

REQUEST FOR ACTION

To: Zoe Heller
Director

From: Cara Morgan
Deputy Director, Materials Management and Local Assistance
Division

Request Date: August 21, 2026

Decision Subject: 2027 Covered Battery-Embedded Waste Recycling Fee

Action By: September 4, 2026

Summary of Request

CalRecycle is required to establish a covered battery-embedded waste recycling fee on or before October 1 annually. This Request for Action presents staff's analysis and recommendation regarding the covered battery-embedded waste recycling fee that will take effect on January 1, 2027.

Background

Senate Bill 1215 (Newman, Chapter 370, Statutes of 2022) amended and expanded the scope of the Electronic Waste Recycling Act of 2003 by adding covered battery-embedded products (CBEPs) to the types of covered electronic waste (CEW) eligible for recovery and recycling payments in California's Covered Electronic Waste Recycling Program (Program). CalRecycle is required to establish a covered battery-embedded waste recycling fee (Fee) based on the reasonable regulatory costs to administer CEW recycling on or before October 1 annually, pursuant to Public Resources Code (PRC) section 42464(b)(3). The fee shall go into effect on January 1 of each calendar year after the Fee is adopted. CalRecycle, in collaboration with the Department of Toxic Substances Control, may establish more than one Fee based on categories of CBEPs beginning August 1, 2028. (PRC section 42464(b)(2)).

Analysis and Recommendation

Staff used a combination of updated market research and CBEP manufacturer notification data to estimate CBEP sales and used potential Program participant recycling volumes to develop the 2027 Fee recommendation. CalRecycle purchased historical unit sales and price data from International Data Corporation (IDC) and Circana, which covered major product categories likely to include CBEPs. These national figures were then adjusted to reflect California's approximate share of the U.S. population (11.5 percent). In addition, staff reviewed publicly available product specifications to determine which products may meet the definition of a CBEP and to estimate weight and retail price when that information was not otherwise available.

These data sets were then used to adjust unit volumes to more accurately forecast projected CBEP fee revenue and recycling volume. Staff projected approximately 32.8 million pounds of CBEP available for recycling in 2027. At the current combined payment rate of \$1.15 per pound, this leads to projected recycling payments of

approximately \$37.7 million. Adding state operations and other allocations brings the total estimated expenditure for 2027 to approximately \$40.7 million.

CalRecycle considered several different Fee cap scenarios, with the specific goal of generating sufficient revenue to keep the Program solvent while minimizing the financial impact on California retailers and consumers. A Fee cap adjustment is necessary to directly reflect estimated future expenditures. Therefore, staff recommend maintaining the covered battery-embedded waste recycling fee at 1.5 percent of the retail sales price for each covered battery-embedded product sold for use in this state by a retailer, and lowering the cap from \$15.00 to \$1.00 (Attachment 1).

By lowering the Fee cap, CalRecycle will ensure that the revenue coming into the Covered Battery-Embedded Waste Recycling Fee Subaccount closely matches the \$40.7 million in projected total expenditures needed for the Program in 2027.

Feedback from Interested Parties

CalRecycle solicited public comments on the 2027 Fee proposal in an informal rulemaking workshop on June 17, 2026, and through two written public comment periods from June 17, 2026, through June 24, 2026, and from July 17, 2026, through July 24, 2026. CalRecycle received comment letters from the Federation of the Swiss Watch Industry, Consumer Technology Association (CTA), and Information Technology Industry Council (ITI) and considered these comments when establishing the Fee.

Action

Based on the information in this Request for Action, I hereby approve and establish the proposed covered battery-embedded waste recycling fee described in the Analysis and Recommendation section, above, and in doing so, fulfill CalRecycle's obligations pursuant to PRC section 42464(b)(3).

Dated:

Signature on File

Zoe Heller
Director

Attachments

Documents listed below are posted to CalRecycle's website. To request documents referenced in this report but are not listed below, please submit a Public Records Act request (<https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/>).

1. Covered Battery-Embedded Waste Recycling Fee Regulatory Text