525,000	1,000,000	1,500,000
<b>Number of Claim Transfers Analyzed</b>	N/A	N/A	N/A	8,000	11,500	13,500
<b>Net Cost Reports Received and Analyzed</b>	N/A	N/A	N/A	22	52	58
<b>Enforcement Activities Conducted</b>	N/A	N/A	N/A	N/A	10	20
<b>Manufacturer Reports Received and Reviewed</b>	N/A	N/A	N/A	N/A	N/A	500+
<b>Respond to inquiries from manufacturers of battery-embedded products and make CED determinations</b>	N/A	250	500	1000	900	800
<b>Manufacturer Notices Received and Reviewed</b>	N/A	N/A	N/A	500+	500+	500+

## **F. Analysis of All Feasible Alternatives**

Alternative 1: Implement the proposal as requested.

PRO: This alternative will allow CalRecycle to expand the capacity of the CEW Recycling Program to provide a funding mechanism for the collection and recycling of battery-embedded waste as set forth by SB 1215 while meeting mandated timelines.

CON: Increases the existing authorized staffing level.

Alternative 2: Approve half the positions requested.

PRO: This alternative would require a smaller authorized staffing level than Alternative 1.

CON: This alternative will prevent CalRecycle from having the necessary resources to expand the CEW Recycling Program and successfully implement the SB 1215 requirements by the statutory deadlines. This would delay the program expansion and, hence, negatively impact the e-waste collection and recycling infrastructure in California that relies on the payments provided by CalRecycle to collect and process battery-embedded waste. This would also negatively impact Californian consumers and local communities because they would not have free and convenient opportunities to safely dispose of these battery-embedded waste.

Alternative 3: No new positions

PRO: There will be no additional state expenditures.

CON: CalRecycle resources will be severely overextended. CalRecycle will be unable to implement its responsibilities pursuant to SB 1215 and thus, fail to provide the resources and oversight required to expand the CEW Recycling Program to establish a funding mechanism for the collection and recycling of battery-embedded waste set forth by the Legislature. Should SB 1215 be prioritized with no additional positions to support the workload, CalRecycle may not be able to fulfill its current obligations to administer and enforce the CEW Recycling Program for the collection and recycling of covered video display devices.

## G. Implementation Plan

CalRecycle Action Items	BCP Request								
	2022	2023	2024	2025	2026	2027	2028	2029	2030
Plan and establish the integration of battery-embedded products into CalRecycle's CEW Recycling Program. Collaborate with the other agencies responsible for implementing the Act and SB 1215 (DTSC and CDTFA).									
Conduct scientific research and evaluate the extremely large and diverse universe of products included in the scope of SB 1215.									
Map out the extremely large and diverse stakeholders that will need to be engaged as part of the SB 1215 rulemaking.									
Respond to inquiries from manufacturers of battery-embedded products and make covered electronic device determinations.									
Hold rulemaking workshops for initial emergency regulations and engage with stakeholders to implement SB 1215.									
Write and adopt emergency regulations to implement SB 1215.									
Hold rulemaking workshops to finalize emergency regulations and engage with stakeholders to implement SB 1215.									
Write and adopt final regulations to implement SB 1215.									
Develop and publish implementation guidance and public education and outreach materials related for battery-embedded products.									
Establish the consumer recycling fee for covered battery-embedded products.									
Develop and test upgrades to the existing database (CEWIS) to build more capacity.									
Review applications of covered battery-embedded waste recyclers.									
Review payment claims for covered battery-embedded waste.									
Conduct enforcement for covered battery-embedded products/waste.									
Review Manufacturer Reports for covered battery-embedded products.									
Review Manufacturer Notices for covered battery-embedded products.									
Review Net Cost Reports and hold covered battery-embedded product workshop.									
Establish the covered electronic waste recycling payment rate for covered battery-embedded products.									

Deliverable Due Date   
 Substantial Staff Need   
 Ongoing Substantial Staff Need   
 Ongoing Staff Need 

## **H. Supplemental Information**

N/A

## **I. Recommendation**

Alternative 1: CalRecycle recommends approving Alternative 1. This is the only option that allows CalRecycle to effectively implement its responsibilities under SB 1215 and ensure the successful expansion of the CEW Recycling Program.

# BCP Fiscal Detail Sheet

BCP Title: Battery Embedded Waste: Implementation (SB 1215)

BR Name: 3970-020-BCP-2023-GB

Budget Request Summary

## Personal Services

Personal Services	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
Positions - Permanent	0.0	12.0	12.0	14.0	14.0	14.0
<b>Total Positions</b>	<b>0.0</b>	<b>12.0</b>	<b>12.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>
Earnings - Permanent	0	1,151	1,151	1,300	1,300	1,300
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$1,151</b>	<b>\$1,151</b>	<b>\$1,300</b>	<b>\$1,300</b>	<b>\$1,300</b>
Total Staff Benefits	0	599	599	677	677	677
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$1,750</b>	<b>\$1,750</b>	<b>\$1,977</b>	<b>\$1,977</b>	<b>\$1,977</b>

## Operating Expenses and Equipment

Operating Expenses and Equipment	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
5301 - General Expense	0	11	11	13	13	13
5302 - Printing	0	2	2	3	3	3
5304 - Communications	0	8	8	10	10	10
5306 - Postage	0	6	6	7	7	7
5320 - Travel: In-State	0	23	23	27	27	27
5322 - Training	0	6	6	7	7	7
5324 - Facilities Operation	0	104	104	86	86	86
5340 - Consulting and Professional Services - Interdepartmental	0	20	20	0	0	0
5344 - Consolidated Data Centers	0	11	11	13	13	13
5346 - Information Technology	0	36	36	42	42	42
5368 - Non-Capital Asset Purchases - Equipment	0	23	23	15	15	15
<b>Total Operating Expenses and Equipment</b>	<b>\$0</b>	<b>\$250</b>	<b>\$250</b>	<b>\$223</b>	<b>\$223</b>	<b>\$223</b>

## Total Budget Request

Total Budget Request	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
<b>Total Budget Request</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,200</b>	<b>\$2,200</b>	<b>\$2,200</b>

## Fund Summary

### Fund Source

Fund Source	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
State Operations - 3418 - Covered Battery-Embedded Waste Recycling Fee Subaccount	0	2,000	2,000	2,200	2,200	2,200
<b>Total State Operations Expenditures</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,200</b>	<b>\$2,200</b>	<b>\$2,200</b>
<b>Total All Funds</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,200</b>	<b>\$2,200</b>	<b>\$2,200</b>

## Program Summary

### Program Funding

Program Funding	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
3700 - Waste Reduction and Management	0	2,000	2,000	2,200	2,200	2,200
<b>Total All Programs</b>	<b>\$0</b>	<b>\$2,000</b>	<b>\$2,000</b>	<b>\$2,200</b>	<b>\$2,200</b>	<b>\$2,200</b>

## Personal Services Details

### Positions

Positions	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
0756 - Environmental Program Mgr I (Supvry) (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
0765 - Sr Envirnal Scientist (Spec) (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
1414 - Info Tech Spec II (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
4546 - Accounting Officer (Spec) (Eff. 07-01-2023)	0.0	2.0	2.0	2.0	2.0	2.0
4800 - Staff Svcs Mgr I (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
4801 - Staff Svcs Mgr II (Supvry) (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
5142 - Assoc Pers Analyst (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2023)	0.0	1.0	1.0	3.0	3.0	3.0
5734 - Research Data Supvr I (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
5742 - Research Data Spec I (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
5780 - Atty IV (Eff. 07-01-2023)	0.0	1.0	1.0	1.0	1.0	1.0
<b>Total Positions</b>	<b>0.0</b>	<b>12.0</b>	<b>12.0</b>	<b>14.0</b>	<b>14.0</b>	<b>14.0</b>

### Salaries and Wages

Salaries and Wages	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
0756 - Environmental Program Mgr I (Supvry) (Eff. 07-01-2023)	0	152	152	152	152	152
0765 - Sr Envirnal Scientist (Spec) (Eff. 07-01-2023)	0	99	99	99	99	99
1414 - Info Tech Spec II (Eff. 07-01-2023)	0	113	113	113	113	113
4546 - Accounting Officer (Spec) (Eff. 07-01-2023)	0	130	130	130	130	130
4800 - Staff Svcs Mgr I (Eff. 07-01-2023)	0	88	88	88	88	88
4801 - Staff Svcs Mgr II (Supvry) (Eff. 07-01-2023)	0	97	97	97	97	97
5142 - Assoc Pers Analyst (Eff. 07-01-2023)	0	76	76	76	76	76
5393 - Assoc Govtl Program Analyst (Eff. 07-01-2023)	0	75	75	224	224	224
5734 - Research Data Supvr I (Eff. 07-01-2023)	0	88	88	88	88	88
5742 - Research Data Spec I (Eff. 07-01-2023)	0	82	82	82	82	82
5780 - Atty IV (Eff. 07-01-2023)	0	151	151	151	151	151
<b>Total Salaries and Wages</b>	<b>\$0</b>	<b>\$1,151</b>	<b>\$1,151</b>	<b>\$1,300</b>	<b>\$1,300</b>	<b>\$1,300</b>



## Staff Benefits

Staff Benefits	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
5150350 - Health Insurance	0	175	175	197	197	197
5150450 - Medicare Taxation	0	17	17	19	19	19
5150500 - OASDI	0	71	71	81	81	81
5150600 - Retirement - General	0	336	336	380	380	380
<b>Total Staff Benefits</b>	<b>\$0</b>	<b>\$599</b>	<b>\$599</b>	<b>\$677</b>	<b>\$677</b>	<b>\$677</b>

## Total Personal Services

Total Personal Services	FY23 Current Year	FY23 Budget Year	FY23 BY+1	FY23 BY+2	FY23 BY+3	FY23 BY+4
<b>Total Personal Services</b>	<b>\$0</b>	<b>\$1,750</b>	<b>\$1,750</b>	<b>\$1,977</b>	<b>\$1,977</b>	<b>\$1,977</b>