

SB 1013 Dealer Registration and Dealer Cooperatives Workshop

SB 1013

Atkins, Chapter 610, Statutes of 2022
Department of Resources Recycling
and Recovery (CalRecycle)

April 25, 2023



Agenda

- Introductions
- Director's Remarks
- SB 1013 Overview
- Dealer Cooperative Concepts

Workshop Purpose

- Overview of new laws
- Present concepts of proposed regulations
- Solicit input from public

Introductions

Opening Remarks

Amy Cameron, Assistant Director for Recycling
Rachel Wagoner, Director

SB 1013 Overview

Erin Rodriguez, Legislative Office Deputy Director

Proposed Concepts

Amy Cameron, Assistant Director for Recycling

Questions and Feedback

Moderated by Csilla Richmond

Director's Remarks

CalRecycle

CalRecycle Welcomes Stakeholder Input

- Questions and feedback are welcomed
- Every comment is read and considered
- CalRecycle wants to hear how potential regulations impact stakeholders, including consumers and industry
- Regulations are influenced by stakeholder comments

Submitting Questions and Feedback

- We will be taking questions during each portion of the presentation.
- 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 1013 Dealer Cooperatives**.

Legislation - SB 1013 Overview

CalRecycle

Statutory Changes to Public Resources Code

Added Section 14578 effective January 1, 2025

Requires dealers in unserved convenience zones to either:

- 1) Redeem empty beverage containers for consumers or
- 2) Join a dealer cooperative

Exempts certain dealers from these requirements.

- 1) Has gross annual sales of less than \$1,500,000 or
- 2) Is less than 5,000 square feet

Statutory Changes to Public Resources Code

Added Section 14578.5

- Allows CalRecycle to provide model cooperative plans by January 1, 2024
- Requires CalRecycle to adopt Regulations
- Authorizes CalRecycle to register dealers and Dealer Cooperatives
- Establishes Dealer Cooperative standards and requirements
- Provides authority for CalRecycle to revoke a Dealer Cooperative's registration
- Requires CalRecycle to audit Dealer Cooperatives
- Provides enforcement authority to CalRecycle over the Dealer Cooperative
- Authorizes dealer cooperatives to receive certain program payments

Dealer Cooperative Concepts

CalRecycle

Timeline

1

Public Workshop

April 2023

2

**File with Office of
Administrative
Law**

Summer 2023

3

**Regulations
Adopted**

June 2024

4

**Dealer
Cooperatives
Effective**

January 2025

Roles and Responsibilities

| Entity | Responsibility |
|--------------------|---|
| Dealers | Register with CalRecycle; Provide redemption or join Dealer Cooperative if in an unserved zone |
| Dealer Cooperative | Establish nonprofit entity, seek dealer members to join; Create redemption plan; Provides directly or through contracting redemption services |
| CalRecycle | Verifies Dealer Cooperative is compliant |

Dealer Registration

Dealers (retail establishments that sell CRV beverages) shall register with CalRecycle

- 1) Dealers will submit and update identifying information to CalRecycle
- 2) Information submitted will be used to determine “small dealer” exemptions
- 3) Updates would include change in ownership, address, and etc.

What is a Dealer Cooperative

Dealer Cooperative statutory requirements include:

- Must be a nonprofit organization and include member dealers from an unserved convenience zone
- Implement a CalRecycle approved redemption plan including providing direct, or through contract, redemption to consumers
- Eligible for reimbursement of CRV and other program payments
- Fund operational costs including through member fees
- Report regularly to CalRecycle

Dealer Cooperative Concepts

Dealer Cooperative Registration

- Proposed timeline for review and approval of registration and plan
- Proposed implementation of approved registration and plan
- When operational, dealer cooperative in unserved zone(s) will implement the redemption plan

Dealer Cooperative Concepts

Dealer Cooperative Registration (Cont'd)

Dealer Cooperatives Application package shall include

- Registration Application
- Dealer Cooperative Proposed Redemption Plan
- Map of the area(s) where the Dealer Cooperative Proposes to Operate
- Description of the property/locations for redemption activities and a timeline for approvals for the use the property/location

Dealer Cooperative Concepts

Dealer Cooperative Redemption Plan

Dealer Cooperatives Redemption Plans shall include

- Contact Information for the Organization
- Contact Information for the Designee Overseeing the Plan
- Member Charter/Description of Member Rights and Responsibilities of the nonprofit organization
- Identify any proposed Redemption Contractors

Dealer Cooperative Concepts

Dealer Cooperative Redemption Plan (Cont'd)

Dealer Cooperatives Redemption Plans shall include a description of:

- Convenience Zone(s) served
- List of Dealer Members
- Implementation Plan and Timeline
- Proposed consumer redemption service
 - Includes method of redemption, collection systems, transporting, and processing
- Education and Outreach Activities
- Recordkeeping & Compliance Assurance Process
- Additional Information

Redemption Plan Approval, Amendments & Updates

Proposed timeline for redemption plan amendments:

- Plan Amendments: Change in service providers or redemption model
 - Submit to CalRecycle for approval
 - Effective 60 days after approval
- Plan Updates: Change in dealer members or convenience zones
 - Submit to CalRecycle for approval
 - Effective 30 days after approval

Proposed Enforcement of Dealer Cooperatives

- Compliance determined by implementation of Dealer Cooperative Redemption Plan
- Dealer Cooperative is the subject for enforcement of the Dealer Cooperative Redemption Plan
- Dealer Cooperative and Dealer Members liable for misconduct

Proposed Dealer Cooperative Reporting

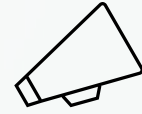
- Monthly, Quarterly?
- Amount of empty beverage containers by material type and collection method redeemed from consumers
- Amount of redemption payments made to consumers
- Collection method data (e.g. RVM Uptime/Downtime/Maintenance Costs)

Submitting Questions and Feedback

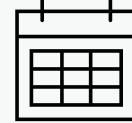
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Ways to Stay Informed



Sign-up for information related to regulations specific to the Beverage Container Recycling Program:
[Beverage Container Recycling Program General Listserv](#)



Sign up for information related to all CalRecycle Proposed Regulations:
[CalRecycle Proposed Regulations Listserv](#)

More information is forthcoming and will be distributed through our listserv.

Email:
Regulations@CalRecycle.ca.gov