

SB 54 Rulemaking Workshop

Plastic Pollution Prevention and Packaging Producer Responsibility Act Regulations

SB 54 (Allen, Chapter 75, Statutes of 2022)

Department of Resources Recycling and
Recovery (CalRecycle)

March 29, 2023



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This communication is neither intended to, nor does it constitute definitive legal counseling, conclusions, or advice in any way. Instead, the contents of this communication and any analysis, guidance, or other information is intended to objectively address the question(s) presented based on the current existing, known facts and legal authority as described to and understood by the author and/or CalRecycle at the time of this communication. Please be advised that any relevant facts or legal authority or authorities that are undisclosed or unknown at the time of this communication may affect or alter any analysis, guidance, or other information herein. Please be further advised that any analysis, guidance, or other information herein may be subject to change and/or correction based on changed facts or legal authority, actual or understood, subsequent to the time of this communication. No analysis, guidance, or other information herein should be construed as a waiver of any rights or remedies available to CalRecycle. Recipients of this communication are encouraged to seek the assistance of legal counsel to comply with applicable state law based on current facts and circumstances.

Agenda

Opening Remarks

Marcus Santillano, Environmental Program Manager

Overview of Rulemaking Process in California

Kate Nitta, Assistant Chief Counsel

Part I: Overview of the Producer Responsibility Organization and Producer Responsibility Plan

Grant S. Hisao, Ph.D., Senior Environmental Scientist (Specialist)

Part II: Workshop of Regulation Concepts

Marcus Santillano, Environmental Program Manager

Questions/Discussion

Moderated by the Regulations Unit

Overview of Presentation

- **Part I:**

- Key definitions that will be relevant to today's workshop.
- Statutory overview regarding the producer responsibility organization (PRO) and producer responsibility plan.
- Brief background of the PRO selection process.
- Requirements of producers in relation to the PRO.

- **Part II:**

- Discussion on Regulation Concepts.
- Topics are specific to the Plan.
- Follow the discussion document provided.

*Follow along using the
Discussion Document*

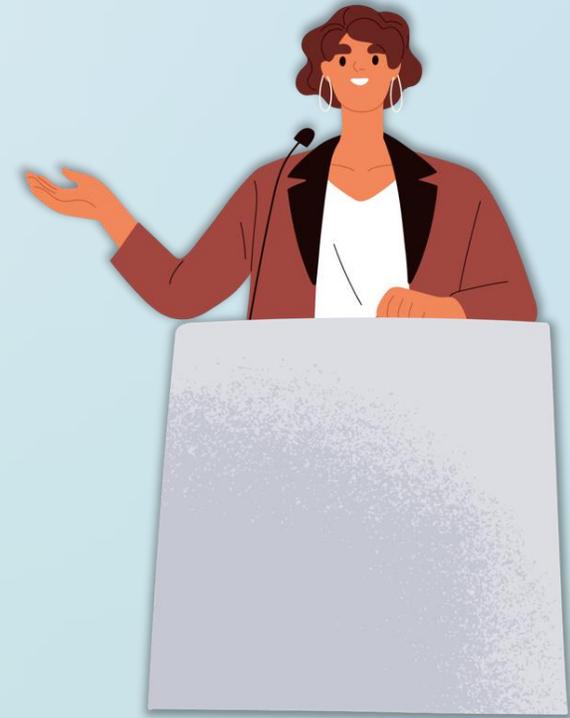


Following items may be mentioned but will be discussed in more detail at a future workshop

- The Need Assessment
- Data Reporting by the PRO
- Source Reduction
- Producer Responsibility Plan revocation
- PRO termination and/or closure plan
- Auditing and Enforcement
- Producer compliance independent of a PRO

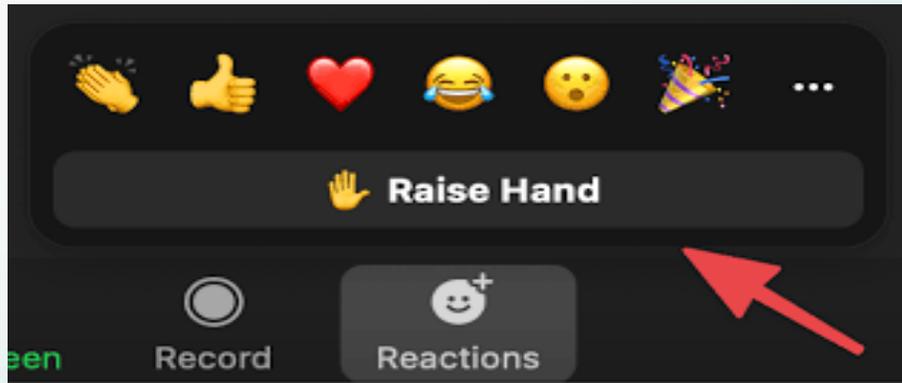
CalRecycle Welcomes Stakeholder Input on SB 54 Plastic Pollution Prevention and Packaging Producer Responsibility Act Regulations

- CalRecycle welcomes questions and feedback
- CalRecycle staff reviews every comment
- CalRecycle wants to hear how potential regulations impact stakeholders
- 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.

Opportunity for Written Feedback

- Written feedback or questions may also be submitted after the workshop to packaging@calrecycle.ca.gov with subject line “SB 54 Plastic Pollution Prevention and Packaging Producer Responsibility Act Regulations”.
- We have developed a process for providing written feedback (*page 22 of [Discussion Document](#)*)
- We request all written feedback be submitted by **April 12, 2023**.

Overview of Rulemaking Process in California

**Department of Recycling Resources Recycling and Recovery,
Regulations Unit, Legal Affairs Office**

Kate Nitta

Assistant Chief Counsel

The Rulemaking Process

From Broad Strokes to Detailed Rules



Regulations are rules, orders, and standards that implement, interpret, and clarify a law.

Rulemaking Process at CalRecycle – 1

1

Concept Development

- Develop regulatory concepts
- Hold informal workshops
- Stakeholder outreach

2

Informal Rulemaking

- Develop rulemaking documents
- Hold informal workshops
- Stakeholder outreach
- Initial Economic Impact analysis
- Department and Agency approval

3

Formal Rulemaking

- Publication in the Notice Register
- Send notice package to interested stakeholders
- Post on Department webpage
- Begin 45 Day Public Comment period

4

45-Day Public Comment Period

- Opportunity to provide written comments
- Public Hearing
- Review public comments and revise regulations

Process continued on next slide 

Rulemaking Process at CalRecycle – 2

5

Additional Comment Period(s)

- Propose changes to regulatory language
- Review public comments and revise regulations

6

Final Approvals and Adoption

- DOF approval of Fiscal and Economic Impact Assessments
- Department Adoption of regulation text

7

Submit Final Rulemaking Package to OAL

- Must be within one year of the Notice publication date
- OAL 30 working day Review Period

8

Regulations Become Effective

Rulemaking Timeline Overview

1

Informal Rulemaking

- Hold public workshops:
 - Spring 2023
 - Summer 2023

2

Formal Rulemaking

- 45-day Comment Period and Public Hearing:
 - *To begin November / December 2023*

3

Regulations Adopted

- January 1, 2025

Part 1

Overview of the Producer Responsibility Organization and Producer Responsibility Plan

**Department of Recycling Resources Recycling and Recovery,
Materials Management and Local Assistance**

Grant S. Hisao, Ph.D.

Senior Environmental Scientist (Specialist)

Definitions

Note: CalRecycle is not currently seeking stakeholder feedback on definitions.

Definitions

- Producer – PRC 42041(w)
- Producer Responsibility Organization – PRC 42041(x)
- Producer Responsibility Plan – PRC 42041(y)
- Recycle – PRC 42041(aa)
- Recycling Service Provider – PRC 42041(ac)
- Responsible End Market – PRC 42041(ad)

Producer – PRC 42041(w)

- (1) “Producer” means a person who manufactures a product that uses covered material and who owns or is the licensee of the brand or trademark under which the product is used in a commercial enterprise, sold, offered for sale, or distributed in the state.
- (2) If there is no person in the state who is the producer for purposes of paragraph (1), the producer of the covered material is the owner or, if the owner is not in the state, the exclusive licensee of a brand or trademark under which the covered product using the covered material is used in a commercial enterprise, sold, offered for sale, or distributed in the state. For purposes of this subdivision, a licensee is a person holding the exclusive right to use a trademark or brand in the state in connection with the manufacture, sale, or distribution of the product packaged in or made from the covered material.
- (3) If there is no person in the state who is the producer for purposes of paragraph (1) or (2), the producer of the covered material is the person who sells, offers for sale, or distributes the product that uses the covered material in or into the state.
- (4) “Producer” does not include a person who produces, harvests, and packages an agricultural commodity on the site where the agricultural commodity was grown or raised.
- (5) For purposes of this chapter, the sale of covered materials shall be deemed to occur in the state if the covered materials are delivered to the purchaser in the state.

Producer Responsibility Organization – PRC 42041(x)

“Producer responsibility organization” or “PRO” means an organization that is exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code of 1986 and is formed for the purpose of implementing a plan to meet the requirements of this chapter.

Note: Discussed in more detail later in the presentation

Producer Responsibility Plan – PRC 42041(y)

“Producer responsibility plan” or “plan,” unless context requires otherwise, means the plan produced by a PRO, or by a producer that chooses to assume responsibility to comply with this chapter individually, and submitted to the advisory board and department pursuant to Section 42051.1.

Note: Discussed in more detail later in the presentation

Recycle – PRC 42041(aa)

- (1) “Recycle” or “recycling” means the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise ultimately be disposed of onto land or into water or the atmosphere, and returning them to, or maintaining them within, the economic mainstream in the form of recovered material for new, reused, or reconstituted products, including compost, that meet the quality standards necessary to be used in the marketplace.
- (2) “Recycle” or “recycling” does not include any of the following:
 - (A) Combustion.
 - (B) Incineration.
 - (C) Energy generation.
 - (D) Fuel production, except for anaerobic digestion of source separated organic materials.
 - (E) Other forms of disposal.
- (3) To be considered recycled, covered material shall be sent to a responsible end market.
- (4) (A) The department may adopt regulations to define guidelines and verification requirements for covered material shipped out of state and exported to other countries for recycling, including processing requirements, and contamination standards, or to otherwise implement this paragraph.
 - (B) For any mixture of plastic waste exported to another country, the PRO or producer shall certify to the department that the processes and recycling technologies used meet both of the following requirements, as determined by the department:
 - (i) The plastic waste is a mixture of plastic types consisting only of one or more of polyethylene, polypropylene, or polyethylene terephthalate, and the export is destined for separate recycling of each material.
 - (ii) The plastic waste export is not prohibited by an applicable law or treaty of the destination jurisdiction, and the import of the plastic waste into the destination jurisdiction will be conducted in accordance with all applicable laws and treaties of that destination jurisdiction.
 - (C) For any mixture of plastic waste exported to other states or countries, the PRO or producer shall certify to the department that the recycling technology used meets the requirements of this subdivision.
 - (D) In meeting the requirements of subparagraphs (B) and (C), the PRO or producer shall provide documentation necessary to verify this certification and shall make the certification under penalty of perjury.
- (5) The department’s regulations shall encourage recycling that minimizes generation of hazardous waste, generation of greenhouse gases, environmental impacts, environmental justice impacts, and public health impacts. The regulations shall include criteria to exclude plastic recycling technologies that produce significant amounts of hazardous waste.

Recycling Service Provider – PRC 42041(ac)

“Recycling service provider” means a solid waste enterprise that provides solid waste handling services on behalf of a local jurisdiction.

Responsible End Market – PRC 42041(ad)

“Responsible end market” means a materials market in which the recycling and recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety. The department may adopt regulations to identify responsible end markets and to establish criteria regarding benefits to the environment and minimizes risks to public health and worker health and safety.

Producer Responsibility Organization and the Plan

What is the Producer Responsibility Organization?

The Producer Responsibility Organization, or PRO, is:

- A 501(c)(3) nonprofit organization formed by producers.
- Responsible for coordinating compliance with the law amongst participant producers.

Responsibilities of the PRO (specified in PRC 42050 to PRC 42057):

- Developing and implementing the producer responsibility plan.
- Developing and implementing the PRO budget (part of plan):
 - Setting and collecting fees for participating producers.
 - Ensuring budget covers all expenditures (e.g., administrative fee, mitigation fund, investments, etc.)
- Reporting requirements:
 - Annual reports (updated budget, annual audit, etc.).
 - Producer contact information.
 - Data.
- Collaborating with CalRecycle in the development of the Needs Assessment
- Maintain records:
 - Contact information of participating producers.
 - List of covered materials offered for sale, sold, distributed, or imported in or into the state.
 - Financial records (minutes, books, etc.)

The Producer Responsibility Plan (Plan)

Definition is in PRC 42041(y), which references PRC 42051.1.

The plan is the PRO's description of how it intends to meet the goals and comply with the requirements of the statute and regulations.

The plan is an enforceable document.

Development of the plan is a core responsibility of the PRO

- PRO must submit the plan to the Advisory Board for review.
- PRO must submit the plan to CalRecycle for review and final approval.
- PRO is required to implement plan upon approval.
- An approved plan is valid for 5 years.

PRC 42051.1 lists the requirements of what must be included in the plan

PRC 42051.1 by sections:

- 42051.1(a) – a general statement of what the plan is.
- 42051.1(b) – pertains to specific items that the plan must describe.
- 42051.1(c) – pertains to specific items that the plan must describe.
- 42051.1(d) – pertains to PROs fees, references PRC 42053
- 42051.1(e) – pertains to education and outreach to be conducted by the PRO
- 42051.1(f) – pertains to PRO closure.
- 42051.1(g) – pertains to reimbursements to local jurisdictions, recycling service providers, alternative collection systems, and other.
- 42051.1(h) – pertains to source reduction, refers to PRC 42057.
- 42051.1(i) – pertains to the Needs Assessment.
- 42051.1(j) – pertains to the PRO's budget.
- 42051.1(k) – pertains to collection other than curbside collection.
- 42051.1(l) – pertains to curbside collection.
- 42051.1(m) – pertains to producer compliance.
- 42051.1(n) – pertains to impacts outside of state.

Summary of some of the plan components

Brief overview of some of the requirements:

- A description of how the PRO intends to collect and manage covered materials and meet the recycling rates specified in statute.
- A source reduction plan.
- A description of some of the technologies the PRO intends to use to recycle.
- A description of education and outreach the PRO intends to conduct.

CalRecycle will further clarify these requirements through regulations; topic for Part II.

Specific items that will be discussed in Part II:

- Education and Outreach
- Budget and Fees

Education and Outreach (PRC 42051.1(e))

Statute requires:

- The plan to include efforts to use education and promotion to encourage proper participation in recycling and composting collection and reuse and refill systems.
- The PRO to ensure coordination between these efforts and existing efforts.

Types of Education and Outreach efforts specified in statutes:

- Education and engagement to reduce the rate of inbound contamination or unwanted materials.
- Outreach to obtain consistently high levels of public participation in and use of collection services and reuse and refill systems.
- Education and engagement with residents on proper recycling, composting, and reuse and refill behaviors.
- Support for increased statewide and local outreach needed to achieve the plan's goals.

Budget and Fees

The PRO Budget is a required item within the plan [PRC 42051.1(j)]:

- Cover all costs (e.g., administrative costs, mitigation fee, etc.).
- Cover the costs of investments and actions the PRO intends to do.
- Based off the fees set for Producers.

Fees [PRC 42051.1(d); PRC 42053]:

- Each PRO participant is assessed a fee.
- The statute specifies how the PRO can set the fee structure.
- Fees must be sufficient to cover the costs in the budget.

Annual Reports (PRC 42051.3)

Contents of the annual report:

- Description of how the PRO is progressing to meet the requirements of the statute.
- An updated budget
- An updated list of participants
- Any proposed plan amendments
- Data as required by the source reduction provisions
- A copy of the PRO's annual audit.

The PRO is required to submit an annual report:

- Reviewed by the Advisory Board
- Reviewed and approved by CalRecycle
- Publicly available

Establishment of a PRO

Pursuant to PRC 42051(a)

- There will initially be one PRO.
- If multiple entities are seeking to become the PRO, entities must apply to CalRecycle 01/01/2024.
- CalRecycle will select one entity to serve as the PRO.

PRO application/selection process:

- CalRecycle is currently developing the application.
- Application will likely be opened in fall of 2023.
- CalRecycle will conduct an extensive review of all applications.

Requirements of Producers in relation to the PRO

- Producers are required to become a participant of the PRO's approved plan.
- PRC 42051(b)(1): A producer is prohibited to sell, offer for sale, import, or distribute covered materials in the state, unless:
 - The producer participates in the PRO's approved plan.
 - Prohibition will go into effect on 01/01/2027 or the date when the PRO's plan is approved, whichever is sooner.
- Producers may comply with the requirements of the statute independent of the producer if they demonstrate to CalRecycle that they meet the requirements in PRC 42051(b)(2).

Conclusion of Part I

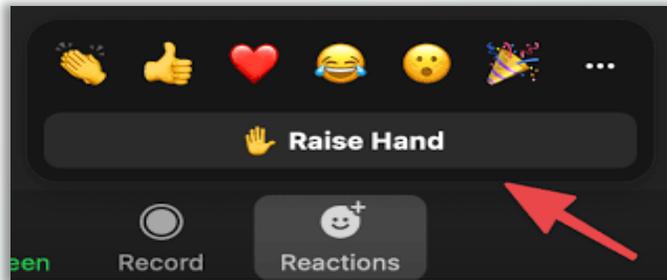
- The PRO is tasked with implementing many of the requirements and achieving the goals of this program.
- CalRecycle is developing regulations to further clarify the requirements of the PRO and requirements of the plan (Part II).
- CalRecycle is also concurrently developing the application process for prospective PROs.
- Producers will be required to become a participant of the PRO's plan in order to sell, offer for sale, import, or distribute covered materials in the state.

Informational Item for Stakeholders

- January 1, 2024 is the deadline for any entity who is interested in serving as the PRO to submit an application to CalRecycle. Subsequently, CalRecycle will review any applications based on the criteria specified in PRC 42061.5(a).
- CalRecycle is in the initial stages of developing the application and review process; however, CalRecycle will not be mandating application requirements beyond what is required in statute. CalRecycle will share more information and may hold an Informational Session in the second half of 2023 that describes the application process further.

Questions and Comments

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Part II. Workshop of Regulation Concepts

**Department of Recycling Resources Recycling and Recovery,
Materials Management and Local Assistance**

Marcus Santillano

Packaging EPR Program Manager

Rulemaking Process

- The rulemaking process is for implementing, interpreting, or making specific statutes the department administers or enforces. Generally, the rulemaking process must follow the requirements of the Administrative Procedures Act, commencing with Government Code section 11340. Currently, CalRecycle is in the period of public participation prior to the publication of the Notice of Proposed Regulatory Action.
- This means CalRecycle is informally seeking feedback on proposed regulatory concepts for consideration when drafting proposed regulations to implement, interpret, or make specific provisions of SB 54 necessary for the Department's implementation of its provisions.

Regulation Concept Discussion Items

- Item 1 – Recycling Technologies [PRC 42051.1(b)(3)]
- Item 2 – Education and Outreach [42051.1(e)]
- Item 3 – Alternative Collection Systems [PRC 42051.1(g)(1) & PRC 42051.1(j)]
- Item 4 – Budgets and Reimbursements [PRC 42051.1(g) & 42051.1(j)]
- Item 5 – Document Submittals [PRC 42051.2]
- Item 6 – Annual Report [PRC 42051.3]

Item 1 – Recycling Technologies

- PRC 42051.1(b)(3):
 - Requires the plan to include technologies and means that will be utilized to achieve recycling requirements.
 - The technologies must be consistent with the definition of recycle/recycling [specified in 42041(aa)].

Item 1 – Recycling Technologies Regulation Concept

- CalRecycle proposes promulgating regulations to identify what information needs to be specified in the plan.
- The plan needs to include a list of technologies along with the following:
 - Name and description of technology
 - How it is used
 - Covered materials recycled by the technology
 - Level of contamination technology is allowed to tolerate
 - End products produced and their destination (e.g., by-products/residuals)
 - Current operational status, including location of proposed/current sites
 - Explanation of how the technology is consistent with definition of *Recycling*
 - How efficient the technology is at achieving recycling rates

Item 1 – Recycling Technologies Regulation Concept (continued)

Request from Stakeholders:

CalRecycle is seeking feedback on the proposed concept for how these technologies need to be identified and described in the plan pursuant to PRC 42051.1(b)(3). The specific concept focusing on what constitutes recycling will be discussed at a future workshop.

Item 2 – Education and Outreach

- PRC 42051.1(e) requires the plan to include:
 - Efforts to use education and promotion to encourage participation in program
 - The PRO needs to ensure coordination between these efforts and existing efforts, including:
 - Education and engagement to reduce the rate of inbound contamination or unwanted materials.
 - Outreach to obtain consistently high levels of public participation in and use of collection services and reuse and refill systems.
 - Education and engagement with residents on proper recycling, composting, and reuse and refill behaviors.
 - Support for increased statewide and local outreach needed to achieve the plan's goals

Item 2 – Education and Outreach Regulation Concept

- CalRecycle proposes promulgating regulations to specify what education and outreach requirements need to be specified in the plan.
- The regulations will look to existing examples of regulations outlined in 14 CCR [specifically Section 18973.2(j)].
- The PRO, at minimum should include the following:
 - Internet website (consistent with Government Code 7295), including:
 - Information of how covered material, by covered material category, should be recycled or composted within a person's local jurisdiction.
 - List of authorized entities who collect covered material.

Item 2 – Education and Outreach Regulation Concept (continued)

- The program should lead to ultimate consumer awareness and accessibility.
- The program should encourage consumers to reduce waste and proper sortation of covered materials when recycling, composting, or disposing.
- Conduct activities and produce materials to promote awareness and maximize ultimate participation in the program
- The PRO should, whenever possible, ensure that all materials produced are in compliance with Section 7295 and 7405 of the Government Code.

Item 2 – Education and Outreach Regulation Concept (continued)

Request from Stakeholders:

CalRecycle is seeking feedback on the proposed concept which is modeled off of existing EPR regulations and incorporates specific education and outreach requirements relevant to SB 54.

Item 3 – Alternative Collection System

- PRC 42051.1(g)(1) requires the plan to include:
 - Process for determining and paying the costs that will be incurred by local jurisdictions, recycling service providers, alternative collection systems, and others under this chapter.
 - Payment of these costs shall be reflected in the budget pursuant to subdivision (j).
- PRC 42051.1(j) requires the plan to include:
 - A budget designed to fully fund the costs necessary to implement this chapter.

Item 3 – Alternative Collection System Regulation Concept

- CalRecycle proposes promulgating regulations to identify *alternative collection systems*.
- The regulations will look to existing examples of alternative collection systems in current programs. Examples include:
 - Buy-back programs
 - Public drop-off points
 - Mobile recycling services
 - Mail-back programs
 - Reverse vending machines

Item 3 – Alternative Collection System Regulation Concept (continued)

Request from Stakeholders:

CalRecycle is seeking feedback on other potential options to identify as *alternative collection systems*. Local jurisdiction issues will be covered in a future workshop.

Item 4 – PRO Budget and Reimbursements

- PRC 42051.1(j)(1):
 - Requires the plan to include a budget designed to fully fund the costs necessary to implement this chapter.
 - It should include an itemized list of anticipated costs for implementing the plan. Examples include:
 - Investments identified in the needs assessment
 - Reimbursements to local jurisdictions and recycling service providers
 - Administrative costs
 - Reimbursement costs incurred by CalRecycle and CDTFA
 - Full list specified in 42051.1(j)(1)(A)-(H)

Item 4 – PRO Budget and Reimbursements (continued)

- PRC 42051.1(j)(2) requires the PRO to not expend revenue collected for implementation of the plan for any of the following purposes:
 - To pay an administrative civil penalty pursuant to Section 42081.
 - To pay costs associated with litigation between the producer or organization and the state.
 - To compensate a person whose position is primarily representing the PRO relative to the passage, defeat, approval, or modification of legislation.
 - To subsidize, incentivize, or otherwise support incineration, engineered municipal solid waste conversion, the production of energy or fuels, except for fuels produced using anaerobic digestion of source separated organic materials, or other disposal activities.

Item 4 – PRO Budget and Reimbursements (continued)

- PRC 42051.1(j)(3) requires the PRO to not maintain total program reserves exceeding 60 percent of its annual operating expenses.
 - The department, in approving the annual PRO budget, may authorize the total reserves to be increased to up to 75 percent of the PRO's annual operating expenses if CalRecycle determines the increase is necessary to implement the requirements of this chapter.
 - If a PRO's reserves exceed 60 or 70 percent, CalRecycle may require the PRO or a participant producer to increase spending on implementing the requirements of this chapter.

Item 4 – PRO Budget and Reimbursements Regulation Concept

- CalRecycle proposes promulgating regulations to specify what items need to be included in the plan regarding budgets.
- The regulations will look to existing examples of regulations outlined in 14 CCR (specifically Section 18973.6).
- The budget, at minimum should include the following:
 - Contact information
 - Anticipated costs for program implementation
 - Recommended reserve level amount along with justification
 - Recommended funding level necessary to cover budgeted costs
 - Description of the types of activities relative to each line-item cost category
 - Independent financial audit
- The program budget will also include items specified in PRC 42051.1(j).

Item 4 – PRO Budget and Reimbursements Regulation Concept

Informational Item for Stakeholders:

The budget shall include all other costs associated with implementing the plan, including costs incurred by the California Department of Tax and Fee Administration specified in 42051.1(j)(1)(C). CalRecycle would like to clarify this cost is the same as the Circular Economy Administrative fee, identified in PRC 42053.5.

Item 4 – PRO Budget and Reimbursements Regulation Concept

Request from Stakeholders:

CalRecycle is seeking feedback on the proposed concept which is modeled off of existing EPR regulations and incorporates specific program budget requirements relevant to SB 54.

Item 5 – Document Submittals

- PRC 42051.2 specifies requirements for the PRO regarding submission of the PRO Plan, including the reviewing entity (e.g., Advisory Board, CalRecycle) and timelines.
- PRC 42051.3 requires the PRO to submit annual reports and budget that describes how the PRO is implementing the approved plan and how the PRO has complied with the requirements of this chapter.
- PRC 42063 specifies requirements for CalRecycle regarding review of plans, plan amendments, annual reports, and budgets, including timelines and determinations (e.g., approval, disapproval, etc.).

Item 5 – Document Submittals Regulation Concept

- CalRecycle proposes promulgating regulations to identify the process for document submittals.
- The regulations will look to existing examples of regulations outlined in 14 CCR (specifically Section 18973).
- All documents will be required to comply with section 7405 of the Government Code (i.e., Web content accessibility guidelines).
- All documents (e.g., plans, reports, etc.) will be required to be submitted electronically.
- All documents shall be provided to the department under penalty of perjury.

Item 5 – Document Submittals Regulation Concept (continued)

- All documents shall be complete and correct.
- Documents are complete if they contain provisions intended to meet each requirement.
- If documents are determined complete, CalRecycle will approve, conditionally approve, or disapprove the document.

Item 5 – Document Submittals Regulation Concept (continued)

Request from Stakeholders:

CalRecycle is seeking feedback on the proposed concept which is modeled off of existing EPR regulations and incorporates specific document submittal requirements relevant to SB 54.

Item 6 – Annual Report

- PRC 42051.3 requires:
 - The PRO to submit annual reports and budget that describes how the PRO is implementing the approved plan and how the PRO has complied with the requirements of this chapter.
- PRC 42051.3 specifies:
 - Requirements for what needs to be included in the annual report and budget.
 - CalRecycle requirements for review, including timelines for review, and requirements/timelines for the PRO based on approval status (e.g., conditionally approved, etc.).

Item 6 – Annual Report Regulation Concept

- CalRecycle proposes promulgating regulations to identify what information needs specified in the report.
- All EPR programs require the PRO to submit annual reports.
- The regulations will look to existing examples of regulations outlined in 14 CCR from various EPR programs to provide consistency to the extent possible.
- Existing regulations include:
 - Carpet: 14 CCR, Section 18944
 - Paint: 14 CCR, Section 18954
 - Mattress: 14 CCR, Section 18964
 - Pharm: 14 CCR, Section 18973.4
 - Sharps: 14 CCR, Section 18973.5

Item 6 – Annual Report Regulation Concept (continued)

- Components of an Annual Report:
 - Contact information
 - Executive Summary
 - Program Outline
 - Collection System
 - Financing Mechanism
 - Policies and Procedures
 - Education and Outreach
 - Audits
- The annual report will also include all items specified in PRC 42051.3(a)(3)

Item 6 – Annual Report Regulation Concept (continued)

Request from Stakeholders:

CalRecycle is seeking feedback on the proposed concept which is modeled off of existing EPR regulations and incorporates specific annual reporting requirements relevant to SB 54.

Regulation Concept Discussion Items

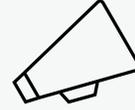
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Opportunity for Written Feedback

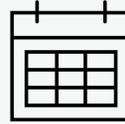
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- We have developed a process for providing written feedback (*page 22 of [Discussion Document](#)*)
- We request all written feedback be submitted by **April 12, 2023**.



Sign-up for our SB 54 Listserv



Announcing information about the next Informational Session in mid-April.



April SB 54 Informational Session and Informal Rulemaking Workshop:

- April 25, 2023 at 10:00 AM
- Located in Byron Sher
- Hybrid (Zoom/Webcast)



More information forthcoming; will be distributed through our listserv and available on the SB 54 Webpage.

Email: Packaging@CalRecycle.ca.gov



CalRecycle

Ways to stay informed