

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

Underline: Proposed Permanent Additions

~~Strikeout:~~ Proposed Permanent Deletions

SUBCHAPTER 1. DEFINITIONS

§2000. DEFINITIONS.

(a) In addition to the definitions provided in the California Beverage Container Recycling and Litter Reduction Act, except for subdivisions (a)(3.1), (10), (20), (21), (35), (37), (38), (40) and (42) below which modify definitions in the Act for purposes of these regulations, the following definitions shall apply whenever the terms are used in this chapter.

(1) "Act" means the California Beverage Container Recycling and Litter Reduction Act (Division 12.1 of the Public Resources Code).

(2) "Administrative Costs" means the cost of recordkeeping and accounting required of curbside programs, distributors, recycling centers and processors to comply with the requirements of the Act and these regulations.

(2.1) "Amended Processor Invoice" means an invoice submitted by a processor correcting an original report that has been processed and paid.

(2.2) "Amended Shipping Report" means a shipping report submitted by a processor correcting an original shipping report that has been processed and paid.

(2.5) "Alternative Methodology" means an individual commingled rate survey methodology, which either employs the Division's methodology with variations or creates a proposed methodology for the dropoff or collection, community service or curbside programs to arrive at an individual commingled rate.

(3) "Applicant" means the person(s) who has authority to legally bind the operator to a contract.

(3.1) "Beneficiating Processor" means any processor certified by the department who sells cullet to another certified processor or to a glass container manufacturer during the three months preceding the month in which scrap value data is reported to the Division and who beneficiates purchased cullet so that the cullet either:

(A) meets the American Society for Testing and Materials (ASTM) standard specification for waste glass as a raw material for the manufacture of glass containers [E708-79 (Reapproved 1988) Standard Specification for Waste Glass As A Raw Material For The Manufacture of Glass Containers. Current Edition Approved Nov. 30, 1979; published January 1980, see appendix A]; or

(B) is free from nonglass contaminants and non-container glass compositions, cleansed, crushed to size, free-flowing with minimum water content, absent of hazardous material residue and passes furnace ready sampling and testing methods of a purchasing glass container manufacturer.

(C) Notwithstanding the other provisions of this section, any certified processor shall not be considered a beneficiating processor if fifty percent (50%) or more of the cullet purchased by that processor during the survey month in which the scrap value data is reported was purchased as beneficiated cullet.

(3.2) "Beverage manufacturer" shall have the same definition as provided in Public

Resources Code section 14506, and “any person ... who imports”, as provided in that section, shall include, in the following order of preference:

(A) Any consignee of filled beverage containers brought into this State from without this State, when the filled beverage containers are for delivery, use, or sale within this State.

(B) Any person or entity to whom delivery is first made in this State of filled beverage containers brought into this State from without this State, when the filled beverage containers are for delivery, use, or sale within this State.

(C) Any person or entity bringing filled beverage containers into this State from without this State which are not consigned to any person, when the filled beverage containers are for delivery, use, or sale within this State.

(4) "Cancellation" means the act of removing the refund value of an empty beverage container by any of the following actions:

(A) Aluminum empty beverage containers shall be deemed cancelled when such containers can no longer be physically reconstituted or distinguished as container units. Except as provided in section 2110(b), this may be accomplished by shredding or densification to thirty pounds per cubic foot or more.

(B) Glass empty beverage containers shall be deemed cancelled when such containers have been substantially cleaned of non-glass contaminants and they are crushed size in such a manner as to be acceptable without further processing by a willing user.

(C) Plastic empty beverage containers shall be deemed cancelled when the original form has been so altered as to make its reconstitution physically impossible.

(D) Bimetal empty beverage containers shall be deemed cancelled by densification sufficient to ensure that separation of a single container is no longer possible, or by shredding, milling, or nuggeting.

(E) Any empty beverage container shall be deemed cancelled when it is permanently exported from the State and export verified in accordance with subsections 2420(d)(1), (2) and (3) of these regulations provided that, if aluminum beverage containers, they are first densified to no less than 15 pounds per cubic foot, or shredded.

(F) Any empty beverage container shall be deemed cancelled when it is delivered to a location of end use and the delivery verified in accordance with subsections 2420(d)(1), (2) and (3) of these regulations provided that the following requirements are met:

1. aluminum beverage containers are first densified to not less than 15 pounds per cubic foot, or shredded.

2. glass beverage containers are delivered to a location of end use, which includes a beneficiating processor, as defined in Public Resources Code section 14503.6.

(5) "Category" means the classification of operation, i.e., processor, recycling center, grandfathered recycling center, dropoff or collection program, or community service program.

(6) "Certificate" means the official document issued by the Division which identifies an operator of a recycling center, dropoff or collection program, community service program or processing facility as meeting the requirements for certification by the Division.

(7) "Certified" means an operator of a recycling center, dropoff or collection program, community service program or processing facility has met the minimum requirements established by the Division to receive the certificate defined in (6) above.

(8) "Certification Sign" means a sign or decal issued by the Division for display which identifies the operator of a recycling center as meeting the requirements for certification by the Division.

(9) "Clearly and Prominently" means that the redemption message is displayed so that it is easily found and read by consumers and recyclers. Each letter comprising the message is complete, legible, and cannot be readily obscured. Other factors include boldness, width, spacing, and location of lettering. The message must be distinguishable from refund messages of other states.

(9.5) "Close proximity" means the area within, or adjacent to, a convenience zone, as determined by the Division on a case-by-case basis considering geographic and demographic factors, and consumer convenience.

(10) "Commingled" means a mix of empty beverage containers and other containers of the same material type. Any broken glass empty beverage container(s) purchased from consumers, dropoff or collection programs, or community service programs shall be deemed commingled. Any broken or partial beverage container(s) or rejected, line breakage or out-of-state containers shall not be included when performing a survey methodology to arrive at an individual commingled rate or statewide average commingled rate. Dropoff or collection, curbside and community service programs' individual commingled rate shall be determined pursuant to subsection 2620 through 2645, 2660 through 2685, and 2720 through 2745, respectively. The statewide average commingled rates shall be determined by the Division pursuant to subsections 2900(a)(1)(B) and section 2930 of these regulations.

(11) "Community Service Program" means a program, certified by the Division, which does not pay a refund value and accepts or collects empty beverage containers at a specific location or locations and meets one of the following criteria:

(A) The program is organized under Section 501(c) or 501(d) of the Internal Revenue Code [26 U.S.C. 501(c) and 501(d)], or

(B) The program is a charitable group organized under Section 23701 of the California Revenue and Taxation Code, or

(C) The program is operated by, or caused to be operated by, a city, county or other public agency.

(11.1) "Consolidated Shipping Report" documents the delivery and receipt of material for processors or recycling centers that operate multiple recycling centers or receive material from dropoff or collection programs, community service programs, or curbside programs and is prepared pursuant to subsection 2090(f) of these regulations.

(12) "Contrasting Colors" as used in reference to the redemption message lettering means a clear differentiation in hue, value, and intensity with the background on which the redemption message appears, surrounding artwork, and other nearby printed information.

(13) "Days" means all calendar days unless provided otherwise.

(14) "Delivered" or "Delivery", as used in subchapters 5 & 6 of these regulations, means physically taking possession of the material.

(15) "Dual Certified Entity" means any person who is certified as a processor and also a recycling center at the same location as the processor.

(16) "Densification" means the process of compressing material for the purpose of increasing the weight to volume ratio.

(17) "Disposal Cost" means the transportation cost for hauling postfilled beverage container types to a state-permitted disposal site (landfill, incinerator, or other type of state-permitted site), plus the specified disposal fee.

(18) "Division" means the Division of Recycling, which is within the Department of Conservation.

(19) (Reserved)

(20) "Dropoff or Collection Program" means a recycling program which does not pay refund value and accepts or collects empty beverage containers, and which cannot qualify as a curbside program as defined in Section 14509.5 of the Act. "Dropoff or Collection Program" also means a program which separates recyclables from mixed municipal waste. "Dropoff or Collection Program" does not mean a program which accepts or collects recyclable materials which have already been separated from mixed municipal waste. Dropoff or Collection Program includes a Neighborhood Dropoff Program which meets all of the criteria in Section 14514.4.1 of the Act.

(21) "Empty Beverage Container" means a beverage container which meets all the requirements in Section 14512 of the Act except that such term does not include refillable beverage containers.

(22) "Exemption" means an exclusion to the requirement that a recycling center must be established in a convenience zone.

(22.5) "Exempt convenience zone" or "Exempt zone" means a convenience zone which has been granted an exemption pursuant to Section 14571.8 of the Act.

(23) "Exporting" means the act of sending a filled or unfilled empty beverage container or empty beverage container component permanently out of this State.

(24) "Facility" means a recycling or processing operation that has been built, installed or established to serve as a collection or processing point for redeemable beverage containers.

(25) "Grandfathered" is a term which refers to recycling centers that meet the requirements of section 2500(c) of these regulations.

(26) "Importing" means the act of bringing into this State a filled or unfilled empty beverage container or empty beverage container component.

(27) "Indelibly" means that the redemption message is permanently affixed on the beverage container from the point of purchase until the point of redemption and cannot be smeared or removed during regular use.

(27.1) "Individual Commingled Rate" means a commingled rate approved by the Division which is applicable to dropoff or collection, community service, or curbside programs, which have obtained prior approval from the Division.

(27.5) "Interested person" means a supermarket, dealer, certified recycling center, person with a pending certification application, located in or in close proximity to the zone under consideration for an exemption or revocation of an exemption, or a local government agency with jurisdiction over the area where the zone under consideration for an exemption or revocation is located.

(27.6) "Line Breakage," for purposes of these regulations, means preconsumer material that is recycled or disposed of by a container manufacturer, beverage manufacturer, distributor, or dealer.

(27.7) "Letter of Denial" (LED) means a notice sent to program participants denying requests to conduct an individual commingled rate survey or denying approval of an individual commingled rate, or revoking an individual commingled rate for reason(s) indicated in the LED.

(28) "Location" means the street address where the facility operates.

(29) "Location of End Use" means the place where beverage containers or materials are physically reconstituted for purposes other than sorting, shredding, stripping, compressing, storing, landfilling, disposing, or other activities which do not result in recycling.

(29.5) "Low volume" means an average monthly volume, as defined at Section 14503.5 of the Act, which is less than the statewide average monthly volume of recycling centers in

convenience zones. Average monthly volumes shall be calculated annually and shall apply during the calendar year immediately following the calculation.

(30) "Material" means the physical substance used to manufacture a beverage container or food and drink package including, but not limited to, aluminum, bimetel, glass, and plastic.

(30.7) "Milk" means the lacteal secretion which is obtained from the udder of a cow or goat.

(31) "Minimum Lettering Size" is applicable to the height of all the letters in the redemption message.

(32) "Nonaffiliated seller" means any person who sells scrap beverage container material types to a certified processor and is neither owned nor managed in common with such processor.

(32.4) "Notice of Denial" (NOD) means a notice sent to program participants denying requests for program payments, including handling fees, for reason(s) indicated on the notice. Handling fee notices will be sent for each denied site and will explain why the site was denied during a particular month.

(33) "Operator" means the person(s) or entity who has ultimate responsibility for a recycling facility, processing facility, dropoff or collection program, or community service program.

(34) "Person" means an individual, corporation, operation, or other entity, regardless of its form, subject to the Act.

(35) "Processor" means any person, including a scrap dealer, who purchases or offers to purchase empty beverage containers from more than one recycling center in this state and is responsible for canceling empty beverage container(s) in a manner prescribed in section 2000(a)(4) of these regulations.

(35.1) "Processor Invoice" means the report required in section 2425 of these regulations which the Department uses to determine payment to a certified processor.

(36) "Public Agency" means the city, county, district or other government entity which operates a curbside program or which has the authority to approve or acknowledge the operation of a curbside program.

(36.5) "Recycling Center" means those operations defined in Section 14520 of the Act and includes "Nonprofit Convenience Zone Recycler" as defined in Section 14514.7 of the Act and "Rural Region Recycler" as defined in Section 14525.5.1 of the Act.

(37) "Redeem" means to return an empty beverage container which bears the message as required in Section 14561 of the Act to a certified recycling or processing facility and receive refund value for the container.

(38) "Redeemable Beverage Container" means a container which bears the message as required in Section 14561 of the Act and has an established refund value.

(39) "Redemption Weight" is the weight of empty California redemption-labeled beverage containers.

(40) "Refund Value" means, in addition to the definition provided in Section 14524 of the Act, any amount paid by a noncertified recycler, dropoff or collection program, or community service program, or any payments received by a noncertified recycler, in excess of:

(A) For aluminum, the scrap price as listed in the American Metal Market publication.

(B) For glass, plastic and bimetel, the portion of the processing payment which are the costs for the recycler, as determined by the Division pursuant to Section 14575 of the Act.

(41) "Rejected Container" means a California redemption-labeled beverage container, which a container manufacturer or beverage manufacturer elects to recycle or dispose of without paying any applicable processing fee, or which a distributor elects to recycle or dispose of without paying

the redemption payment. "Rejected containers" includes container tops, lids, or other components which bear the message as required in Section 14561 of the Act.

(41.05) "Representation of Materials" means a typical collection of commingled container materials, of the same material type, representing a ratio of empty beverage containers and all other containers collected by the program and surveyed by the operator to determine an individual commingled rate for dropoff or collection, community service, or curbside programs.

(41.1) "Rural Region" means a non-urban area identified by the Division on an annual basis using Farmers Home Administration criteria. Such criteria for area include, but are not limited to, places, open country, cities, towns, or census designated places with populations less than 10,000. Areas with populations between 10,000 and 50,000 may be designated as rural unless identified as part of, or associated with, urban areas, as determined by the Department on a case by case basis.

(41.2) "Scrap", for purposes of these regulations, is any recyclable container, including food or drink packaging material, other beverage containers, other nonredeemable containers, out-of-state beverage containers, line breakage or rejected containers, of the same material composition as redeemable containers covered by the Act.

(42) "Scrap Value" is the total net payment per ton to any nonaffiliated seller in each of the following categories: Certified recycling centers, dropoff or collection programs, community service programs, registered curbside programs, and certified processors, for container material types.

(43) "Segregated" means divided by material type and that such divided load consists of 100% California Refund Value material.

(44) "Shipping Report" is the documentation of the receipt of material by a processor, or by a recycling center from another recycling center, dropoff or collection program, community service program, or curbside program. The shipping report is the basis for payments by the Division pursuant to Section 14573 of the Act.

(45) "Shrinkage" means the reduced value due to contamination of empty beverage containers by dirt, moisture, or other foreign substances.

(45.5) "Signature" or "signed" means either of the following:

(A) An original handwritten signature; or

(B) An electronic signature. An electronic signature includes an electronic sound, symbol, or process attached to or logically associated with an electronic record, executed or adopted by a party with the intent to represent an original handwritten signature.

1. An electronic signature shall consist of a unique username and password or other security measures as required by the Division.

2. An electronic signature may not be denied legal effect, validity, or enforceability solely on the ground that it is electronic.

3. An electronic signature shall be binding on all persons and for all purposes under the law, as if the signature had been handwritten on an equivalent paper document.

(46) "Size" means the capacity of the beverage container in fluid ounces.

(47) "Statistical Sample" means an estimate with an 85% confidence level.

(47.1) "Supplemental Processor Invoice" means:

(A) A report to correct any shipping report(s) denied on the original processor invoice and/or

(B) A report to add any shipping report(s) to the original processor invoice for transactions that occurred within the same specific reporting period.

(47.2) "Total Net Payment", as used in subparagraph (a)(42) of this section and section 2425, means the amount paid for the reported monthly weight after deductions (e.g., transportation service) and additions (e.g., freight allowance) pertinent to the specific sales transaction have been made. "Total net payment" includes positive, zero and negative dollar amounts, as applicable. This subsection is not intended to relieve a processor of its obligation to pay refund value, administrative and processing payments pursuant to Sections 14539(b)(3) of the Act and sections 2400 and 2430 of this chapter.

(47.25) "Transfer" includes, but is not limited to, giving a beverage container as a donation, promotional give-away, or sample item by a distributor or beverage manufacturer.

(47.3) "Urban Area" means an area identified by the Division on an annual basis using Farmers Home Administration criteria. Such criteria for area include, but are not limited to, densely settled areas of continuous residential development with minimum population of 50,000. Areas with populations less than 50,000 and greater than 10,000 may be designated as urban unless identified as part of, or associated with, rural areas, as determined by the Department on a case by case basis.

(47.5) "Vegetable juice" means one hundred percent vegetable juice as described in 21 CFR 102.33.

(48) "Working Days" means all days except Saturdays, Sundays, and official California State Holidays.

(49) "Zonemate" means a supermarket which lies within the boundaries of a convenience zone other than the one that it creates.

Authority: Sections 14530.5(b), 14536(b), and 14536.1, Public Resources Code. Reference: Sections 14500, 14501(f), 14503, 14503.6, 14504, 14505, 14506.5, 14509.5(b), 14511.7, 14512, 14512.5, 14513, 14514.4.1, 14514.7, 14517, 14518, 14518.5, 14519.5, 14520, 14520.5, 14520.6, 14522.5, 14523, 14524, 14525.5.1, 14526, 14530, 14530.2, 14536(a), 14537, 14538, 14539, 14550, 14552, 14561, 14571.2, 14571.8(b), 14572, 14573, 14573.5, 14573.51, 14574, and 14575(a), ~~and (b)~~, (g)(1), (g)(3)(B), and (j)(2), Public Resources Code.

## SUBCHAPTER 3. MANUFACTURERS

### Article 1. Labeling

#### § 2200. LABELING REQUIRED.

(a) A beverage manufacturer shall, prior to the offer for sale, sale, or transfer of nonrefillable beverage containers in the state by the beverage manufacturer, label indicate on every nonrefillable beverage container sold or offered for sale in the state by the beverage manufacturer with the message as required in Section 14561 of the Act. Thirty (30) days prior to the sale or transfer of beverage containers in the state, a beverage manufacturer shall provide a sampling of their proposed labels for each container type to the Division for approval, if prior approval of the label by the Division has not been obtained.

(1) All nonrefillable beverage containers sold, on and after the effective date of inclusion under the Act, by any person to a distributor, dealer, or consumer shall be labeled in accordance with this section, and the label must be approved by the Division, prior to the offer for sale, sale, or transfer.

(b) Beverage containers shall be clearly, prominently, and indelibly marked as indicated in subsection (a) by painting, printing, scratch embossing, raised letter embossing, or permanent ink jetting, in the specific manner indicated in paragraphs (1), (2), (3) or (4):

(1) Metal containers, excluding metal bottles, shall be marked on the top end of the container in minimum lettering size at least 3/16 inch in height. Metal containers, excluding metal bottles, with a top lid of two inches or less in diameter shall have a minimum lettering size of at least 1/8 inch in height.

(A) Scratch embossed lettering shall be of a minimum width of 0.004 inch of disturbed surface metal.

(2) Glass containers and plastic containers shall be free of notations resembling "No Deposit - No Return", and shall be marked either:

(A) Along the bottom edge of the container body label in minimum lettering size at least 3/16 inch in height;

(B) On or in a secondary label in minimum lettering size at least 3/16 inch in height;

or

(C) On a container body label or secondary label with contrasting colors with legible lettering in minimum lettering size at least 1/8 inch in height. Contrasting colors shall direct the reader to the message required in subsection (a).

(3) Plastic portion controlled cups that have peelable, heat sealed lids that are not resealable, shall be marked in a minimum lettering size of at least 1/8 inch in height on either the side of the container only, or on the lid and bottom of the container.

(4) Metal bottles shall be marked on the side of the bottle in minimum lettering size at least 3/16 inch in height.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14504 (e), 14505, 14506, 14561, and 14575, ~~14530.5 and 14536~~, Public Resources Code.

### Article 3. Registration, Accounting and Reporting Requirements for Beverage Manufacturers

#### §2230. APPLICABILITY.

(a) Except where other persons are responsible as provided in subsections (b) and (c), in addition to the general requirements of subchapter 2 of these regulations, a beverage manufacturer shall be responsible for the registration, recordkeeping, reporting, and processing fee payments requirements of this article.

(b) ~~An~~ Out-of-state vendors, holding a certificate of compliance with the Department of Alcoholic Beverage Control, of beer and other malt beverages located outside of California which sells or transfers filled beverage containers to California shall, pursuant to ~~Public Resources Code Section 14575(g)(2) of the Act~~, be deemed to be the beverage manufacturer for payment of processing fees and shall be responsible for the registration, recordkeeping, reporting, and payment responsibilities described in sections 2231, 2235(d), 2240, and 2245.

(c) ~~A~~ B beverage manufacturers shall notify the Division in writing if another entity has agreed to report and make payments on the beverage manufacturer's behalf. The beverage manufacturer shall submit to the Division a copy of the written agreement between the beverage manufacturer and the entity which has agreed to report and make payments on the beverage manufacturer's behalf. A copy of the written agreement shall be submitted to the Division within ten (10) working days of the initial agreement, ~~and a~~ Any subsequent changes to the agreement, including ~~or~~ termination of the agreement, shall also be submitted to the Division within ten (10) working days. The agreement shall include but is not limited to:

(1) The name of each ~~company~~ entity involved in the agreement.

(2) The beverage manufacturer identification number of each ~~company~~ entity.

(3) The business and mailing address(es) of each ~~company~~ entity.

(4) A statement signed and dated by an authorized representative from each ~~company~~ entity indicating one ~~company~~ entity has agreed to report and pay for another ~~company~~ entity.

(d) By June 30 of each year, a beverage manufacturer shall provide the Division a listing of all entities with which the beverage manufacturer has entered into an agreement, pursuant to subsection (c).

~~(d)~~(e) Nothing in this article shall be construed to require the Division to transfer any of the responsibilities set forth in this article, nor shall the Division be prohibited from holding the in-state beverage manufacturer, distributor, dealer, and/or consumer liable for any due and unpaid processing fees.

Authority: Sections ~~14506~~, 14530.5 and 14536, Public Resources Code. Reference: Sections 14505, 14506, 14530.5, 14536, and 14575(g), Public Resources Code.

### § 2231. REGISTRATION.

(a) In order to meet the reporting and payment requirements pursuant to Sections 2240 and 2245 of these regulations, a beverage manufacturer shall register with the Division and receive a Beverage Manufacturer Identification Number issued by the Division.

(b) A beverage manufacturer shall contact the Division prior to the initial sale or transfer of beverages, as defined by Section 14504 of the Act. A beverage manufacturer shall:

(1) Provide the legal name of the entity and the "Doing Business As" (DBA) name(s);

(2) Provide the Federal Tax Identification Number (also known as an Employer Identification Number);

(3) Provide the Department of Alcoholic Beverage Control Certificate of Compliance Number, if an out-of-state beer or other malt beverage manufacturer;

(4) Provide the physical business address;

(5) Provide the mailing address;

(6) Provide, if applicable, additional business addresses, including:

(A) Rented, leased, or owned California warehouse(s);

(B) Sales office(s); and

(C) Corporate office(s)

(D) Other.

(7) Provide primary and secondary contact information, including name, title, telephone number, e-mail address, facsimile number, and website, as applicable;

(8) Indicate the type of business ownership structure, and if requested by the Division, provide copies of correlating ownership documentation:

(A) Sole Proprietorship (Fictitious Business Name Statement);

(B) Married Co-Ownership (Fictitious Business Name Statement);

(C) Corporation (Articles of Incorporation);

(D) Non Profit Corporation (Articles of Incorporation);

(E) Cooperative (Articles of Cooperation);

(F) Limited Liability Company (Articles of Organization);

(G) General Partnership (Statement of Partnership Authority);

(H) Limited Partnership (Certificate of Limited Partnership);

(I) Limited Liability Partnership (Registered Limited Liability Partnership Registration); or

(J) Other.

(9) Provide the effective date of beverage sales or transfer in California;

(10) Indicate if beverages are offered for sale or transfer, or proposed to be offered for sale or transfer to common carriers;

(11) Indicate if free beverage samples are offered, or proposed to be offered in California;

(12) Provide the types of beverages, their container types, and container sizes offered for sale or transfer, or proposed to be offered for sale or transfer in California;

(13) Indicate if the beverages for sale or transfer are refillable or nonrefillable;

(14) Provide the name and contact information of your beverage suppliers, co-packers, and /or bottlers;

(15) Indicate whether beverages are purchased or supplied from an entity outside of California;

(16) Identify the entities in California to which beverages are sold or transferred, including distributor contact information, if applicable;

(c) A beverage manufacturer shall apprise the Division of any changes to the information provided pursuant to Section 2231 within ten (10) working days.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14506 and 14575, Public Resources Code.

## § 2235. RECORDKEEPING.

A beverage manufacturer shall maintain the following records in accordance with the general requirements set forth in section 2085 of subchapter 2 of these regulations.

(a) Transactions with a Container Manufacturer. A beverage manufacturer shall maintain the following records evidencing the receipt of beverage containers or components thereof. Such records shall include all bills of lading, other shipping documents, and the following information:

(1) Date of receipt of shipment;

(2) Quantity, material type, size, and component type, if applicable, of beverage containers or components in shipment;

(3) Full name and address of shipper; and

(4) Canceled checks or other proof of payment (receipts), invoices, and statements regarding container manufacturers' payment or credit for processing fees pursuant to the Act.

(b) Rejected Containers. A beverage manufacturer shall maintain records of any recycling, processing, or other disposition of rejected containers and any payments therefor. These records shall include receipts or statements signed by the recycling center, processor, or other recipient. Such receipts or statements shall state the weight by material type of rejected containers and any payment made or credit granted therefor.

(c) Sales and Transfers of Beverage Containers by a Beverage Manufacturer. A beverage manufacturer shall maintain records, by individual sale or transfer, of all sales or transfers of beverage containers to distributors, dealers, or consumers, and any payments made therefor. The records shall include all of the following:

(1) The number, by material type, of beverage containers sold or transferred to dealers, distributors, or consumers;

- (2) The date of the sale or transfer;
- (3) The full name and address of the buyer or other transferee, and shipping name and address if different; and
- (4) Proof of payment for the beverage containers sold or transferred, such as invoices and statements.

(d) Processing Fee Report Records. A beverage manufacturer shall retain a copy of the Beverage Manufacturer Report, ~~DR-4 (1/00)~~ submitted to the Division pursuant to section 2240 of this subchapter, and proof of payment and receipts for processing fee payments made to the Division.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14537, ~~14541(e) and (d)~~, 14552 and 14575, Public Resources Code.

#### §2240. REPORTING.

For each month during which a processing fee applies to any beverage container material type sold or transferred by a beverage manufacturer, the appropriate beverage manufacturer, as determined by section 2230, shall prepare and submit to the Division the Beverage Manufacturer Report, ~~DR-4 (1/00)~~. The ~~DR-4 (1/00)~~ Beverage Manufacturer Report shall contain the following information in accordance with the general requirements for reporting as contained in section 2090 of these regulations.

(a) Sales and Transfers of Beverage Containers Subject to a Processing Fee. Each report shall contain all of the following information:

- (1) The beverage manufacturer's name, address, manufacturer identification number, contact person, and telephone number of contact person;
- (2) The reporting period;
- (3) The number of beverage containers, by material type, sold or transferred in or into this state during the reporting period which are subject to a processing fee;
- (4) The amount of the processing fee per beverage container and material type ("unit fee");
- (5) The amount of the processing fee payment for each material type, calculated by multiplying the beverage container count for each material type by the applicable processing fee per container;
- (6) The amount of the total processing fee payment due, which is equal to the sum of the processing fee payments by material type pursuant to subsection (5); and
- (7) The signature of an authorized representative and date signed.

(b) The ~~DR-4 (1/00)~~ Beverage Manufacturer Report shall be submitted no later than the tenth day of the second month following the month of sales. For example, sales of January ~~2000~~ 2010 shall be reported ~~on no later than March 10th, 2000, 2010;~~ sales of February ~~2000~~ 2010 shall be reported ~~on no later than April 10th, 2000, 2010;~~ sales of March ~~2000~~ 2010 shall be reported ~~on no later than May 10th, 2000, 2010,~~ etc.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14505, 14552 and 14575, Public Resources Code.

#### § 2245. PAYMENTS.

(a) Each beverage manufacturer, except as provided in section 2230(b), shall pay to the Division all applicable processing fees for the beverage containers that the beverage manufacturer sells or transfers to the following entities located in California: distributors, dealers, or consumers.

(b) Calculation of payment. A beverage manufacturer shall pay to the Division for each month the processing fee reported for that month pursuant to section 2240(a).

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14506, ~~14530.5~~ and 14575(h), Public Resources Code.

## SUBCHAPTER 4. DISTRIBUTORS

### Article 1. Distributor Requirements

#### § 2300. APPLICABILITY.

(a) In addition to the general requirements of subchapter 2 of these regulations, ~~distributors shall comply with the provisions of this article. Persons other than distributors need not comply with this article.~~ a distributor shall be responsible for the registration, recordkeeping, reporting, and redemption payment requirements of this article.

(b) A distributor shall notify the Division in writing if another entity has agreed to report and make payments on the distributor's behalf. The distributor shall submit to the Division a copy of the written agreement between the distributor and the entity which has agreed to report and make payments on the distributor's behalf. A copy of the written agreement shall be submitted to the Division within ten (10) working days of the initial agreement. Any subsequent changes to the agreement, including termination of the agreement, shall also be submitted to the Division within ten (10) working days. The agreement shall include but is not limited to:

(1) The name of each entity involved in the agreement.

(2) The distributor identification number of each entity.

(3) The business and mailing address(es) of each entity.

(4) A statement signed and dated by an authorized representative from each entity indicating one entity has agreed to report and pay for another.

(c) By June 30 of each year, a distributor shall provide the Division a listing of all entities with which the distributor has entered into an agreement, pursuant to subsection (b).

(d) Nothing in this article shall be construed to require the Division to transfer any of the responsibilities set forth in this article, nor shall the Division be prohibited from holding the in-state distributor, dealer, and/or consumer liable for any due and unpaid redemption payments.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14511, 14530.5, 14523, 14537, and ~~14536-14550~~, Public Resources Code.

#### § 2301. REGISTRATION.

(a) In order to meet the reporting and payment requirements pursuant to Sections 2310 and 2320 of these regulations, a distributor shall register with the Division and receive a Distributor Identification Number issued by the Division.

(b) A distributor shall contact the Division prior to the initial sale or transfer of beverages, as defined by Section 14504 of the Act. A distributor shall:

- (1) Provide the legal name of the entity and the "Doing Business As" name(s);
  - (2) Provide the Federal Tax Identification Number (also known as an Employer Identification Number);
  - (3) Provide the physical business address;
  - (4) Provide the mailing address;
  - (5) Provide, if applicable, additional business addresses, including:
    - (A) Rented, leased, or owned California warehouse(s);
    - (B) Sales office(s); and
    - (C) Corporate office(s);
    - (D) Other.
  - (6) Provide primary and secondary contact information, including name, title, telephone number, e-mail address, facsimile number, and website, as applicable;
  - (7) Indicate the type of business ownership structure, and if requested by the Division, provide copies of correlating ownership documentation:
    - (A) Sole Proprietorship (Fictitious Business Name Statement);
    - (B) Married Co-Ownership (Fictitious Business Name Statement);
    - (C) Corporation (Articles of Incorporation);
    - (D) Non Profit Corporation (Articles of Incorporation);
    - (E) Cooperative (Articles of Cooperation);
    - (F) Limited Liability Company (Articles of Organization);
    - (G) General Partnership (Statement of Partnership Authority);
    - (H) Limited Partnership (Certificate of Limited Partnership);
    - (I) Limited Liability Partnership (Registered Limited Liability Partnership Registration); or
    - (J) Other.
  - (8) Provide the effective date of beverage sales or transfers in California;
  - (9) Indicate if beverages are offered for sale or transfer, or proposed to be offered for sale or transfer to common carriers;
  - (10) Indicate if free beverage samples are offered, or proposed to be offered in California;
  - (11) Provide the types of beverages, their container types, and container sizes offered for sale or transfer, or proposed to be offered for sale or transfer in California;
  - (12) Indicate if the beverages for sale or transfer are refillable or nonrefillable;
  - (13) Provide the name and location of your beverage suppliers in California, including contact information;
  - (14) Indicate whether beverages are purchased or supplied from an entity outside of California;
  - (15) Identify the entities in California to which beverages are sold or transferred, including distributor contact information, if applicable.
- (c) A distributor shall apprise the Division of any changes to the information provided pursuant to Section 2301 within ten (10) working days.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14501.5, 14511, 14550, 14560, and 14574, Public Resources Code.

§ 2305. RECORDKEEPING.

A distributor shall maintain the following records by individual sale or transfer and in accordance with the general requirements set forth in section 2085 of subchapter 2 of these regulations.

(a) Receipt of Beverage Containers. A distributor shall maintain records, by individual sale or transfer, of all beverage containers received, including all containers which bear the message as required in Section 14561 of the Act. The records shall contain all of the following information:

(1) The quantity received by material type, of beverage containers, including all containers which bear the message as required in Section 14561 of the Act;

(2) The full name and address of the beverage manufacturer or other originating person; and

(3) The date the beverage containers, including all containers which bear the message as required in Section 14561 of the Act, were received by the distributor.

(b) Sale or Transfer of Beverage Containers. A distributor shall maintain records, by individual sale or transfer, of all beverage containers, including all containers which bear the message as required in Section 14561 of the Act on all CRV beverage containers, and refillable beverage containers sold or transferred to other distributors, dealers, or consumers. The records shall contain all of the following information:

(1) The quantity by material type of all beverage containers, including all containers which bear the message as required in Section 14561 of the Act, and refillable beverage containers;

(2) The full name and address (and the shipping or destination name and address, if different) of the dealer, consumer, or other distributor to whom the beverage containers, including refillable beverage containers and containers which bear the message as required in Section 14561 of the Act, were sold or transferred; and

(3) The date(s) the beverage containers, including all the containers which bear the message as required in Section 14561 of the Act, and refillable beverage containers, were sold or transferred.

(c) The Distributor Report, ~~DR-3 (7/07)~~ and Payments to the Division. A distributor shall maintain the ~~DR-3 (7/07)~~ Distributor Report and payment records prepared pursuant to sections 2310 and 2320 of this subchapter.

(d) Rejected Containers. A distributor shall maintain records of any recycling, processing, or other disposition of rejected containers and any payments therefor. These records shall include receipts or statements signed by the recycling center, processor, or other recipient. Such receipts shall state the weight by material type of the rejected containers and any payment made or credit granted therefor.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections ~~14530.5~~, 14537, 14550(b) and (c), 14561, and 14572.5, Public Resources Code.

## § 2310. REPORTING.

(a) A distributor shall prepare and submit to the Division the Distributor Report, ~~DR-3 (7/07)~~ in accordance with the general requirements for reporting contained in section 2090 of these regulations.

(1) The ~~DR-3 (7/07)~~ Distributor Report for sales or transfers of beverage containers shall be submitted by the last day of the second month following the month of sales or transfers ~~but no later than the last day of the third month following the month of sales~~. For example, sales of January 2010 shall be reported ~~on~~ no later than March 31, 2010 ~~but no later than April 30, 2010~~; sales of February 2010 shall be reported ~~on~~ no later than April 30, 2010 ~~but no later than May 31, 2010~~; sales of March 2010 shall be reported ~~on~~ no later than May 31, 2010 ~~but no later than June 30, 2010~~; etc.

(2) The ~~DR-3 (7/07)~~ Distributor Report shall contain all of the following information:

(A) The distributor's name, address, contact person, and telephone number of the contact person;

(B) The distributor's assigned identification number beginning with the prefix "DS";

(C) The reporting period;

(D) The total number ~~and total empty weight~~ of beverage containers, by material type and size, including all containers which bear the message as required in Section 14561 of the Act, sold or transferred;

~~(E) The total number of beverage containers identified in subparagraph (C);~~

~~(F)~~ (E) Redemption payment and administrative fee:

1. The redemption payment for each material type by size, and
2. The total redemption payment,
3. The administrative fee deducted, and
4. The total due to the Division;

~~(G)~~ (F) The total number and total empty weight of refillable beverage containers sold, transferred, and returned to the distributor. Each of these items shall be reported by material type; and

~~(H)~~ (G) The signature of an authorized representative and date signed.

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14501, 14505, ~~14530.5~~, 14550 (b) and (c), 14560, 14561, and 14574, Public Resources Code.

## § 2320. PAYMENTS.

(a) The distributor shall pay to the Division the total redemption payment for all beverage containers, including all containers which bear the message as required in Section 14561 of the Act, sold or transferred to dealers or consumers, less the administrative fee authorized in Section 14574 of the Act. Notwithstanding any other provisions of this subchapter, this administrative fee shall not be deducted from the calculated redemption payment, if the Division calculates the redemption payment owed by the distributor to the Division.

(b) Redemption Payments. The distributor shall compute total redemption payment, by material type, by multiplying the number of beverage containers, including all containers which bear the message as required in Section 14561 of the Act, reported pursuant to section 2310(a), by the currently effective redemption payment per container for that material type. The currently effective redemption payment shall also be applicable for all containers which bear the message as required in Section 14561 of the Act.

(c) The redemption payment per container is determined by the Division pursuant to section 14560 of the Act and section 2900(b) of subchapter 12 of these regulations.

(d) The sum of the individual redemption payments by material type computed pursuant to subsection (b), shall equal the total redemption payment for the reporting period.

(e) Total Payment Due. The total payment due to the Division for each reporting period is calculated by subtracting the administrative fee computed pursuant to Section 14574(a) of the Act from the total redemption payment computed pursuant to subsection (b).

(f) Recycling Center Handling Fee. The distributor shall negotiate a handling fee with each

recycling center which returns or causes to be returned empty refillable beer or other refillable malt containers.

(g) Redemption Payment Due Date. The redemption payment for sales or transfers of beverage containers is due to the Division by the last day of the second month following the month of sales or transfers ~~but not later than the last day of the third month following the sales or transfers.~~

Authority: Sections 14530.5 and 14536, Public Resources Code. Reference: Sections 14505, 14523, 14560, 14561, 14572.5 and 14574, Public Resources Code.

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