

California Beverage Container Recycling and Litter Reduction Act SB1013-Wine & Distilled Spirit Expansion

Cal Recycle 🥎

### **Today's Topics**

- 1. Overview of New Beverages and Container Types
- 2. Who is a Beverage Manufacturer
- 3. Processing Fee Overview
- 4. Who is a Beverage Distributor
- 5. California Redemption Value (CRV) Overview
- 6. Registration Process
- 7. Labeling Requirements and Examples
- 8. Question and Answer Session





## **SB 1013**

Approved by Governor Newsom on September 27, 2022

This legislative bill:

Brings wine and distilled spirits into the California Beverage Container Recycling Program (BCRP) starting January 1, 2024





#### Effective January 1, 2024

The California Beverage Container Recycling & Litter Reduction Act (Act) will include:

- New Beverages:
  - Wine, including sparkling or carbonated
  - Wine from which alcohol as been removed in whole or in part
  - Distilled Spirits
  - Wine Coolers/Distilled Spirit Coolers with any percentage of alcohol by volume
- New Containers:
  - Wine or Distilled Spirit in box, bladder, pouch, or similar container



### A Company may be a Program Participant as:



Beverage Manufacturer

or

Distributor

or

Both

or

None

Depending on your business practices regarding manufacturing, importing and sales of beverages in CA.



Beverage Manufacturer (BM) -PRC 14506 and PRC 14575(g)(2)(A)

A Beverage Manufacturer is anyone who:

- Bottles, cans or fills beverage containers in CA
   OR
- Imports beverages into California for sale to:
  - Distributors/ Dealers/ Consumers

<u>OR</u>

- Holds a Certificate of Compliance with CA Department of Alcoholic Beverage Control (ABC)- (Beer/Malt only)
   OR
- Out of state entity, holding a Wine Direct Shippers Permit with ABC--(direct to CA consumer. Ex: Wine Club Shipments)





# **Beverage Manufacturers Pay Processing Fees:**

- What are Processing Fees?
- Processing Fee rates vary based on container material
- Change each calendar year
- Size does not matter

2023 Rates <a href="https://www2.calrecycle.ca.gov/Docs/Web/118404">https://www2.calrecycle.ca.gov/Docs/Web/118404</a>

- Glass \$0.00452
- Plastic 1 PETE \$0.00005
- Box Equivalent \$0.00762





#### **Distributor (DS) -** PRC 14511 CCR 2320

A Distributor is anyone who:

Sells beverage containers to a dealer in CA.

#### <u>OR</u>

 Person importing beverages from outside CA for sale to dealers or consumers in the state.

#### <u>OR</u>

 Out of state entity Holding an ABC Wine Direct Shippers Permit (direct to consumer)

#### <u>OR</u>

 Beverage Manufacturer or Brand Owner selling direct to a consumer in CA





# Distributors Collect and Submit CRV

(minus 1.5% Administrative Fee Discount):

What is CRV?

Glass, Plastic, Aluminum, Bimetal rates:

- > 5¢ under 24 ounces
- > 10¢ 24 ounces and above

Box, Bladder, Pouch rates - Wine & Distilled Spirits beverages only:

25¢ regardless of size





## **Registration Form**

State of California CalRecycle 751 Department of Resources Recycling and Recovery (CalRecycle)

#### BEVERAGE MANUFACTURER / DISTRIBUTOR REGISTRATION FORM

Please complete and return **both pages** to <u>Req.CRVLabelina@CalRecycle.ca.gov</u> or mail to CalRecycle - Registration Unit, 801 K Street, MS 17-03, Sacramento, CA 95814 or via fax at (916) 319-7400

Doing Business As (DBA) Name:	Legal Name:			
Federal Tax ID (Employer Identification Number):	ABC Certificate of Compliance or Direct Shippers Permit #/Out-of-state Beer Manufacturers & Wineries only)			
Physical Business Address	Mailing Address (if different from physical address)			
Street:	Street:			
City, State Zip:	City, State Zip:			
California Warehouse Location(s) (ifapplicable) (Attach additional sheets if necessary)	Other California Address (if applicable) (Examples: Company owned bottling facility or sales office) (describe)			
Check one: Rented Leased Owned  Street:	Street:			
City, State Zip:	City, State Zip			
Primary Point of Contact	Secondary Point of Contact			
Mr. Mrs. Ms. Other:  Name:	Mr. Mrs. Ms. Other:			
Title:	Title:			
Phone:	Phone:			
Email:	Email:			
Ownership Structure: Corporation Limited Liability Company Other:				
This company is a (check all that apply): Brewery Distilled Spirit Manufacturer Winery None of these				
Date company began sales or transfers of beverages in single use containers in California:(month/year)				
Are free beverage product samples offered or donated in California?				
Are you selling direct through your website or other E-commerce platforms? Yes No				

Provide the types of beverage pro- proposed to be offered for sale or			red for sale or transfer, or
Product Line:			
Beer or Malt Beverages D	istilled Spirits Win	e Wine/Distilled Spirit Co	oolers Coffee/Tea Drink
Carbonated Soft Drinks	Non-Carbonated Soft Dr	rinks Carbonated Water	r Non-Carbonated Wate
Sport Drinks 100% Veget	able Juice (Size in oz)_	100% Frui	t Juice (Size in oz)
Carbonated Fruit Drinks No	on-Carbonated Fruit Dri	inks Other (Describe):	
Container Material Type:  Aluminum Glass  Wine or Distilled Spirit in Box  Plastic: #1 PET #2 HDP	E #3 PVC	place of business to be rej All None Sizes:	Some
#4 LDPE #5 PP #6 F	S #7 Other	Under 24 ounces	24 ounces or over
Do you bottle or can your own bev	erages? (Canning include	des taproom sealed crowlers)	All None Some
If None or Some, provide the name		on for your beverage supplier	s, co-packers and/or bottlers
Company Name	Contact Person	Phone	Address
Who do you sell or transfer bevera    Retailers   Restaurant   Distributors ( <i>Provide informati</i>	s/Bars Cor		Carriers (Planes, trains, etc.)
Company Name	Contact Person	Phone	Address

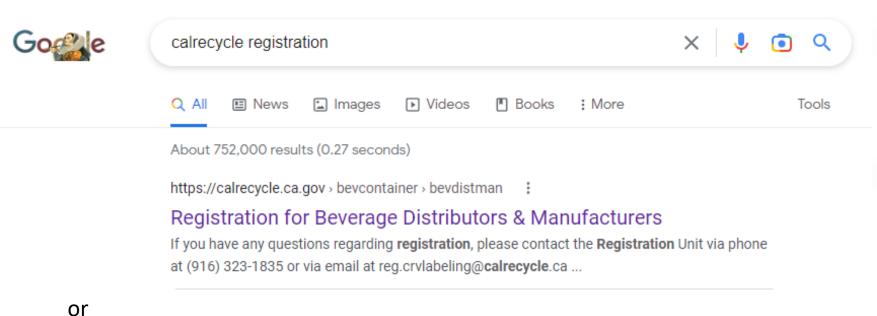
Provide any additional information regarding your business practice or products in the space below:

- When should I complete the form? Now
- Date company began sales = Reporting Start Date 1/1/2024





## **Finding the Registration Form**



Oi

https://calrecycle.ca.gov/bevcontainer/bevdistman/registration/

















Distributors and manufacturers of beverages covered by the <u>California Beverage Container Recycling and Litter Reduction</u>
<u>Act</u> are required to register with CalRecycle in order to meet the reporting and payment requirements (CCR 2231, 2301).

#### **Definitions**

"Beverage manufacturer" means:

"Distributor" means:

#### **Registration Process**

To determine if your company is a beverage manufacturer and/or beverage distributor, as defined above, you may

- · Complete the registration form on line or
- <u>Download and complete the pdf version</u> of the form and submit it via fax or mail as noted on the top of the form.

After your registration form is received, a Recycling Specialist will be in contact with you. If your company is determined to be a beverage manufacturer and/or distributor, you will receive reporting identification number(s) and can begin reporting and paying processing fees and/or CRV.

If you have any questions regarding registration, please contact the Registration Unit via phone at (916) 323-1835 or via email at <a href="mailto:reg.crvlabeling@calrecycle.ca.gov">reg.crvlabeling@calrecycle.ca.gov</a>.





- Registration Form will be reviewed. Staff may ask additional questions for clarification
- If you meet one or both definitions, you will be assigned account numbers & account representative
- Participant Management Unit will:
- --- Grant access to online reporting --- Provide training --- Answer report and payment questions

## Effective January 1, 2024

		January 2024
		Report/Payment
Distributor	Charge and Collect CRV	Due 2/28/2024
		January 2024
		Report/Payment
Beverage Manufacturer	Track Sales/Transfers	Due 3/10/2024





Wine and Distilled Spirit containers <u>must</u> be labeled by **July 1, 2025**.

CRV labeling is optional between 1/1/2024 -6/30/2025

#### **Five CRV Message Options**

- ❖ California Redemption Value
- **❖** CA Redemption Value
- California Cash Refund
- CA Cash Refund
- **❖**CA CRV

PRC 14561(a)





### **CRV Labeling Size & Location Requirements**

The CRV Message must be **clearly, prominently and indelibly** marked:

- Glass & Plastic Message must be on the container body label or secondary label
  - A text height of 3/16", or
  - A minimum text height of 1/8" and in a contrasting color to the background and nearby text
- Aluminum Cans- Message must be on the top lid
  - Tops over two inches in diameter- message must be 3/16" in height
  - Tops two inches or less in diameter- message must be 1/8" in height

CCR 2200(b)

Requirements for box, bladder, pouch to be determined







Text height of 3/16"



Minimum Text
Height of 1/8" with
Contrasting Color



On lid of aluminum container





#### **Examples of Approved labels:**

GOVERNMENT WARNING: (1) ACCORDING TO THE SURGEON GENERAL, WOMEN SHOULD NOT DRINK ALCOHOLIC BEVERAGES DURING PREGNANCY BECAUSE OF THE RISK OF BIRTH DEFECTS. (2) CONSUMPTION OF ALCOHOLIC BEVERAGES IMPAIRS YOUR ABILITY TO DRIVE A CAR OR OPERATE MACHINERY, AND MAY CAUSE HEALTH PROBLEMS.

INGREDIENTS: Carbonated Water, Symphony Wine, Cane Sugar, Natural Flavors, Malic Acid, Potassium Sorbate, Sulfiting Agents (to preserve freshness)

750 ML (24.5 FL OZ)
ME-VT-HI-IA-NY 5¢
MI 10¢

CA CRV
PLEASE RECYCLE

## **2020 CABERNET SAUVIGNON** CELLARED AND BOTTLED BY

OAKVILLE CALIFORNIA USA

GOVERNMENT WARNING: (1) ACCORDING TO THE SURGEON GENERAL, WOMEN SHOULD NOT DRINK ALCOHOLIC BEVERAGES DURING PREGNANCY BECAUSE OF THE

RISK OF BIRTH DEFECTS. (2) CONSUMPTION OF ALCOHOLIC BEVERAGES IMPAIRS YOUR ABILITY TO DRIVE A CAR OR OPERATE MACHINERY, AND MAY CAUSE HEALTH PROBLEMS.

1.5 L ALC 14.5% BY VOL CONTAINS SULFITE









Stickers (not on cans)
Ink Jet
Stamp



The CRV Message must be clearly, prominently and **indelibly** marked.

CCR 2000(a)(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.



Not Acceptable
CRV Messages

**No Monetary Value** 



Entire message must be on a single line



**Must be Prominent from surrounding text** 



No Stickers on Can Lids



Font size must be 1/8" not Text Box





## **Additional CRV Labeling Considerations**

- PRC 14561(d) is revised per SB1013 to read "the Department may require that a beverage container intended for sale in this state be printed, embossed, stamped, labeled or other marked with a <u>scan code</u>, <u>a quick response</u> (QR) code, or a universal product code or similar machine-readable indicia."
  - CalRecycle is still reviewing all aspects of SB 1013 and the impact of this provision on all stakeholders.
  - To better understand this aspect, CalRecycle meet with those who currently utilize QR codes or were looking to invest in the technology for their labels.
  - This meeting took place June 14<sup>th</sup>. Next Steps are pending.





## **Additional CRV Labeling Considerations Continued**

PRC 14561(c) prohibits any person or entity from selling a CRV product which has not been properly labeled in accordance with the Act and Regulations. Therefore, after July 1<sup>st</sup>, 2025, wine and distilled spirits products that are subject to the Program will need to be properly labeled in order to be offered for sale.





For registration or labeling questions:
Registration Unit
(916) 323-1835
reg.crvlabeling@calrecycle.ca.gov

Online registration form:

https://calrecycle.ca.gov/bevcontainer/bevdistman/registration/

Please enroll in CalRecycle's Listservs for future workshop or seminar announcements regarding SB1013

https://www2.calrecycle.ca.gov/Listservs/





# **Question and Answers**

