

Addition of New Containers to the Beverage Container Recycling Program



UPDATED 1/04/2024

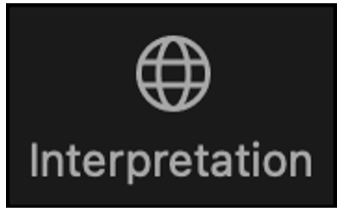
Informational Webinar

Department of Resources Recycling
and Recovery (CalRecycle)

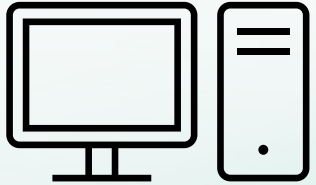
October 24, 2023



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Agenda

Purpose of the Webinar

Introductions

Changes to the BCRP

Operational Guidelines for Participants

Questions

Next Steps

Webinar Purpose

We will provide guidance for Beverage Manufacturers, Distributors, Dealers, Recyclers and Processors in the Beverage Container Recycling Program (BCRP) on the impacts of the SB 1013 (*Atkins, Chapter 610, Statutes of 2022*) addition of wine and distilled spirit beverages.

We will also discuss related changes from SB 353 (*Dodd, Chapter 868, Statutes of 2023*).

There will be opportunity for comments and questions about the information provided.

Rulemaking in Progress

CalRecycle is developing Regulations to ensure new types of containers meet our CalRecycle goals of a circular economy. In the meantime, we are offering Operational Guidelines for changes that begin on January 1, 2024.

Introductions

Amy Cameron

Assistant Director, Division of Recycling

Monica Torres

Chief, Financial Analysis and Policy Development Branch

Jennifer Akins

Chief, Certification and Registration Branch

Patina Chacon

Chief, Enforcement Branch

CalRecycle Welcomes Input from Interested Parties

- We will address questions and comments at the conclusion of our presentation.
- To make a written comment via Zoom, please use the Q&A box.

Changes to the Beverage Container Recycling Program

**Department of Resources Recycling and Recovery,
Division of Recycling**

SB 1013 Wine and Distilled Spirits

SB 1013 added Wine and Distilled Spirits to the CRV program beginning January 1, 2024. These include containers in traditional aluminum, glass, plastic and bimetal containers.

Wine and Distilled Spirits in other containers types that are in boxes, bladders, pouches or similar containers are also added to the CRV program on January 1, 2024.

Wine and Distilled Spirit Coolers will be subject to the same requirements as Wine and Distilled Spirits.

New Wine and Distilled Spirit Containers

The Wine and Distilled Spirits in New Types of Containers that are Boxes, Bladders, Pouches or Similar Containers are these types of containers:

- Bag-In-Box
- Multi-Layer Pouch
- Paperboard Carton

New Container Types

These wine and distilled spirit new types of containers will be separate container types.

- The new types of containers will have their own segregated weight payment. For now, the amount is the same amount used for Plastic #7.
- Processors will cancel all new types of containers in the following ways: altering so that reconstitution is impossible, exporting out of state, or delivering to a location of end use.
- Processors who take plastic must take all new types of containers.

New Container Types

- Processing fees and processing payments will be equivalent to the Plastic #2 HDPE rate until January 1, 2026.

CRV Rates for Wine and Distilled Spirits

Wine and Distilled Spirits in glass, plastic, aluminum or bimetal bottles or cans will be **\$0.05 or \$0.10 CRV** per container depending on the size of the container.



Glass



Aluminum



Plastic



Bimetal

CRV Rates for Wine and Distilled Spirits (pg 2)

Wine and Distilled Spirits in boxes, bladders, pouches, or similar containers will be **\$0.25 CRV** per container regardless of size or material type.



Bag-in-Box



Multi-Layer Pouch



Paperboard Carton



Plastic Resins
Labeled #1-7 Plastic
Pouches

Recycled Plastic Minimum Content

- Beverage Manufacturers must meet recycled content minimum standards for plastic beverage containers including wine or distilled spirits in boxes, bladders and pouches that contain plastic. SB 1013 provides an additional two years for these containers to meet the minimum content percentage standard.
- SB 353 exempts the following from the minimum content requirement until January 1, 2026, however, the recycled plastic content of these containers must still be reported.
 - 100% fruit juice in plastic beverage containers 46 ounces or more
 - Vegetable juice in plastic beverage containers above 16 ounces

Recycled Plastic Minimum Content Schedule

CRV Beverages in Plastic Containers including Wine and Distilled Spirits

- 15% January 1, 2022 to December 31, 2024
- 25% January 1, 2025 to December 31, 2029
- 50% January 1, 2030

Wine and Distilled Spirits in Boxes, Bladders and Pouches

- 15% January 1, 2024 to December 31, 2026
- 25% January 1, 2027 to December 31, 2031
- 50% January 1, 2032

Large Fruit and Vegetable Juice Plastic Containers

- 25% January 1, 2026 to December 31, 2029
- 50% January 1, 2030

Recycled Plastic Minimum Content Reporting

- Beverage Manufacturers must report the amount in pounds and by resin type the virgin plastic and postconsumer recycled plastic content for CRV plastic beverage containers by March 1 of each year using this link: <https://calrecycle.ca.gov/BevContainer/BevDistMan/PlasticRpt/>
- The next reporting deadline is March 1, 2024 for plastic beverage containers sold in calendar year 2023.
- Plastic beverage containers sold in calendar year 2024 must be reported on March 1, 2025. This includes beverages added on January 1, 2024:
 - Wine and Distilled Spirits
 - Wine and Distilled Spirits in boxes, bladders and pouches
 - Large fruit and vegetable juices

Recycled Plastic Minimum Content Reporting (cont.)

- Beverage Manufacturers that sell 16 million or fewer plastic beverage containers in a calendar year are exempt from meeting the PCR requirements for that year but are not exempt from the reporting requirements.
- There are penalties for not reporting and not meeting the minimum content standard. Failure to meet the minimum content requirement will result in penalties that will be calculated at a rate of \$0.20 per pound based on the shortfall of recycled content used compared to the minimum content requirement.
- Plastic Material Reclaimers and Manufacturers of Postconsumer Recycled Plastic are also required to report on March 1st of every year.
- CalRecycle has submitted proposed regulations to the Office of Administrative Law that will further clarify the plastic minimum content requirements and reporting under Public Resources Code Sections 14547 and 14549.3.

Timeline

January 1, 2024

- Adds Wine and Distilled Spirits in Aluminum, Glass, Plastic or Bimetal
- Adds Wine and Distilled Spirits Boxes, Bladders and Pouches New Container Types
- Adds 25 Cent CRV

July 1, 2025

- CRV Labeling Exemption Ends for Wine and Distilled Spirits (Exempt from labeling if filled and labeled before January 1, 2024)
- CRV Labeling Exemption Ends for Large Fruit and Vegetable Juices (Exempt from labeling if filled and labeled before July 1, 2024)

Operational Guidelines By Participant

**Department of Resources Recycling and Recovery,
Division of Recycling**

Beverage Manufacturers

- For Wine and Distilled Spirit Beverage Manufacturers, register with CalRecycle by January 1, 2024
<https://calrecycle.ca.gov/BevContainer/BevDistMan/Registration/>
- Report and pay processing fees for all beverage containers including those newly added on January 1, 2024, whether or not they are labeled with the CRV message
- Processing fees for new types of containers will be equivalent to HDPE until January 1, 2026

Beverage Manufacturers (cont.)

- Meet the recycled plastic minimum content requirements for plastic beverage containers including Wine and Distilled Spirit boxes, bladders and pouches and report by March 1st of each year
- Regulations will provide guidelines for labeling Wine and Distilled Spirits new types of containers that will need to be labeled with the CRV message by July 1, 2025

Beverage Distributors

- Wine and Distilled Spirit Distributors register with CalRecycle by January 1, 2024
- Report and pay CRV redemption payments for all beverage containers. This includes those newly added on January 1, 2024 whether or not they are labeled with the CRV message.
- For beverages sold by the dealer to the consumer after January 1, 2024, the Distributor Reports may be amended if CRV was not initially paid
- An informational webinar will be held on November 8, 2023

Beverage Dealers

- Beverage containers newly added January 1, 2024 such as wine and distilled spirit beverages and large size fruit and vegetable juice containers are subject to CRV
 - The newly added beverage containers might not be labeled with the CRV message
 - \$0.25 CRV containers are also added beginning January 1, 2024
- Stores greater than 4,000 square feet must update their shelf labels for new CRV containers by January 15, 2024

Recyclers

- Accept ALL CRV Containers from Consumers
 - Aluminum, Glass, Plastic, Bimetal AND Wine and Distilled Spirits in bag-in-boxes, multi-layer pouches, or paperboard cartons
- Bag-in-boxes must be intact as a single unit (bladder, spout and cardboard exterior) to be eligible for CRV
- Pay Consumers Appropriate Rates
 - \$0.25 CRV, \$0.10 CRV or \$0.05 CRV
 - Use the appropriate Segregated Rates
 - Wine and Distilled Spirit Containers in bag-in-boxes, multi-layer pouches or paperboard cartons will have a temporary segregated rate amount equivalent to Plastic #7 (Other)

Recyclers (cont. pg 2)

- Some Wine and Distilled Spirit will not have CRV labels, even after labels are required
- Some Fruit juice containers 46 ounces or more and vegetable juice containers above 16 ounces will not have a CRV label (during the transition period or those that were bought before labelling went into effect)
- Wine and Distilled Spirit in new types of containers will not have a resin code
 - ✓ Bag-in-box
 - ✓ Multi-layer pouch
 - ✓ Paperboard Carton
- Wine and Distilled Spirits in new types of containers will have a processing payment equivalent to HDPE until January 1, 2026

Recyclers (cont. pg 3)

- Wine and Distilled Spirits in bag-in-box, multi-layer pouch, and paperboard carton containers need to be recorded on log and receipts as WDS-BBP
- Wine and Distilled Spirits in new types of containers will need to be shipped separately from other materials
- CalRecycle will be hosting online "focus hours" in late 2023 for Q&A sessions

Recyclers (cont. pg 4)

- Payment by Count
 - 25 bag-in-box
 - 25 multi-layer pouches
 - 25 paperboard cartons
- Daily Load Limits
 - 50 pounds bag-in-box
 - 25 pounds multi-layer pouches
 - 25 pounds paperboard cartons
- Payment by Pound
 - Segregated rate amount is temporarily the equivalent to Plastic #7 (Other)

Processors

- Processors who take plastic accept all Wine and Distilled Spirit new types of containers:
 - ✓ Bag-in-box
 - ✓ Multi-layer Pouch
 - ✓ Paperboard Carton
- New types of containers should be shipped separately from other container types.
- Cancel new types of containers by altering so that reconstitution is impossible, exporting out of state, or delivering to a location of end use.
- If a location of end use can't be located by the Processor, contact the Division of Recycling for options. You may not dispose of materials without Department approval using the appropriate form: <https://calrecycle.ca.gov/bevcontainer/forms/>

General Information

Imported Materials Report

Drivers must stop and obtain (1) Imported Materials Report (IMR) and (2) Proof of Inspection when importing:

- ✓ 10 pounds bag in box
- ✓ 5 pounds multilayer pouch or paperboard carton

Next Steps

- Beverage Manufacturer/Distributor Webinar November 8 to review Registration, Processing Fees, Labeling, etc.
- Rulemaking Workshop Winter 2023/2024
- Methodology Workshop and Rate Hearing Notification late 2023
- Processing Fees and Processing Payments will be posted in December 2023
- Users will be notified when DORIIS is updated to enable reporting for new types of containers and 25 cents CRV rate

Submitting Questions and Feedback

- To make a written comment via Zoom, please use the Q&A box.
- We will respond to written questions focusing on one participant subject area at a time.
- Please keep your questions within the scope of the topics presented.
- We will address all questions as time permits. If we don't get to your question, we will respond to you directly after the presentation.



Ways to stay informed

For questions or more information:

Email: BCRPSB1013@calrecycle.ca.gov

To receive updates about the BCRP and SB 1013, including future workshops, join the Beverage Container Recycling Program General Information listserv at:

<https://www2.calrecycle.ca.gov/Listservs/Subscribe/132>