

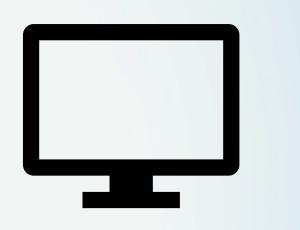
SB 1215

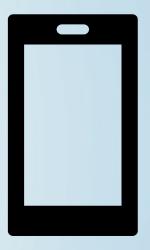
Workshop Covered Electronic Waste Informational Session

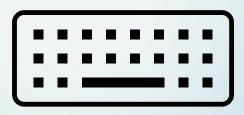
SB 1215 (Newman, Chapter 370, Statutes of 2022)

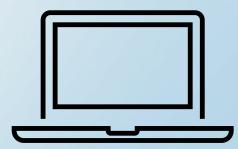
Department of Resources Recycling and Recovery (CalRecycle)

March 15, 2023









Agenda

Opening Remarks

Rachel Machi Wagoner, Director of CalRecycle

Overview of Senate Bill (SB) 1215

Zoe Heller, Deputy Director for Materials Management and Local Assistance

Overview of the Emergency Rulemaking Process

Irina Kaminer, Attorney

Updates and Changes to the CEW Recycling Program

Ana-Maria Stoian-Chu, Manager, CEW Recycling Program

Announcements Regarding Further Engagement Opportunities

Zoe Heller, Deputy Director for Materials Management and Local Assistance

Next Steps

Zoe Heller, Deputy Director for Materials Management and Local Assistance

Stakeholder Comments on Topics Related to SB 1215

SB 1215 Timeline

Date

Milestones Related to Battery-Embedded Products

CalRecycle Shall CalRecycle May Establish a Update the Recycling CalRecycle Shall CalRecycle Shall Recycling Fee Payment Rate (Review Establish **Begin Accepting** (Review Annually Annually Thereafter) **Payment Claims** Regulations Thereafter) July 1, 2025 **January 1, 2026** July 1, 2027 August 1, 2028 **October 1, 2025 April 1, 2026** July 1, 2028 **January 1, 2025** CalRecycle May Initial Fee Assessed Initial Establish Manufacturer on Sales of Manufacturer Multiple Fees Annual Battery-Report Due Date (Based on Embedded **Notification Due** Categories of

Products)

Products

CalRecycle Welcomes Stakeholder Input on the SB 1215 Implementing Regulations

- CalRecycle welcomes questions and feedback
- CalRecycle staff reads every comment
- CalRecycle wants to hear how potential regulations impact industry
- Stakeholder comments influence regulations



Submitting Questions and Feedback

- To make a comment in-person, please line up at the podium.
- To make an oral comment via Zoom, please raise your hand and the host will unmute you.
- To make a written comment via Zoom, please use the chat box.
- Written feedback or questions may also be submitted after the workshop to regulations@calrecycle.ca.gov with subject line "SB 1215 Implementing Regulations."



Opening Remarks

Department of Resources Recycling and Recovery

Rachel Machi Wagoner

Director of CalRecycle

Overview of Senate Bill (SB) 1215

Department of Resources Recycling and Recovery

Background

SB 1215 (Newman, Chapter 370, Statutes of 2022) amends and expands the Electronic Waste Recycling Act to include battery-embedded products.

- Loose batteries will be managed by an EPR program created pursuant to AB 2440 (Irwin, Chapter 351, Statutes of 2022)
- The Electronic Waste Recycling Act (Act) of 2003 established a funding mechanism for the proper management of covered electronic devices when they no longer serve their original function.
- CalRecycle implements the Act in partnership with Department of Toxic Substance Control (DTSC).
- Consumers pay a recycling fee on the covered electronic devices at the time of purchase
- CalRecycle uses these fees to provide payments to approved collectors and recyclers of covered electronic waste to offset the average cost of the proper management of covered electronic waste.

SB 1215: Specifics

- Expands the definition of "covered electronic device" to include covered batteryembedded products
- Requires CalRecycle on or before October 1, 2025 and annually after, to establish a battery-embedded waste recycling fee
- Consumers will pay a covered battery-embedded product recycling fee on and after January 1, 2026.
- Establish a covered battery-embedded waste recycling payment schedule for electronic waste recyclers who will receive, process, and recycle waste generated from the discard of battery embedded products.

SB 1215: Specifics

- Prohibits on and after January 1, 2026 selling or offering for sale a new or refurbished covered battery-embedded product unless the product is labeled with the name of the manufacturer or manufacturers brand label.
- Manufactures of a covered battery-embedded device are required to send a notice to retailers
- Requires CalRecycle to adopt regulations effective January 1, 2025

Overview of the Emergency Rulemaking Process

Department of Resources Recycling and Recovery

SB 1215 Implementing Regulations

- Effective January 1, 2025, CalRecycle shall adopt regulations to establish a payment claims process for eligible battery-embedded products.
- On April 1, 2026, CalRecycle shall begin accepting payment claims for covered battery-embedded waste collected on or after January 1, 2026.



CalRecycle Has Emergency Rulemaking Authority

Public Resources Code Section 42475.2



- Emergency regulations can be effective for 2 years, unless revised earlier by CalRecycle
- Emergency regulations may be readopted

Emergency Rulemaking Process at CalRecycle

1

Issue Notice

- At least 5 working days before submitting action to OAL
- Notice sent to everyone who has filed a request for a notice of regulatory action with CalRecycle

2

File Regulatory Package with OAL

- OAL 10-day review period begins
- OAL post notice on website, 5-day comment period begins

3

Regulations Become Effective

OAL completes review



Finalizing Emergency Regulations

- CalRecycle will finalize emergency regulations via the formal rulemaking process after they go into effect.
- Consumer fee and payment rate regulations will not go through the formal rulemaking process as CalRecycle will annually review them.

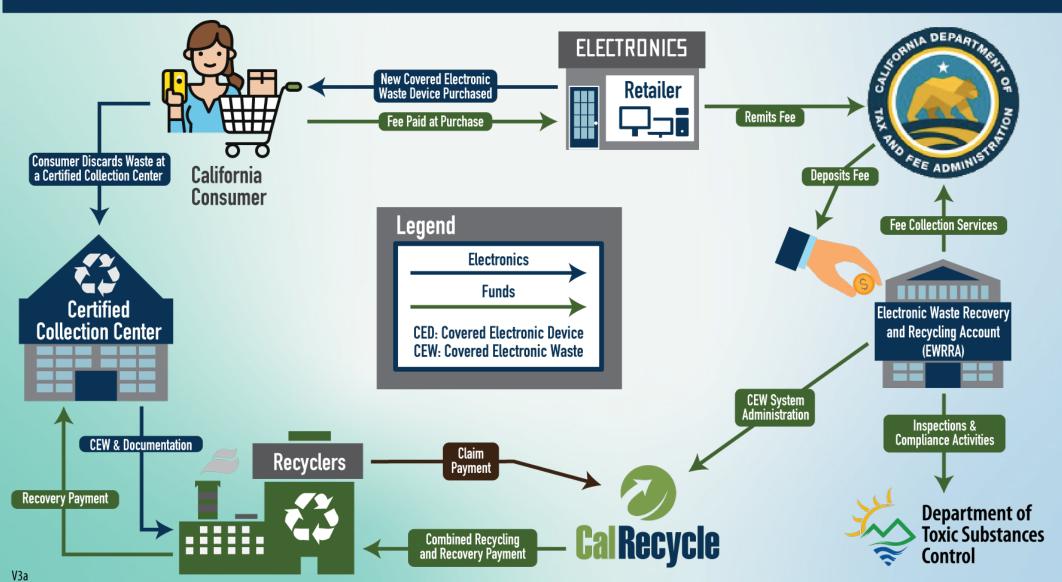
SB 1215 Rulemaking Timeline

2023 2024 2025 Informal **Emergency Regulations** Concept **Emergency Development** Effective January 2025 Regulations Rulemaking Spring-Fall 2023 Spring 2024 Concerning Subsequent, **Emergency Regulations Emergency** yearly setting of Rulemaking **Establishing Battery**fees and payment **Embedded Product Fee Finalization** rates Fall 2024 October 2025

Updates and Changes to the CEW Recycling Program

Department of Resources Recycling and Recovery

Flowchart of Material and Funds within the State of California's Covered Electronic Waste Recycling Program



Payment Rate Assessment

PRC Sections 42477 and 42478

- Annual Assessment of Payment Rates
- Beginning July 1, 2023, CalRecycle may assess payment rates annually rather than every other year.

Manufacturer Definition

PRC Section 42463

Previous Definition

"Manufacturer" means either of the following:

- (A) A person who manufactures a covered electronic device sold in this state.
- B) A person who sells a covered electronic device in this state under that person's brand name.

Updated Definition of a Manufacturer

- (A) A person who <u>manufactures</u> a covered electronic device <u>and who owns or is the exclusive licensee of the brand or trademark under which the covered electronic device is sold, offered for sale, or distributed in the state.</u>
- (B) If there is no person in the state who is the manufacturer for purposes of subparagraph (A), the manufacturer is the <u>owner or licensee of a brand or trademark under which a covered electronic device is sold, offered for sale, or distributed in the state.</u>
- (C) If there is no person in the state who is the manufacturer for purposes of subparagraph (A) or (B), the manufacturer is the person who sells, offers for sale, or distributes the covered electronic device into the state for sale, offer for sale, or distribution in the state.

Manufacturer Report Requirement

PRC Section 42465.2(a)(1)(C)

Updated Requirement

A baseline or set of baselines that show the total estimated amount of recycled materials contained in covered electronic devices, as defined in subparagraph (A) of paragraph (1) of subdivision (g) of Section 42463, sold by the manufacturer in that year and the increase in the use of those recycled materials from the previous year.

Previous Requirement

A baseline or set of baselines that show the total estimated amount of <u>recyclable</u> materials contained in covered electronic devices sold by the manufacturer in that year and the increase in the use of those recycled materials from the previous year.

Recycling Payment Rate for Covered Battery-Embedded Products

PRC Section 42478(c)(2)

"...the amount of the covered electronic waste recycling payment shall be equal to \$0.75 per pound of the total weight of covered electronic waste..."

PRC Section 42478(c)(1)

"...on July 1, 2028, and on July 1 every year thereafter, CalRecycle, in collaboration with DTSC, shall establish a covered electronic waste recycling payment schedule for covered electronic waste generated in this state..."

Recovery Rate

PRC Section 42477

On July 1, 2004, or as specified otherwise in Section 25214.10.1 of the Health and Safety Code, and on July 1 of each year thereafter, CalRecycle, in collaboration with DTSC, shall establish an electronic waste recovery payment schedule for covered electronic wastes generated in this state to cover the average net cost for an authorized collector to operate a free and convenient system for collecting, consolidating and transporting covered electronic wastes generated in this state.

Covered Electronic Device (CED)

PRC Section 42463

Covered Electronic Device

- "Covered electronic device" means either of the following:
- ...A video display device containing a screen greater than four inches, measured diagonally, that is identified in the regulations adopted by DTSC...; and
- Any covered battery-embedded product...

Covered Battery-Embedded Product

• "Covered battery-embedded product" means a product containing a battery from which the battery is not designed to be easily removed from the product by the user of the product with no more than commonly used household tools.

Covered Battery-Embedded Product Exclusions

PRC Section (f)(2)(A-D)

- (2) "Covered battery-embedded product" does not include any of the following:
 - •(A) A medical device, as defined in Section 321(h) of Title 21 of the United States Code, if either of the following applies:
 - •(i) It is a Class I device as defined in Section 360c of Title 21 of the United States Code, and either of the following applies:
 - •(I) It is a device described in Section 414.202 of Title 42 of the Code of Federal Regulations.
 - •(II) Either of the following applies:
 - •(ia) The device is predominantly used in a health care setting by a provider.
 - •(ib) The device is predominantly prescribed by a health care provider.
 - •(ii) It is a Class II or Class III device as defined in 360c of Title 21 of the United States Code.
 - •(B) A covered electronic device, as defined in subparagraph (A) of paragraph (1) of subdivision (g).
 - •(C) An energy storage system, as defined in subdivision (a) of Section 2835 of the Public Utilities Code.
 - •(D) An electronic nicotine delivery system, as defined in Section 375(7) of Title 15 of the United States Code.

Manufacturer Requirements Covered Battery-Embedded Products

Retailer Notice – *PRC 42466.2*

On or before July 1, 2025, and every year thereafter, each manufacturer shall send a notice to retailers covering any product manufactured by that manufacturer that is:

- Covered under the definition of a covered battery-embedded product; and
- Exempt under the definition of a covered battery-embedded product.

A manufacturer subject to this subdivision shall also send copies of the notice to CalRecycle.

Manufacturer Report – PCR 42467

On or before July 1, 2027, and at least once annually thereafter, each covered battery-embedded product manufacturer shall submit to CalRecycle a report that includes the following information:

- California Sales Data
- Battery Chemistry
- Recycled Materials Contained in CED
- List of Retailers Noticed

Proposed Regulations Concepts

- Battery Removability
- CEW Cancellation (Processing)
- Documenting CEW Cancellation
- Source Documentation
- Recycling Fee Covered Battery-Embedded Products

Battery Removability

PRC Section 42463

"Covered battery-embedded product" means a product containing a battery from which the battery is not designed to be easily removed from the product by the user of the product with no more than commonly used household tools.

CEW Cancellation (Processing)

PRC Section 42476(e)

CalRecycle shall adopt regulations specifying cancellation methods for the recovery, processing, or recycling of covered electronic waste.

California Code of Regulations (CCR), Title 14, Section 18660.32(c)

An approved recycler may use the following standard CEW cancellation methods that qualify for recycling payments as specified in the requirements of this Chapter:

- (1) CRT or CRT-containing CEW cancellation through dismantling to a bare CRT after relieving the vacuum.
- (2) Cancellation of non-CRT-containing CEWs through dismantling to a bare panel.

Documenting CEW Cancellation

CRT CEW

Residual bare CRTs or CRT glass cullet used as proxy to demonstrate cancellation.

Recyclers shall provide certified weight of individual shipments of bare CRTs or CRT glass cullet.

Non-CRT CEW

For each claimed non-CRT-CEW, the recycler shall record and report the manufacturer name, model number, and weight of each device prior to cancellation.

Source Documentation

PRC Section 42476(f)(1)(C)

CalRecycle shall establish documentation requirements for purposes of this paragraph that are necessary to demonstrate that the covered electronic waste was generated in the state and eligible for payment.

Source Documentation General Requirements

CCR Section 18660.5(a)(41)

"Source documentation" means collection logs and other information developed, maintained and transferred pursuant to Section 18660.20(h) of this Chapter that demonstrates the eligibility, originating generator or intermediate handlers of collected CEWs as applicable.

CCR Section 18660.20(j)(1)

An approved collector shall maintain a collection log containing a list of all California sources who discarded the CEWs transferred to the approved collector, including the name and address of the California source and the number and type(s) of CEWs discarded.

Recycling Fee Covered Battery-Embedded Products

- CalRecycle shall establish a recycling fee (Fee) by October 1, 2025. (Review Annually Thereafter).
- Covered battery-embedded waste recycling fee begins January 1, 2026.
- CalRecycle may establish multiple Fees beginning August 1, 2028. (Based on Types of Devices).

Section 100 Rulemaking

CalRecycle initiated rulemaking to make non-substantive corrections in existing regulations, in order to:

- Align regulations with statute following, SB 1215 amendments; and
- To fix existing non-substantive inconsistencies and grammatical errors.

Announcements Regarding Further Engagement Opportunities

Department of Resources Recycling and Recovery

Next Steps

- Section 100 rulemaking finalization
- CalRecycle outreach to stakeholder organizations and affected state agencies.
- Next workshop(s) to review proposed regulatory language.

Submitting Questions and Feedback

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- Sign-up for information related to regulations specific to the Covered Electronic Waste Recycling program: E-Waste Listserv
- Sign up for information related to all CalRecycle Proposed Regulations: CalRecycle Proposed Regulations Listsery
- More information is forthcoming and will be distributed through our listserv.
- Email: <u>Regulations@CalRecycle.ca.gov</u>