# Battery Stewardship Informal Regulatory Concept Workshop

AB 2440 Responsible Battery Recycling Act Regulations

July 11, 2024

Department of Resources Recycling and Recovery Battery EPR Section, Battery Compliance Section Regulations Unit, Legal Affairs Office

Topics: Definitions, State Agency Fees, Enforcement-Related Provisions, Economic Analysis

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# **Overview and Purpose of Workshop**

The Department of Resources Recycling and Recovery (CalRecycle) has scheduled a workshop on July 11, 2024, from 1:00 PM to 5:00 PM, in the Byron Sher Auditorium, located on 2nd Floor, 1001 I Street, Sacramento, CA 95814. The purpose of the workshop is to consult with the public, the regulated community, and other interested parties to solicit feedback on regulatory concepts related to some of the requirements outlined in the Responsible Battery Recycling Act of 2022 (the Act) (Assembly Bill 2440, Irwin, Chapter 351, Statutes of 2022).

The regulatory topics of this workshop are definitions, state agency fees, and enforcement-related provisions. Additionally, CalRecycle will request data and information from interested parties to support CalRecycle's assessment of the economic and fiscal impact of the proposed regulations.

This workshop is split into two parts:

- **Part 1** will be an interactive discussion, wherein CalRecycle will present regulation concepts and solicit public feedback to help CalRecycle prepare draft regulation text.
- **Part 2** will be an overview of the economic analysis process and CalRecycle will request data and information to support its assessment of the economic and fiscal impact of the proposed regulations.

The purpose of this document is to provide interested parties, in advance of the workshop, with an outline of the information that will be presented at the workshop and provide guidance on the type of feedback CalRecycle plans to solicit. All specific requests for feedback are included in gray textboxes.

Further information on this and future informal regulatory workshops will be posted on <u>CalRecycle's Battery Stewardship webpage</u>.

# Part I. Regulation Concepts

CalRecycle is informally seeking feedback on potential regulatory concepts for consideration when drafting proposed regulations to implement, interpret, or make specific provisions of the Act necessary for CalRecycle's implementation of its provisions. CalRecycle will be specifying through regulations definitions for terms that are used within the Act and regulations, state agency fee cost criteria and payment schedule, and enforcement related provisions. The regulation concepts to be discussed in this workshop include:

#### • Topic 1 – Definitions

- 1) "Act"
- 2) "Brand registration date"
- 3) "Participant registration date"
- 4) "Participant deregistration date"
- 5) "Chemistry of the covered battery"
- 6) "Common household tools"
- 7) "Designed to be easily removed

- 8) "Electronic waste recycler"
- 9) "Damaged or defective battery"
- 10) "Recalled battery"
- 11) "Permanent collection site"
  - a) "Regular hours"
- 12) "Temporary collection site"

#### • Topic 2 – State Agency Fees

- 1) Anticipated costs
- 2) Cost criteria
- 3) Payment schedule
- Topic 3 Enforcement-Related Provisions
  - 1) Recordkeeping
  - 2) Compliance evaluation and determination
  - 3) Additional actions

The purpose of this and future workshops is to provide necessary information on regulation development to the public and to obtain feedback from interested parties throughout the regulation development process. CalRecycle welcomes verbal feedback at the workshop, as well as written feedback on all regulation concepts specified in the sections below. Guidance for providing written feedback is specified on page 18.

The sections below provide citations and excerpts of select provisions in the Act that provide context for the regulation concepts that follow.

# **Topic 1 – Definitions**

Statute Sections: Public Resources Code (PRC) section 42420, PRC section 42421, PRC section 42422.1, PRC section 42425, PRC section 42463 and HSC section 25218.1

### <u>Act</u>

PRC section 42420: This chapter shall be known, and may be cited, as the Responsible Battery Recycling Act of 2022.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "Act" to refer to:

1) The entirety of the Responsible Battery Recycling Act of 2022 statute for efficiency and readability throughout the regulations.

#### **Brand Registration Date**

PRC section 42421: (a) No later than 180 days after the effective date of this chapter, individual producers shall provide to the department, in a form and manner established by the department, a list of covered batteries and brands of covered batteries that the producer sells, distributes for sale, imports for sale, or offers for sale in or into the state. (b) A program operator shall update the list described in subdivision (a) and provide the updated list to the department on or before January 15 of each year or upon request of the department, with at least 60 days to respond after a request from the department.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "brand registration date" and specify:

- 1) When each brand becomes subject to an approved stewardship plan.
- 2) Brand registration date is included on the list of covered batteries and brands of covered batteries.

#### Participant Registration Date

PRC section 42421.2(c): Each producer covered under a stewardship organization shall register with that stewardship organization in accordance with the procedures and requirements established by that stewardship organization and shall comply with those procedures and requirements.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "participant registration date" and specify:

- 1) When each producer becomes subject to an approved stewardship plan.
- 2) Participant registration date is included on the list of covered batteries and brands of covered batteries.

#### Participant Deregistration Date

PRC section 42425(e)(1): If the department determines a producer is not in compliance with this chapter, the department shall remove the producer, along with its brands and covered batteries, from the list of compliant producers posted on the department's internet website pursuant to subdivision (a).

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "participant registration date" and specify:

- 1) When a producer is no longer subject to an approved stewardship plan.
- 2) Participant deregistration date is included in a summary statement on the list of covered batteries and brands of covered batteries.

### Electronic Waste Recycler

PRC section 42422.1(m): Coordination with, and a description of the efforts and methods used to coordinate activities with, all of the following entities who are responsive to a request from the program operator:

(1) Other program operators.

(2) Existing battery collection and recycling programs, including electronic waste recyclers and dismantlers.

(3) Community-based organization that contacts the program operator and that are qualified to run or support collection events.

PRC section 42463(j): "Covered electronic waste recycler" or "covered e-waste recycler" means any of the following:

(1) A person who engages in the manual or mechanical separation of covered electronic devices to recover components and commodities contained therein for the purpose of reuse or recycling.

(2) A person who changes the physical or chemical composition of a covered electronic device, in accordance with the requirements of Chapter 6.5 (commencing with Section 25100) of Division 20 of the Health and Safety Code and the regulations adopted pursuant to that chapter, by deconstructing, size reduction, crushing, cutting, sawing, compacting, shredding, or refining for purposes of segregating components, for purposes of recovering or recycling those components, and who arranges for the transport of those components to an end user.

(3) A manufacturer who meets any conditions established by this chapter and Chapter 6.5 (commencing with Section 25100) of Division 20 of the Health and Safety Code for the collection or recycling of covered electronic waste.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "electronic waste recycler" to:

- 1) Have the same meaning as "covered electronic waste recycler" pursuant to PRC section 42463(j).
- 2) Specify one type of existing battery collection and recycling program that program operators must coordinate activities with.

## Chemistry of the Covered Battery

PRC section 42422.1(p): Developing strategies in coordination with other program operators to develop and implement proper labeling of covered batteries to ensure proper collection and recycling, by identifying the chemistry of the covered battery and including an indication that the covered battery should not be disposed of as household waste.

### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "chemistry of the covered battery" to:

- 1) Refer to the material of a covered battery that produces electrical charge.
- 2) Provide examples of common battery chemistry types, while not limiting future innovations.
- 3) Develop a common understanding and ensure consistency in the information that will be required on covered battery labels.

CalRecycle is requesting feedback to inform the development of a definition for "chemistry of the covered battery," including:

- 1) How do you interpret the term "chemistry of the covered battery?"
- 2) What types of information are currently on battery labels?
- 3) In what manner and locations is battery chemistry currently identified (e.g., on each battery, on battery packaging, through use of abbreviations, etc.)?
- 4) Are there existing legal definitions that describe battery chemistry?

#### Common Household Tools

PRC section 42420.1(d)(1): "Covered battery" means a device consisting of one or more electrically connected electrochemical cells designed to receive, store, and deliver electric energy. A covered battery includes a battery that is any of the following: (A) A loose battery that is either sold separately from a product or that is designed to be easily removed from a product by the user of the product, with no more than common household tools.

#### **Regulation Concepts:**

CalRecycle is considering promulgating regulations to define "common household tools" to specify:

- 1) They are readily available and routinely used by the majority of households.
- 2) Examples of common household tools, such as slotted and crosshead screwdrivers, paperclips, coins, and hex keys.
- 3) Examples of tools that are not common household tools for the purposes of the Act, such as hammers, knives, or tools that require application of heat, solvents, or significant force to separate a covered battery from a product.

#### Designed to be easily removed

PRC section 42420.1(d)(1): "Covered battery" means a device consisting of one or more electrically connected electrochemical cells designed to receive, store, and deliver electric energy. A covered battery includes a battery that is any of the following:

(A) a loose battery that is either sold separately from a product or that is designed to be easily removed from a product by the user of the product, with no more than common household tools.

#### **Regulation Concepts:**

CalRecycle is considering promulgating regulations to define "designed to be easily removed" to specify:

1) The attributes of an electronic device that enable covered batteries to be separated from the device they power.

CalRecycle is requesting feedback to inform potential definitions of "common household tools" and "designed to be easily removed," including:

- 1) Is it necessary to define these terms or does the Act provide sufficient specificity?
- 2) Should the scope of covered batteries be specified differently?
- 3) What tools are commonly used to remove batteries from products (e.g., slotted and crosshead screwdrivers, hex keys, coins, paper clips, etc.)?
- 4) What design features enable a battery to be easily removed? Are these always replaceable?
- 5) Do product manuals or warranties typically address whether batteries are replaceable?

#### Damaged or Defective Battery

PRC section 42422.1(d)(2): The collection sites required by this subdivision shall not be required to collect covered batteries that are damaged, defective, or recalled.

PRC section 42422.1(e): A description of how collection sites will be authorized and managed, including both of the following:

(1) An explanation of the process by which the program operator will, upon request, provide to a household hazardous waste collection facility as defined in Section 25218.1 of the Health and Safety Code, at no cost, and to all other collection sites, at cost, packaging consistent with the requirements found in the United States Department of Transportation's hazardous materials regulations and the necessary forms and instructions for the safe collection and transportation of damaged or defective covered batteries.

PRC section 42422.1(j): No program operator shall be required, as a condition of approval of its plan or program or otherwise, to accept damaged, defective, or recalled batteries at sites served by the program operator. Program operators shall provide to sites participating in their programs, information for persons seeking to recycle damaged or defective batteries informing those persons of the requirements for doing so and of the closest location at which damaged or defective batteries may be accepted. Program operators shall provide to sites participating in their programs information for persons seeking to recycle recalled batteries informing those persons of the appropriate handling of those batteries.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "damaged or defective battery," including to:

1) Describe the characteristics that indicate battery damage or defects.

 Establish a common understanding of how to identify batteries with damage or defects that collection are not required to accept, present potential safety issues, and must be transported in special packaging.

#### Recalled Battery

PRC section 42422.1(j): No program operator shall be required, as a condition of approval of its plan or program or otherwise, to accept damaged, defective, or recalled batteries at sites served by the program operator. Program operators shall provide to sites participating in their programs, information for persons seeking to recycle damaged or defective batteries informing those persons of the requirements for doing so and of the closest location at which damaged or defective batteries may be accepted. Program operators shall provide to sites participating in their programs information for persons seeking to recycle recalled batteries informing those persons of the appropriate handling of those batteries.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "recalled battery," including to:

- 1) Establish a common understanding of how to identify recalled batteries.
- 2) Provide appropriate sources where one can find information on battery recalls.

#### Request for Feedback

CalRecycle is requesting feedback to inform the development of potential definitions for "damaged or defective battery" and "recalled battery," including:

- 1) How can damaged or defective batteries be identified?
- 2) Where can consumers and collection sites find information on battery recalls (e.g., websites of the producer, manufacturer, program operator, or governmental entities)?
- 3) What information is typically included in recall notices (e.g., producer and brand name, model number, serial number, lot number, how to manage the recalled product)?
- 4) How should damaged, defective, and recalled batteries be managed?

#### Permanent Collection Site

PRC section 42420.1(b): "Collection site" means a permanent or temporary location at which covered batteries are collected and prepared for transport in accordance with the requirements of this chapter.

HSC section 25218.1(h): "Permanent household hazardous waste collection facility" means a permanent or semipermanent structure at a fixed location that meets both of the following conditions:

(1) The facility is operated at the same location on a continuous, regular schedule.

(2) The hazardous waste stored at the facility is removed within one year after collection.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "permanent collection site" to specify:

- 1) Sites are at a fixed location.
- 2) Covered batteries may be dropped off at no cost during regular hours.
- 3) The site is open to the public.
- 4) Permanent Household Hazardous Waste Collection Facility as defined in HSC section 25218.1(h) count as permanent collection sites.

#### Regular Hours

PRC section 42422.1(i): A retailer with five or more locations in the state shall make all locations serve as permanent collection sites for covered batteries, and shall comply with the rules and conditions of the program in which it participates, as part of a stewardship program.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "regular hours," for the purposes of specifying when retailers are considered a "permanent collection site," including:

1) Identifying that free collection must be offered during the same hours the location sells covered batteries.

#### **Temporary Collection Site**

PRC section 42420.1(b): "Collection site" means a permanent or temporary location at which covered batteries are collected and prepared for transport in accordance with the requirements of this chapter.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to define "temporary collection site" to mean:

1) A non-permanent collection site where the public may drop-off covered batteries at no cost.

CalRecycle is requesting feedback to inform potential definitions for "permanent collection site" and "temporary collection site," including:

- 1) How should temporary sites count towards the convenience standard?
- 2) Should there be a required ratio of permanent to temporary sites to achieve the convenience standard (i.e., a maximum percent of sites in each county that are temporary)?
- 3) Should permanent sites be required to operate certain hours (e.g., retailers accept batteries during hours batteries are sold, or collect on a continuous, regular schedule)?

#### Request for Feedback

CalRecycle is requesting feedback regarding all terms presented in this discussion document and any other terms in statute that interested parties think need to be defined.

# **Topic 2 – State Agency Fees**

Statute Section: PRC section 42423

CalRecycle will be specifying through regulations the requirements related to state agency fees outlined in the Act, including notifying program operators of anticipated costs, identifying cost criteria, and determining a payment schedule.

#### Anticipated Costs

PRC section 42423(a): No later than 90 days before a budget is submitted to the Department of Toxic Substances Control, the department and the Department of Toxic Substances Control shall notify each program operator of each agency's respective anticipated actual and reasonable regulatory costs directly related to implementing and enforcing this chapter in relation to the program operator's activities as the criteria for those costs are defined in the regulations adopted pursuant to Section 42420.2. This may include the actual and reasonable costs associated with regulatory regulation development pursuant to Section 42420.2 and other startup activities prior to stewardship plan submittal and approval, relative to the role of the program operator's program compared to other programs.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to identify a process for notifying program operators of its anticipated costs, including:

- 1) Specifying a mechanism for CalRecycle and DTSC to know:
  - a) Who will be submitting a stewardship plan.
  - b) When a stewardship plan will be submitted to DTSC.

2) Enabling CalRecycle and DTSC to inform program operators of anticipated regulatory costs 90 days before budget submittals to DTSC.

#### Cost Criteria

PRC section 42423(b): Program operators shall, on a schedule determined by the department and the Department of Toxic Substances Control, as applicable to each agency's fees, pay the department and the Department of Toxic Substances Control, respectively, fees incurred to reimburse the department and the Department of Toxic Substances Control for incurred costs as described in subdivision (a). The fees shall not exceed the department's or the Department of Toxic Substances Control's actual and reasonable regulatory costs to implement and enforce this chapter as the criteria for those costs are defined in the regulations adopted pursuant to Section 42420.2. The fees shall be paid by each producer, either individually, if the producer is complying with the requirements of this chapter individually, or through a stewardship organization.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to specify its cost criteria, including:

- 1) Full personnel costs related to administration, implementation, and enforcement.
- 2) Labor, fringe benefits, travel, equipment, supplies, and contracts.
- Costs calculated using State Administrative Manual section 9213.1, including for general administration, budgeting, accounting, business services, training, and legal.

#### Payment Schedule

PRC section 42423(b): Program operators shall, on a schedule determined by the department and the Department of Toxic Substances Control, as applicable to each agency's fees, pay the department and the Department of Toxic Substances Control, respectively, fees incurred to reimburse the department and the Department of Toxic Substances Control for incurred costs as described in subdivision (a). The fees shall not exceed the department's or the Department of Toxic Substances Control's actual and reasonable regulatory costs to implement and enforce this chapter as the criteria for those costs are defined in the regulations adopted pursuant to Section 42420.2. The fees shall be paid by each producer, either individually, if the producer is complying with the requirements of this chapter individually, or through a stewardship organization.

#### **Regulation Concepts:**

CalRecycle propose promulgating regulations to specify its payment schedule, and is considering:

- 1) Other extended producer responsibility laws' administration fee schedules, including:
  - a) Quarterly Carpet and Paint programs.
  - b) Every three months Mattress program.
  - c) Semi-annually Pharmaceutical and Sharps programs.
    - i) Invoice for projected costs and reconcile.
    - ii) Payment from program operators due within 30 days of invoice.

CalRecycle is requesting feedback regarding promulgating regulations relevant to state agency fees, including:

- 1) How will CalRecycle and DTSC identify who will submit a stewardship plan and when these plans will be submitted?
- 2) If CalRecycle and DTSC do not know which, or how many, entities intend to become program operators, how should the departments notify prospective program operators of anticipated costs 90 days prior to plan submission?
- 3) Are there any existing laws that specify criteria for state agency costs that we should consider?
- 4) What would be a reasonable schedule for program operators to pay for oversight and enforcement costs?

# **Topic 3 – Enforcement-Related Provisions**

Statute Sections: PRC section 42424, and PRC sections 42425.1 through 42425.4

CalRecycle will be specifying through regulations the requirements related to the enforcement provisions, including recordkeeping requirements, the compliance evaluation and determination process, and additional actions CalRecycle may take in the event of noncompliance.

### Recordkeeping

PRC section 42424: (a) A program operator shall keep board minutes, books, and records that clearly reflect the activities and transactions of the program operator. (b) A program operator shall retain, at the program operator's expense, an independent public accountant, certified in the United States, to annually audit the accounting books of the program operator.

(c) The program operator shall include the audit in its annual report submitted pursuant to Section 42424.1, commencing within 18 months of plan approval by the department. The department shall review the audit for compliance with this chapter and consistency with the program operator's stewardship plan. The department shall notify the program operator of any compliance issues or inconsistencies.

(d) The department may conduct its own audit if it determines that an audit is necessary to enforce the requirements of this chapter and that the audit conducted pursuant to subdivision (b) is not adequate for this purpose. The program operator may obtain copies of the department's audit upon request.

(e) The department shall not publicly disclose any confidential proprietary or trade secret information in an audit conducted pursuant to this section.

PRC section 42425.3: (a) A producer, program operator, stewardship organization, manufacturer, distributor, retailer, importer, recycler, or collection site shall do both of the following:

(1) Upon request, provide the department with reasonable and timely access, as determined by the department, to its facilities and operations, as necessary to determine compliance with this chapter.

(2) Upon request, provide the department and the Department of Toxic Substances Control with relevant records necessary to determine compliance with this chapter.(b) The records required by this chapter shall be maintained and accessible for three years. All reports and records provided to the department pursuant to this chapter shall be provided under penalty of perjury.

(c) (1) The department may impose administrative civil penalties pursuant to Section 42425.1 on a producer, program operator, stewardship organization, manufacturer, distributor, retailer, importer, recycler, or collection site that fails to provide the department with the access required pursuant to this section.

(2) The department may post a notice on the department's internet website that is maintained pursuant to Section 42425 that a producer that fails to provide the department with access pursuant to this section, along with the producer's brands and covered batteries, is no longer in compliance with this chapter.

CalRecycle seeks to further specify the recordkeeping requirements necessary to demonstrate compliance with the chapter as outlined in PRC sections 42424 and 42425.3 cited above. Entities required to maintain and produce records include producers, program operators, stewardship organizations, manufacturers, distributors, retailers, importers, recyclers, and collection sites. A goal of these recordkeeping requirements is to have a clear understanding of the custody of materials so that non-compliant parties can be identified and held accountable. Many of the records required will be preexisting, but some will need to be created specifically for the purposes of compliance with the Act.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to specify recordkeeping requirements, including:

- 1) The entities must maintain records identifying from whom they received covered batteries and when they received them, as well as records identifying the persons to whom they sent covered batteries and when they sent the covered batteries.
- 2) The entities must maintain permits, licenses, or clearances sufficient to demonstrate compliance with all local, state, and federal laws.
- 3) Recyclers must maintain records sufficient for CalRecycle to calculate whether the minimum recycling efficiency rate in PRC section 42424.1(i) is met.

CalRecycle is requesting feedback regarding promulgating regulations relevant to enforcement provisions, including:

- 1) Are there any additional records that regulated entities should be required to maintain?
- 2) Are there any additional required permits, licenses, or clearances CalRecycle should be aware of for these regulated entities?
- 3) What records should a recycler maintain to enable CalRecycle to calculate the recycling efficiency rate?
- 4) What records regarding the chain of custody of covered batteries do the regulated entities already maintain?

### Compliance Evaluation and Determination

PRC section 42425.1(a): The department may impose an administrative civil penalty on a producer, program operator, stewardship organization, manufacturer, distributor, retailer, importer, recycler, or collection site that is in violation of this chapter. The amount of the administrative civil penalty shall not exceed ten thousand dollars (\$10,000) per day, but, if the violation is intentional, knowing, or reckless, the department may impose an administrative civil penalty of not more than fifty thousand dollars (\$50,000) per day. The department shall establish, through regulations adopted by the department pursuant to Section 42420.2, a process that shall include an informal hearing process by which the penalties will be assessed.

CalRecycle will conduct investigations to examine operational activities and records to determine compliance. Regulated entities are to produce records and information regarding compliance and comply with on-site inspections and audits. A notice of violation and request for hearing may follow.

#### **Regulation Concepts:**

CalRecycle proposes promulgating regulations to specify compliance evaluation and determination requirements, including:

- 1) Each distinct condition or action is determined as one violation.
- 2) Entities can accrue two types of recordkeeping violations:
  - a) Failure to maintain a record, or
  - b) Failure to provide timely access to a record.

CalRecycle is requesting feedback regarding promulgating any other relevant regulations relevant to development of enforcement provisions, including:

1) Are there additional aspects of the compliance evaluation and determination process that should be clarified in the regulations?

#### Additional Actions

PRC section 42425.2(a): Upon a written finding that a producer, program operator, stewardship organization, manufacturer, distributor, retailer, importer, recycler, or collection site has not met a material requirement of this chapter, in addition to any other penalties authorized under this chapter, the department may, after affording the entity a reasonable opportunity to respond to, or rebut, the finding, take any of the following actions to ensure compliance with the requirements of this chapter:

(1) Revoke the program operator's stewardship plan approval or require the program operator to resubmit the plan.

(2) Remove the producer, along with its brands and covered batteries from the department's list of compliant producers, as specified in Section 42425.

(3) Impose additional compliance reporting requirements.

(4) Post the noncompliant entity onto a list of noncompliant entities.

#### **Request for Feedback**

CalRecycle is requesting feedback regarding promulgating regulations related to additional actions CalRecycle may take, including:

- 1) Should the process for any of these actions be clarified in regulations?
- 2) Are there any additional actions within CalRecycle's statutory authority that it should consider taking if material requirements of the chapter are not met?

# Part II. Economic Analysis & Data Request

CalRecycle will provide an overview of the economic analysis process and request data and information to support CalRecycle's assessment of the economic and fiscal impact of the proposed regulations. CalRecycle is seeking input regarding impacted parties, costs, and benefits.

#### **Impacted Parties**

CalRecycle anticipates economic impacts for the following parties:

- Manufacturers: Manufacturers may experience increased costs related to recordkeeping requirements or implementing new labeling requirements.
- Importers: Importers may experience additional costs associated with recordkeeping requirements.

- Distributors: Distributors may experience additional costs associated with recordkeeping requirements.
- Retailers: Retailers may experience additional costs associated with recordkeeping requirements. Consumer preferences and profitability of selling batteries may change.
- Consumers: Consumers may experience changes in the pricing of batteries. They will benefit from increased access to collection sites.
- Collection sites: Collection sites may experience an increase in the volume of batteries brought in for collection, as consumers become more aware of the importance of proper disposal and convenient options. Staff training for collection activities will occur.
- Program operator: A program operator will incur costs for meeting producer responsibilities by establishing a comprehensive program to collect, process, and recycle covered batteries.
- Local Governments: Local governments may experience less fires at waste management facilities. Household hazardous waste collection facilities will have decreased costs as program operators fund battery collection activities.
- Waste haulers: Waste haulers may need to adjust their operations to accommodate the increased volume of batteries being collected for recycling.
- Recyclers: Recyclers may see increased demand for their services as more batteries are collected for recycling.

CalRecycle is requesting information, data, and feedback regarding impacted parties, including:

- 1) Are there any other impacted parties that should be included in the economic analysis?
- 2) How should these impacts be quantified?

#### <u>Costs</u>

#### Request for Feedback

CalRecycle is requesting information, data, and feedback regarding initial and ongoing costs, including:

- 1) What types of costs are incurred for each battery collection site, including initial and ongoing costs and what specific expenses are included?
- 2) For impacted parties, how do costs scale with increased processing volumes of recycling batteries, considering both initial setup costs and ongoing operational costs?
- 3) What additional costs, beyond those specified in question 1 and 2 are incurred?

#### **Benefits**

#### Request for Feedback

CalRecycle is requesting information, data, and feedback regarding qualitative and quantitative benefits, including:

- 1) What data or resources are available to assist with estimating reduced facility insurance premiums due to a decrease in battery-related fires?
- 2) What data or resources are available to calculate environmental impacts (e.g., air quality improvements due to a decrease in battery-related fires)?
- 3) What other benefits might be realized, such as business expansions, creation of jobs, or improvements to the health and safety of California residents and workers?

# **Process for Submitting Written Feedback**

CalRecycle has developed a process for requesting written feedback from interested parties. While this process is not a specific requirement, CalRecycle requests all written feedback and questions to be submitted using the specified format below, for the purposes of maintaining consistency in the way in which the information is received, and to aid with expedited review and processing. All written feedback may be submitted after the workshop to regulations@CalRecycle.ca.gov with the subject line: July 2024 Battery Stewardship Workshop or CalRecycle's public comment portal: Battery Stewardship Informal Rulemaking Comment Period. CalRecycle requests all feedback specific to the July 11, 2024, workshop is submitted **no later than July 25, 2024**. Preferred formats include e-mail, .docx and PDF.

## **Requested Feedback on Specific Regulation Concepts:**

When providing feedback or asking questions on a specific regulation concept, please include (1) the Topic Number [i.e., Topic 1, Topic 2, or Topic 3], including the specific title, (2) feedback or questions related to that regulation concept. For example, when providing feedback on Topic 1: Definitions, the preferred format would be:

Topic 1: Definitions – "Common Household Tools" *Specific feedback related to this item...* 

This process can be repeated for each regulation concept a person wants to address. All feedback and questions can be included in the same email or document.

# **Questions or Feedback for Specific Public Resources Code Sections:**

When providing feedback or asking questions on a specific section in the statute, please include (1) the full section number, including any subsections associated with it, (2) feedback or questions related to that section. For example:

PRC section 42420.1(d)(1) Specific feedback or question related to this section...

This process can be repeated for each section a person wants to address. All feedback and questions can be included in the same email or document.

# **Questions or Feedback on Economic Analysis and Data Request:**

When providing feedback or asking questions about the economic impact analysis, please include "Part 2: Economic Analysis".

# **General Questions or Comments:**

When asking general questions or providing general comments on topics related to this workshop that do not focus on a specific regulation concept or specific statutory section, please list each question and comment in numerical order:

Question 1: General question on this discussion document Question 2: General question on this discussion document Comment 1: General comment on this discussion document