

# Request for Approval

**To:** **Michelle Martin**  
Deputy Director, Division of the Circular Economy

**From:** **Lauren Barva**  
Manager Section D, Financial Resources Management Branch

**Request Date:** September 6, 2024

**Decision Subject:** Eligibility, Scoring Criteria, and Evaluation Process for the Recycled Glass Processing Incentive Grant Program (California Beverage Container Recycling Fund, Fiscal Years 2024–25 and 2025–26)

**Action By:** September 17, 2024

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## Summary of Request

Staff seeks approval of the proposed eligibility, scoring criteria, and evaluation process for the Recycled Glass Processing Incentive Grant Program (Program) for fiscal years (FY) 2024–25 and 2025–26. Senate Bill (SB) 1013 (Chapter 610, Section 14543) provides \$4,000,000 on an annual basis for the Recycled Glass Processing Incentive Grant Program. Staff proposes to use the eligibility, criteria, and evaluation process for the Recycled Glass Processing Incentive Grant Program for FY 2024–25 and 2025–26, as described below under Proposed Process and Eligibility and as shown in detail in Attachment 1.

## Attachments

Attachment I – Scoring Criteria for Recycled Glass Processing Incentive Grant Program, FYs 2024–25 and 2025–26

## Background and Analysis

### Statutory Authority

The Department of Resources Recycling and Recovery (CalRecycle) receives an annual appropriation of \$4,000,000 from the California Beverage Container Recycling Fund to administer the Recycled Glass Processing Incentive Grant Program (SB 1013, Atkins, Chapter 610, Section 14543) (Public Resource Code [PRC] section 14543).

*14543. (a) In order to stimulate the increased use of glass cullet in making new glass beverage containers in the state, the department shall create the Recycled Glass Processing Incentive Grant Program. The grant program shall provide grants to applicants who demonstrate the ability to expand glass cullet processing in the state, subject to both of the following:*

- (1) The applicant commits to using the grant to expand glass cullet processing facilities for increased processing of glass cullet.*
- (2) The applicant matches the amount of any grant received from the grant program in an amount equal to or greater than the grant amount.*

*(b) Within 12 months of receiving a grant from the grant program, the entity receiving the grant shall demonstrate to the department the amount of additional tons of glass cullet processed as a result of utilization of the grant funds.*

## **Program Background**

The fundamental goal of the Program is to stimulate an increase of glass cullet in the making of new glass beverage containers within the State of California.

“Cullet” scrap glass that is derived from post filled food, drink, or beverage container glass produced or imported for sale in the state.” CA. *Public Resource Code § 14509.3*

## **Proposed Process and Eligibility**

Staff will review all applications for completeness and eligibility. Complete applications will be evaluated and scored by a review panel of CalRecycle staff based on the Scoring Criteria (Attachment 1).

## **Eligible Applicants**

All eligible applicants must be a current certified glass cullet processing facility within the State of California.

Organizational requirements include:

- Private for-profit entities: For purposes of this program, a "private, for-profit entity" is defined as a business intended to operate at a profit and return a profit to its owners. Private entities must be authorized to conduct business in the State of California, by either being registered with the California Secretary of State as a business located in California, being registered as a foreign (out-of-state or out-of-country) business or processing a business license issued by a California city, county, or city and county. The business must be qualified to do business in California and be in good standing with all applicable California state agencies, including, but not limited to, the Secretary of State and the Franchise Tax Board. Any and all subsidiaries, divisions or affiliated businesses are considered part of the primary business entity for the purpose of applying for and receiving a grant award under the program. A business is considered an "affiliated business" if it has at least one owner with a forty (40) percent or greater interest in another applicant business.
- Non-profit entities (except private schools) registered with the federal government under 501(c)3, (c)4, (c)6 or (c)10 of the Internal Revenue Code. Must be qualified to do business in California and be in good standing with all applicable California state agencies, including being registered and current in the Registry of Charitable Trusts

## **Eligible Projects and Costs**

Eligible projects include:

Projects that demonstrate the ability to expand glass cullet processing in the state of California

Eligible costs and activities will be described in the application documents. Proposed eligible costs may include:

- Equipment related to glass cullet processing.
- Software technology related to the project.

- Supplies and materials related to glass cullet processing.
- Construction, renovation, or expansion costs of facilities connected to installation and/or retrofitting of the equipment at the location.
- Costs associated with setting up a new facility and/or satellite location, not including new construction.
- Personnel directly related to the project.
- Training for grantees' employees on new equipment and certifications needed to implement the project.

## **Project Requirements**

Projects must be located within California. Applicants will be required to identify the location and provide location documentation within the application. Applicants must provide a timeline and supporting documentation for obtaining permits in the form of a letter from the appropriate City, County, or State Agency (if applicable).

The applicant must match the amount of any grant received from the grant program in an amount equal to or greater than the grant amount. Other funding received from CalRecycle is not eligible to be used as match for this grant program.

Within 12 months of receiving a grant from CalRecycle the entity receiving the grant shall demonstrate to CalRecycle the amount of additional tons of glass cullet processed as a result of utilization of the grant funds.

## **Scoring and Evaluation Process**

Complete and eligible grant applications will be evaluated and scored by a review panel of CalRecycle staff based on the criteria outlined in the Recycled Glass Processing Incentive Grant Program Scoring Criteria (Attachment 1). An application may receive a maximum of 95 points possible. Applicants must receive a minimum passing score of 75 points to be considered for funding. Applications scoring less than 75 points will be disqualified.

The top scoring application with a passing score will be recommended for funding. All remaining funds will be recommended to go to the next highest scoring project until all funds are expended

- See Attachment 1: Scoring Criteria for Recycled Glass Processing Incentive Grant Program Scoring Criteria, FYs 2024–25 and 2025–26 for additional information.

If funds are oversubscribed and there are multiple applicants with a tie, random selection will be used to determine funding order. Applications will be funded in numeric order by their random selection number.

## **Award Amounts**

The minimum requested amount is \$1,000,000. The maximum grant award is \$4,000,000.

## **Tentative Timeline for Fiscal Years 2024–25 and 2025–26**

Staff will post a Notice of Funds Available on CalRecycle's website that includes the funding, eligibility requirements, deadlines, and other important information. Notices will be distributed

through CalRecycle's local assistance and market development staff to inform their local jurisdictions, the Grants Management System database, applicable listservs, outreach presentations, and newsletters.

**October 2024:** Post Notice of Funds Available, application, related instructions and documents on the website

**November 2024:** Question and Answer Period

**December 2024:** Applications due

**January/February 2025:** Conduct application evaluation/review process and determine funding for eligible applicants

**March 2025 (FY 2024–25) and August 2025 (FY 2025–26):** Grant Awards

**April 1, 2027 (FY 2024–25) and April 1, 2028 (FY 2025–26):** Grant term ends

Please refer to [CalRecycle's website](https://www.calrecycle.ca.gov/BevContainer/) (<https://www.calrecycle.ca.gov/BevContainer/>) for more information.

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## Recommendation

Staff recommends approval of the proposed eligibility, criteria, and evaluation process for the Recycled Glass Processing Incentive Grant Program for FYs 2024–25 and 2025–26.

## Deputy Director Action

On the basis of the information and analysis in this Request for Approval and the findings set out herein, I hereby approve the eligibility criteria and evaluation process for the Recycled Glass Processing Incentive Grant Program for FY 2024–25 and 2025–26.

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Michelle Martin  
Deputy Director

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Dated