

INITIAL STATEMENT OF REASONS

BEVERAGE MANUFACTURER AND DISTRIBUTOR PERMANENT REGULATIONS

TITLE 14. NATURAL RESOURCES DIVISION 2. DEPARTMENT OF CONSERVATION CHAPTER 5. DIVISION OF RECYCLING

The Department of Conservation (Department) proposes to amend sections 2245 and 2320 of Title 14 of the California Code of Regulations (CCR). Proposed permanent amendments to the CCR are necessary to allow beverage manufacturers and distributors to report and make payments to the Division separately. In June 2007, the Department initiated the Division of Recycling Integrated Information System (DORIIS) project. This project will improve the management processes for the Division's workflow, document tracking, financial reporting, participant tracking, audits and investigations, education and outreach and allow the Division to provide better customer service. DORIIS will allow beverage manufacturers and distributors to pay by electronic funds transfer. It is not necessary for payment and reporting to happen simultaneously. The Division will continue to allow program participants to submit paper copies of all required documents and to send payments or receive payments by mail indefinitely.

SUBCHAPTER 3. MANUFACTURERS

Article 3. Accounting and Reporting Requirements for Beverage Manufacturers

§ 2245. PAYMENTS.

Original subsection 2245 (a): This subsection has been deleted. This subsection is no longer necessary because the payment due date is in statute (Section 14575 (h)) and the report due date is in Section 2240 of the regulations.

Subsection (a): has been added to the first paragraph of Section 2245. This revision is necessary in order to be able to reference this paragraph.

Subsection 2245 (c): This subsection has been deleted. The deletion of this subsection will give beverage manufacturers the option of making their processing fee payments separately from filing their processing fee reports.

SUBCHAPTER 4. DISTRIBUTORS

Article 1. Distributor Requirements

§ 2320. PAYMENTS

Subsection 2320 (e): This subsection has been amended to delete the reference to “subsection (e)” and add the correct reference to Section 14574 (a) of the Act for the calculation of the administrative fee. This subsection has also been amended to delete the last sentence. The deletion of this sentence will give distributors the option of making their redemption payments separately from filing their distributor reports.