

**REQUEST FOR APPROVAL**

**To:** Carol Mortensen  
Director

**From:** Jeff Hunts  
Manager

**Request Date:** June 12, 2014

**Decision Subject:** Covered Electronic Waste Recovery and Recycling Payment Rates

**Action By:** June 19, 2014

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**Summary of Request:** The Electronic Waste Recycling Act of 2003 (Public Resources Code 42460, et seq) establishes a financing mechanism to develop an infrastructure to provide convenient recycling opportunities and reduce the inappropriate disposal of certain electronic products discarded in California.

Pursuant to PRC 42477 and 42478, CalRecycle has the responsibility to evaluate the standard statewide covered electronic waste (CEW) recovery and recycling payment rates every two years and to adjust them if warranted to reflect the average net costs of providing the CEW recovery and recycling services intended by the Act. CalRecycle must act now to determine whether any payment rate adjustments are necessary in order to meet the statutory date of July 1, 2014.

**Recommendation:** Based on industry cost data reported by participating collectors and recyclers, and taking into consideration that there will inevitably be market fluctuations in the future that impact costs and revenues, staff recommends that the standard statewide recovery payment rate specified in Title 14 of the California Code of Regulations, section 18660.33, and the standard statewide combined recovery and recycling payment rate specified in 14 CCR 18660.34, be increased.

Specifically, staff recommends that these rate increases be achieved through the following applicable edits and amendments to Title 14 of the California Code of Regulation:

***§ 18660.33. Standard Statewide Recovery Payment Rate.***

...

*(b) Beginning July 1, 2008 2014, the Standard Statewide Recovery Payment Rate is ~~\$0.16~~ \$0.17 per pound.*

...

***§ 18660.34. Standard Statewide Combined Recovery and Recycling Payment Rate.***

...

*(b) ~~Beginning July 1, 2008 and ending on September 15, 2008 the Standard Statewide Combined Recovery and Recycling Payment Rate is \$0.43 per pound.~~*

*(e) Beginning ~~September 16, 2008~~ July 1, 2014, the Standard Statewide Combined Recovery and Recycling Payment Rate is ~~\$0.39~~ \$0.42 per pound.*

*(d) (c) CalRecycle shall review the Standard Statewide Recovery and Recycling Payment Rate at a public meeting and establish the rate pursuant to Sections 42477 and 42478 of the Public Resources Code.*

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Upon approval staff will immediately make the necessary filing with the Office of Administrative Law to enact the recommended rate increases.

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**Director Action:** On the basis of the information, analysis, and findings in this Request for Approval, I hereby approve the staff recommendation that the standard statewide recovery payment rate specified in 14 CCR 18660.33, and the standard statewide combined recovery and recycling payment rate specified in 14 CCR 18660.34 be increased as specified and, in doing so, fulfill CalRecycle's obligations pursuant to PRC 42477 and 42478.

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Caroll Mortensen  
Director

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Date Signed

**Attachments:**

1. Background on Payment Rate Considerations
2. Detail and Context of 2013 Net Cost Report Analysis