

**Assembly Bill No. 2467**

\_\_\_\_\_

Passed the Assembly May 8, 2014

\_\_\_\_\_  
*Chief Clerk of the Assembly*

\_\_\_\_\_

Passed the Senate August 26, 2014

\_\_\_\_\_  
*Secretary of the Senate*

\_\_\_\_\_

This bill was received by the Governor this \_\_\_\_\_ day  
of \_\_\_\_\_, 2014, at \_\_\_\_\_ o'clock \_\_\_\_M.

\_\_\_\_\_  
*Private Secretary of the Governor*

## CHAPTER \_\_\_\_\_

An act to amend Section 14549.2 of the Public Resources Code, relating to recycling.

## LEGISLATIVE COUNSEL'S DIGEST

AB 2467, Nestande. California Beverage Container Recycling and Litter Reduction Act: market development payments.

Existing law, the California Beverage Container Recycling and Litter Reduction Act, requires a distributor to pay a redemption payment for every beverage container sold or offered for sale in the state to the Department of Resources Recycling and Recovery for deposit in the California Beverage Container Recycling Fund. The department, until January 1, 2017, is authorized to annually expend up to \$10,000,000 from the fund to make market development payments to an entity certified by the department as a recycling center, processor, or dropoff or collection program for empty plastic beverage containers that are subsequently washed and processed into flake, pellet, or other form, and made usable for the manufacture of a plastic product, or to a product manufacturer for empty plastic beverage containers that are subsequently washed and processed into flake, pellet, or other form, and used by that product manufacturer to manufacture a product.

This bill would authorize the department to pay a market development payment to both certified entities and product manufacturers for empty plastic beverage containers.

*The people of the State of California do enact as follows:*

SECTION 1. Section 14549.2 of the Public Resources Code is amended to read:

14549.2. (a) For purposes of this section, the following definitions shall apply:

(1) "Certified entity" means a recycling center, processor, or dropoff or collection program certified by the department pursuant to this division.

(2) “Product manufacturer” means a person who manufactures a plastic product in this state.

(b) In order to develop California markets for empty plastic beverage containers collected for recycling in the state, the department may, consistent with Section 14581 and subject to the availability of funds, pay a market development payment to both certified entities and product manufacturers for empty plastic beverage containers collected and managed pursuant to this section.

(c) The department shall make a market development payment to a certified entity or product manufacturer in accordance with this section, only if the plastic beverage container is collected and either recycled or used in manufacturing, in the state, as follows:

(1) The department shall make a market development payment to a certified entity for empty plastic beverage containers that are collected for recycling in the state, that are subsequently washed and processed by a certified entity into a flake, pellet, or other form in the state, and made usable for the manufacture of a plastic product by a product manufacturer.

(2) The department shall make a market development payment to a product manufacturer for empty plastic beverage containers that are collected for recycling in the state, that are subsequently washed and processed into a flake, pellet or other form in the state, and used by that product manufacturer to manufacture a product in this state.

(3) The department shall determine the amount of the market development payment, which may be set at a different level for a certified entity and a product manufacturer, but shall not exceed one hundred fifty dollars (\$150) per ton. In setting the amount of the market development payment for both certified entities and product manufacturers, the department shall consider all of the following:

(A) The minimum funding level needed to encourage the in-state washing and processing of empty plastic beverage containers collected for recycling in this state.

(B) The minimum funding level needed to encourage the in-state manufacturing that utilizes empty plastic beverage containers collected for recycling in this state.

(C) The total amount of funds projected to be available for plastic market development payments and the desire to maintain the minimum funding level needed throughout the year.

(4) The department may make a market development payment to both a certified entity and a product manufacturer for the same empty plastic beverage container.

(d) This section shall remain in effect only until January 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2017, deletes or extends that date.







Approved \_\_\_\_\_, 2014

---

*Governor*