The California Beverage Container Recycling and Litter Reduction Act

Flow of Payments under the Beverage Container Recycling Program

**Beverage Manufacturer**
- Buys beverage containers from container manufacturer
- Fills and sells beverage containers to distributor
- Pays processing fees to the Department of Resources Recycling and Recovery

**Consumer**
- Buys beverage containers from retailer and pays redemption value
- Returns empty beverage containers to recycler
- Receives refund value

**Recycler**
- Receives empty beverage containers from consumer
- Pays refund value to consumer
- Receives CRV and processing payment from processor
- Sells empty beverage containers to processor

**Processor**
- Receives empty beverage containers from recycler
- Pays refund value, processing payments, and applicable scrap value to recycler
- Receives refund value and processing payment from the Department of Resources Recycling and Recovery
- Cancels used beverage containers
- Sells empty beverage containers to container manufacturer or other end user

**Retailer**
- Buys beverage containers from distributor and pays redemption value
- Sells beverage containers to consumer and charges redemption value
- Redeems beverage containers when a convenience zone is unserved

**Distributor**
- Sells beverage containers to retailer and charges redemption value
- Pays redemption value to the Department of Resources Recycling and Recovery

**Department of Resources Recycling and Recovery**
- Receives processing fees from beverage manufacturers
- Receives redemption payment from distributors
- Pays refund value and processing payment to processors
- Pays participants various other program payments
- Funds program administration

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**NOTES:**

California Redemption Value is paid when a beverage container is purchased. California Refund Value is received when a beverage container is returned for recycling. CRV is used to reference both terms.

Processing payments are paid to recyclers equaling the difference between the average cost to recycle and the average scrap value received. Processing fees are equal to a percentage of processing payments ranging from 10 to 65 percent.
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Flow of Payments under the Beverage Container Recycling Program (with Containter Flow)

**California Redemption/Refund Value (CRV)**

- Manufactures new beverage containers

**Other End User**

- Manufactures non beverage container products (e.g., fiberglass and carpets)

**Container Manufacturer**

- Manufactures new beverage containers
- Manufactures non beverage container products (e.g., fiberglass and carpets)

**Beverage Manufacturer**

- Buys beverage containers from container manufacturer
- Fills and sells beverage containers to distributor
- Pays processing fees to the Department of Resources Recycling and Recovery

**Recycler**

- Receives empty beverage containers from consumer
- Pays refund value to consumer
- Receives CRV and processing payment from processor
- Sells empty beverage containers to processor

**Other Program Payments**

- Distributor
  - Sells beverage containers to retailer and charges redemption value
  - Pays redemption value to the Department of Resources Recycling and Recovery

- Consumer
  - Buys beverage containers from retailer and pays redemption value
  - Returns empty beverage containers to recycler
  - Receives refund value

- Processor
  - Receives empty beverage containers from recycler
  - Pays refund value, processing payments, and applicable scrap value to recycler
  - Receives refund value and processing payment from the Department of Resources Recycling and Recovery
  - Cancels used beverage containers
  - Sells empty beverage containers to container manufacturer or other end user

**Retailer**

- Receives processing fees from beverage manufacturers
- Receives redemption payment from distributors
- Pays refund value and processing payment to processors
- Pays participants various other program payments
- Funds program administration

**NOTES:**

- California Redemption Value is paid when a beverage container is purchased. California Refund Value is received when a beverage container is returned for recycling. CRV is used to reference both terms.
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