

SB 1013 Addition of New Beverage Containers 45-Day Comment Matrix

I-1: William Frick

Comment I-1-1

Comment on SB 1013 addition of new containers.

I object! CalRecycle is out of control. Legislators should question whether this bureaucracy really benefits recycling and the environment or is just a feel good PR stunt.

Response to I-1-1

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.

I-2: Peter Stanger

Comment I-2-1

I pickup roadside CRV's to help keep the surrounding wild lands and waterways free of litter. However, I will NOT pickup items that aren't CRV redeemable. In Santa Cruz County there is a \$.25 fee for disposable cups which the county and the retailer share the proceeds. Why would I pickup disposable cups that the county government and the retailers are profiting from? Add to that litter, there are containers of single serve juice pouches, orange juice, milk, energy packets (Gu, Hammer, Tailwind, Honey Stinger, etc) that are tossed onto our roadways and into our wild lands.

I would like to see disposable cups and all single serve liquid beverage and supplement containers be included into the California Redemption Value program. Plastic water bottles and carbonated soft drinks are part of CRV. It's time to include these other common sources of pollution and litter. Adding CRV give people more than just a altruistic reason to cleanup the environment. In a capitalist society, cash is a prominent motivator.

Response to I-2-1

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.

I-3: Jay Martinez

Comment I-3-1

My name is Jay Martinez, Sacramento County resident for 35 years, local taxpayer, and Sacramento County community advocate.

I am writing you today in support of permanent rulemaking regulations (per Public Resources Code sections 14530.5 and 14536) in response to Senate Bill (SB) 1013 (2021–22 Regular Session) that would incorporate the new beverages and beverage containers into the regulatory framework of the Beverage Container Recycling Program (BCRP) as part of the California Code of Regulations (CCR), Title 14.

Response to I-3-1

No change is being made to the regulations. CalRecycle appreciates the commenter's support for its rulemaking action.

Comment I-3-2

After reviewing the proposed regulations, namely the Notice of Proposed Action, and the Proposed Regulation Text, I found that overall, there seemed to be at least an approximate 5% additional overall text addition to the BCRP framework, which further specified many situations in the recycling and manufacturing processes that were not addressed. For instance, Subchapter 1 now further specifies exactly what is classified as a “Bag in a Box” (e.g., “Wine in a Box” units that are commonly available at grocery stores). This is very important, because that clear definition gives recycler partners clarification needed in order to recycle designated “Bag in a Box” units. Recycler partners did not have full clarification in the past on this issue, because consumers would try to recycle the “Bags in a Box” that were severely altered, or had a very similar yet different style of cardboard that was brought into question.

Response to I-3-2

No change is being made to the regulations. CalRecycle appreciates the commenter's support for the addition of clarifying language to define “Bag in a Box.”

Comment I-3-3

Subchapter 3 specifies options for CRV notification to consumers for manufacturers of beverage containers. For instance, manufacturers now have the option to include a QR code on bottles that display the CRV disclaimer to consumers. This rule not only creates specificity surrounding if a QR code with correlating CRV information meets regulatory standards, but also shows that the rule is up-to-date and modern to the public.

Response to I-3-3

No change is being made to the regulations. CalRecycle appreciates the commenter's support for the addition of regulation language specifying QR codes and their use for purposes of the Beverage Container Recycling and Litter Reduction Act.

Comment I-3-4

I support all permanent rulemaking measures here. These rules will help all parties in the supply chain with regulatory guidance, and they also create reasonable rules for consumers. SB 1013 is an instrumental piece of legislation that brought wine bottles and liquor bottles into the recycling fold, and I am glad to see additional and pragmatic rules in support of a better recycling regulatory environment in California.

Sincerely,

Jay Martinez
Sacramento County Community Advocate

Response to I-3-4

No change is being made to the regulations. CalRecycle appreciates the commenter's support for its rulemaking action.

C-1: Bruce Deal (Bruce Deal)

Comment C-1-1

We are a small Virginia-based business that sells less than \$3,000 of wine to California. The proposed regulations would require us to register all our containers for each wine. (if read the proposed language correctly). All of our containers are glass.

1)it would be good if small sellers could be exempt.

2)it we be good if it was clear that packages could be registered by type instead of individually. It is not clear now

Response to C-1-1

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. 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.

C-2: Tank Space (Lindsey Herreme)

Comment C-2-1

I represent a company in Sacramento that packages beverages in aluminum cans. Many of our clients are wineries affected by SB 1013. Our business is facing a significant financial hardship from the requirement that these newly included beverage containers need to be incised with the CRV markings on the end (top) of the can for the following reasons:

- We are still holding hundreds of thousands of dollars of inventory of ends that do not comply with the updated CA CRV requirement. If we cannot use them it is thousands of pounds of aluminum going to waste.
- Inkjet printing on the ends is not feasible for both mechanical reasons, and client preferences.
- The capital outlay for the updated ends that include CA CRV incised on them is very significant (minimum order quantities are very high). - Every year, other states within the USA are changing their beverage recycling laws as well; compliant ends that we purchase today will soon be unusable in other states our clients distribute to, leading to even more obsolete inventory we will be stuck with.

To address these difficulties, we ask you to please consider the following solutions:

- Allow required CA CRV markings to be printed on the label of the can, instead of the end (top). Labels are easier to update, inkjet print onto, etc. and will allow us to use up our inventory of existing can ends, and simplify can end inventory as other states change their laws.

Response to C-2-1

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).

Comment C-2-2

- You could eliminate the need for CA CRV markings all together, since now all beverage cans are included in this program, whether it says CA CRV or not (which was already widely assumed by consumers to be the case, even before this law made that true).

Thank you very much for your time and consideration of how this small detail greatly impacts our local business! For more details about my comments, please see the attached letter I sent around to various contacts and agencies over the past many months.

Response to C-2-2

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.

Comment C-2-3

Letter from a Sacramento small business regarding SB1013 changes to CRV labeling on aluminum cans

Abstract: Our business is facing a significant financial challenge due to requirements of SB1013 that are specific to wine packaged in aluminum cans. We are requesting the implementation of a simple solution to revise the labeling requirements (see bottom of page 2) which would not only help us, but many other small and medium California and National businesses in our industry. We thank you for your time and consideration.

Dear CalRecycle and California decision makers,

I am a co-owner of a beverage co-packer and mobile beer and wine canning service in Sacramento. We are a women-owned business, started in 2011, and employ 20-25

people at any given time. Our primary business is packaging beverages in aluminum cans for small and medium-sized beverage companies, including many wineries.

SB1013 requires “CA CRV” to be etched on to the ends (the pull tab top) of aluminum cans of wine, while wine was previously exempt from California CRV. Due to market shifts in the past few years (pandemic supply shortage, and the previous round of aluminum tariffs) and changes in how customers are purchasing their cans and ends, we are currently holding a very large inventory of ends embossed with recycling information for two US states - ME, IA, referred to as 2-state ends, that we have been using for our canned wine customers since 2015. With the looming change to requiring 3-state ends (CA CRV, ME, IA) for wine cans this summer, as per SB1013, we have been trying to draw down that old inventory, but are having trouble doing that as customers are asking for the 3-state ends in advance of the July 2025 deadline.

The supply chain for aluminum cans is dominated by large national companies and has not yet caught up to the new state regulations. Many of the suppliers we purchase aluminum materials from are still not able to supply 3-state ends despite asking the manufacturers to produce them since the beginning of 2024. To date, the limited options available for purchasing 3-state ends require huge minimum quantities (over 300,000 ends per order). Having to purchase the 3-state ends now, while having to dispose of all the 2-state end inventory we are sitting on would be a major financial blow to our business. We are currently holding \$113,012 worth of inventory of the previously-compliant 2-state ends. Disposing of all that new aluminum packaging material also seems directly counterproductive to the environmental goals of SB1013.

The proposed solution of inkjet marking “CA CRV” on the lid of the can is not feasible due to the speed of the packaging line and the difficulty of hitting the proper location on the can end, avoiding the pull tab and the opening while the can is spinning and moving at 200 cans per minute. We have also had feedback from clients that they do not want the black ink marking on the tops of their cans. We invite you to come tour our facility to see how these processes happen during production.

Response to C-2-3

CalRecycle rejects this comment because this comment does not suggest any specific changes to the proposed regulations or raise issues related to the rulemaking process. With regard to inkjet marking the CA CRV label on lids of cans, 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. To the extent the commenter is requesting that the labeling requirement not be mandated on beverage containers sold in California, labeling is required by Public Resources Code section 14561 and this requirement cannot be nullified by CalRecycle.

Comment C-2-4

Finally, if we purchase 3-state ends in the required minimum order quantities, we are concerned that we will be stuck holding that inventory when the next state inevitably

changes their recycling laws, as many are currently in talks to do so (such as Oregon and Hawaii). Combine that risk with the 25% aluminum import tariffs on the horizon, and our company will be severely hampered in our ability to be nimble and adapt to the shifting client and raw material needs.

We appreciate the intent of SB1013, and agree with the environmental goals. The primary reason why we started The Can Van back in 2011 was to give small California breweries access to a more recyclable and environmentally friendly packaging option. The way the guidelines are written, however, is not taking the small manufacturers into account, and puts us at a further disadvantage to the large corporate beverage producers.

Response to C-2-4

CalRecycle rejects this comment because this comment does not suggest any specific changes to the proposed regulations or raise issues related to the rulemaking process. To the extent the commenter is requesting that the labeling requirement not be mandated on beverage containers sold in California, labeling is required by Public Resources Code section 14561 and this requirement cannot be nullified by CalRecycle.

Comment C-2-5

Proposed solutions:

We are requesting that your office considers some of the following proposed solutions, any or all of which would alleviate much of the financial burden and compliance issues our business, our customers, and many more businesses like us, are facing.

- Allow CA CRV marking on the **label** of the can, as it is allowed on glass bottle labels.

Response to C-2-5

CalRecycle rejects this comment. For a response to marking CRV on the label, please see Comment Code C-2-1.

Comment C-2-6

- Allow beverage producers and co-packers to file for a “use-up” for existing inventory. The TTB has a process for alcohol producers to file for use-ups if they have existing labels or materials that are not compliant for one reason or another, and which would present a financial hardship to dispose of.

Response to C-2-6

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.

Comment C-2-7

- Grant an extension of two years on the enforcement or penalty period of having CA CRV incised on the end of the can.

Response to C-2-7

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.

Comment C-2-8

Perhaps allowing printing on the label in the meantime so cans may still be included in recycling buy-back programs.

Response to C-2-8

CalRecycle rejects this comment. See Comment Code C-2-1 for response.

C-3: The Can Van LLC (Katie MacPhee)

Comment C-3-1

I am the general manager for a company in Sacramento that packages beverages in aluminum cans. Many of our clients are wineries affected by SB 1013. Our business is facing a significant financial hardship from the requirement that these newly included beverage containers need to be incised with the CRV markings on the end (top) of the can for the following reasons:

We are still holding hundreds of thousands of dollars of inventory of ends that do not comply with the updated CA CRV requirement. If we cannot use them it is thousands of pounds of aluminum going to waste. These were purchased prior to SB 1013 going into effect.

Inkjet printing on the ends is not feasible for both mechanical reasons, and client preferences.

The capital outlay for the updated ends that include CA CRV incised on them is very significant (minimum order quantities are very high).

Every year, other states within the USA are changing their beverage recycling laws as well; compliant ends that we purchase today will soon be unusable in other states our clients distribute to, leading to even more obsolete inventory we will be stuck with.

To address these difficulties, we ask you to please consider the following solutions:

Allow required CA CRV markings to be printed on the label of the can, instead of the end (top). Labels are easier to update, inkjet print onto, etc. and will allow us to use up

our inventory of existing can ends, and simplify can end inventory as other states change their laws.

You could eliminate the need for CA CRV markings all together, since now all beverage cans are included in this program, whether it says CA CRV or not (which was already widely assumed by consumers to be the case, even before this law made that true).

Thank you very much for your time and consideration of how this small detail greatly impacts our local business!

Response to C-3-1

CalRecycle rejects this comment. For a response to printing on the label of a can, please see Comment Code C-2-1. For a response to eliminating the need for CA CRV markings, please see Comment Code C-2-2.

Comment C-3-2

The proposed solution of inkjet marking "CA CRV" on the lid of the can is not feasible due to the speed of the packaging line and the difficulty of hitting the proper location on the can end, avoiding the pull tab and the opening while the can is spinning and moving at 200 cans per minute. We have also had feedback from clients that they do not want the black ink marking on the tops of their cans. We invite you to come tour our facility to see how these processes happen during production.

Response to C-3-2

CalRecycle rejects this comment. For a response on inkjet printing on top of a can, please see Comment C-2-3.

Comment C-3-3

Finally, if we purchase 3-state ends in the required minimum order quantities, we are concerned that we will be stuck holding that inventory when the next state inevitably changes their recycling laws, as many are currently in talks to do so (such as Oregon and Hawaii). Combine that risk with the 25% aluminum import tariffs on the horizon, and our company will be severely hampered in our ability to be nimble and adapt to the shifting client and raw material needs. We appreciate the intent of SB1013, and agree with the environmental goals. The primary reason why we started The Can Van back in 2011 was to give small California breweries access to a more recyclable and environmentally friendly packaging option. The way the guidelines are written, however, is not taking the small manufacturers into account, and puts us at a further disadvantage to the large corporate beverage producers.

Response to C-3-3

CalRecycle rejects this comment because this comment does not suggest any specific changes to the proposed regulations or raise issues related to the rulemaking process. To the extent the commenter is requesting that they be exempted from the labeling requirement, please see Comment Code C-2-4.

Comment C-3-4

Proposed solutions:

We are requesting that your office considers some of the following proposed solutions, any or all of which would alleviate much of the financial burden and compliance issues our business, our customers, and many more businesses like us, are facing.

- Allow CA CRV marking on the **label** of the can, as it is allowed on glass bottle labels.
- Allow beverage producers and co-packers to file for a “use-up” for existing inventory. The TTB has a process for alcohol producers to file for use-ups if they have existing labels or materials that are not compliant for one reason or another, and which would present a financial hardship to dispose of.
- Grant an extension of two years on the enforcement or penalty period of having CA CRV incised on the end of the can. Perhaps allowing printing on the label in the meantime so cans may still be included in recycling buy-back programs.

Response to C-3-4

CalRecycle rejects this comment. For a response to allow CRV markings on the label, please see Comment Code C-2-1. For a response to allow "use up" of existing inventory, please see Comment Code C-2-6. For a response to the request for an extension or delay on enforcement, please see Comment Code C-2-7.

C-4: ScanTrust S.A. (Loan Delaunay)

Comment C-4-1

SB 1013 program

The provisions of SB 1013 and its implementing regulations that authorize the use of QR codes as machine-readable marks are the most effective, simple, and scalable solution for the universal management of CalRecycle's CRV recycling program. It should be noted that wines and spirits, recently added to the CRV's scope, frequently use QR code marking in accordance with European standards and, more specifically, national standards authorizing the use of digital technology to communicate recycling information to consumers.

With regard to this new program, please find below our thoughts on the implementation of the solution.

1. Labeling Simplification and Market Flexibility

Requiring adjacent symbols or text such as "DEPOSIT" introduces unnecessary complexity and potential consumer confusion, inhibits QR code versatility, and complicates compliance for products destined for multiple jurisdictions. Eliminating these elements would allow harmonization and agile adaptation to varying state (or

federal) requirements, through URL content, without cluttering the label or artificially restricting QR code functions.

Response to C-4-1

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 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)).

Comment C-4-2

2. Technical Soundness: Size and Usability

Imposing a universal minimum QR code size (e.g., 19.05 mm) is overly restrictive, given that readability depends on error correction capabilities, substrate, encoded content length, and industrial printing processes. Producers must be given technical flexibility to optimize QR code size and design so long as functionality and scan reliability are maintained in all product contexts.

Response to C-4-2

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 the QR code 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.

Comment C-4-3

3. Consumer Comprehension and Adoption

Widespread consumer familiarity with QR code functionality for accessing product and deposit information obviates the need for additional explanatory visual elements. Relying on the QR code alone enhances adoption rates, reduces label clutter, and supports integrated digital information delivery.

Response to C-4-3

CalRecycle rejects this comment. For a response to the commenter's request to use only the QR code, please see Comment Code C-4-1.

Comment C-4-4

For the above reasons, Scantrust recommends the adoption of QR code-only standard (no text or symbol required) for labeling in the CRV program and any deposit or recycling management system throughout the United States and beyond. This approach

provides the greatest simplicity, scalability, and regulatory/technical flexibility for all stakeholders in the wine and spirits' market.

Response to C-4-4

CalRecycle rejects this comment. For a response to the commenter's request to use only the QR code, please see Comment Code C-4-1.

C-5: The Can Van LLC (Katie MacPhee)

Comment C-5-1

Sure.· Thank you.· My name is Katie MacFee (phonetic), and I'm a general manager of a can van -- the Can Van intake space -- a mobile packaging company and a host facility. And I'm here because -- well, I'd like to redo this letter that we wrote and sent out to many people, if that's okay. I think it will clarify.

I am the general manager of a beverage co-packer and mobile beer and wine service in Sacramento.· We are a women-owned business, started in 2011, and employed 20 to 25 people at any given time.

Our primary business is packaging beverages in aluminum cans for small and medium-sized beverage companies, including many wineries.

SB 1013 requires CA CRV to be etched to the end -- the pull-tab top of aluminum cans of wine -- while wine previously was exempt from California CRV.

Response to C-5-1

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.

Comment C-5-2

Due to the market shifts in the past few years, pandemic supply shortage in the previous round of aluminum tariffs, the changes in how customers are purchasing their cans and ends, we are currently holding a very large inventory of ends in boxes with recycling information for the two states, Maine and Iowa, which were the two that we had to previously put on the lids. So we've been using those for canned-wine customers since 2015.· And with the aluminum change to requiring ends for wine cans this summer, we have been trying to draw down the old inventory, but are having trouble doing that, as customers are asking for this three-state ends in advance of the July 2025 deadline.

The supply chain for aluminum cans is dominated by a large national companies and has not yet caught up to the state regulations.· Many of these suppliers who purchased the aluminum materials are still not able to supply the three-state ends despite asking the manufacturers to produce them since the beginning of 2024.

To date, the limited options available for purchasing three-state ends require huge minimum quantities -- over 300,000 ends per order. Having to purchase the three-state ends now, while having to dispose of the two-state and inventory we are sitting on, would be a major financial blow to our business. We are currently holding \$113,000 worth of inventory of the previous complaint to state ends -- disposing of them and all of that aluminum packaging material also seems directly counterproductive to the environmental goals of SB 1013.

Response to C-5-2

CalRecycle rejects this comment. To the extent the commenter is asking for a "use up" of existing lid inventory, please see Comment Code C-2-6. To the extent the commenter is requesting a requirement for no labeling, please see Comment Code C-2-4. To the extent the commenter is requesting a delay of implementation, please see Comment Code C-2-7.

Comment C-5-3

The proposed solution of ink jet marking CA CRV on the lid of the can is not feasible due to the speed of the packaging line and a difficulty of hitting the proper location on the can end, avoiding the pull tab and opening while the can is spinning and moving at 200 cans per minute.

Response to C-5-3

CalRecycle rejects this comment. For a response on inkjet printing on the top of can, please see Comment Code C-2-3.

Comment C-5-4

We also have had feedback from clients that they do not want the blank ink marking on the tops of their cans. Finally, if we purchase three state-ends in the required minimum order quantities, we are concerned that we will be stuck holding that inventory when the next state inevitably changes their recycling laws.

Response to C-5-4

CalRecycle rejects this comment. For a response on inkjet printing on the top of a can, please see Comment Code C-2-3. To the extent that the commenter is requesting a delay on implementation, please see Comment Code C-2-7.

Comment C-5-5

Combined the risk with the 25% aluminate import care that's on the horizon, our company will be severely hampered in our ability to be nimble and adapt to the shifting climate in raw materials needs. We appreciate the intent of SB 1013 and agree with the environmental goals. The primary reason why we started the can van back in 2011 was to give small California breweries access to a more recyclable and environmental friendly packaging option. The way the guidelines are written, however, is not taking the small manufacturers into account and puts it at a further disadvantage in large corporate beverage producers.

Response to C-5-5

CalRecycle rejects this comment. To the extent that the commenter is requesting an exemption for small businesses, please see Comment Code C-1-1.

Comment C-5-6

We have a few proposed solutions, and then I will be finished.· So we are requesting that your office considers some of the following proposed solutions.· Any and all of which would be much of the financial burden in issues our businesses, customers, and other businesses, like us, are experiencing.

So we are asking that you allow CA CRV marking on the label of the can like it is allowed on glass bottle labels or allow beverage producers and co-packers to file for a use-up for existing inventory.· The TTB has a process to file for use-ups if they have existing labels or other materials that are not compliant for one reason or another and which will produce a financial hardship to dispose of.

Or the third option is to grant an extension of two years on the enforcement of penalty period of having CA CRV in sight on the end of the can.· Perhaps allowing printing on the label in the meantime so the cans can still be included and recycling buyback program.

Response to C-5-6

CalRecycle rejects this comment. For a response on allowing the CRV message on the label of the can, please see Comment Code C-2-1. For a response on allowing a "use up" of existing lid inventory, please see Comment Code C-2-6. For a response on a 2-year delay on implementation, please see Comment Code C-2-7.

Comment C-5-7

Thank you for your time.· That's pretty much it.· We are just looking for a positive environmentally friendly financial way to deal with this \$113,000 of ends, and we've been trying to -- I also want to point out that we did not purchase any of these ends after hearing about the changes coming with SB 13 (sic), these were all bought in large quantities back before any of this.· So we've been sitting on them and trying to get rid of them.

And that's all.

Response to C-5-7

CalRecycle rejects this comment because this comment does not suggest any specific changes to the proposed regulations or raise issues related to the rulemaking process. To the extent the commenter is requesting that they be exempted from the labeling requirement, please see Comment Code C-2-4.

O-1: Wine Institute (Tim Schmelzer)

Comment O-1-1

1. “Clearly and Prominently” definition (Sec 2000(9)): requires that redemption message can be easily found and read by consumers and recyclers without “effort”.

- **Recommendation:** While we agree with the intent that the redemption message should be easy to find and read, literally any act requires “effort.” We recommend it just state that the message can be ready easily and without difficulty.

Response to O-1-1

CalRecycle accepts this comment with regard to removing the word "effort."
Please see amended section 2000(a)(9).

Comment O-1-2

2. Label Review (Sec 2200(a)): Consistent with SB 1013, removes requirement for manufacturers to have their labels pre-approved by CalRecycle. Additionally, it requires manufacturers to remit their product label and/or container for CalRecycle 10 days after CalRecycle has sent the request.

- **Recommendation:** The product manufacturer should be required to reply to CalRecycle with their label and/or container 10 days after CalRecycle’s request has been received rather than sent to account for any delay due to mailing, etc...

Response to O-1-2

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.

Comment O-1-3

3. Labeling for glass containers (Sec 2200(b)(2)(A)) – increases flexibility of label placement on glass containers by allowing them to be anywhere on the container or label. However, it makes no mention of using smaller font choice without contrasting color if outlined, as has been previously allowable.

- **Recommendation:** While we appreciate the added flexibility of message placement, we recommend including an option to use the small font choice without contrasting color if outlined.

Response to O-1-3

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."

Comment O-1-4

4. Labeling for Bag-in-Box (Sec 2200(b)(5)) – specifies that the redemption message must be at least 4.76 mm in height and not located on the panel which provides access to the dispense.

- **Recommendation:** Bag-in-box containers should be afforded the same opportunity to use a smaller font size as glass containers.

Response to O-1-4

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.

Comment O-1-5

5. Bag in Box Redemption (Sec. 2401 (b)(2)): CalRecycle is proposing that, in order to be eligible for CRV redemption, the interior bag and valve need to be inside of the box.

- **Recommendation:** Wine Institute believes this issue should be discussed further. We've long advocated and messaged to our customers that they remove the bladder from the box and place the box in curbside recycling. This is not only more efficient in our view but is the standard in other states and internationally. Moreover, it is possible that the bladder be labeled with CRV messaging.

Response to O-1-5

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.

Comment O-1-6

Wine Institute's Recommendations to Proposed Regulations re Machine-Readable Labeling

CalRecycle proposes that if a container uses machine-readable indicia (e.g., a QR code) to indicate the CRV redemption eligibility, then it must also adhere to certain proposed regulations described below. We include our recommendations in summary forms under each proposed regulation. In short, we are concerned that CalRecycle's proposed regulations are too prescriptive and do not align with best practices for permitting and using QR codes in food and beverage labeling. Following our recommendations, we also provide more detailed support with helpful resources and references.

Proposed Regulation: Clearly and prominently use either (1) the word "DEPOSIT" in all capital letters adjacent to or within the QR code or (2) a chasing arrows symbol within the QR code in contrasting colors to it and in a size that is at least half its height and width. The chasing arrows option is only allowed for beverage containers that had a 60 percent or higher mean average recycling rate in the past five years in biannual reports that CalRecycle issues. See proposed Sec. 2205(b)(1)(A)-(B).¹

- **Wine Institute's Recommendations:** CalRecycle should not require the term "DEPOSIT" at all nor "adjacent to" the QR code. It is unnecessary and may compromise the recommended "quiet zone" around QR codes or (if within the QR code) compromise readability when scanned. It also undermines the purpose and benefits of permitting QR codes—e.g., QR codes are used to disclose other mandatory and voluntary information and help prevent overcrowding limited label space. "DEPOSIT" relates to only one piece of information that could be available

via QR code and requires more characters than “CRV CA.” Consumers already understand that QR codes provide more information, including about recycling.

If used, CalRecycle should not require the chasing arrows symbol to be in contrasting colors or at least half the height and width of the QR code. This will compromise readability when scanned and is unnecessary for the same reasons stated above. CalRecycle should not require any symbol but if it does it should not require a minimum size or that it be in contrasting colors. Instead, the regulation should simply state “a chasing arrows symbol may be used inside the machine-readable label in lieu of the message ‘DEPOSIT’ adjacent to or within the machine-readable indicia.” Finally, CalRecycle should not set thresholds for using the chasing arrows symbol because it is unnecessary, redundant, and potentially confusing given the California Truth in Recycling law already addresses that issue. See *generally* SB 343.

Response to O-1-6

CalRecycle rejects in part and accepts in part this comment. CalRecycle rejects the comment to the extent that it requests no terms near or adjacent to the machine-readable label. For a response to the request to not have any terms near or adjacent to the QR Code, please see Comment Code C-4-1. CalRecycle accepts the comment to the extent that it requests that the chasing arrows symbol not have a minimum required size or be set in contrasting colors. Please see amendments to the proposed action in proposed section 2205(b)(1)(B)(i). 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.

Comment O-1-7

Proposed Regulation: The QR code shall be at least 19.05 millimeters in height and width. See proposed Sec. 2205(c).

• Wine Institute’s Recommendation: CalRecycle should not require any minimum size but if it does it should be one-half inch. That is a common QR code size, a reasonable size (e.g., substantially larger than required “CRV” indicia), and would remain highly visible to consumers.

Response to O-1-7

CalRecycle rejects in part and accepts in part this comment. To the extent the commenter is requesting no minimum size for a machine-readable label, Public Resources Code section 14561(d) sets the minimum label size and CalRecycle has no authority to contravene statute. To the extent the commenter is requesting that the minimum size be one-half inch (or 12.7 millimeters), CalRecycle accepts this comment and has made this change to section 2205(c)(1).

Comment O-1-8

Proposed Regulation: Include a toll-free telephone number or internet website on the beverage container for customer assistance to address technical issues related to scanning the QR code. See proposed Sec. 2205(d).

- **Wine Institute's Recommendation:** CalRecycle should not require a phone number or website for technical assistance. Wineries and their staff are not technical experts, and most consumers are already familiar with QR codes and use them. They are commonly used to provide mandatory and voluntary information on consumer goods in the US and elsewhere and will become more ubiquitous in the coming years considering efforts like GS1's Sunrise 2027 which we describe below.

Response to O-1-8

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.

Comment O-1-9

Proposed Regulation: Upon scanning the QR code, the message specified in section 14561(a) of the Act shall be displayed clearly and prominently and shall appear separately and before any other information on the page. The message specified in section 14561(a) of the Act shall be visible immediately without having to scroll, open any additional page, or click on any additional link. See proposed Sec. 2205(e)(1).

- **Wine Institute's Recommendation:** This requirement is overly burdensome, too prescriptive, and potentially conflicts with other government-approved uses for QR codes to the extent it requires recycling information "separately and before" other information on the page. In most if not all circumstances, QR codes open "e-labels" (electronic labels that open on a smartphone's browser when someone scans a QR code) with important information in a straightforward manner. There are endless examples in the marketplace of food and beverage labeling service

providers whose platforms present mandatory and voluntary information to consumers in a straightforward and helpful manner. We would gladly share some examples.

Response to O-1-9

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 PRC 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.

Comment O-1-10

Proposed Regulation: The text or other information linked to a QR code shall conform to the standards set forth in the Web Content Accessibility Guidelines (WCAG) 2.2 published in 2024 by the World Wide Web Consortium, and the entirety of the Web Content Accessibility Guidelines (WCAG) 2.2 published in 2024 are incorporated by reference. See proposed Sec. 2205(e)(2).

- **Wine Institute's Recommendation:** This requirement is unnecessary and problematic for several reasons. The WCAGs are not static and in fact the WCAG 3.0 are currently in a working draft form.² More importantly, most companies operating mobile or desktop websites are already aware of and follow the WCAGs. Although WCAG is not a formal legal standard for companies under the American with Disabilities Act, it is widely considered the authoritative guideline for website accessibility. Courts and federal agencies often refer to WCAG when evaluating accessibility claims.³

Response to O-1-10

CalRecycle rejects this comment. CalRecycle seeks to incorporate the Web Content Accessibility Guidelines in to 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.

Comment O-1-11

Proposed Regulation: If CalRecycle requests information to determine whether the QR code or the text or other information linked to the QR code complies with the Act and this chapter. A beverage manufacturer that marks a beverage container shall submit the requested information within 10 working days of the request being sent by CalRecycle. See proposed Sec. 2205(f)(1).

- **Wine Institute's Recommendation:** This requirement is problematic to the extent it requires submission based on when a request was "sent" rather than when it was received. It is common for statutory and regulatory deadlines to trigger from when notice or an inquiry is received—rather than when it is sent—to provide more certainty that the receiving party was made aware with sufficient time to respond.⁴ That standard should apply here especially because the deadline applies to submission of the requested information and not only a response.

Response to O-1-11

CalRecycle rejects this comment for the same reasons it rejects Comment Code O-1-2. Please see Comment Code O-1-2 for a response.

Comment O-1-12

Proposed Regulation: CalRecycle proposes that it is a violation of the Act if required information doesn't appear "when scanned." Lack of an internet connection could render the use of a QR Code a violation with this language.

- **Wine Institute's Recommendation:** Wine Institute recommends this requirement be clarified such that an internet connection must be operable to ensure the QR Code is functional.

Response to O-1-12

CalRecycle rejects this comment. There are two ways to read this comment. The first, as 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.

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.

Comment O-1-13

1. Important QR Code Standards and Common Practices That Support Wine Institute's Recommendations

In support of our recommendations above, we provide the following important and relevant details and resources for CalRecycle's consideration.

ISO/IEC Standard for QR Codes In sum, the ISO/IEC standard makes clear that there should be a quiet zone around QR codes, plain language (or "human readable") text around a QR code is not always practical, and there is no minimal one-size-fits-all for QR codes—rather, it depends on the module width, application, and scanning technology used. For those reasons, we are concerned that CalRecycle's proposed regulations are too prescriptive because they require:

- Plain language ("DEPOSIT") adjacent to or within the QR code or (if qualified) a chasing arrows symbol within the QR code. This could compromise the quiet zone, cause reader errors, confuse consumers (given QR codes may carry other mandatory or voluntary information), and undermine one of the primary benefits of using QR codes (i.e., avoid overcrowding already limited space).
- The QR code shall be at least 19.05 square millimeters. This is unnecessarily large and focuses on an arbitrary size rather than functionality based on the X-dimension.
- A toll-free number or website for customer assistance to address technical issues related to scanning the machine-readable indicia. This is unnecessary because QR codes are already sufficiently ubiquitous and understood, and most wineries are not qualified to provide technical assistance related to QR code scanning and readers.

Response to O-1-13

CalRecycle rejects in part and accepts in part this comment. To the extent the commenter is requesting no text be located adjacent or near the QR Code, CalRecycle rejects this comment for the same reason as Comment Code C-4-1. To the extent the commenter is requesting the minimum size of the QR code be smaller, CalRecycle accepts this change with the explanation found in Comment Code O-1-7. To the extent the commenter is requesting removal of the

requirement to print a toll-free number on the beverage container, CalRecycle rejects this comment for the same reasons as found in Comment Code O-1-8.

Comment O-1-14

GS1's Sunrise 2027

GS1—the international global standards organization for developing and maintaining barcodes—is working toward what it calls Sunrise 2027. That is the year by which the global supply chain (manufacturers and retailers) will move toward “two-dimensional barcodes” (e.g., QR codes). According to GS1, by the end of 2027, retailers will need to ensure their point-of-sale systems are equipped with scanners capable of reading both traditional barcodes and 2D barcodes. The shift has already begun with the new technology being tested in 48 countries across the world. In short, QR codes will become more ubiquitous, common and familiar to consumers, and accessible as manufacturers and retailers make this shift in the coming years.

Notably, GS1 follows the ISO/IEC standard. For example, it recommends a quiet zone of equal proportion to the ISO/IEC standard.⁶ Similarly, when it comes to the appropriate size of a QR code, GS1 explains: “Due to the size of a QR is contingent upon factors such as the amount of data it will hold, there isn’t a definitive answer regarding the precise size.”⁷ In other words, GS1’s approach is consistent with the ISO/IEC standard and the reasons for our concerns stated above. Moreover, the transition that GS1 is leading means that QR codes will become even more prevalent in the US and globally, and consumer understanding that they can scan QR codes to get more information about a product and how to scan them will be second nature. Accordingly, QR codes do not need signal words or icons in or adjacent to them for each piece of information that the QR code may contain.

Response to O-1-14

CalRecycle rejects this comment. To the extent that the commenter is requesting non use of words adjacent to the machine-readable label, please see the response to Comment Code C-4-1.

Comment O-1-15

EU Regulation for Mandatory Labeling of Wines

As CalRecycle is already aware, in recent years the European Union (EU) adopted regulations that require nutrition and ingredient disclosures for wine and it permits wineries to provide that information via QR codes.⁸ As a consequence, wine labels with QR codes providing mandatory information are now commonplace in the EU marketplace and familiar to consumers. We encourage Cal Recycle to review that regulation and common practices to ensure alignment and avoid regulatory conflicts.

Response to O-1-15

CalRecycle rejects this comment. To the extent the commenter is objecting the requirements set forth in proposed section 2205(e), please see response to Comment Code O-1-9. To the extent the commenter is saying there is a

regulatory conflict between European Union requirements for a QR code and proposed section 2205(e), 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.

Comment O-1-16

2. Established Benefits of Permitting QR Codes

Using QR codes to provide product or packaging information comes with many benefits to various stakeholders including consumers, producers, retailers, and regulators. Those benefits include cost-efficiency, flexibility, reduction in time-to-market, and the ability to present relevant information in a more consumer-friendly format that is away from overcrowded physical labels. There are other benefits, however, including:

- Translation of e-label content into the language of the consumer in real time, which is not possible using physical labels. This is already used to comply with the European Union's (EU) labeling requirements for wine—which permits mandatory nutrition and ingredient information via QR code—given the EU's 24 official languages.
- Enhanced accessibility via new audio technologies for the visually impaired.⁹
- Reduced waste, consistent with industry sustainability goals, since the use of e-labels reduces label re-prints.

Response to O-1-16

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.

O-2: FIVS (Laura Gelezuinas)

Comment O-2-1

FIVS Response to the California Department of Resources Recycling and Recovery (CalRecycle) regarding the Senate Bill (SB) 1013 Addition of New Beverage Containers Permanent Rulemaking

30 September 2025

FIVS appreciates the opportunity to comment on SB 1013 Addition of New Beverage Containers Permanent Rulemaking.

FIVS is the international wine federation, supporting and improving the understanding, operation and future needs of the international wine community. We wish to see a global operating environment for US and other wines, free from unnecessary and distortive trade barriers. Our membership comprises 50 leading wine companies, trade associations and supply chain organisations from 19 countries, collectively accounting for more than 86% of global wine production.

To support international wine trade and regulatory coherence, FIVS has published a number of good regulatory practice frameworks, including:

1. Regulatory Principles to Enhance Coherence and to Facilitate Trade in Wine (2013)
2. Regulatory Principles to Enhance Coherence and to Facilitate Trade in Wine (2016)
3. Good Regulatory Principles for Electronic Labelling (e-labelling) (2025)

These documents address a wide range of regulatory issues and have been welcomed by governments as a basis for more efficient and coherent policy, facilitating trade and ensuring consumer protection.

In response to the current consultation, we are pleased to share with you the FIVS Good Regulatory Principles for Electronic Labelling. These principles highlight best practices for using digital tools to communicate both mandatory and voluntary labelling information. We commend CalRecycle for considering the use of e-labels to communicate mandatory recycling information. However, we respectfully urge CalRecycle to avoid adopting an overly prescriptive or narrowly focused approach. Requiring additional and single-purpose text and icons, minimum sizes, and prioritizing the placement of the e-label information could restrict e-labels to one single purpose and risk conflicting with existing government-approved applications.

E-labels are already in use in several jurisdictions, including the European Union, to communicate mandatory or voluntary information such as ingredients, nutritional data and recycling information via QR codes. The potential application of QR codes to present information digitally is expected to expand over time, offering increasing benefits to consumers, retailers and regulators. We encourage CalRecycle to consider these advantages when establishing rules for e-labels to communicate mandatory recycling information.

Thank you for your consideration.

Julie Hesketh-Laird

Chief Executive FIVS the International Wine Federation

ATTACHMENT: FIVS Good Regulatory Principles for Electronic Labelling

Good Regulatory Principles for Electronic Labelling (e-labelling)

14 March 2025

The following sets forth principles and best practices policymakers should consider when allowing the use of electronic means for the presentation of voluntary and mandatory labelling information to consumers.

These principles and best practices build on two previous sets of FIVS' "Principles to Enhance Coherence and to Facilitate Trade in Wine" and reflect growing trends in the voluntary or mandatory disclosure of information via electronic means beyond what is included on the physical wine label. For the purposes of this document, "e-labelling", "digital means" or "digital presentation" refer to the voluntary or mandatory¹ disclosure of information via electronic means such as using a scannable code that creates a bridge from the physical label to the elabel.

Use of technology to provide for the digital presentation of some mandatory information is an emerging area particularly relevant to wine producers. Wine is not a recipe or formula product. In contrast with other food products, the ingredients and related nutritional values in wine can vary from vintage to vintage due to variations in climate and grape growing conditions. In some cases, final ingredients may not be known until just before bottling whereas the physical label is designed and typically printed months in advance of bottling due to the regulatory nature of key information on wine labels and label pre-approvals required in some markets. The use of elabels for the digital presentation of ingredients and nutrition information permits the flexibility needed while still enabling product accuracy.

However, the use of e-labels should not be restricted only to this specific and narrow use. Consumers want more product information than can reasonably fit on physical labels and a single QR code can serve multiple purposes. In some jurisdictions, QR codes have already replaced barcodes at the retail level² and technology exists for the use of a single QR code to transmit different information depending on the type of scanner used. Here are just a few examples of the type of information currently accessible via a single QR code as well as potential future uses.

- Consumers - voluntary product details, sustainability information, product recalls, and more.
- Retailers - point of sale pricing, stocking, and inventory information.
- Government Officials - mandatory regulatory information, recycling information, and export documentation.

QR codes are the most common digital means being used at this time to connect to an e-label. While future advancements in technology may lead to replacements for QR codes, these principles will still apply to the use of such replacements.

1. Use of e-labelling to provide information to wine consumers: Governments should permit the use of e-labelling to provide information to consumers.

Recent work in both Codex Alimentarius³ and the International Organisation of Vine and Wine (OIV) ⁴ illustrates the growing trend of the use of e-labels to provide some mandatory information for food products, including wine. The following are just a few of the reasons that support their use:

- Rapidly increasing global penetration of smartphones;
- Widespread and growing consumer use of QR codes to access information;

- Consumer demand for more product transparency;
- Reduced waste consistent with wine industry sustainability goals as the use of e-labels reduces label re-prints;
- Enhanced accessibility via new audio technologies for the visually impaired; and
- Translation of e-label content into the language of the consumer - in real time - which is not possible using physical labels.

2. Presentation of certain mandatory information using digital means: Governments should allow the presentation of certain mandatory information via e-labels.

The European Union (EU) recently took this approach for ingredient and nutrition labelling of wine and aromatized wine products as did Italy and Spain for recycling information and other countries are assessing the introduction of their use in national legislation.

The range of possible uses of QR codes to present some information digitally is expected to expand over time. Governments should remain flexible and open to allowing digital presentation of certain mandatory information as appropriate. The same general principles of food labelling regulation such as legibility, truthfulness, and accuracy should apply whether mandatory information is presented on a physical label or via digital means.

These principles recognize that some mandatory information will always be on the physical label, such as for allergens. A digital label does not replace, but rather supplements, a physical label.

3. Use of QR codes to communicate other, voluntary information: Governments should permit additional, voluntary information to be presented via e-labels.

The same QR code that links to mandatory information should also be permitted to link to voluntary information, provided that it is presented separately and distinctly from the mandatory information.

It may be appropriate to allow producers to include a link on the e-label at the end of the mandatory information inviting consumers to “click here” should they desire access to additional voluntary information.

4. The number of QR codes on a given label should be minimized: Governments should permit a single QR code on a wine label to serve more than one purpose.

A single QR code has nearly unlimited uses.

In some jurisdictions, a single QR code is already being used for product pricing at the point of sale, to convey mandatory EU nutrition and ingredient requirements for wine, and to communicate EU Member State specific recycling requirements.

In the United States, many food and beverage companies use a single QR code on a voluntary basis to provide information about ingredients, nutrition, and how to properly recycle the product based on the consumer's location.

Allowing a single QR code for voluntary and mandatory purposes will maximize its benefit and will avoid confusion about which QR code to scan for additional information.

5. Acceptance of standalone QR codes to convey information: Governments should refrain from requiring additional text on the physical label to identify the information accessible via the QR code. QR Codes provide for a language-free system of conveying important information and consumers are comfortable scanning the codes to access that information.

Using terms next to the QR code to identify the information on the e-label should be avoided because:

- As the use of QR codes expands, the number of possible terms and languages needed to correctly identify the content will proliferate.
- Text, or other design elements, too close or within the QR code can corrupt the code risking its readability¹⁰

If it is deemed essential to identify the mandatory information accessible via the QR code, a globally recognized, language-free symbol or pictogram should be utilized. However, this must not interfere with the ability to successfully scan the code.

6. Expiration of e-labels: When mandatory information is provided via an e-label, governments should not require that the information remain accessible longer than the wine is ordinarily intended for consumption.

Codex Alimentarius recently agreed to "Guidelines on the Use of Technology to Provide Food Information in Food Labelling that address the timeframe for which producers are expected to ensure that information that is accessed via QR codes remains available. The Guidelines apply to pre-packaged foods, including wine.

Governments are requested to refer to the Guidelines rather than implementing new or divergent requirements. However, consideration should be given to adapting them in the context of long shelf-life products such as wine to focus on the time period for which the product is ordinarily intended for consumption.

The final Guidelines at section 7.5 state, "Where mandatory food information is solely provided using technology, the food information shall be available for at least the period, established under intended conditions of distribution, storage, retail and use, that the food would remain safe and suitable for sale, consumption or use. For pre-packaged food that is labelled with a use-by date or expiration date, this means for at least the period up to and including this date."

7. E-labels should comply with applicable data privacy laws: In formulating regulations for the e-labelling of food products, governments should take fully into consideration any existing and applicable data privacy laws.

Many countries, including those that allow the use of e-labels, have data privacy laws in place to protect consumer data or prohibit its collection without affirmative consent. Thus, governments should remain mindful of these laws to avoid duplication, contradiction, or overly restrictive rules specific to e-labelling.

8. Harmonized approach: Governments should work towards a harmonized international understanding concerning the types of information that must appear on the physical label of a wine bottle and that which may appear on an e-label.

Wine is traded all around the world and e-labelling technology is already being used in multiple markets. In order to facilitate international trade, governments are requested to remain flexible in their approach and to consider the best practices already in place in key wine producing markets before developing regulations in this area.

Response to O-2-1

CalRecycle rejects the comment and specifically the following statement, "However, we respectfully urge CalRecycle to avoid adopting an overly prescriptive or narrowly focused approach. Requiring additional and single-purpose text and icons, minimum sizes, and prioritizing the placement of the e-label information could restrict e-labels to one single purpose and risk conflicting with existing government-approved applications." To the extent that this comment is recommending the amendment of proposed section 2205(e), please see response to Comment Code O-1-9. To the extent the comment is objecting to any words adjacent or near the machine-readable label, please see response to Comment Code C-4-1. As to all other statements in the comment, CalRecycle notes those statements do not make any objection or recommendation regarding the proposed action or to the procedures followed by the agency in proposing or adopting the action.

O-3: Distilled Spirits Council of the United States (Adam Smith)

Comment O-3-1

Director Zoe Heller

Department of Resources Recycling and Recovery (CalRecycle)

Sacramento, CA

Dear Ms. Heller:

On behalf of the Distilled Spirits Council of the United States (DISCUS), a national trade association representing producers and marketers of distilled spirits sold in the United States, we welcome this opportunity to submit our comments in response to

CalRecycle's Notice of Proposed Action in SB 1013 Addition of New Beverage Containers Permanent Rulemaking.

We urge CalRecycle to adopt the following changes to its proposed rules:

- Section 2200 (Labeling Required) (Title 14, CCR, Division 2, Chapter 5, Subchapter 3) Proposed subsection (a)(1) requires a beverage manufacturer to submit a product label or beverage container requested by the Division within 10 days of the request "being sent." We urge revising this deadline to require this submission within 10 working days of the request "being received."

Response to O-3-1

CalRecycle rejects this response for the same reason it rejected Comment Code O-1-2. For a response to this comment, please see Comment Code O-1-2.

Comment O-3-2

- Section 2205 (Machine-Readable Labeling) (Title 14, CCR, Division 2, Chapter 5, Subchapter 3)

In proposed subsection (b)(1)(B), we urge eliminating the requirement that the chasing arrows symbol within the machine-readable indicia must be clearly and prominently marked in "contrasting colors to the machine readable indicia in a size that is at least half the height and width of the machine-readable indicia." A logo that is half the height and width of the QR code covers a considerable portion of the QR code's entire area. This is a large obstruction and can severely impact scannability.

In proposed subsection (c)(1), we request amending the minimum size for QR codes (19.05 millimeters in height and width) to ½ inch height and width, which is consistent with the standard QR code that was included in CalRecycle's February 2024 draft. This recommended size is machine readable but larger than the industry minimum of 0.39 inches (1 centimeter X 1 centimeter). (1/2 inch = 25.4 millimeters.)

We urge not adopting proposed subsection (d) because it is unnecessary to require a toll-free telephone number or internet website on the beverage container for customer assistance to address technical issues related to scanning.

Similar to our requested revision in Section 2200(a)(1), the deadline for responding to a department request in Section 2205(f)(1) should be changed from the currently proposed 10 days of the request "being sent" to within 10 working days of the request "being received."

Response to O-3-2

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 or be set in contrasting colors. Please see amendments to the proposed action in proposed section 2205(b)(1)(B)(i).

CalRecycle accepts the part of the comment requesting that the minimum size for QR codes be 1/2 inch, CalRecycle made this change to section 2205(c)(1) for machine-readable indicia. CalRecycle rejects the part of the comment requesting removal of the toll-free telephone number requirement. Please see Comment Code O-1-8 for a response. CalRecycle rejects the comment requesting that the 10 working day clock begin when a beverage manufacturer "receives" the request instead of when CalRecycle "sends" the request. For a response, please see Comment Code O-1-2.

Comment O-3-3

- Section 2535 (Payments to Consumers, Curbside Programs, Community Service Programs and Dropoff or Collection Programs) (Title 14, CCR, Division 2, Chapter 5, Subchapter 6)

In proposed subsection (a), we urge adding an electronic payment option for recycling centers for the refund value of every empty beverage container not donated to the recycling center. We are concerned that proposed subsection (b)(1)(C) (allowing a recycling center to prohibit more than one consecutive transaction for a single individual consumer if at least one consumer is waiting to return empty beverage containers) could be a disincentive to consumers.

Response to O-3-3

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.

O-4: Can Manufacturers Institute (CMI) (Greg Hurner)

Comment O-4-1

As we have discussed with the Department over many years, CRV labelling flexibility for metal packaging should be equivalent to that provided to other packaging types. While we appreciate the attempt to provide some limited flexibility, which is discussed in detail below, CMI requests that amendments be made to further the options for metal packaging and provide clarity on when containers may be redeemed by certified recycling centers.

Response to O-4-1

No change is being made to the regulations. CalRecycle appreciates the commenter's support for its rulemaking action. To the extent the commenter is requesting the CRV message be allowed to be printed on the label, CalRecycle rejects this comment. Please see Comment Code C-2-1 for a response.

Comment O-4-2

With the passage of SB 1013, that added wine and liquor aluminum cans and SB 353 that included large format bimetal vegetable and juice containers, the flexibility is more important than ever. These changes also mean that very few aluminum beverage cans are exempt from the CRV program – mainly those under the medical food exemption, [that] is dominated by glass, plastic and pouches. This alone is a sufficiently enough compelling reason for allowing the CRV to be printed on the side of the aluminum can or the label of a bimetal juice container – as is allowed for glass, pouches, boxes, and plastic.

Response to O-4-2

CalRecycle rejects this comment. For a response to allowing the CRV message to be placed on the side of a can or on the label of the can, please see Comment Code C-2-1.

Comment O-4-3

As noted in many meetings, glass, pouches, and plastic can be molded with a redemption message but the Department does not require such molding on these container types. In addition, paper and plastic labels on glass and plastic are readily scratched off, succumb to moisture, or are purposely designed to be easily removed to improve the recycling process (which leads to detaching prior to redemption). A can that is screen printed would not have similar challenges because the redemption message would be part of the screen printing on the container that is not removable or subject to deterioration from moisture.

And while the program requires recycling centers to reject containers without a legible redemption message, this is counterproductive to achieving the state's recycling goals

when those containers are known to be program eligible. Recycling centers also routinely accept containers with missing or damaged redemption messages because not doing so creates confusion and frustration with the public resulting in less material being returned. Similarly, because only a narrow niche of aluminum beverage containers is exempt from the program, it is in the best interest of the program and the state's sustainability goals to error on the side of accepting those aluminum beverage containers even if that container is crushed and the redemption message is not readily apparent (even if partially crushed, aluminum cans can be pulled apart sufficiently by hand to verify the redemption message whereas poly or paper labels can't be verified once damaged or separated). With beverage container recycling rates well below the goal of 80%, there is not a financial risk to the program from erroring on the side of the consumer to encourage further returns of material. The return of domestic material is critical to the metal container industry that has been subject ever-increasing tariffs during the last three presidential terms.

Response to O-4-3

CalRecycle rejects this comment. For a response on printing the CRV on the side of can, please see Comment Code C-2-1. 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.

Comment O-4-4

CMI's summary of comments is as follows:

1. Lettering requirements on ends (Section 2200)

- It is technically feasible to mark "CA CRV" at the specified minimum lettering height of 4.76 mm (3/16 inch) and minimum emboss width of 0.10 mm (0.004 inch).
- Can end makers report that the metric values directly map to current inch dimensions, so the conversion has no practical impact. However, this may require the resubmission of technical drawings to show the requirement in mm.

-California should adjust the standard size on ALL cans for the "CA CRV" down to a minimum of 1/8" (3.17mm) to be consistent with the lettering size on smaller ends and in most other states that allow incising or embossing.

-California should shorten the "CA CRV" to be consistent with most other states. Using only the publicly recognized state abbreviation of "CA" would be preferred.

Response to O-4-4

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).

Comment O-4-5

2. Machine-readable labeling option (Section 2205)

- A QR/UPC code at 19.05 mm x 19.05 mm (0.75" square) poses significant challenges:

- On the dome/bottom, current production lines do not have the capability to print such a code at production speeds (can lines run up to 1,800 cans per minute [CPM]).
- On the end (lid), the only available area large enough is the score panel. Since the panel folds into the can when opened, the code would be destroyed, defeating its intended purpose of being readable.
- It is frequently necessary to preserve the (bottom) end of the can for inventory and food safety tracking purposes.

- Based on this, CMI does not believe the machine-readable option is workable as drafted.

Response to O-4-5

To the extent that the commenter is suggesting a machine-readable label smaller than 19.05mm x 19.05mm, CalRecycle accepts this comment and changed section 2205(c) to lower the number from 19.05 mm to 12.7 mm. To the extent that the commenter is requesting that machine-readable label be printed on the side of a can because it is infeasible to print the machine-readable label on the top or bottom of a metal can, please see response to Comment Code C-2-1.

Comment O-4-6

3. Side panel labeling changes

- CMI notes that adding a website/toll-free number to the sidewall would require coordination with brand customers, as it may necessitate label artwork changes.

-CalRecycle should allow the CA CRV to be printed on the side of the can or on the label consistent with what is allowed for other material types. This will greatly enhance the visibility of the can being included in the redemption program to the consumer.

Response to O-4-6

CalRecycle rejects this comment. For a response on not requiring the toll-free number, please see response to Comment Code O-1-8. For a response on allowing CA CRV to be printed on the side of a can or the can's label, please see response to Comment Code C-2-1.

Comment O-4-7

Summary of Comments on Proposed Changes:

- The lettering requirements are already met in our current operations and have no material impact.
- The machine-readable option is not feasible as drafted, due to both equipment limitations and the design of the can end.
- Providing the option of screen printing the CA CRV on the side of the can or on the label provides the greatest visibility to the consumer and is the most feasible option for improving labeling design.

Response to O-4-7

CalRecycle acknowledges the comment in part and rejects in part this comment. As to the lettering requirements, CalRecycle notes 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. As to allowing machine-readable labels on the sides of metal cans because of infeasibility of printing on the top or bottom of the metal can, please see response to Comment Code C-2-1.

Comment O-4-8

More specifically, CMI encourages the Department to modify the draft regulation as follows:

Double Strikethrough = suggested deletions from proposed text

Italic = suggested additions to proposed text

SUBCHAPTER 1. Definitions

Section 2000. Definitions.

(9) "Clearly and Prominently" means that the redemption message is displayed so that it is easily found and ~~read~~ *identified* by consumers ~~and recyclers without effort or difficulty both~~ *when the container is purchased* ~~filled and when the container is empty.~~ Each letter comprising the message is complete, *and* legible, ~~and cannot be readily obscured. Other factors~~ *Factors may include boldness, width, spacing, and location of lettering. The message must be distinguishable from refund messages of other states. This does not prohibit the listing of multiple states in the same or similar font or format. This requirement does not prohibit a certified recycler center from accepting a container from a consumer and refunding the CRV when the container type is reasonably likely to be in the program even if the redemption message is damaged or missing and it is*

being redeemed with similar containers where the redemption message can be located and identified.

Response to O-4-8

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 this comment is suggesting changes to authorize labelling on the side of a can, please see response to comment C-2-1.

Comment O-4-9

SUBCHAPTER 3. Manufacturers

Section 2200. Labeling Required.

(b) Beverage containers shall be clearly, prominently, and indelibly marked ~~as indicated in subsection (a) specified in section 14561(a) of the Act by painting, printing, scratch embossing, raised letter embossing, or permanent ink jetting, in the specific manner indicated in paragraphs (1), (2), (3), or (4); utilizing either of the following manner:~~

(1)(A) Metal containers, excluding metal bottles, shall be marked on the top ~~or bottom~~ end of the container in minimum lettering size ~~at least 3 /16 inch 4.76 millimeters in height. Metal containers, excluding metal bottles, with a top lid of two inches or less in diameter shall have a minimum lettering size of~~ at least $\frac{1}{8}$ inch 3.17 millimeters in height.

(A)(B) Scratch embossed lettering shall be of a minimum width of ~~0.004 inch~~ 0.10 millimeters of disturbed surface metal.

(2) Anywhere on the container body or label with contrasting colors with lettering in minimum lettering size at least 3.17 millimeters in height.

Response to O-4-9

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).

Comment O-4-10

Section 2205. Machine-Readable Labeling.

(c) (1) The machine-readable indicia shall be at least 19.05 millimeters in height and width.

(2) The machine-readable indicia shall be indelibly marked by painting, printing, scratch embossing, raised letter embossing, or permanent ink jetting, in the following manner:

(A) ~~Metal containers, excluding metal bottles, shall be marked on the top or bottom end of the container.~~ (B) A metal, glass container, metal bottle, plastic container, plastic #1-7 pouch, multilayer pouch, or paperboard carton shall be marked anywhere on the container body or label. This subparagraph does not apply to any beverage container listed in subparagraph (C).

~~(C)~~ (B) Plastic portion-controlled cups that have peelable, heat-sealed lids that are not resealable, shall be marked on either the side of the container only, or on the lid and bottom of the container.

~~(D)~~ (C) A bag in box shall be marked anywhere on the external box or label. The machine-readable indicia shall not be located on the panel which provides access to the dispenser. The interior flexible bag shall not be marked with the machine-readable indicia.

Response to O-4-10

CalRecycle rejects this comment. For a response on permitting labeling on the side of the container body or label, please see Comment Code C-2-1.

O-5: American Distilled Spirits Alliance (Amanda Nguyen)

Comment O-5-1

On behalf of the American Distilled Spirits Alliance (ADSA), attached please find our comments on CalRecycle's proposed permanent regulations implementing SB 1013. ADSA represents twenty distilled spirits producers and importers accounting for more than 60 percent of spirits sold in the United States. Our comments focus on ensuring flexibility in CRV disclosure requirements, clarifying container definitions and compliance responsibilities, and establishing a practical transition period that prevents unnecessary waste while supporting California's recycling and environmental objectives. We respectfully request that these recommendations be incorporated into the final regulations, and we welcome the opportunity to provide further input or clarification as needed.

Response to O-5-1

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.

Comment O-5-2

We appreciate CalRecycle's recognition of QR codes and other machine-readable indicia as a tool for California Redemption Value (CRV) disclosure and the Department's effort to make this process accessible through virtual participation. At the same time, we urge CalRecycle to build flexibility into the final regulations. It should be sufficient that a consumer can reasonably infer that deposit information is available through the QR code/machine-readable indicia, and that refund information is easily accessible on the linked webpage.

Response to O-5-2

CalRecycle rejects this comment. To the extent the commenter is suggesting the removal of words accompanying a machine-readable indicia on a label, please see the response to Comment Code C-4-1 for a response. To the extent the commenter is suggesting removal of the requirement in proposed section 2005(e)(2) that, upon scanning a machine-readable indicia, the CRV message be displayed clearly and prominently and shall appear separately, please see the response to Comment Code O-1-9 for a response.

Comment O-5-3

Two provisions of the proposed text are overly rigid:

1. Mandatory "DEPOSIT" Marking: The requirement to mark "DEPOSIT" in all capital letters adjacent to or within the machine-readable indicia undermines the utility of a single, multi-jurisdictional label. Products sold across states with differing regimes should not be forced to use California-specific terminology that may create confusion elsewhere.

Response to O-5-3

CalRecycle rejects this comment. Please see the response to Comment Code C-4-1 for a response.

Comment O-5-4

2. Separate Display Requirement: The requirement that the section 14561(a) message must "appear separately and before any other information" is unnecessarily inflexible. What matters is that the information be clear, prominent, and easily accessible to the consumer. For example, a link such as "Deposit Information" that leads to a page containing California and other state deposit disclosures should be considered fully compliant.

Response to O-5-4

CalRecycle rejects this comment. Please see the response to Comment Code O-1-9 for a response.

Comment O-5-5

In addition, ADISA recommends narrowing the definition of "box, bladder, pouch, or similar container" to formats compatible with existing recycling streams, clarifying compliance responsibilities for out-of-state manufacturers and direct-to-consumer

shipments to ensure consistent enforcement, and adopting a longer transition period (e.g., 24 months) with grandfathering of pre-effective date inventory to prevent unnecessary waste and support the ultimate environmental goals of SB 1013.

Response to O-5-5

CalRecycle rejects the first part of the comment, acknowledges the second part of the comment, rejects the third part of the comment, and rejects the fourth part of the comment. First, 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. Second, this part of the comment does not appear to make any objection or recommendation regarding the proposed action or to the procedures followed by the agency in proposing or adopting the action and no change will be made to the regulations. Third, CalRecycle rejects adopting a longer transition period as that would be contrary to the requirements of Public Resources Code sections 14504 and 14561. Fourth, CalRecycle rejects the recommendation to allow "use up" inventory, please see the response to Comment Code C-2-6 for a response.

Comment O-5-6

Taken together, the aforementioned changes will ensure the regulations achieve California's recycling objectives while avoiding consumer confusion, excess costs, and regulatory inconsistency.

* * *

ADSA appreciates CalRecycle's work on this complex rulemaking. We stand ready to engage further and provide additional feedback as needed. Please do not hesitate to reach out to us or our member companies directly if further discussion or clarification would be helpful.

Response to O-5-6

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.

O-6: Consumer Brands Association (Nicholas Johns)

Comment O-6-1

Dear California Department of Resources Recycling and Recovery:

As the association for the consumer-packaged goods (CPG) industry, including makers of food, beverage, personal care, and household products, the Consumer Brands Association champions the industry that makes the products you choose and the brands

you trust. From household and personal care products to food and beverage products, the consumer-packaged goods (“CPG”) industry plays a vital role in powering California’s economy, contributing \$354.4 billion to California’s GDP and supporting 2.6 million California jobs. Consumer Brands advocates for uniform, workable, and durable regulatory frameworks that are informed by risk-based science, promote consumer choice, and build consumer trust across the sectors we represent.

As such, we appreciate the opportunity to provide comments on the implementation of CA SB 1013 and the “Addition of New Beverage Containers Permanent Regulations.”

Response to O-6-1

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.

Comment O-6-2

As CalRecycle develops California Redemption Value (CRV) labeling standards for newly eligible packaging types in alcoholic beverages, we support and encourage Section 2205 of the proposed regulation: which allows for the use of digital machine-readable technologies to share recycling information with consumers. SmartLabel, a voluntary initiative from Consumer Brands Association, offers an industry-standard and compliant solution to this regulation. However, CBA is also concerned that some extant on-pack requirements within the proposed regulation may be problematic for SmartLabel compliance, namely the section under 2205 (b) (1) (A), that mandates inclusion of the exact phrase “DEPOSIT” in order to be eligible for a machine-readable labeling scheme. To facilitate greater alignment across various federal and state labeling requirements, CBA encourages greater flexibility in phrasing, such as allowing for “For product information and recycling information, scan here” to qualify.

Response to O-6-2

CalRecycle rejects this comment. For a response to a recommendation to change or alter the adjacent text to a machine-readable label, please see the response to Comment Code C-4-1.

Comment O-6-3

Furthermore, instead of narrowly requiring CRV information “separately and before any other information,” CBA recommends instead allowing manufacturers to prominently place CRV information on the first accessed product information page, without any marketing or promotional information, in conformance with other national standards.

Response to O-6-3

CalRecycle rejects this comment. For a response to the suggestion that the regulations not require the CRV message information "separately and before any other information", please see response to Comment Code O-1-9.

Comment O-6-4

CBA urges the agency to be flexible in how labeling information is provided, including recognizing the valuable role that innovative digital disclosure tools like SmartLabel can play in facilitating accurate and up-to-date information, ultimately leading to greater consumer uptake and enhanced circularity in packaging, while reducing waste.

Response to O-6-4

CalRecycle rejects this comment. The requirements for labeling beverage containers are found in Public Resources Code section 14561 and these requirements cannot be negated or made less of a requirement by a regulation promulgated by CalRecycle.

Comment O-6-5

As CalRecycle finalizes these regulations, which may also apply to the broader beverage category and allow for machine-readable labeling for California Refund Value information, we encourage allowing manufacturers to use the already-widespread SmartLabel formatting. This format has been proven to be consumer-friendly, and as noted earlier, many manufacturers already participate.

Response to O-6-5

To the extent that the commenter is suggesting adopting standards or requirements different from the proposed regulations and Public Resources Code section 14561, CalRecycle rejects this comment. For further explanation as to why CalRecycle cannot change the text adjacent to a machine-readable label, please see response to Comment Code C-4-1. For further explanation as to why CalRecycle will not change the requirement for the CRV message to be separately and before other information display the CRV message, please see response to Comment Code O-1-9.

Comment O-6-6

As the proposed rule already includes, CBA supports and encourages CalRecycle to allow for machine-readable schemas, like SmartLabel, to transmit California Redemption Value information to consumers.

Response to O-6-6

No change is being made to the regulations. CalRecycle appreciates the commenter's support for its rulemaking action. To the extent the commenter is requesting changing the proposed regulations to be different from Public Resources Code section 14561(d), CalRecycle rejects this comment.

Comment O-6-7

Thank you again for the opportunity to provide comment on CalRecycle's implementing regulations on SB 1013. CBA, SmartLabel, and its implementers are committed to consumer transparency, enhancing trust in the CPG industry, and ensuring that consumers can make informed product purchasing decisions. CalRecycle has an important role to play in supporting the standardization of labeling information and supporting innovation and flexibility by permitting the use of digital technology to provide core regulatory information to consumers. Further, SmartLabel is a solution to the transition to 2D barcodes. We urge the agency to be flexible in how labeling information is provided, including recognizing the valuable role that digital disclosure tools like SmartLabel can provide in facilitating accurate and up-to-date information ultimately leading to greater transparency for consumers.

Response to O-6-7

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. To the extent the commenter is requesting changing the proposed regulations to be different from Public Resources Code section 14561(d), CalRecycle rejects this comment.

O-7: Resource Recovery Coalition of California (Veronica Pardo)

Comment O-7-1

Hi. Good morning. Veronica Pardo with the Resource Recovery Coalition. Thank you for having us today. We've been following these regulations but haven't been engaged we would like, and acknowledge that we're in 45-day comment period, so it's possible there'll be subsequent comment period, but it's unclear at this point.

Response to O-7-1

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.

Comment O-7-2

This is more of a general comment that the industry is grappling with as we talk about these material types and acknowledges well this is separate and apart from SB 54, but we're still talking about the similar material types when we talk about plastics, right?

So at the end of the day, understand that a consumer needs to get back -- in this case -- their five cents, 10 cents, 25 cents -- and that's very important. But for the circularity for this program, we really need to make sure that, in particular, these bags -- like the wine and the box scenario, or these paper board materials -- are indeed ultimately ending and in a response land market and being recycled.

· · · · · I think that's just really important to make sure that that's on top of mind for all of us. · So just curious to see long term -- the process of how we're going to get feedback on the success of how those materials are moving through.

Response to O-7-2

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.

Comment O-7-3

· · · · · And I assume that's going to be part of your updates as you do those annually for other material types, but it would just encourage us to come back to this conversation as soon as possible to make sure that we're really are getting those materials ultimately to market.

Thank you so much for this opportunity.

Response to O-7-3

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.

O-8: Wine Institute (Tim Schmelzer)

Comment O-8-1

I got you. · Okay. · Well, then, · I will do so now.

· · · · · So this is Tim Schmelzer with Wine Institute. I'll note we submitted written comments, so I will just 10,000 foot level our comments, but I would direct -- and I know staff is required to review the written comments -- so please see those for further detail.

The elements that we commented on are predominantly to do with the machine readable label element of the regulations, and we have quite a few detailed comments plus material to review to understand where we're coming from in some of those. · That being said, I'll go through really quickly with some of what our comments are.

Response to O-8-1

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.

Comment O-8-2

· · · · · First of all, this is about a minor of comment as I can think to make today. · A change where the labels are required to be clearly and prominently labeled -- such that

they may be read without effort -- I will caution that using the word "effort," we understand that they should not be read without difficulty, but I think any action whatsoever by a human constitutes effort.

· · · · · So just the use of that term struck us as odd, but we certainly understand the intent, and it shouldn't be difficult to read those labels.· So we recommend a very small change there.

Response to O-8-2

CalRecycle accepts this comment. Please see the response to Comment Code O-1-1.

Comment O-8-3

In a couple of different places, this applies both in the machine readable label and the regular CRV label.· It is noted that when CalRecycle requests a label for review that the producers are required to respond within a certain number of days of CalRecycle requesting that the label be submitted.· We propose that you flip that so that the number of days allow for the manufacturer is relative to when they receive that request, just to account for the fact that, you know, make sure that the manufacturer or whoever's going to ask to submit the label is actually aware of the request and at that point, the 10 day starts ticking.· That shows up in a couple different places.

Response to O-8-3

CalRecycle rejects this comment. For a response, please see Comment Code O-1-2.

Comment O-8-4

· · · · · Regarding labeling for glass containers, I didn't see this in regulations in another spot, but to my knowledge, this has been an frequently an option for CRV labeling where a smaller font can be used in a -- without the contrasting colors.· If the CRV messaging is outlined, I didn't know if that's just no longer an option, but we are just hoping for as many options as possible.· So we're hoping that that option will continue.· We note that for reasons that were not sure we understand, the labeling for bag-in box is limited only to the larger font size and not giving a smaller font size with contrasting colors as it's given for other container types.· We see no reason for a difference there and would encourage that the same options are available for that packaging.· And then, once again -- probably a repeating record on this one -- but we do wish CalRecycle would consider with regard to bag and box redemption if the bag itself be the redeemable product is easily recycled elsewhere, and that has been our standard practice internationally and other states, and we think it'd be an easiest manner in which a customer should be able to retrieve their deposit.

Response to O-8-4

CalRecycle accepts the first part of this comment regarding the formatting of the CRV messaging. For a response, please see Comment Code O-1-3. CalRecycle

rejects the second part of this comment regarding the bag in box. For a response, please see Comment Code O-1-5.

Comment O-8-5

· · · · · On to machine readable labeling.· We have extensive comments here, so I'm not going to do the best job of describing them within the allotted time here. In general, we are concerned that these regulations are too prescriptive and do not align with the best practices for permitting the use of QR Codes and food and beverage labeling.

· · · · · This is something that we had caution to give in our comments back when we were were work shopping. This issue -- this is a very fluid time for the adoption of these sort of codes and being able to be flexible enough to align with these involving national, international standards.

Response to O-8-5

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.

Comment O-8-6

While we realize it's difficult, we also think it's necessary, or it substantially reduces any incentive to use these QR Codes, which I think both benefits the customer and the product manufacturer.

· · · · · We do not think it should be required to add the term "deposit" adjacent to the code.· A big advantage of using this code, of course, is to reduce label clutter.· The term "deposited" is actually a larger use of space than just the CA CRV would be; and could also potentially interfere with the required -- around QR Codes to be able to be read well.

Response to O-8-6

CalRecycle rejects this comment. For a response, please see Comment Code C-4-1.

Comment O-8-7

· · · · · There's also some very specific requirements about the use of the chasing arrows option.· We understand the 60% of the income of SB 343 issue that we can't solve within the regulations, but we also think that requiring these size requirements and contrasting color requirements can interfere with the readability of the QR Codes -- and would then have flexibility there -- again, we have more detail on that issue in our comments

Response to O-8-7

CalRecycle accepts the comment to the extent that it requests that the chasing arrows symbol not have a minimum required size or be set in contrasting colors.

Please see amendments to the proposed action in proposed section 2205(b)(1)(B)(i).

Comment O-8-8

We, once again, do not believe that it is necessary that manufacturers carry a toll-free number internet website for technical issues related to QR Codes.· These codes are being used all across earth at this point in time.· And the necessity of being able to maintain a phone number for technical assistance for the use of QR Codes is simply beyond the means of -- I mean, I don't even know -- probably, like, 90% of California wineries that are very small businesses, that are in no way prepared to be offering technical IT-type of assistance, and we also just do not believe that to be necessary.

Response to O-8-8

CalRecycle rejects this comment. For a response, please see Comment Code O-1-8.

Comment O-8-9

· · · · · We have some concern about the requirement that upon scanning the QR Code, that the message appears separately and before all other information on the page. We're concerned that this might potentially conflict with other government uses for the QR Codes.· So while we would agree that government required messaging should come first, this sort of race to the top could be problematic when considering other government agencies -- both within the state and within the nation and without the world -- could create issues for compliance for the use of these QR Codes.

Response to O-8-9

CalRecycle rejects this comment for the same reason as stated in the response to Comment Code O-1-9.

Comment O-8-10

· · · · · We additionally have concerns with a very specific reference to wet cott ted accessibility guidelines.· We want to caution that these are involving guidelines.· And while the guidelines referred to by this regulatory package -- which is version 2.2 -- are widely adopted and used, the version 3.0 is currently being worked on right now.

So we would recommend not referencing something that's a work-in-progress -- I guess you could say -- and ever involving.·

Response to O-8-10

CalRecycle rejects this comment. CalRecycle seeks to incorporate the Web Content Accessibility Guidelines in to 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 drafts 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(a).

Comment O-8-11

And then the last comment that I'd like to make is there's a proposed -- that it is a violation of the act.· If the information does not appear when scanned, we recommend a small change here. If there's no Internet connection available with the scan, the QR Codes by definition cannot be scanned, we think that small change should be added for clarification.

· · · · · And, once again, I would reference staff to read the relatively of elements; the aluminous comments we made on the subject.· And I thank you very much for your time today.

Response to O-8-11

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.