

CalRecycle Responses to Recycling Center Daily Load Limits Proposed Permanent Regulations

Comment Number	Commenter Affiliation	First Name	Last Name	Summary of Comment	CalRecycle Response	Revisions Needed
1.1	Escondido Recycling Yard, Inc.	Jack	Groff	<p>If you lower the amount, the criminals will simply redeem the containers at multiple centers and use more individuals to redeem the loads.</p>	<p>The department rejects this comment. The intention is to reduce efficiencies in committing fraud through the redemption of ineligible beverage container material. This increases the number of complicit parties and documentation associated with defrauding the CBCRF. Criminals will need to increase the number of fraudulent transactions to secure the same payout. This will increase the number of observable transactions at recycling centers increasing the opportunity for legitimate recycling center operators to report suspicious activity and observational evidence for law enforcement.</p> <p>As stated in the ISOR (pp. 1, 3, 6, & 8) & NOPA (pp. 3-5), criminals currently redeem large loads of out-of-state empty beverage containers at certified recycling centers in quantities just below the current daily load limits. Reducing the daily load limits will require these criminals to split loads more frequently and illegally redeem materials at 5 times as many recycling centers to gain the same result they get under the current daily load limits.</p>	None
1.2	Escondido Recycling Yard, Inc	Jack	Groff	<p>If you lower the load limits but don't ask recycling centers to report loads between 75 to 100 pounds, you have given the criminals a clear shot to feed out their illegal containers without any fear of the reports identifying the criminal rings that will be created.</p> <p>By insisting on reports of 75 to 100 pounds, you will be able to find the individuals going to multiple centers or the same centers for multiple days in a week.</p> <p>If you don't continue to receive reports, you give the criminals carte blanche to sneak in loads from out of state, split them up</p>	<p>The department rejects this comment. While the commenter is correct that the department proposes to eliminate the reporting requirements of 14CCR Section 2530(i) for all transactions in excess of 250 pounds of aluminum, all of the information required to be reported to the department by that section is also required to be recorded on receipts prepared and maintained for all transactions of \$100 or more in refund value (14CCR Section 2525(a)). The CRV per pound rate for aluminum effective January, 2013, is \$1.59. At the current CRV per pound rate, recycling centers are required, and will continue to be required, to prepare receipts for all</p>	None

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				in warehouse locations, and send them out unreported.	<p>transactions in excess of approximately 63 pounds of aluminum. Receipts are required to be retained for a period of five years from the date they are created.</p> <p>Public Resources Code Section 14552(c) provides that during any inspection, the entity that is the subject of the inspection shall provide the department access to any relevant record necessary to verify compliance with the Act and Regulations.</p> <p>Given this ongoing authority and the scenario described above, the department finds that the burden that would be placed on recycling center operators in order to report all transactions of aluminum and plastic of a smaller specified size is too great compared to the benefits of receiving that information for all transactions when that information is already required to be documented and maintained by recycling center operators and is already subject to inspection by the department. The department will continue to monitor this situation and may revisit these reporting requirements at a future date if the proposed reduction of load limits is adopted and implemented. Currently, the department finds that existing statutory authority to access the necessary transaction data is adequate to detect and pursue individuals and entities engaged in fraudulent activities.</p>	
1.3	Escondido Recycling Yard, Inc	Jack	Groff	I agree that something has to be done to stem the flow of illegal containers, but I don't think your plan will do it. If I were a criminal, I would thank you for this action.	The department rejects this comment. This comment is of a general nature and is non-responsive to any specific section of the proposed regulations. However, to the extent that the commenter is challenging the necessity for the proposed regulations, indicated in the ISOR (p. 9) and	None

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					<p>the NOPA (pp. 3-5) the Department has demonstrated that the current daily load limits for consumers redeeming CRV UBC material are unreasonably high. The Department is unable to identify any legitimate need for consumers to recycle loads as large as allowed by the current daily load limits on a regular basis. Nor is the Department able to identify how consumers will be unduly denied redemption opportunities due to lower daily load limits. With this in mind, the Department finds that the current daily load limits are unreasonably and artificially high.</p> <p>Any alternatives that do not lower the daily load limits for consumers redeeming CRV UBC material will leave the current unreasonably high load limits in place maintaining what has proven to be an irresistible incentive for abuse and fraud. The Department believes that leaving the current daily load limits in place would render any alternatives ineffective at reducing fraud.</p>	
3.1	All Ways Recycling		Unknown	I will be forced to turn away good CRV and it will make my honest legitimate customers disgruntled. Therefore I will lose business, and these cans will still find their way into the system one way or another anyway, unless the state does some internal investigations and actually enforce the rules and regulation already implied.	The department rejects this comment. No operator of a recycling center will have to turn away customers whose material meets the requirements of the Act and regulations. The department enforces the Act and Regulations but ineligible beverage container material continues to be redeemed for CRV. Therefore, the department is improving the regulations in an effort to combat CRV fraud. All operators of recycling centers are required to operate according to the same statutes and regulations whether or not the recommended regulation changes are implemented.	None

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					<p>Current load limits already require rejection of eligible beverage container material in excess of those limits. Consumer load limits are a criteria used to regulate the size of a load of UBC material delivered to a recycling center and represented as a consumer transaction.</p> <p>It is anticipated that consumers redeeming large quantities of CRV empty beverage containers at certified recycling centers will need to visit those centers more often to redeem the same amount of material under the proposed load limits. However, based upon the Department's analysis of consumer transactions as indicated in the ISOR (pp. 4, & 12-20) and NOPA (pp. 6 & 14), less than 1% of consumers will be impacted by the proposed reduction in the load limits.</p>	
3.2	All Ways Recycling		Unknown	I do agree that there is a problem with out of state redemption but that this new load limit will reject eligible cans while doing little to nothing to stop the problem of interstate cans.	<p>(a) The department rejects this comment. It is unsupported by any data or logical argument contradicting the department's analysis and findings.</p> <p>(b) In addition, the department's proposed changes to the consumer daily load limits are only one facet of a comprehensive strategy currently being implemented by the department and our partners at the Department of Justice, the Attorney's General Office, and the Department of Food and Agriculture. The proposed consumer daily load limits will integrate and support future changes in how the department combats fraud associated with the illegal redemption of ineligible beverage container material.</p>	None
3.3	All Ways Recycling		Unknown	Every Certified Redemption center should have to display a sign with the load limits and the number to turn in any suspicious activity to (1-800 can-load) with a reward if persons	The department rejects this comment. As part of an overall change management and communication strategy, the department will provide certified recycling centers	None

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				lead to the discovery that leads to a conviction or a fine.	with information related to the proposed load limit reduction, if adopted. Providing certified recycling centers with a sign they can display if they choose to educate their customers is a good idea and is one the department will pursue but the department's distribution of signs does not require the adoption of regulations. The 1-800-CAN-LOAD number is provided on many of the enforcement related notices currently issued by the department and is also listed on the CalRecycle website. Individuals can also submit complaints and tips via 1-800-RECYCLE. CalRecycle does not currently have statutory authority to issue rewards for information leading to convictions for recycling fraud.	
3.4	All Ways Recycling		Unknown	Actually follow up on leads and stop ignoring cases brought to the state attention and make penalties and fines higher. I have seen proof in the past of several yards in the area San Diego purchasing over the load limits at one time of out of state cans with U-Haul's with out of state plates like M&M Recycling and Mikes Recycling. No one from the state further investigated after being given camera footage, both those facilities still operate.	<p>The department rejects this comment. This comment is of a general nature and is non-responsive to any specific section of the proposed regulations. Further, all leads are addressed by the department and/or our law enforcement partners at the state or local level. Due to the sensitive nature of the investigation process, it is not always possible to respond directly to those who provide tips to the department.</p> <p>Regarding penalties, the department imposes penalties pursuant to statutory requirements. New legislation would be required to increase the penalties being imposed. Such an action is beyond the scope of this rulemaking procedure.</p>	
3.5	All Ways Recycling		Unknown	No out of state plates including Mexico plates should be allowed to recycle any amount of CRV ever.	The department rejects this comment because it proposes changes to the department's regulations that are beyond the scope of this rulemaking.	

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10	San Francisco Supervisor Scott Wiener	Ben	Brosnahan	The Supervisor is interested in this proposal but would like to know more about the logistics and process of the proposal. When is the best time for us to try to do something? Are we restricted, like the public, to the 45 day input period? We are curious about the time and step by step process as to what happens next. Can you give me a timeline from now until potential implementation of these amendments?	<p>This comment is directed at procedure. The following response was provided directly to the commenter:</p> <p>[T]his email is in response to your phone call seeking additional information today.</p> <p>Please send any written comments to DORRegulations@CalRecycle.ca.gov.</p> <p>Also please go to URL http://www.calrecycle.ca.gov/Laws/Rulemaking/RCLoadLimits/default.htm for all supporting documentation. In particular see the hyperlink to the document named "Memo to Interested Parties" at URL http://www.calrecycle.ca.gov/Laws/Rulemaking/RCLoadLimits/ToInterested.pdf. This document provides the guidelines for providing comments from the public.</p> <p>Thank you for your interest.</p>	
11.1	Aaron Metals Co.	Aaron	Forkash	This does nothing to reduce fraud. Those looking to defraud the State by redeeming cans from out-of-state with the CA CRV embossment on the container will arrive at the recycling center with multiple IDs in multiple vehicles and pre-divide the contraband into 70-80 pound allotments.	See the department's response to comment 3.2(b)	None
11.2	Aaron Metals Co.	Aaron	Forkash	To catch these bandits, the State should increase the limits to 3,000 pounds per day--since sellers who arrive with extraordinary quantities would raise suspicion. Through the investigation of the questionable transaction, the State has a chance to curb the illicit out-of-state can racket. Increasing the load limits assists law enforcement since it will focus on the big fish going after the large load violators.	The department rejects this comment. The approach proposed by this commenter is essentially the opposite of that proposed by the department. The department finds that increasing the load limits in this way would merely facilitate fraud and would exacerbate the current situation.	None

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11.3	Aaron Metals Co.	Aaron	Forkash	The State’s proposal will adversely affect day-to-day operations. Load limits will increase frequency of CRV drop offs. Parking is tight at recycling centers. Land is costly. We oppose changes that result in an increase in traffic on our properties. Plus anything that causes additional traffic will cause an increase in pollution. The public is a liability. The less people and traffic there is in the yard, the safer and cleaner the buy-back process goes.	The department rejects this comment. It is anticipated that consumers redeeming large quantities of CRV empty beverage containers at certified recycling centers will need to visit those centers more often to redeem the same amount of material under the proposed load limits. However, based upon the Department’s analysis of consumer transactions as indicated in the ISOR (pp. 4, & 12-20) and NOPA (pp. 6 & 14), less than 1% of consumers will be impacted by the proposed reduction in the load limits.	None
(16, 17, 18, 19, 20, 21, 22, 23, 26, 27, 28, 29, 30, 31, 33).1	16) Greenhouse Recycling Co.; 17) Upper Room Consulting; 18) Sunwest Metals, Inc.; 19) RV.RECYCLING; 20) Bestway Recycling; 21) Allen’s Recycling Center; 22) Rodriguez Recycling Center; 23) Gonzalez Recycling Center; 26) Alameda Metals; 27) Unknown; 28) Action Sales & Metal Co., Inc.; 29) AG Recycling; 30) Daw’s Recycling	Pablo; Leonard; Hanan; Cris; Sung; Belen; Gonzalo; James; David; Samir; Bruce; Angeles; Bill;	Lucanera; Lang; Stanley; Ramirez; Kim; Gonzales; Rodriguez; Gonzalez; Kramer; Gomez; Falk; Gomez Daw;	The Department is aware of the methods and has done a competent job of explaining those that perpetrate fraud. But the solution to deal with fraud by imposing burdensome conditions on both citizens and recyclers to justify it with a mystical typical consumer will create numerous conditions that we will be forced to deal with increasing our burden. Conditions are different all over this state and there is no typical consumer. The Rural Counties Association spoke to that at Program Reform meetings. Californians that live longer distances from recycling centers will collect larger amounts to minimize trips. This would put farmers, ranchers, organizations and churches that fundraise and those that live greater distances at risk of being denied legitimate claims. There is no way for a recycling center to accurately estimate whether the customer is at risk of exceeding this weight limit.	See the department’s response to comment 3.1	None

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	Center; 31) E &M Recycling Company 33) CA Recycling, Inc. Note: All of these commenters submitted identical comments. For convenience, clarity, and to save space, they will hereafter be referred to as “Group of 15 Commenters” and their collective comment numbers will be listed as comment 16.	Eugene; Julie;	Vortman; Gandarilla;			
16.2	Group of 15 Commenters		Group of 15 Commenters	The ISOR identifies the lengths to which these people will go to conceal their actions. Nothing in this proposal will prevent that from continuing. “Multiple individuals then transport the smaller loads of UBCs to certified recycling centers”. This proposal does nothing to stop that and the individuals will simply use smaller vehicles. These people are hired and paid a commission for presenting this material. The Department is aware of this.	See the department’s response to comment 3.2(b)	None
16.3	Group of 15 Commenters		Group of 15 Commenters	The Department asserts that this will reduce risk of large-scale fraud. They state that they will be able to monitor it more effectively but they don't say how that will happen. Lower load limits will make it more difficult and complex and costly	The department rejects this comment. The commenter refers to “burdensome time-consuming decisions,” “extra procedures,” and “confusion by citizens” but fails to provide any specific information to which the department	None

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				for transporters of out-of-state material. We get to share their pain as recyclers with burdensome time-consuming decisions and extra procedures and confusion by citizens.	<p>can respond. To the contrary, the department assumes that the procedures used by a recycling center to ensure that they do not purchase loads over the current 500 pound and 2,500 pound daily load limits are the same procedures they will continue to use to ensure they do not purchase loads over the proposed daily load limits.</p> <p>As to the commenter’s statement regarding “confusion by citizens,” as stated in the ISOR (pp. 4, & 12-20) and NOPA (pp. 6 & 14), the Department’s analysis of consumer transactions at 158 certified recycling centers reveals that less than 1% of consumers would be impacted by the proposed reduction in the load limits.</p> <p>Also see the department’s response to comments 3.2(b) and 3.3.</p>	
16.4	Group of 15 Commenters		Group of 15 Commenters	According to the Division the perpetrators show great ingenuity and the financial incentive hasn't changed. The motivation will increase as perpetrators eventually find out there is no reporting requirements based on the repeal in this proposed change.	See the department’s response to comment 1.2.	None
16.5	Group of 15 Commenters		Group of 15 Commenters	Stated as Purposes, the Department admits that it wants to reduce efficiencies and profitability for illegal redeemers but they do it by imposing them on recyclers and citizens as well. They are quick to burden the industry but slow on listening.	See the department’s response to comments 1.2 and 3.1.	None
16.6	Group of 15 Commenters		Group of 15 Commenters	It uses a series of justifications that are not proven in reality and some not authorized by statute. In a rush to demonstrate	The department rejects this comment. The commenter cites “a series of justification that are not proven in reality	None

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				action, the authors have failed in providing clarity while imposing additional burden and costs upon the recycling industry. This is an industry that is struggling with lower revenues and increasing cost of goods brought about by subsidized competition.	and some not authorized by statute” but refers to nothing specific to support these statements. The commenter claims that “in a rush to demonstrate action, the authors have failed in providing clarity while imposing additional burden and costs upon the recycling industry,” but fails to provide any specific examples, data, information or references to support his/her allegations.	
16.7	Group of 15 Commenters		Group of 15 Commenters	By attempting to make these changes seem simple they will not only hurt recyclers but they will also impose burdensome conditions and confusion, possible financial loss or the need for additional trips by the public we serve. This damages the goodwill that we strive to develop.	The commenter refers to “burdensome conditions,” “confusion,” and “possible financial loss,” but fails to provide any specific information to which the department can respond. Also, see the department’s response to comment 3.1.	None
16.8	Group of 15 Commenters		Group of 15 Commenters	As drafted, this proposal significantly lacks clarity. There is no prescription presented for adoption should a customer exceed the limit. We don't know whether we should keep the material and deny CRV payment, pay for 100 pounds only or reject the load. The DOR has failed to state. If the recycler was required to reject the load it would result in an overly burdensome condition which would best be described as anger and frustration. Many recyclers have equipment known as a buyline. These systems will convey material past devices such as magnets and optical recognition before weighing. Subsequent to weighing they are transported through an enclosed system into another storage device or area. They are not made to have the material removed/returned after weighing and recyclers would be unable to comply with that directive. If any material were required to be returned on a busy day, customers and attendants could be tied up for excessive	The department rejects this comment. The first portion of this comment is of a general nature and is non-responsive to any specific section of the proposed regulations. Also, see the department’s response to comment 3.1.	None

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				amounts of time.		
16.9	Group of 15 Commenters		Group of 15 Commenters	As proposed, the regulations are excessively burdensome and could create hazards for personnel.	The department rejects this comment. This comment is of a general nature and is non-responsive to any specific section of the proposed regulations. However, to the extent that the commenter is challenging the necessity for the proposed regulations, please see the department's response to comment 1.3	None
16.10	Group of 15 Commenters		Group of 15 Commenters	It is difficult and dangerous to return glass. Glass is often weighed in the vehicle and dumped into ground-level bunkers. Material gets broken and there is no way to separate it from the other material in the bunker. The broken material is also hazardous to handle and poses a danger to workers.	See the department's response to comment 3.1.	None
16.11	Group of 15 Commenters		Group of 15 Commenters	Denying CRV to a scavenger who may suffer from mental health issues can also be hazardous and subject our employees to physical attack. That's not something that's uncommon in this business.	See the department's response to comment 3.1.	None
16.12	Group of 15 Commenters		Group of 15 Commenters	Reduce corruption of legitimate markets, minimize negative impacts on legitimate consumers and minimize negative impacts on certified recyclers are rationalizations not founded in fact. This will also increase negative impacts on certified recycling center operators not minimize them.	The department's fact-based analysis of the impact of fraud on markets, consumers, and Certified Recycling Centers is discussed in detail in the ISOR (pp. 7-9). Also, see the department's responses to comments 3.1 and 3.2(a) & (b)	None
9	Waste Management Cal Sierra Transfer Station	Tina	Arvin	Our concern for the new daily load limits is for those businesses that bring in well over the limits proposed. Would there be separate stipulations for businesses? We also have	The department rejects this comment. The commenter is not specific as to the type of business contemplated by their comment which makes it difficult for the department	None

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				many customers that like to save their aluminum and plastic to get a bigger refund at once.	<p>to respond. However, as discussed below, some “businesses” are considered consumers under the Act while others may, as appropriate, become certified as Dropoff or Collection Programs and Community Service Programs pursuant to Sections 2000(a)(11) & (20) and 2055 of the regulations.</p> <p>Per section 14508 of the Act, “Consumer” means every person who, for his or her use or consumption, purchases a beverage in a beverage container from a dealer. “Consumer” includes, but is not limited to, a lodging, eating, or drinking establishment, and soft drink vending machines. Any business that does not meet this definition is not considered a consumer for purposes of the daily load limits.</p> <p>The department is proposing to reduce the consumer daily load limit only. There will be no change to the load limits for certified entities such as Dropoff or Collection Programs and Community Service Programs.</p> <p>Also, see the department’s response to comment 3.1.</p>	
12	Upper Room Consulting	Leonard	Lang	Please document that there is no prescription for what recyclers are to do when limits are exceeded.	See the department’s response to comment 3.1.	None
13	Trabuco Church	Pastor Robert	Jacobsen	In addition to our plastics and aluminum, We brought in over 3200 lbs. of glass today - at \$0.11 - that's over \$350 ... however after we weighed in , we were told that we had exceed a 2500lb per day cap, and as a result could only be paid \$0.01 per lb. - i.e. \$32 We were not even offered \$0.11 per	The department rejects this comment. In addition to certifying recycling centers, the department also certifies individuals other entities as Dropoff or Collection Programs and Community Service Programs pursuant to sections 2000(a)(11) & (20) and 2055 of the regulations.	None

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				<p>pound for the first 2500 lbs. We spent more in gas getting the load to the recyclers.</p> <p>I was also made aware of a new proposal that would bring down the daily load limit even further ... which would essentially force us to eliminate our recycling co-op program. If you insist on lowering the load limits further would it be possible to make an exemption for groups like ours?</p>	<p>Subchapters 7 and 9 of the regulations govern the operations of Dropoff or Collection Programs and Community Service Programs respectively. Under those provisions, certified Dropoff or Collection Programs and Community Service Programs are not subject to the consumer daily load limits. As such, they can bring redeem any quantity of eligible used beverage containers at any frequency they desire.</p> <p>Because there are existing certification categories that govern the operations of individuals and organizations like those describe by the commenter, there is no need to create an exception to the proposed reduction in the consumer daily load limits.</p>	
16.13	Group of 15 Commenters		Group of 15 Commenters	Because this limitation is also applied to churches, schools, businesses and other community service organizations it would also tip the economics on serving these entities. The small amounts would make it too costly to serve them.	See the department's response to comment 13.	None
25.1	Institute of Scrap Recycling Industries	Katherine	Brandenburg	Prior to the adoption of any regulation lowering the load limit for beverage containers, the Department must consider an avenue for recyclers to receive containers above the load limit from charities (i.e., Girl Scouts of America, SPCA, little league teams, etc.) without the charity having to wait for the "Community Service Program" application process to be completed.	<p>The department rejects this comment. With a modest amount of planning, it is easily possible for a charitable organization to be certified as a Dropoff or Collection Program or Community Service Program. The process provided by section 2055 of the regulations is neither burdensome nor especially time-consuming. In addition, the department has staff available to guide such organizations through the certification process.</p> <p>Moreover, individuals and organizations sometimes use the Beverage Container Recycling Program for fund raising purposes even though their collection and redemption</p>	None

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					<p>practices warrant certification as Dropoff or Collection Programs or Community Service Programs. The current load limits are high enough so that individuals or organizations such as those referenced by the commenter are able to redeem empty beverage containers as if they were “consumers” even though they do not technically meet the definition provided by statute. However, it is the department’s position that individuals and organizations that collect or solicit empty beverage containers to redeem them as a means of profiting or raising funds for charity should be restricted from doing so when their material exceeds the proposed daily load limits.</p> <p>Also, see the department’s response to comment 13.</p>	
25.2	Institute of Scrap Recycling Industries	Katherine	Brandenburg	<p>Recently, an ISRI member received a call concerning a young lady with a serious medical condition informing the recycler that she plans to collect 1 million bottles and cans by Earth Day and asked if they could recycle the material. Unfortunately, the recycler had to turn her away because she was over the load limit.</p>	See the department’s responses to comments 3.1 and 13.	None
25.3	Institute of Scrap Recycling Industries	Katherine	Brandenburg	<p>... ISRI does not agree with lowering the load limit for glass from 2500 pounds to 1000 pounds. Throughout the ISR, the Department states that by reducing the daily consumer load limit the Department will be able to reduce the risk of large-scale fraudulent activity. As noted above, the investigations conducted by the Department and DOJ only recognize that aluminum and plastic used beverage containers were being transported into California. Therefore, we believe lowering the load limit for glass containers is not necessary and does not impose any harm on the integrity of the California Beverage Container Recycling Fund.</p>	<p>The department rejects this comment. While CalRecycle agrees with the commenter that glass is not a significant concern with respect to out of state importation fraud. CalRecycle disagrees with the assertion “lowering the load limit for glass containers is not necessary and does not impose any harm on the integrity of the California Beverage Container Recycling Fund.” The primary harm to the integrity of the CBCRF from glass is posed by handling fees and processing fees paid on ineligible containers. The processing payment and handling fee are the incentives for recycling centers to purchase large quantities of glass</p>	None

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					<p>for CRV, even though the glass containers have little or no scrap value. The profit for the recycling center is in the processing payment and handling fee payments.</p> <p>A secondary harm to the integrity of the CBCRF by glass is the payment of CRV on non-CRV containers. Due to the 2,500 load limit for glass, pickup trucks full of glass containers are routinely scavenged from curbside bins or collected from bars and restaurants. These large loads have high proportions of non-CRV containers and are very difficult to inspect thoroughly.</p> <p>Lowering the load limits on glass is intended, in part, to decrease the harm to the integrity of the CBCRF from consumer redemption of glass containers that are ineligible for program payments.</p>	
25.4	Institute of Scrap Recycling Industries	Katherine	Brandenburg	<p>The Initial Statement of Reasons (ISR) states that there are a number of individuals who frequently import large loads of used beverage containers from other states into California. In particular, the ISR states that "investigations conducted by the Department and DOJ have revealed that large loads (up to and greater than 5,000 pounds) of <u>aluminum</u> and <u>plastic</u> UBCs are being transported by individual/entities into California on a daily basis." (Emphasis added.) ISRI agrees with this conclusion and supports the Department's proposed regulations as it relates to lowering the daily load limits for both aluminum and plastic. We further agree that the elimination of the reporting requirements in 14CCR Section 2530(i) is necessary since the load limit for aluminum will be lowered to 100 pounds.</p>	No change requested.	None
32.1	Allan Company	Nenad	Trifunovic	<p>A common problem with the load limits found in 14 CCR 2535(f) is that the regulations prohibit a certified recycler from</p>	<p>The department rejects this comment because it proposes changes to the department's regulations that are beyond</p>	None

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				<p>paying refund value to, or claiming refund value for any material received from, any person who is not certified who delivers a load of material in excess of the specified load limits. The restriction applies to all transactions, including those performed pursuant to section 2500(h) of the regulations, such as those involving a church, school, business where beverages are consumed, or other community service organization (each referred to as a “Community Service Organization”).</p> <p>The regulations currently contemplate that a Community Service Organization would apply to become a certified entity (such as a Community Service Program), wait for the application and certification process to run its course, and then commence collection and recycling activity. Unfortunately, this process is very often too cumbersome, time consuming, and has the effect of inhibiting precisely the kind of recycling activity that the legislature and the public desire to encourage.</p> <p>A Possible Solution</p> <p>We are recommending that the Department create an exception to the load limits for Community Service Organizations, but impose recordkeeping (and possibly reporting) requirements on the certified recycling center. More specifically, the suggestion is that when a CRV transaction with an uncertified Community Service Organization is to take place and the amounts of CRV material transacted would exceed the load limits, the certified recycling center should be required to maintain a separate record (perhaps on a Department approved form) of all such purchases for review, inspection, audit, and copying by the</p>	<p>the scope of this rulemaking.</p> <p>Also, see the department’s responses to comments 3.1 and 13.</p>	

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				<p>Division.</p> <p>This is just one possible solution to the common problem of Community Service Organizations being limited from performing beneficial recycling as a result of the formal registration requirements and the load limits of 14 CCR 2535(f). Community Service Organizations need the ability to bring materials on an ad hoc basis, and Allan Company's proposal would address that need. If the Department is interested in pursuing such a solution, it is advisable that the Department review and reconcile the recordkeeping requirements proposed above with those found in 14 CCR 2525(k).</p> <p>The change suggested to the current version 14 CCR 2535(f)(1) is merely intended to bring the text of that subsection into conformity with the 2535(f). More specifically, the text of the current subsection (1) states that is a violation to accept material, however, 2535(f) does not forbid accepting material. Instead, a "certified recycler shall not pay the refund value to, or claim refund value for any material received from any person, operation or entity who is not certified by the Division, delivering a load of material in excess" of the applicable load limits. The difference is significant and we should use this opportunity to correct the existing text of 14 CRR 2535(f)(1).</p>		
32.2	Allan Company	Nenad	Trifunovic	<p>We support the Department's proposal. It is our belief that reducing the load limits will help disrupt the flow of ineligible materials and materially impair the pecuniary interests of those involved in fraudulent transactions.</p>	No change requested.	None

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36.1	California Consumers Against CalRecycle's Proposal to Amend CCR Sections 2530 and 2535 to Reduce the Certified Recycling Center Daily Load Limits Per Day for Consumer Redemption of CRV		Petition with approx. 800 names	<p>As per Cal PRC Code: Cal Code, Section 14501, Regulatory limits or impositions, proposed or implemented, made upon an individual consumer that:</p> <p>A) discourages their manner to favor redemption of recycles, as opposed to their disposal or B) impedes their opportunity to recycle economically, efficiently & conveniently or C) impedes the financial incentive of their right to return of deposit or</p> <p>Regulatory proportional reductions or impositions, proposed or implemented, upon a certified recycle center that:</p> <p>D) disestablishes a profitable marketplace Or location for a recycle center or E) impedes the enhancement of profitability for a recycle center or F) impedes the ability of a recycle center to earn sufficient profit to stay continually solvent in locations that provide consumers with convenient recycling opportunities,</p> <p>...is in violation of and contrary to the Intent of the Act, the Act itself and the department's responsibilities & regulations to determine & implement in a manner that favors the recycling of all redeemed containers. (Cal PRC Code, section 14501 : Cal Code, section 14501, (a), (c), (e), (f), (g) and (h))</p>	<p>The department rejects this comment. The commenter misinterprets and misapplies the legislative declarations and statements of intent cited in the comment. Adoption of the proposed consumer daily load limits is consistent with the purposes of the Act.</p> <p>Further, per section 14530.5(b) of the Act, the department has explicit statutory authority to adopt "any other rules and regulations ... which the department determines may be necessary or useful to carry out this division or any of the department's duties or responsibilities imposed pursuant to this division." Regulating consumer transactions at certified recycling centers is consistent with this provision of law.</p> <p>Also, see the department's response to comment 1.3.</p>	None
36.2	California Consumers Against CalRecycle's Proposal to Amend		Petition with approx. 800 names	If implemented, this proposal will establish an environmental injustice of discrimination against disabled or minority individuals of low or no- income, especially in depressed rural areas, that will be denied the ability to recycle in large	See the department's response to comment 3.1.	None

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	CCR Sections 2530 and 2535 to Reduce the Certified Recycling Center Daily Load Limits Per Day for Consumer Redemption of CRV			<p>amounts to feed, house and support themselves.</p> <p>Individual Consumers signing below, reside or visit in Rural Areas and strongly oppose and/or reject Cal Recycle’s proposal to reduce current daily load limits by 80% of crv beverage containers per person, per day. There should not be more than a 30 a 40% reduction of current regulation standard, if at all.</p> <p>Most Rural Individuals collect, store & redeem cry recyclables in large amounts because they have to travel several miles to qualified Recycle Centers. An 80% reduction will Inhibit their Ability to recycle cost -effectively, causing recycling to be unworthy, defeating the purpose to keep Recycles from our Landfills. Hence, the Reason for the Formation of CalRecycle Division of Recycling in the First Place.</p> <p>An 80% reduction in daily Load limits will impact low and middle income California consumers unfairly, especially in Rural areas, discriminate against all Individuals who purchase and redeem crv recyclables in volume, cause small Rural area Recycle Centers to lose significant crv volume purchases needed to stay solvent, forcing them to either lay off employees and/or close, thus inhibiting and impeding the Consumers Right to Full Return of Deposit by limiting amount, access and availability of redemption</p>		
37.1	Camarillo Recycling, Inc.	Rahamim	Zarin	CalRecycle should consider raising the proposed limits to 150 lbs for aluminum and plastic, OR allow certain organizations to bring more than the proposed 100 lbs / 1,000 lbs limits.	The department rejects this comment. The proposed weight limits were selected based upon an analysis of consumer transactions, as indicated in the ISOR (pp. 4, & 12-20) and NOPA (pp. 6 & 14), and the department’s finding that less than 1% of consumers will be impacted by	None

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					<p>the proposed reduction in the load limits.</p> <p>Also, see the department's responses to comments 13 and 32.</p>	
37.2	Camarillo Recycling, Inc.	Rahamim	Zarin	<p>Even though you specify that less than 1 % of transactions are above those limits, the actual quantities are probably in the range of 5% of the total recycled quantities.</p>	<p>The department rejects this comment. The proposed weight limits were selected based upon an analysis of consumer transactions, as indicated in the ISOR (pp. 4, & 12-20) and NOPA (pp. 6 & 14), and the department's finding that less than 1% of consumers will be impacted by the proposed reduction in the load limits. In addition, commenter provides no data to support this assertion.</p>	None
37.3	Camarillo Recycling, Inc.	Rahamim	Zarin	<p>Although it's true that most recycling customers recycle relatively low amounts, there are many situations where the limits need to be higher.</p> <p>There are several types of consumers that may have difficulty with staying below the proposed limits. Schools and other non-profits doing fundraisers often collect once a month and may collect 200-300 lbs, especially in plastic bottles. Restaurant or bar owners may have large quantities. Janitors or park maintenance crews might collect large quantities, especially after a special event.</p> <p>In order to continue to encourage recycling we believe that the limits should be somewhat higher, or have an exemption for non-profit groups, government entities, and perhaps other businesses that sell beverages at their official place of business.</p>	<p>See the department's responses to comments 3.1, 13, and 32.</p>	None
16.14	Group of 15		Group of 15	<p>In the Departments proposal it ignores the history of the load</p>	<p>See the department's response to comment 13.</p>	None

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	Commenters		Commenters	limits. Prior limits were 750 pounds for aluminum and 2000 pounds for glass. The goals of this program were to increase recycling and reduce litter. To do so a bounty (CRV) was placed on the containers which encouraged citizens who were financially motivated to collect them. That prompted scavenging which has resulted in making California one of the most litter-free states when it comes to beverage containers. People pick up containers for money when littered. They also remove them from the trash in parks, gas stations and shopping centers just to name a few. Businesses, such as bars and restaurants, either redeemed themselves or assigned the responsibility to others. They deal in larger volumes than this proposal acknowledges.		
16.15	Group of 15 Commenters		Group of 15 Commenters	The Department has provided no justification as to how they adopted those limits; just that they believe this will help. As a part of that limiting, they hope to prompt a reduction in curbside scavenging. Not only does the Department lack authority in statute, there is no harm to the integrity of the Fund. They create a burden on recyclers who have no knowledge of the source nor are they required to but they increase the burden to the Division. This increase burden translates into increased costs to a program that's a year from insolvency.	See the department's response to comment 37.2.	None
4	Marin Recycling	Lori	Dowell	We recommend the recycling center consumer redemption daily load limits be reduced to the following amounts: Aluminum From 500 pounds to 200 pounds Plastic From 500 pounds to 250 pounds	See the department's response to comment 37.2.	None

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				Glass From 2,500 pounds to 1,500 pounds		
16.16	Group of 15 Commenters		Group of 15 Commenters	As the Department states in the ISOR and other documents, this change will not significantly impact their ability to combat program related fraud. It should also be noted that this reporting was never required for plastic which is now the dominant material type in containers. As we understand from conversations with its representatives, the DOR is not looking at these reports in a timely manner or possibly not at all. Not only does this demonstrate ineffective management, it demonstrates incompetence in understanding the benefit of this control in overcoming fraud. Reporting is a burden imposed on the industry that is not necessary and exposes us to unwarranted violations used to fabricate justification for revocation of recycling center operators' certifications.	The department rejects this comment. Presumably, the commenter is referring to the reporting requirement currently imposed on certified recycling centers pursuant to section 2530(i) of the regulations. This report is required to be submitted to the department by recycling centers for all aluminum transactions of more than 250 pounds. The comment, "As we understand from conversations with its representatives, the DOR is not looking at these reports in a timely manner or possibly not at all," is an unsubstantiated and false allegation. Multiple criminal prosecutions have resulted from referrals by CalRecycle to the California Department of Justice based on analysis of these 250 pound reports. The Department of Justice has been provided 250 pound report data on a regular basis for over two years for use in investigating recycling fraud. Also, see the department's responses to comments 1.2 and 1.3, and 3.2(b).	None
16.17	Group of 15 Commenters		Group of 15 Commenters	According to the ISOR, the Department bases its decisions on observations and anecdotal evidence. Observations are subject to interpretation and the qualifications and competence of staff. Anecdotal evidence is unreliable.	See the department's response to comment 37.2	None
16.18	Group of 15 Commenters		Group of 15 Commenters	The Department presents some statistical analysis but does not present the support for that analysis. We have no assurance that the sampling was accurate or representative of the conditions we face daily. The act of applying that analysis	The department rejects this comment. The commenter makes general statements about the data used in the department's analysis as presented in this rulemaking package without providing any supporting data or	None

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				<p>will cause consumers, scavengers and other collectors to have their material arbitrarily excluded from their right of redemption. Therefore this analysis should not be considered as support for this change.</p> <p>...</p> <p>We are given statistics and charts which are unsupported and therefore unprovable, unreconcilable and unreliable. There are highly questionable differences in their data. It's invalid justification.</p>	<p>information. The department stands behind the veracity and accuracy of the data presented in the report. Moreover, the majority of information referenced and used in the analysis was reported to the department by certified recycling centers in the ordinary course of business.</p>	
16.19	Group of 15 Commenters		Group of 15 Commenters	<p>A revenue plan is provided for those working 50 weeks a year with two weeks for vacation. The numbers are unsupported and highly questionable. They state that the large load limits provide an economic incentive but it's really the price they can receive. It is high prices and excessive competition fueled by a subsidy, not load limits. This is the actual corruption of legitimate markets.</p>	<p>See the department's response to comment 1.3 and 16.18.</p>	None
16.20	Group of 15 Commenters		Group of 15 Commenters	<p>The ISOR informs us that CRV was 50% less at one point in time than it is today. They don't mention that aluminum load limits have already been reduced 33%.</p>	<p>See the department's response to comment 1.3. Also, even if the commenter is correct that there were previous reductions in the load limits, it does not change the rationale and justification for the proposed amendments as stated in the ISOR and NOPA.</p>	None
16.21	Group of 15 Commenters		Group of 15 Commenters	<p>The Department states that large quantities of non-CRV material are included in CRV payments. This is an inspection issue not addressed in this proposal and they provide no evidence. The DOR is responsible to protect the Fund by minimizing, not reducing the quantity of non-CRV material</p>	<p>See the department's responses to comment 1.3 and 16.18.</p>	None

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				included in CRV payments. This is an issue of commingling and those regulations are not a part of this rulemaking package. The rest is creative justification and rationalization.		
16.22	Group of 15 Commenters		Group of 15 Commenters	Staff, as stated in the ISOR, is unable to identify a reasonable alternative. Staff believes that this proposal which lacks clarity, authority and imposes additional burden on recyclers to be the best possible solution.	See the department's response to comment 1.3. Moreover, the department's proposal is clear and does have authority (NOPA p. 8). Further, as discussed in the Economic Impact Analysis / Assessment: (Addendum To STD 399), the department finds that any potential burdens on recyclers are outweighed by the potential benefits to the overall program that will result from adoption of the proposed regulations.	None
16.23	Group of 15 Commenters		Group of 15 Commenters	The Department discloses the real problem, bias. The behavior demonstrated by the DOR shows a belief the recycling centers knowingly purchase OOS material even if they suspect it is ineligible. Suspicion is not defined in the regulations or statute. How do you teach suspicion to an employee? They go on to say that honest recycling centers that suspect materials are ineligible do the right thing by refusing to purchase those containers. To do so is without statutory or regulatory authority. In the California Regulatory Notice Register dated May 24, 2013 OAL finds: CalRecycle has created a system whereby its investigators may impose regulatory sanctions upon recycling centers for alleged violation of standards which are void and which have no force of law. As shown by the Notice of Action and Prepayment Inspection Status, these regulatory sanctions are imposed by bureaucratic decree, allowing no due process or right of	The department rejects this comment because it is directed at policies outside the scope of this rulemaking. That portion of the comment referring to an underground regulation petition is not relevant to this rulemaking. As a point of clarification, it should be noted that the statements described as the findings of OAL are, in fact, the allegations contained in the petition being described in the Notice Register.	

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				<p>appeal.</p> <p>The Department presents some statistical analysis but does not present the support for that analysis. We have no assurance that the sampling was accurate or representative of the conditions we face daily. The act of applying that analysis will cause consumers, scavengers and other collectors to have their material arbitrarily excluded from their right of redemption. Therefore this analysis should not be considered as support for this change.</p> <p>In Purpose, Benefits, Goals the Department professes expertise in the intent of statute 14538. The Department believes that the statute imposes conditions on recyclers by focusing on two phrases taken out of context. They are: That operators demonstrate that they will operate to the satisfaction of the Department.</p> <p>That the operator not purchase ineligible material that the center knew, or should have known originated from out-of-state.</p> <p>In the first phrase DOR staff has demonstrated that they truly believe operators must do what they say which has spawned numerous underground regulations.</p> <p>In the second phrase the DOR takes the position that even if they (the operator) didn't know, then they just should have, and then impose a standard of suspicion. This standard was already being imposed but was formalized by a Notice To: All Certified Recycling Centers. This notice imposed those standards of suspicion and were arbitrarily imposed on some</p>		

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				<p>recyclers. In a number of cases the admitted underground regulation was the foundation for accusations against the operators. This has hurt many good, hard-working people and their families. Most are immigrants and the majority is Hispanic.</p> <p>What the DOR fails to recognize is the intent of 14538 imposes conditions on the DOR to certify operators based upon adopted regulation. Those regulations are to include standards and requirements to obtain the certification. Since they have failed to adequately do that in the past, they then focus the phrases mentioned and impose them on the operations post certification. This is additional enforcement of arbitrary standards.</p> <p>PRC Section 14552. This section states DOR has the authority to adopt and implement an auditing system. They have never done that. Compare this program to the Board of Equalization that's much more qualified to audit businesses. They have adopted audit regulations according to the APA to ensure the protection and safety of the tax payers against errors in procedure and interpretation by the state. To the contrary, the DOR has a history of preferring to work outside of the APA. Yet they have a goal to ensure that the Department has an ability to review documentation and determine whether claims were valid (a subjective standard) and accurate. (You're guilty if you're not accurate!) To ensure that you're not accurate, auditors are instructed to arbitrarily disqualify an entry to justify inaccuracy. In a hearing, an auditor for the Department testified that the Department had a "zero tolerance policy" for errors.</p>		

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16.23	Group of 15 Commenters		Group of 15 Commenters	The Department has no mandate to prevent curbside scavenging or involve themselves with local ordinances. This has absolutely no affect on the Fund.	As stated in the ISOR (p. 8), it is true that scavenging from curbside recycling bins does not pose the same threat to the Fund that illegal importation and redemption of UBC material does. Such activity does, however, reduce the profitability of legitimate operators of curbside programs, who play a critical role in the continuing success of the CBCRP. The fact that the proposed regulations may have a benefit to some elements of the program separate from preventing losses to the Fund does not reduce the need for this rulemaking.	
14	NexCycle	John	Ferrari	NexCycle supports the decrease of the load limits for aluminum and plastic per transaction from the current limit of five hundred pounds (500 lbs.) to one hundred pounds (100 lbs.). We also support the decrease of the load limit for glass from the current threshold of two thousand five hundred pounds (2,500 lbs.) to one thousand pounds (1,000 lbs.) per transaction.	No change is requested.	None
15	rePlanet	Rodney	Rougelot	<p>In examining the impact of the proposed amendments, reducing the load limits will have very little impact on rePlanet’s day-to-day operations. The resulting impact of eliminating certain previously necessary reporting requirements will ease some of the administrative burden on rePlanet as a participant in the program.</p> <p>rePlanet believes reduced load limits will be a valuable step towards inhibiting fraudulent recycling transactions and ultimately will benefit recycling companies participating in the program, as well as Californians who choose to recycle at certified recycling centers throughout the State.</p>	No change is requested	None

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34	Cedar Avenue Recycling & Transfer Station, L.P.	Ray	Medley	CARTS does support the proposed regulations regarding the amount of CRY material which can be delivered to a recycling facility per day. Out of state beverage containers can not be accepted as CRV material in California.	No change requested.	None
2, 5, 6, 7, 8	Various		Various	These are records of telephonic inquiries received by the department.	These were not written comments. CalRecycle only accepted written comments during this rulemaking. CalRecycle did not accept oral comments for this rulemaking. None of these calls were actual comments on the proposed regulations. They were general questions about the rulemaking process or they were specific non-rulemaking questions about the CBCRP that had been misrouted.	