

Department of Resources Recycling and Recovery
SB 1013 Addition of New Beverage Containers Permanent Regulations

FINAL STATEMENT OF REASONS

UPDATE TO INITIAL STATEMENT OF REASONS

The Initial Statement of Reasons (ISOR), released on August 15, 2025, is incorporated by reference herein. The ISOR contained a description of the rationale for the proposed amendments. On August 15, 2025, all Documents Relied Upon and identified in the ISOR were made available to the public.

UPDATED SPECIFIC PURPOSE AND NECESSITY OF THE AMENDED PROPOSED REGULATIONS

The following contains updated purpose and necessity statements for the submitted regulation text.

Title 14. Natural Resources

Division 2. Department of Conservation

Chapter 5. Division of Recycling

Subchapter 1. Definitions

Section 2000

Subsection (a)(9)

The purpose of this amendment is to add language to the “Clearly and Prominently” definition that specifies the redemption message must be found and read without difficulty, both when the container is filled and when the container is empty. This amendment is necessary because a consumer must be able to see the CRV redemption message without difficulty when purchasing a filled beverage container and also a recycling center must be able to see the CRV redemption message without difficulty when redeeming an empty beverage container.

Subchapter 3. Manufacturers

Article 1. Labeling

Section 2200

Subsection (b)

The purpose and necessity for this subsection published in the ISOR remains unchanged except that CalRecycle made a further amendment.

The purpose of this further amendment is to add “etching” as a method for indelibly marking a beverage container.

This is necessary because of changes made to Public Resources Code section 14561(a) by Assembly Bill 720 (Chapter 562 of the Statutes of 2025).

Subsection (b)(2)(A)(ii)

The purpose of this amendment is to revise 1/8 inch to 3.18 millimeters with regard to the minimum size of the CRV message. The purpose of this amendment is also to delete the option for glass containers and plastic containers to be labeled with the CRV message on a container body label or secondary label with contrasting colors with legible lettering in minimum lettering size at least 1/8 inch in height. The purpose is also to add a more general option for the CRV labeling that permits the CRV message to be anywhere on the container body or label with contrasting colors at least 3.18 millimeters in height. The amendment also deletes a provision stating that the contrasting colors shall direct the reader to the message required in subsection (a). The amendment adds two additional options for marking the California redemption message a minimum size of 3.18 millimeters in height on a beverage container: written in bold font which is distinct from surrounding text or surrounded by a text box which separates the California redemption message from other state deposit messages.

Revising the unit of measurement from inches to millimeters is necessary to address feedback that it is confusing in this regulation section whether 3/16 inch or 1/8 inch is larger, due to the fraction needing to be converted. Using millimeters increases clarity because it is immediately clear that 4.76 millimeters is larger than 3.18 millimeters. When converting the inch measurement to millimeters, the millimeter number was rounded to ensure that no container with a CRV message equal to exactly 1/8 inch would be made non-compliant.

This amendment is necessary to generalize the CRV labeling compliance requirement for glass containers and plastic containers to permit the CRV message to be anywhere on the container body or label in contrasting colors at least 3.18 millimeters in height. Because contrasting colors are easier to see, the CRV message may be slightly smaller than the 4.76 millimeter size required if the CRV message is not in contrasting colors. This more general option for labeling is necessary to simplify the labeling requirements, which currently have an excessive amount of compliance options that overcomplicates CRV labeling.

Deleting the word “legible” is necessary because “clearly and prominently”, which is mentioned in the introductory first sentence of subsection (b), is defined in 14 CCR section 2000(a)(9) to include legibility, therefore repeating the legibility requirement here is duplicative. It is necessary to delete the provision stating that the contrasting colors shall direct the reader to the message required in subsection (a) because the introductory first sentence of subsection (b) already cross-references the labeling requirement in PRC section 14561(a), therefore that sentence is duplicative

Allowing the two additional options for marking the CRV message on a beverage container is necessary to accept the changes suggested by a public comment to provide more flexibility in using the smaller allowable font size while still making the CRV message visible on a beverage container.

Section 2205

Subsection (a)

The purpose and necessity for this subsection published in the ISOR remains unchanged except that CalRecycle made a further amendment.

The purpose of this amendment is to change “shall have” into “has” and to add “etch” as a method for indelibly marking a beverage container.

The change “shall have” is necessary to clarify that the machine-readable labeling option is voluntary for beverage manufacturers. The change to add etching is necessary because of changes made to Public Resources Code section 14561(a) by Assembly Bill 720 (Chapter 562 of the Statutes of 2025).

Subsection (b)(1)(B)(i)

The purpose of this subsection is to allow, as one of the two alternative labeling options for a machine-readable indicia, clearly and prominently marking the chasing arrows symbol within the machine-readable indicia.

This amendment will only allow the chasing arrows symbol to be used within the machine-readable indicia to indicate eligibility for the California Redemption Value (CRV) for beverage containers that comply with the requirements of section 42355.51 of the Public Resources Code.

This is necessary to allow a beverage manufacturer to mark a beverage container with a machine-readable indicia in a method that visually indicates the CRV redemption eligibility with the chasing arrows symbol, as defined in subdivision (f) of section 17580 of the Business and Professions Code. Because the chasing arrows symbol is widely associated with recycling, the symbol is capable of replacing the traditional CRV labeling method to indicate CRV eligibility. The chasing arrows symbol must be marked clearly and prominently to enable a consumer to see the symbol when purchasing the beverage container and also a recycling center and processor to see the symbol when accepting the empty beverage container. Additionally, this is necessary to incorporate changes made to Public Resources Code section 14561(d) by Assembly Bill 720 (Chapter 562 of the Statutes of 2025).

Subsection (b)(1)(B)(ii)

The purpose of this subsection is to provide one of two ways that a beverage container may comply with the requirements of section 42355.51 of the Public Resources Code. The first method is to deem beverage containers as compliant when they have had a 60

percent or higher average recycling rate in the past five calendar years, as published in CalRecycle biannual reports that includes a full calendar year of data for the most recent preceding year.

As enacted, Business and Professions Code section 17580(e)(2) specifically states that a beverage container using the chasing arrows is not subject to the requirements of Section 42355.51 of the Public Resources Code. However, Assembly Bill 720 (Chapter 562 of the Statutes of 2025) introduced an ambiguity in that its amendment to the Public Resources Code section 14561(d) only allows a beverage container using the chasing arrows symbol inside the machine-readable label in lieu of the message “DEPOSIT” if it is eligible to be labeled with a chasing arrows symbol in compliance with Public Resources Code section 42355.51. Since legislation must have meaning, CalRecycle must provide a way for a beverage container to be “deemed” compliant with section 42355.51 of the Public Resources Code even though by operation of Business and Professions Code section 17580(e)(2), beverage containers are explicitly excluded from having to comply with section 42355.51 of the Public Resources Code.

This amendment is necessary to provide one method by which a beverage container could be deemed to be in compliance with the requirements of section 42355.51 of the Public Resources Code. A 60 percent recycling rate was chosen as the threshold because that is the standard set forth in paragraph (2) of subdivision (d) of section 42355.51 of the Public Resources Code. CalRecycle chose the threshold of 60 percent or higher average recycling rate in the past five calendar years as published in its own biannual reports, so that all entities will be using the same data set to establish whether a beverage container can use the chasing arrows symbol. The past five calendar years was chosen because recycling rates for material types can fluctuate greatly from year to year, but if maintained at least at 60 percent, the recycling rate demonstrates sustainable recycling activity beyond any one-off surplus in recycling due to material being hoarded by processors, brokers, or other entities waiting for a better economic price prior to shipping to an end-user.

Subsection (b)(1)(B)(iii)

The purpose of this subsection is to provide a second pathway for compliance to use the chasing arrows symbol. When a beverage container cannot meet the threshold in subsection (ii), this regulation subsection will allow a beverage manufacturer to still use the chasing arrows symbol by complying with section 17580 of the Business and Professions Code and with section 42355.51 of the Public Resources Code. This subsection mandates that the beverage manufacturer maintain records and the evidence of its compliance with Public Resources Code section 42355.51 and subjects these records and evidence to the audit and investigation powers of CalRecycle under Section 14552 of the Public Resources Code section. Finally, the subsection requires the beverage manufacturer to provide these records within 10 days of CalRecycle’s written request.

The subsection is necessary to allow a beverage container to meet the stricter requirements of Section 42355.51 of the Public Resources Code in lieu of the reliance of the 60 percent threshold established by CalRecycle data. By giving meaning to the amendment to Public Resources Code section 14561(d), in subsection (ii), CalRecycle must allow for the remote possibility that a beverage container could potentially fail the threshold test in (ii), but still possibly be otherwise in compliance with Public Resources Code section 42355.51 without relying on the exemption in section 17580(e)(2) of the Business and Profession Code. Furthermore, the requirement to keep and maintain records and evidence is necessary for CalRecycle to evaluate compliance in labeling of a beverage container and provide clarity to the beverage manufacturer of what is expected when opting for this alternative pathway for compliance. 10 days was chosen as the period of time by when a beverage manufacturer must provide documentation to CalRecycle after a written request because 10 days provide an adequate amount of time to furnish those records while ensuring CalRecycle receives the records in a timely manner. The timeline for this requirement also mirrors the timeline for providing other information to CalRecycle in these regulations (see Section 2380(f)(2) of this Chapter).

Subsection (b)(1)(B)(iv)

The purpose of this subsection is to provide clarity that the use of the chasing arrows symbol in the machine-readable indicia does not otherwise provide evidence of compliance with section 42355.51 of the Public Resources Code.

This is necessary because every beverage container in the program would be eligible for using the chasing arrows symbol without this prohibition. If this prohibition was not found in regulation, then the amendment to 14561(d) of the Public Resources Code by Assembly Bill 720 (Chapter 562 of the Statutes of 2025), requiring compliance with section 42355.51 of the Public Resources Code, would be without meaning.

Subsection (b)(2)

The purpose of this subsection is to allow, as one of the two alternative labeling options for a machine-readable indicia, clearly and prominently marking the “DEPOSIT” or chasing arrows symbol within the machine-readable indicia in contrasting colors in a minimum size depending on whether the “DEPOSIT” or the chasing arrows symbol is one in contrasting colors or not.

This subsection is necessary to begin a list of two options that provide clarity in how a beverage manufacturer can “clearly and prominently” mark the CRV message on a beverage container as required in Section 2000(a)(9) of the regulations so as to meet the statutory requirement to “clearly indicate” the CRV message in section 14561(a) of the Public Resources Code.

Subsection (b)(2)(A)

This subsection establishes the size and contrasting colors requirements to allow the “DEPOSIT” message or chasing arrows symbol to be 3.18 millimeters in height if in contrasting colors to the machine-readable indicia.

This subsection is necessary to make the size and contrasting color requirements for the “DEPOSIT” message or chasing arrows symbol consistent with the size and contrasting color requirements for traditional CRV labeling.

Subsection (b)(2)(B)

This subsection establishes the size and contrasting colors requirements to require the “DEPOSIT” message or chasing arrows symbol to be the larger size of 4.76 millimeters in height if it is not in contrasting colors to the machine-readable indicia.

This subsection is necessary to make the size and contrasting color requirements for the “DEPOSIT” message or chasing arrows symbol consistent with the size and contrasting color requirements for traditional CRV labeling.

Subsection (c)(1)

The purpose of this paragraph is to require the machine-readable indicia to be at least 12.7 millimeters in height and width.

This subsection is necessary to incorporate the requirements of Assembly Bill 720 (Chapter 562 of the Statutes of 2025) that the machine-readable label be at least one-half inch.

Subsection (c)(2)

The purpose and necessity for this subsection published in the ISOR remains unchanged except that CalRecycle made a further amendment.

The purpose of this further amendment is to add “etching” as a method for indelibly marking a beverage container.

This is necessary because of changes made to Public Resources Code section 14561(a) by Assembly Bill 720 (Chapter 562 of the Statutes of 2025).

Section 2230

Subsection (b)(1)

The purpose of this amendment is to add “this chapter”, the word “including”, and the following sections 2205, 2230(d)-(f), and 2241 in the list for emphasis.

CalRecycle recognizes that without this language the regulated community could interpret the list as something other than a list of emphasized sections and the list itself inadvertently left out a cross-reference to 2205, 2230(d)-(f), and 2241. All out-of-state vendors holding a certificate of compliance that are deemed to be beverage

manufacturers must meet the roles and responsibilities under the Act and regulations for beverage manufacturers, and this change is without regulatory effect.

Subsection (b)(2)

The purpose of this amendment is to add “this chapter”, the word “including”, and the following sections 2205, 2230 (d)-(f), and 2241 in the list for emphasis.

CalRecycle recognizes that without this language the regulated community could interpret the list as something other than a list of emphasized sections and the list itself inadvertently left out a cross-reference to 2205, 2230(d)-(f), and 2241. All out-of-state vendors holding a direct shipper permit that are deemed to be beverage manufacturers must meet the roles and responsibilities under the Act and regulations for beverage manufacturers, and this change is without regulatory effect.

Updated Documents Relied Upon

In addition to the Documents Relied Upon listed in the ISOR, CalRecycle added the following Document Relied Upon as noticed to the public on February 24, 2026, for a 15-day comment period that ended on March 11, 2026.

- Attachment 11 – SB 343 Material Characterization Study Final Findings 2023/2024

LOCAL MANDATE DETERMINATION

CalRecycle has determined that this regulatory action will not result in a mandate to any local agency or school district.

CONSIDERATION OF ALTERNATIVES

For the reasons set forth in the ISOR, in CalRecycle’s summary and response to public comments, and in this FSOR, CalRecycle has determined that no alternative considered by CalRecycle would be more effective in carrying out the purpose for which the regulatory action was proposed, would be as effective and less burdensome to affected private persons than the adopted regulation, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law than the action taken by CalRecycle.

Statement Regarding Small Business Alternatives

No alternatives, permitted by the Act, were considered by CalRecycle nor otherwise identified and brought to CalRecycle’s attention that would lessen any adverse economic impact on small business, pursuant to Government Code section 11346.9(a)(5).

INCORPORATION BY REFERENCE

The Notice of Proposed Action listed the below document as incorporated by reference, and it remains incorporated by reference.

- The entirety of the Web Content Accessibility Guidelines (WCAG) 2.2 published in 2024 by the World Wide Web Consortium, which can be accessed here: <https://www.w3.org/TR/WCAG22/> (accessed May 14, 2025).

The publication of this incorporated document in full in the California Code of Regulations would be cumbersome, unduly expensive, or otherwise impractical because it is available online, as specified in the Notice of Proposed Action, published on August 15, 2025, and in print would be approximately 100 pages of text.

SUMMARY AND RESPONSE TO COMMENTS RECEIVED DURING THE 45-DAY AND 15-DAY COMMENT PERIODS

Summary of the 45-Day Comments Received

Written comments were received by CalRecycle during the 45-Day comment period which began on August 15, 2025, and ended on September 30, 2025. Written and oral comments were additionally received at a public hearing on September 30, 2025.

The comments received during the 45-Day comment period and public hearing are displayed on the attached SB 1013 Addition of New Beverage Containers 45-Day Comment Matrix, which shows the corresponding comment code, the commenter's name, their organization, and CalRecycle's response to the comment. Please refer to the SB 1013 Addition of New Beverage Containers 45-Day Comment Matrix for the list of 87 total comments received during the 45-Day comment period and public hearing. The SB 1013 Addition of New Beverage Containers 45-day Comment Matrix contains each comment and comment response under a specific comment code for all 87 comments. CalRecycle notes that comments can be interpreted so as to straddle multiple subcategories below, so the total number of comments addressed by subcategory in this Final Statement of Reasons will exceed the total of 87 comments received. The SB 1013 Addition of New Beverage Containers 45-day Comment Matrix is incorporated here by reference.

CalRecycle's Response to the 45-Day Comments Received

CalRecycle would like to express its appreciation to the numerous organizations, agencies, and individuals that participated in the 45-Day comment period and public hearing.

A summary of comments on the SB 1013 Addition of New Beverage Containers permanent regulations, as well as CalRecycle's responses, are categorized and provided below.

1. Comments in Support or Irrelevant Comments

1.1 CalRecycle received general support from 3 organizations and interested parties. The following comments support the objectives and goals of the SB 1013 Addition of New Beverage Containers Permanent Regulations:

Comment Code: I-3-1, I-3-2, I-3-3, I-3-4, O-4-1, O-6-6

CalRecycle's Response: CalRecycle notes no changes are needed in the proposed regulations and acknowledges the general support of these 5 comments.

1.2 CalRecycle received 14 comments or parts of comments that did not offer any objections or recommendations specifically directed at the agency's proposed action or to the procedures followed by the agency in proposing and adopting the action.

Comment Code: C-5-1, O-1-16, O-2-1, O-4-7, O-5-1, O-5-5, O-5-6, O-6-1, O-6-7, O-7-1, O-7-2, O-7-3, O-8-1, O-8-5

CalRecycle's Response: No change is being made to the regulations. This comment does not make any objection or recommendation regarding the proposed action or to the procedures followed by the agency in proposing or adopting the action. CalRecycle appreciates the commenter's participation in its rulemaking action.

2. Comments asserting a general lack of authority to promulgate regulations

CalRecycle received the following comment that asserted CalRecycle did not have the authority to promulgate the regulations.

Comment Code: I-1-1

Comment: CalRecycle received 1 comment expressing concern that CalRecycle does not have the authority to promulgate the regulations.

CalRecycle's Response: CalRecycle rejects this comment. This comment does not make any objection or recommendation regarding the proposed action or to the procedures followed by the agency in proposing or adopting the action. To the extent that the commenter is asserting that the proposed regulations have no authority in statute, CalRecycle rejects this comment because the proposed action is consistent with statute.

3. Comments that requested changes that are beyond CalRecycle's statutory authority.

CalRecycle received 21 comments that could be reasonably interpreted as if they expressed suggestions or recommendations to make changes to the regulations that are beyond CalRecycle's rulemaking authority. These comments include: adding beverage containers into the program not specified in statute, not requiring labeling in certain circumstances for beverage containers, use-up existing non-compliant inventory of labeled beverage containers, allow for an extension or delay in enforcement, and exempting small businesses from the labeling requirement for beverage containers. These comments and CalRecycle's responses are summarized below under their respective subcategory.

3.1 Add new beverage container types to the program.

Comment Code: I-2-1

Comment: CalRecycle received 1 comment to add new beverage container types to the program.

CalRecycle's Response: CalRecycle rejects this comment. The scope of this rulemaking is limited to complying with SB 1013's statutory mandates passed by the Legislature. At this time, CalRecycle does not have the statutory authority to add new container types to the California Beverage Container Recycling Program. SB 1013 establishes the container types subject to the California Beverage Container Recycling Program, and CalRecycle cannot add additional container types without a statutory change.

3.2 Allow for beverage containers to not be labeled.

Comment Code: C-2-2, C-2-3, C-2-4, C-3-1, C-3-3, C-5-2, C-5-7

Comment: CalRecycle received 7 comments to not require labeling on beverage containers in certain circumstances.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle does not have the statutory authority to eliminate CA CRV markings all together. Section 14561 of the Public Resources Code requires beverage manufacturers to label CRV beverage containers with the CRV message, unless a statutory exemption applies.

3.3 Allow for the use of existing inventory of containers with non-compliant labeling

Comment Code: C-2-6, C-3-4, C-5-2, C-5-6, O-5-5

Comment: CalRecycle received 5 comments requesting the allowance for the use of existing inventory of containers with non-compliant labeling.

CalRecycle's Response: CalRecycle rejects this comment because the commenter is requesting that CalRecycle adopt regulations that require non-enforcement of the labeling requirement enacted by the Legislature through Senate Bill (SB) 1013 (2021–22 Regular Session). Labeling is required by Public Resources Code section 14561, and this requirement cannot be nullified by CalRecycle.

3.4 Allow for a 2-year extension or delay in enforcement for the labeling requirements on beverage containers.

Comment Code: C-2-7, C-3-4, C-5-2, C-5-4, C-5-6, O-5-5

Comment: CalRecycle received 6 comments requesting a 2-year extension or delay of enforcement for the labeling requirements on beverage containers.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle does not have the statutory authority to delay CA CRV labeling requirements for two years. Unless a

statutory exemption applies, section 14561 of the Public Resources Code requires that beverage containers be clearly and prominently marked with the CRV message. A legislative amendment would be required to make the change requested by the comment.

3.5 Exempt Small Businesses from the labeling requirements.

Comment Codes: C-1-1, C-5-5

Comment: CalRecycle received 2 comments requesting that small business be exempted from labeling requirements on beverage containers.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle does not have the statutory authority to exempt small businesses from complying with the California Beverage Container Recycling and Litter Reduction Act. The Act requires that the sale of filled beverage containers by beverage manufacturers and distributors into California be subject to the reporting and payment provisions of the Act.

4. Labeling of Beverage Containers.

CalRecycle received 38 comments that could be reasonably interpreted as expressed suggestions or recommendations for changes to the regulations on how beverage containers must be labeled. These comments cover multiple issues related to the requirements for the labeling of a beverage container including: allowing printing the CRV message on the label of a metal can, commenting that ink-jet printing of the message on the top or bottom of the can is not helpful in ensuring compliance, location of text near a machine-readable label, and the size or requirements of labeling components. These comments and CalRecycle's responses are summarized below under their respective subcategory.

4.1 Allow printing the CRV message on the label or side of a metal can.

Comment Code: C-2-1, C-2-5, C-2-8, C-3-1, C-3-4, C-5-6, O-4-1, O-4-2, O-4-3, O-4-5, O-4-6, O-4-7, O-4-8, O-4-10

Comment: CalRecycle received 14 comment(s) that could be reasonably interpreted as seeking a change to the regulations to allow for the printing of the CRV message either in text or as a machine-readable label on the side or label of a metal can.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle does not have the statutory authority to permit the CA CRV label to be marked on the side of a can. Section 14561 of the Public Resources Code requires that the CRV label be clearly and prominently marked on a container, unless a statutory exemption applies. Because the CRV label on the side of a can would not be visible when the can is flattened, the proposed change would frustrate the purposes of this label requirement as to alerting entities, redeeming or claiming on used beverage containers the visible indicia that the

can is eligible for CRV. In cases in which there is no statutory CRV labeling exemption, the CRV label has multiple purposes:

- Since a dealer cannot sell a container that is not marked with the CRV message, the CRV message signals to the consumer at the point of purchase that the container is subject to CRV.
- The CRV label signals after consumption that the empty beverage container may be redeemed for the deposit.
- A recycling center cannot redeem an empty beverage container if it does not have the CRV message.
- A processor cannot pay the recycling center for the CRV if there is no CRV message.
- The CRV label protects the California Beverage Container Recycling Fund from fraudulent redemptions of non-CRV containers for which CRV was not paid into the Fund.

A metal can is frequently flattened during ordinary consumer usage or storage so that any labeling on the body of the container would no longer be visible. The comment's request to allow CA CRV markings to be printed on the label of the can, instead of the top of the can would create the regulatory impossibility of recycling centers and processors from inspecting material to ensure its eligibility for redemption pursuant to Public Resources Code sections 14538(d)(1), (2), and (5) and 14539(d)(1), (2), and (5).

4.2 Ink-jetting the CRV message or machine-readable label on the top or bottom of a metal can is not a helpful option to ensure compliance.

Comment Code: C-2-3, C-3-2, C-5-3, C-5-4

Comment: CalRecycle received 4 comments expressing general dissatisfaction with the option to inkjet the CRV message or machine-readable label on the top or bottom of cans.

CalRecycle's Response: CalRecycle rejects this comment because the proposed regulations do not propose this change. Rather, the proposed regulations include the ability to mark the CRV message on the bottom of the can or the top of the can by painting, printing, scratch embossing, raised letter embossing, etching, or permanent ink jetting.

4.3 Do not require the location of text near a machine-readable label.

Comment Code: C-4-1, C-4-3, C-4-4, O-1-13, O-1-14, O-5-2, O-5-3, O-6-2, O-6-5, O-8-6

Comment: CalRecycle received 10 comments that could reasonably be interpreted as asking for a change in the regulations to not require text near the machine-readable label.

CalRecycle's Response: CalRecycle rejects this comment. Fundamentally, beverage containers must clearly indicate the CRV message pursuant to Public Resources Code section 14561. CalRecycle proposes to allow machine readable labels that accomplish this consistent with statute. Public Resources Code section 14561 requires that at minimum, when there is a machine-readable label, the message "DEPOSIT" must be adjacent to or within the machine-readable label. Only in the cases where the container, itself, is eligible to use the chasing arrows symbol, may a manufacturer elect to use the chasing arrows symbol within the machine-readable label. (See Public Resources Code section 14561(d)).

4.4 Do not require a minimum size for the machine-readable label or in the alternative make it 12.7 millimeters (1/2 inch) in height and width.

Comment Code: C-4-2, O-1-7, O-1-13, O-3-2, O-4-5

Comment: CalRecycle received 5 comments that could be reasonably interpreted as requesting a change in the size of a machine-readable label to either have no minimum height and width requirement or in the alternative establishing that the minimum would be at least 12.7 millimeters (1/2 inch) in height and width.

CalRecycle's Response CalRecycle rejects in part and accepts in part this comment. To the extent the commenters are requesting no minimum size of the machine-readable label, CalRecycle rejects this comment. The recent passage of AB 720 (Chapter 562, Statutes of 2025) amended Public Resources Code section 14561(d) and prescribed the size of a machine-readable label to be at least one-half inch (or 12.7 millimeters) in size. A legislative amendment would be required to make the change requested by the comment. To the extent the commenter is requesting that the minimum size of the machine-readable label be no smaller than 12.7 millimeters, CalRecycle accepts this comment and made the change to section 2205(c)(1) of the regulations to have a minimum size of 12.7 millimeters.

4.5 Do not have requirements on use of the "chasing arrows" symbol when paired with the machine-readable label, or in the alternative do not require a minimum size of at least half the height of the machine-readable label and be in contrasting colors.

Comment Code: O-1-6, O-3-2, O-8-7

Comment: CalRecycle received 3 comments suggesting that there be no requirements for the use of the "chasing arrows" symbol, or in the alternative do not require a minimum size and contrasting colors.

CalRecycle's Response: CalRecycle rejects in part and accepts in part this comment. CalRecycle accepts the comment to the extent that it requests that the chasing arrows symbol not have a minimum required size and be set in contrasting colors. Please see amendments to the proposed action in proposed section 2205(b)(1)(B)(i). CalRecycle made a change to allow two different methods of using the "chasing arrows" symbol in 2205(b)(2) with either contrasting colors and a smaller 3.18 millimeters in height or in

slightly larger size of 4.76 millimeters with no contrasting colors, and both are less than half the height of the required minimum size of the machine readable label of 12.7 millimeters. CalRecycle rejects the comment to the extent that it requests that no limitations be placed on the use of the chasing arrows symbol as its usage for CRV labeling purposes is governed by Public Resources Code section 14561(d) and CalRecycle does not have the authority to remove the minimum statutory requirements.

4.6 Change lettering size of CRV message to the absolute minimum allowed 1/8 inch and/or reduce the CRV message from "CA CRV" to "CA".

Comment Code: O-4-4, O-4-9

Comment: CalRecycle received 2 comments that requested the size lettering for the CRV message on cans be reduced to 1/8 inch for all sized beverage containers and allow "CA CRV" to be minimized to "CA".

CalRecycle's Response: CalRecycle rejects this comment. Currently, section 2200(b)(1) in the regulations allows 3.18 mm (1/8") size lettering for lids on metal containers that are two inches or smaller to accommodate the limited available space; however, for larger lids, the 3.18 mm (1/8") size reduces visibility for consumers and recyclers, compromising the requirement to clearly indicate the CRV message as mandated by Public Resources Code section 14561. CalRecycle also rejects the second recommendation to shorten "CA CRV" to "CA" as that would violate the statutorily required label as mandated in Public Resources Code section 14561(a).

5. Webpage and Toll-Free Number Requirements.

CalRecycle received 18 comments that could be reasonably interpreted as expressed suggestions or recommendations for changes to the regulations as they pertain to webpages and the requirement for a webpage or toll-free number for technical support. These comments cover multiple issues on the requirements for a separate CRV message on the linked webpage to the machine-readable label (QR Code), web accessibility guidelines, and violations related to the webpage not properly displaying when the machine-readable label is activated. These comments and CalRecycle's responses are summarized below under their respective subcategory.

5.1 Do not require the CRV message to appear separately and before any other information on the linked webpage to the machine-readable indicia (QR Code).

Comment Code: O-1-9, O-1-15, O-5-2, O-5-4, O-6-3, O-6-4, O-6-5, O-6-6, O-6-7, O-8-9

Comment: CalRecycle received 10 comments objecting to the requirement that the CRV message appear separately and before any other information on the webpage and that this requirement would either be in conflict with European Union laws and regulations or the laws and regulations in other states, or in the alternative request CalRecycle to allow "innovative digital disclosure tools" in lieu of this requirement.

CalRecycle's Response: CalRecycle rejects this comment. The machine-readable label is one option available to a beverage manufacturer to comply with Public Resources Codes section 14561. As CalRecycle interprets the requirement to "clearly indicate" the CRV message in 14561, a machine-readable label must comply in the same fashion as the other methods for labeling the CRV message to be immediately available to a consumer for verification on whether the imposition of the regulatory fee by a dealer on their purchase complies with the law. This interpretation as detailed in proposed regulation section 2205(e) is consistent with statute. The purpose of the CRV message is to ensure that the consumer and recycler can immediately ascertain if the container is eligible for a refund. It is the beverage manufacturer's responsibility to label the beverage container per Public Resources Code section 14561. If a beverage manufacturer chooses to use a QR code, it is the beverage manufacturer's responsibility to ensure that the CRV message is immediately visible and accessible. A beverage manufacturer who opts to use the QR code bears the responsibility of ensuring the QR code performs the same function as the CRV message. The statute and regulations that require the message be clearly and prominently displayed applies equally to QR codes. CalRecycle notes that it must implement the law as passed by the California Legislature and signed by the Governor, and its proposed section 2205(e) is consistent with statute.

5.2 Do not require a toll-free phone number or website to be printed on the label for technical support related to the machine-readable label.

Comment Code: O-1-8, O-1-13, O-4-6, O-8-8

Comment: CalRecycle received 4 comments objecting to the requirement that manufacturers be responsible for having a toll-free phone number or website for technical issues related to QR Codes and by implication objecting to the requirement for this information to be on the beverage container.

CalRecycle's Response: CalRecycle rejects this comment. The purpose of the CRV message is to ensure that the consumer and recycler can immediately ascertain if the container is eligible for a refund. It is the beverage manufacturer's responsibility to label the beverage container per Public Resources Code section 14561. This section provides options on how this message can be done so that it is clearly indicated. If a beverage manufacturer chooses to use a QR code, it is the beverage manufacturer's responsibility to ensure that the CRV message is immediately visible and accessible. A beverage manufacturer who opts to use the QR code bears the responsibility of ensuring the QR code performs the same function as the CRV message. Because the machine-readable label introduces an abstraction layer (meaning a consumer must scan before the CRV message is displayed), a requirement for a beverage manufacturer contact phone number or website is reasonable since it is the beverage manufacturer's option to use a machine-readable label. The beverage manufacturer is the best suited to provide this assistance because they make the label for their

beverage container and can choose whether to provide a toll-free number or host the internet website to which the machine-readable indicia links.

5.3 Requiring compliance with the Web Content Accessibility Guidelines is inappropriate.

Comment Code: O-1-10, O-8-10

Comment: CalRecycle received 2 comments suggesting the removal of the Website Content Accessibility Guidelines as a requirement or the publishing date for the incorporation of the Web Content Accessibility Guidelines into the regulations because there are draft versions being currently developed.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle seeks to incorporate the Web Content Accessibility Guidelines into this regulation. To achieve this purpose, CalRecycle must abide by section 20(c)(4) of Title 1 of the California Code of Regulations that requires a date of publication. This is to ensure clarity of the regulations. CalRecycle cannot cite to "the most recent draft" and without this requirement would be unable to enforce accessibility of the website against a beverage manufacturer for compliance with Public Resources Code section 14561.

5.4 Internet Connection to ensure QR code is functional.

Comment Code: O-1-12, O-8-11

Comment: CalRecycle received 2 comments recommending that an internet connection be required for the QR Code to be deemed functional. There are two ways to read these comments. The first is CalRecycle should impose a requirement on all consumers who purchase beverage containers labeled with machine-readable labels to have an internet connection; or second, that it is a violation of subsection 2205(g) when a scanned QR Code fails to link to text or other required information only in the presence of an internet connection.

CalRecycle's Response: For the first interpretation of this comment, CalRecycle rejects this comment. To the extent the commenter is requesting that CalRecycle impose a requirement on all consumers purchasing beverage containers to have an operable internet connection, CalRecycle declines this proposal. CalRecycle requirements for beverage manufacturers is consistent with statute and the burden is placed upon them by Public Resources Code section 14561 to clearly indicate the CRV message.

For the second interpretation of this comment, CalRecycle rejects this comment. It is unnecessary to add the requirement for an internet connection for an operable QR scanner because, by its very definition, a QR Scanner that cannot connect to the internet is not functional.

6. Other Text Amendments.

CalRecycle received 6 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes to the regulation text. These comments and CalRecycle's responses are summarized below under their respective subcategory.

6.1 Remove the word "effort" in subsection 2000(a)(9).

Comment Code: 0-1-1, O-8-2

Comment: CalRecycle received 2 comments noting that the word "effort" in subsection 2000(a)(9) was redundant.

CalRecycle's Response: CalRecycle accepts this comment with regard to removing the word "effort." Please see amended section 2000(a)(9), which deleted the words "effort or" so it just says, "without difficulty" instead of "without effort or difficulty".

6.2 Allow for the small font choice without contrasting colors if outlined in subsection 2200(b)(2)(A).

Comment Code: O-1-3, O-8-4

Comment: CalRecycle received 2 comments requesting that the small font choice be available without contrasting colors but with an outline.

CalRecycle's Response: CalRecycle accepts this comment. Please see amended section 2200(b)(2)(A)(ii) which added "or surrounded by a text box which separates the California message from other state deposit messages."

6.3 Change the definition of "clearly and prominently" in subsection 2000(a)(9).

Comment Code: O-4-3, O-4-8

Comment: CalRecycle received 2 comments recommending specific changes to the definition of "clearly and prominently" in subsection 2000(a)(9) of the regulations that would permit recycling centers to pay CRV on containers where the redemption message is not intact.

CalRecycle's Response: CalRecycle rejects this comment. The recommendations and changes to the proposed regulation section would be in violation of the requirement for the CRV label to be clearly indicated on the beverage container as required by Public Resources Code section 14561(a). To the extent that the commenter is requesting CalRecycle to change its regulations to allow recycling centers and processors to redeem unmarked, unverifiable cans, CalRecycle does not have that authority to do that. Public Resources Code sections 14538(d)(1), (2), and (5) and 14539(d)(1), (2), and (5) require certified recycling centers and processors to only redeem material that is eligible for redemption and one indicia of being eligible is a compliant CRV message displayed on the beverage container.

7. Operational Changes.

CalRecycle received 7 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes to operational activities to be undertaken by the Beverage Container Recycling and Litter Reduction Act and these regulations. These recommendations include changing the 10 working-day deadline, clarifying registration requirements, and recycling center activities in relation to consumers. These comments and CalRecycle's responses are summarized below under their respective subcategory.

7.1 Change the 10-day deadline for beverage manufacturers to respond to CalRecycle.

Comment Code: O-1-2, O-1-11, O-3-1, O-3-2, O-8-3

Comment: CalRecycle received 5 comments recommending a change to subsection 2200(a)(1) and 2205(f)(1) to start the 10 working-day deadline from when a beverage manufacturer "receives" CalRecycle's request for a product label or sample of a beverage container.

CalRecycle's Response: CalRecycle rejects this comment. The requirement for a beverage manufacturer to respond within 10 working days from when the request is sent is to ensure adequate and prompt review of a beverage manufacturer's compliance with labeling requirements. By requiring a response from when the request is "sent," a clear deadline is established for the beverage manufacturer to respond as different entities may interpret "received" differently and uniquely to their situation. This standard removes most ambiguity as to when a clock for response starts.

7.2 Clarification on registration requirements.

Comment Code: C-1-1

Comment: CalRecycle received 1 comment recommending more clarity in the registration of packages for each wine sold by the beverage manufacturer, and suggested that registration by type of material is more appropriate.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle notes that the current and proposed regulations do not require individual beverage containers to be registered. Rather, beverage manufacturers and distributors must register with CalRecycle to receive a registration number and then report and pay based on material type for a reporting month.

7.3 Comment on recycling center operations in relation to consumers.

Comment Code: O-3-3

Comment: CalRecycle received 1 comment raising concern about the limitation on consumers receiving individual counts of containers for refund payment instead of by weight as disincentivizing recycling and also urging the addition of an electronic payment option for recycling centers to consumers to promote more recycling.

CalRecycle's Response: CalRecycle rejects this comment. The purpose of this amendment is to provide that a recycling center is not required to process more than one consecutive transaction for an individual consumer opting to be paid based on count if there is one or more other consumers waiting to redeem empty beverage containers at the recycling center. This is necessary to address the provision allowing a consumer to be paid for 25 or 50 containers based on count, per transaction, depending on the material type pursuant to section 2535(b)(1). To avoid a consumer repeatedly requesting consecutive transactions indefinitely to be paid based on count rather than by weight for more than 25 or 50 containers, it is necessary to restrict the ability to be paid based on count. By specifying that a recycling center is not required to process more than one consecutive transaction for an individual consumer opting to be paid based on count if there is one or more other consumers waiting to redeem empty beverage containers at the recycling center, this ensures the recycling center will not spend all day providing service to a single consumer if other consumers are waiting to redeem beverage containers. This aligns with the Legislature's intent for the Beverage Container Recycling and Litter Reduction Act to encourage efficient and convenient recycling as detailed in Public Resources Code section 14501(a).

The commenter also suggested that CalRecycle add electronic payments for recycling centers to consumers. CalRecycle determined that this would be a substantial change that is not sufficiently related to the regulation text made available to the public on August 15, 2025. Electronic payments are out-of-scope for these proposed regulations adding new container material types to implement SB 1013.

8. Bag in Box.

CalRecycle received 4 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes on how these regulations treat bag-in-box. These recommendations include allowing labels for bag in box to use smaller font sizes like glass containers, allowing bag-in-box redemption or labeling of interior bladder with the CRV message, and limiting the terms "box, bladder, pouch or similar." These comments and CalRecycle's responses are summarized below under their respective subcategory.

8.1 Bag in box should be allowed to use smaller font sizes like glass containers.

Comment Code: 0-1-4

Comment: CalRecycle received 1 comment that bag in box containers be allowed to use the smaller font size of 3.17 millimeters instead of being required to use the 4.76 millimeters in height message as required in 2200(b)(5).

CalRecycle's Response: CalRecycle rejects this comment. Bag in boxes are commonly in 3 liter or larger sizes. The labeling requirement takes this into consideration to ensure that consumers and recyclers can locate the CRV message easily and that it is clearly visible. Allowing a smaller size label for bag in boxes would

frustrate the purposes of Public Resources Code section 14561(a) for a beverage container to have the CRV message clearly indicated.

8.2 Bag in-box redemption or labeling of interior bladder with the CRV message.

Comment Code: O-1-5, O-8-4

Comment: CalRecycle received 2 comments recommending that bag in box containers should be allowed to be redeemed without bag or bladder intact in the box, or in the alternative that the bladder be labeled with the CRV message.

CalRecycle's Response: CalRecycle rejects this comment. First, Public Resources Code section 14561(a) requires every beverage container sold or offered for sale in the state to clearly indicate the CRV message. This provision ensures that all parties handling the beverage container are properly notified that the container is eligible for assessment of the regulatory fee. For payment of the refund value from a Recycling Center to a consumer, for example, the Recycling Center must establish that they are paying refund value on a beverage container. If the valve or bag are removed from the box, then the Recycling Center cannot make this determination because then they would only be paying refund value on the box, which is not the beverage container. Consequently, in order to comply with this statutory provision, a bag in box beverage container must constitute both the box and the interior bag and valve.

Second, if the interior bag is the only part labeled with the CRV message, then it cannot comply with Public Resources Code section 14561 for the beverage container to clearly indicate the CRV message because the interior bag is hidden by the box. When a consumer purchases a bag in box from a dealer, it is important that the CRV message be clearly indicated because the consumer may be subject to the regulatory fee assessment by a dealer pursuant to Public Resources Code section 14560.5, and a consumer cannot immediately verify whether the assessment is appropriate if the CRV message is obscured by the box.

Third, to the extent that the commenter is suggesting that both the box and interior bag be labeled with the CRV message, CalRecycle also rejects this comment. Only one redemption payment for a bag in box is authorized by Public Resources Code section 14560(c). If both the interior bag and the box are returned separately, a Recycling Center may determine that both items should be paid refund value to a consumer because both are labeled with the CRV message. This would cause harm to the Beverage Container Recycling Fund because two refund payments would go to a consumer (\$0.50), but only one redemption payment was paid into the fund (\$0.25) for that beverage container.

8.3 Limiting the terms box, bladder, pouch or similar.

Comment Code: O-5-5

Comment: CalRecycle received 1 comment recommending “box, bladder, pouch, or similar container” narrowed to formats compatible with existing recycling streams.

CalRecycle’s Response: CalRecycle rejects this comment. CalRecycle is unable to narrow the definition of items specifically named in Public Resources Code section 14504(a)(12) beyond clarifying a term like “bag in box” as proposed in Section 2000(a)(3.05) because that term refers to a beverage container that could be construed as a mixture of two separate terms or similar to bladder or box and intended to be covered by the Beverage Container Recycling and Litter Reduction Act.

Summary of the 15-Day Comments Received

Written comments were received by CalRecycle during the 15-Day comment period which began on February 24, 2026, and ended on March 11, 2026.

The comments received during the 15-Day comment period are displayed on the attached SB 1013 Addition of New Beverage Containers 15-Day Comment Matrix, which shows the corresponding comment code, the commenter’s name, their organization, and CalRecycle’s response to the comment. Please refer to the SB 1013 Addition of New Beverage Containers 15-Day Comment Matrix for the list of 56 total comments received during the 15-Day comment period. The SB 1013 Addition of New Beverage Containers 15-Day Comment Matrix contains each comment and comment response under a specific comment code for all 56 comments. CalRecycle notes that comments can be interpreted so as to straddle multiple subcategories below, so the total number of comments addressed by subcategory in this Final Statement of Reasons will exceed the total of 56 comments received. The SB 1013 Addition of New Beverage Container 15-day Comment Matrix is incorporated here by reference.

CalRecycle’s Response to the 15-Day Comments Received

CalRecycle would like to express its appreciation to the numerous organizations, agencies, and individuals that participated in the 15-Day. CalRecycle concluded that no further change to the regulation text was necessary.

A summary of the 56 comments on the SB 1013 Addition of New Beverage Containers permanent regulations, as well as CalRecycle’s responses, are categorized and provided below.

CalRecycle notes that comments can be interpreted so as to straddle multiple subcategories below, so the total number of comments addressed by subcategory in this Final Statement of Reasons will exceed the total of 56 comments received.

9. Comments in Support or Irrelevant Comments.

9.1 CalRecycle received general support from 2 organizations or interested parties. The following comments support the objectives and goals of the SB 1013 Addition of New Beverage Containers Permanent Regulations.

Comment Code: I-1-1, I-2-1, C-1-1, O-3-1

CalRecycle's Response: CalRecycle notes no changes are needed in the proposed regulations and acknowledges the general support of these 4 comments.

9.2 CalRecycle received 37 comments or parts of comments that did not offer any objections or recommendations specifically directed at the agency's proposed action or to the procedures followed by the agency in proposing and adopting the action or commented on language unchanged from the 45-Day comment period.

Comment Codes: I-3-1, I-6-1, C-2-1, C-2-8, O-1-1, O-1-2, O-1-4, O-1-6, O-1-7, O-1-8, O-1-9, O-1-10, O-1-11, O-2-1, O-2-2, O-2-3, O-2-4, O-2-5, O-2-6, O-2-7, O-2-8, O-3-2, O-3-4, O-3-5, O-3-6, O-3-7, O-3-8, O-3-9, O-3-10, O-3-11, O-3-12, O-4-1, O-4-5, O-4-7, O-4-8, O-4-9, O-4-10

CalRecycle's Response: No change is being made to the regulations. This comment does not make any objection or recommendation regarding the proposed action or to the procedures followed by the agency in proposing or adopting the action. CalRecycle appreciates the commenter's participation in its rulemaking action.

10. Comments seeking changes beyond the scope of the rulemaking or statutory authority conferred onto CalRecycle.

CalRecycle received 4 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes to the regulations that are either beyond the scope of the rulemaking or CalRecycle's statutory authority. These recommendations include exempting small businesses, not requiring certain beverage containers into the program, changing the minimum text required for the CRV message, and not applying the minimum postconsumer recycled content requirements for new beverage containers. These comments and CalRecycle's responses are summarized below under their respective subcategory.

10.1 Exempt Small Businesses from the labeling requirements.

Comment Code: I-4-1

Comment: CalRecycle received 1 comment requesting that small businesses be exempted from labeling requirements on beverage containers.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle does not have the statutory authority to exempt small businesses from complying with the California Beverage Container Recycling and Litter Reduction Act.

10.2 Generalized dissatisfaction with the inclusion of new beverage containers.

Comment Code: I-5-1

Comment: CalRecycle received 1 comment requesting that the new beverage containers not be included in the program and that the only possible solution is to charge the deposit, but keep the CRV refund.

CalRecycle's Response: CalRecycle rejects this comment. The scope of this rulemaking is limited to complying with the statutory mandates in SB 1013 that was passed by the Legislature. SB 1013 added new container types to the California Beverage Container Recycling Program, including "wine or distilled spirits in a box, bladder, or pouch, or similar container, regardless of the material type from which the beverage container is made." (See Public Resources Code section 14504(a)(12)). SB 1013 also established the refund value for these container types to be twenty-five cents (\$0.25). (See Public Resources Code section 14560(c)). CalRecycle does not have the statutory authority to change those requirements. In addition, please note that the new container types can be entered into CalRecycle's online reporting system, the Division of Recycling Integrated Information System (DORIIS), in the same manner as the existing material types.

10.3 Shorten CRV message from "CA CRV" to "CA".

Comment Code: O-4-5

Comment: CalRecycle received 1 comment requesting that the minimum CRV message be shortened from "CA CRV" to "CA".

CalRecycle's Response: CalRecycle rejects this comment as that would violate the statutorily required label as mandated in Public Resources Code section 14561(a).

10.4 Do not apply minimum postconsumer recycled content requirements for new beverage containers.

Comment Code: C-2-7

Comment: CalRecycle received 1 comment requesting that the postconsumer recycled minimum content requirements not apply to new beverage containers.

CalRecycle's Response: CalRecycle rejects this comment. The scope of this rulemaking is limited to complying with the statutory mandates in SB 1013 that was passed by the Legislature. SB 1013 added new container types to the California Beverage Container Recycling Program, including "wine or distilled spirits in a box, bladder, or pouch, or similar container, regardless of the material type from which the beverage container is made." (See Public Resources Code section 14504(a)(12)). When those container types became part of the Beverage Container Recycling Program, they became subject to the requirements of the Program, including the postconsumer recycled plastic minimum content standards in Public Resources Code section 14547. CalRecycle does not have the statutory authority to change those requirements.

11. Comments seeking changes to when a beverage manufacturer may use the "chasing arrows" symbol.

CalRecycle received 4 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes to when the "chasing arrows"

symbol may be used by a beverage manufacturer in context of a machine-readable label. These recommendations include lowering the recycling rate required and lowering the time period of meeting the recycling rate threshold. These comments and CalRecycle's responses are summarized below under their respective subcategory.

11.1 Lower the recycling rate required before a beverage manufacturer may use the "chasing arrows" symbol in the context of a machine-readable label.

Comment Codes: C-2-4, C-2-5

Comment: CalRecycle received 2 comments that requested the lowering of the 60 percent recycling rate to either an unspecified lower amount or in the alternative, 50 percent.

CalRecycle's Response: CalRecycle rejects this comment. Fundamentally, beverage containers must clearly indicate the CRV message pursuant to Public Resources Code section 14561. CalRecycle proposes to allow machine readable labels that accomplish this consistent with statute. Public Resources Code section 14561(d) requires that at minimum, when there is a machine-readable label, the message "DEPOSIT" must be adjacent to or within the machine-readable label. The statute specifies that, only in the cases where the container, itself, is eligible to use the chasing arrows symbol, may a manufacturer elect to use the chasing arrows symbol within the machine-readable label. The proposed regulations implement and clarify this statutory requirement. Inclusion in the Beverage Container Recycling Program does not in and of itself negate a low recycling rate or low recyclability of a beverage container material type.

The timeframe in the proposed regulations is meant to ensure that if a chasing arrows symbol is used, it is an accurate representation of the container's recyclability. (See Public Resources Code sections 14561(d) and 42355.51). A 60% recyclability rate is a reasonable standard for a material type included in the Beverage Container Recycling Program, especially considering that beverage containers in the Program are all intended to be collected for recycling.

11.2 Lower the time period that the recycling rate must be maintained before a beverage manufacturer may use the "chasing arrows" symbol in the context of a machine-readable label.

Comment Codes: C-2-4, C-2-6

Comment: CalRecycle received 2 comments requesting that the 5-year time period for which a recycling rate equal to or greater than 60% must be maintained before the "chasing arrows" symbol may be used by a beverage manufacturer in the context of a machine-readable label.

CalRecycle's Response: CalRecycle rejects this comment. The timeframe in the proposed regulations is meant to ensure that if a chasing arrows symbol is used, it is an accurate representation of its recyclability. (See Public Resources Code sections

14561(d) and 42355.51). CalRecycle determined that a 5-year threshold is necessary to ensure that the product's recyclability is sustainable and not subject to short term cycles or market trends. This will provide California consumers with confidence that when they purchase a beverage container with the chasing arrows symbol in the context of a machine-readable label that it will actually be recycled.

12. Labeling.

CalRecycle received 7 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes to the location of the label on a beverage container and the size of the label. These recommendations include allowing printing of the CRV message on the label or side of a metal can, a potential objection to the increase of 3.17mm to 3.18mm for minimum lettering height, and the request that there be no minimum size requirements to the words or symbols required to be associated with the machine-readable label. These comments and CalRecycle's responses are summarized below under their respective subcategory.

12.1 Allow printing the CRV message on the label or side of a metal can.

Comment Code: O-3-1, O-3-2, O-3-3, O-4-2, O-4-3

Comment: CalRecycle received 5 comments to allow the printing of the CRV message on the label or side of a metal can.

CalRecycle's Response: CalRecycle rejects this comment. CalRecycle does not have the statutory authority to permit the CA CRV label to be marked on the side of a can. Section 14561 of the Public Resources Code requires that the CRV label be clearly and prominently marked on a container, unless a statutory exemption applies. Because the CRV label on the side of a can would not be visible when the can is flattened, the proposed change would frustrate the purposes of this label requirement as to alerting entities redeeming or claiming on used beverage containers the visible indicia that the can is eligible for CRV. In cases in which there is no statutory CRV labeling exemption, the CRV label has multiple purposes:

- Since a dealer cannot sell a container that is not marked with the CRV message, the CRV message signals to the consumer at the point of purchase that the container is subject to CRV.
- The CRV label signals after consumption that the empty beverage container may be redeemed for the deposit.
- A recycling center cannot redeem an empty beverage container if it does not have the CRV message.
- A processor cannot pay the recycling center for the CRV if there is no CRV message.
- The CRV label protects the California Beverage Container Recycling Fund from fraudulent redemptions of non-CRV containers for which CRV was not paid into the Fund.

A metal can is frequently flattened during ordinary consumer usage or storage so that any labeling on the body of the container would no longer be visible. The comment's request to allow CA CRV markings to be printed on the label of the can, instead of the top of the can would create the regulatory impossibility of recycling centers and processors from inspecting material to ensure its eligibility for redemption pursuant to Public Resources Code sections 14538(d)(1), (2), and (5) and 14539(d)(1), (2), and (5).

12.2 Potential objection to the increase in size from 3.17 to 3.18 millimeters.

Comment Code: O-1-3

Comment: CalRecycle received 1 comment that could be interpreted as a potential objection for changing the minimum lettering size in subsections 2200(b)(1) and (2).

CalRecycle's Response: CalRecycle rejects this comment. The conversion of 1/8 of an inch to millimeters is 3.175 millimeters, which rounds up to 3.18 millimeters. This rounding should not require a change in design.

12.3 There should be no minimum size requirements for words required to accompany the machine-readable label.

Comment Code: O-1-5

Comment: CalRecycle received 1 comment recommending that the size requirement for the "chasing arrows" symbol to be displayed within the machine-readable indicia, so long as the indicia can be properly scanned.

CalRecycle's Response: CalRecycle rejects this comment. Beverage containers must clearly indicate the CRV message pursuant to Public Resources Code section 14561. CalRecycle proposes to allow machine readable labels that accomplish this consistent with statute. The size requirements in proposed section 2205(b)(2) ensure that the word "DEPOSIT" or the chasing arrows symbol are visually perceptible in order to clearly indicate what the QR code signifies before electronic scanning. (See Public Resources Code section 14561(d)).

13. Operational Changes.

CalRecycle received 4 comments that could be reasonably interpreted as expressed suggestions or recommendations for specific changes to operational activities to be undertaken by the Beverage Container Recycling and Litter Reduction Act and these regulations. These recommendations include changing the requirements on cancellation of new beverage containers, and recycling center activities in relation to consumers. These comments and CalRecycle's responses are summarized below under their respective subcategory.

13.1 Cancellation.

Comment Codes: C-2-2, C-2-3

Comment: CalRecycle received 2 comments recommending changes to how cancellation of the additional beverage containers can be accomplished and stating that there is a need for flexibility. They further state that certain recyclability goals can be better achieved if components can be separated prior to cancellation.

CalRecycle's Response: CalRecycle rejects these comments. CalRecycle agrees that the cancellation methods for bag in box, multi-layer pouch, and paperboard carton containers require flexibility, but section 2000(4)(D) of the proposed regulations, as written, will allow for the variation in cancellation methods being advocated for in this comment. Section 2000(4)(D) of the proposed regulations allows for the methods of cancellation that prevent further CRV redemption but do not compromise the recyclability of the material. The chosen method, for example densification, can be determined by the willing purchaser of the material. By providing flexibility, that section allows for the variation in cancellation methods of the different material types that is being advocated for in these comments.

13.2 Recycling Center Operations.

Comment Code: O-3-4, O-4-4

Comment: CalRecycle received 2 comments recommending that in furtherance of recycling goals and the need for scrap aluminum by beverage manufacturers that recycling centers be allowed to redeem used beverage containers where the CRV message is no longer visible or not readily apparent.

CalRecycle's Response: CalRecycle rejects this comment. Please note that CalRecycle does not have that authority to change its regulations to allow recycling centers and processors to redeem unmarked, unverifiable cans. Public Resources Code sections 14538(d)(1), (2), and (5) and 14539(d)(1), (2), and (5) require certified recycling centers and processors to only redeem material that is eligible for redemption and one indicia of being eligible is a compliant CRV message displayed on the beverage container. To the extent this comment is suggesting that unmarked containers will not be accepted for recycling, CalRecycle clarifies that while recycling centers may not pay CRV on unmarked containers, they may still be purchased for scrap value and recycled.