

# OREGON WINERY COMPLIANCE WITH THE CALIFORNIA BOTTLE BILL

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# Webinar Outline

1. California Bottle Bill Overview
2. Changes from recently passed CA laws
3. Possible out-of-state winery roles under CA Bottle Bill
4. Duties of primary participants
5. CRV Labeling
6. Fees and Reports

# Overview of California's Bottle Bill System

California's Beverage Container Recycling Program, otherwise known as the bottle bill, is run by California's Department of Resources Recycling and Recovery ("CalRecycle").

Major entities involved in the California Bottle Bill system include:

- ▶ Beverage manufacturers\*
- ▶ State certified Recycling Centers
- ▶ Distributors\*
- ▶ Processors
- ▶ Dealers

*\* Out-of-state winery roles under CA Direct Shipper Permit*

# New California Laws

With the passage of two new laws, California is adding all wine and spirits to its Bottle Bill effective **January 1, 2024**.

This includes out-of-state wine shipped into California.



# New California Laws (cont.)

## **SB 1013** – *passed Sept. 27, 2022*

- ▶ Adds wine and spirits in all container types to bottle bill
- ▶ Sets CRV amount based on volume or container

## **SB 353** – *passed Oct. 13, 2023*

- ▶ Exempts wine & spirit containers filled and labeled pre 1/1/24 from CRV labeling
- ▶ Amends definition of “beverage manufacturer” for alcohol

# Who is a Beverage Manufacturer?

## “Beverage manufacturers” include an entity who:

1. Bottles, cans or otherwise fills beverage containers in California with a beverage that is not beer, wine or distilled spirits. (PRC 14506(a))
2. Imports beverages into California for sale to Distributors/ Dealers/ Consumers. (PRC 14506(a))
3. Holds a manufacturing license with California Department of Alcoholic Beverage Control for beer, wine or distilled spirits regardless of who fills the container (*change from SB 1013*). (PRC 14506(b))
4. Holds a Certificate of Compliance for beer or malt beverages with CA Department of Alcoholic Beverage Control. (PRC 14575(g)(2)(A))
5. Holds a **Wine Direct Shipper Permit** with CA Department of Alcoholic Beverage Control and sells to consumers. (PRC 14575(g)(2)(A))

▶ *The first 3 are for entities with a physical location in CA. 4 and 5 are for out-of-state entities.*

▶ *If you are a CA ABC Direct Shipper permittee, you are a beverage manufacturer under the CA bottle bill*

▶ *If you are an out-of-state winery that sells to a California importer/distributor, then, for the wine sold to the CA importer/distributor, you are not the “beverage manufacturer” (or distributor) for purposes of the CA Bottle Bill*

# Beverage Manufacturer Responsibilities



- ▶ Label beverage containers with CA CRV marking
- ▶ Register with CalRecycle
- ▶ File monthly reports
- ▶ Pay processing fees for each container sold or transferred in California

# California Redemption Value (CRV)

Glass, plastic, aluminum, bimetal:

- ▶ **5¢** < 24 oz
- ▶ **10¢** ≥ 24 ounces (*750 ml wine bottle is ~25.36 oz*)

Wine/Spirits in a box, pouch, bladder, or similar type container:

- ▶ **25 ¢** regardless of volume



# CRV Labeling for Wine

Wine containers must have CRV indicia as of **July 1, 2025**.

- ▶ CRV is optional between Jan. 1, 2024 and Jul. 1, 2025. CRV **cannot** be on wine label in 2023.

## Library wine exemption

- ▶ Wine bottled and labeled **before Jan. 1, 2024** is exempt from CRV labeling forever. “Grandfather” clause.
- ▶ Bottled pre-2024 but unlabeled wine (shiners) not exempt.



# CRV Labeling Options



CRV must be “clearly, prominently, and indelibly” marked on the container in the minimum type size, with one of the five CRV terms:

- ▶ **California Redemption Value**
- ▶ **CA Redemption Value**
- ▶ **California Cash Refund**
- ▶ **CA Cash Refund**
- ▶ **CA CRV (*most popular option*)**

CRV text may NOT include monetary value (5¢ or 10¢ not allowed).

# CRV Size and Location

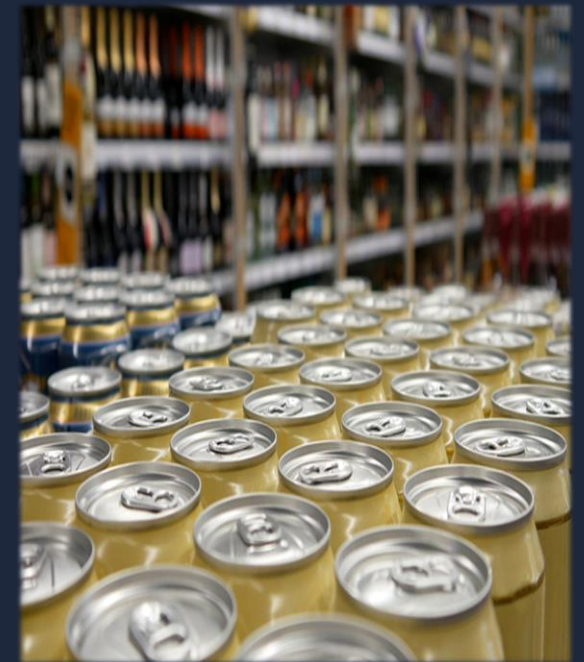
CalRecycle is very specific about labeling

## Glass/Plastic/Bag in Box

- ▶ CRV on container body or secondary label
- ▶ 3/16" text height in contrasting color to background

## Can

- ▶ CRV embossed on top lid
- ▶ > 2 inch diameter = 3/16" text height
- ▶ ≤ 2 inch diameter = 1/8" text height

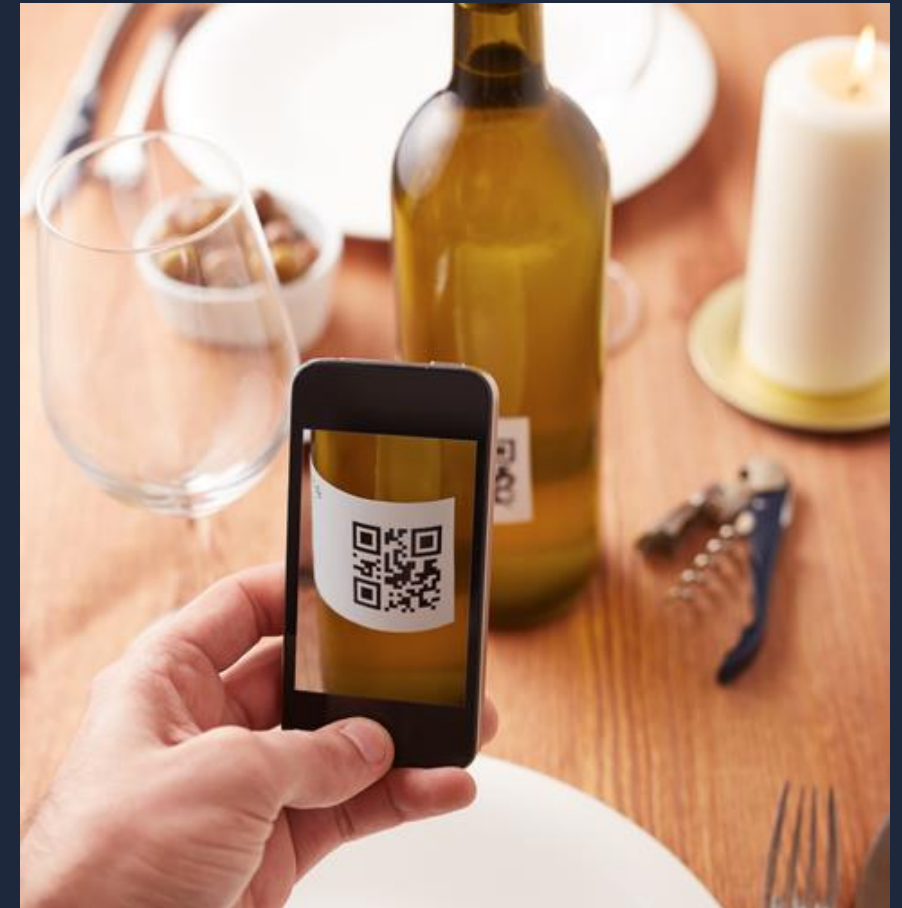


# QR Codes

- ▶ SB 1013 allows use of QR codes for CRV labeling
- ▶ CalRecycle will promulgate rules for QR codes in 2024

CalRecycle guidance on QR codes in the interim is:

- ▶ QR code must be permanently affixed to container, and be clearly, prominently and indelibly marked
  - ▶ Contrasting color
  - ▶ Before scanning, it must be clear QR code has info about container's recyclability
  - ▶ When QR code opened, consumer must immediately be taken to one of the five approved CRV statements without scrolling



# CalRecycle labeling poster available on beverage container labeling webpage

## ALUMINUM OR BIMETAL CANS

### Example A

Section 2200(b)(1):

Metal containers shall be marked on the top end of the container in minimum lettering size at least 3/16" (inch) in height. Metal containers with a top lid of two inches or less in diameter shall have a minimum lettering size of at least 1/8" (inch) in height.

## ALUMINUM OR BIMETAL BOTTLES

Section 2200(b)(4):

Metal bottles shall be marked on the side of the bottle in minimum lettering size at least 3/16" (inch) in height.

## GLASS OR PLASTIC CONTAINERS

### Option 1

Section 2200(b)(2)(A):

Along the bottom edge of the container body label in minimum lettering size at least 3/16" (inch) in height.

### Option 2

Section 2200(b)(2)(B):

On or in a secondary label minimum lettering size at least 3/16" (inch) in height.

### Option 3

Section 2200(b)(2)(C):

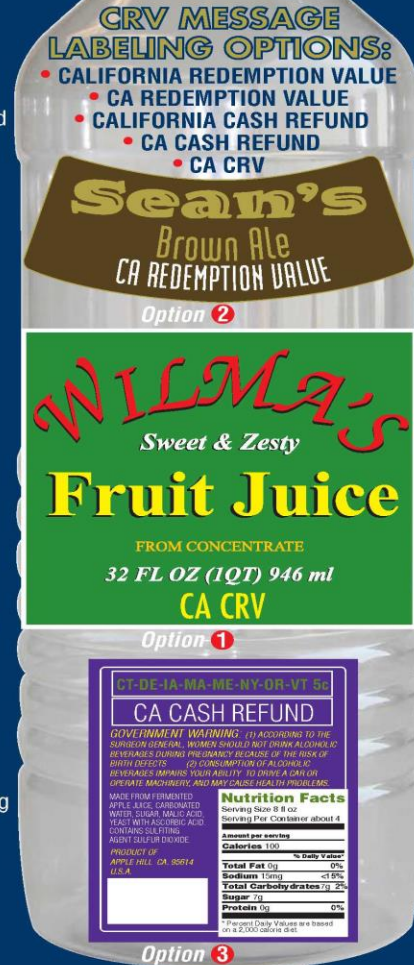
On a container body label or secondary label with contrasting colors with legible lettering size at least 1/8" (inch) in height. Contrasting colors shall direct the readers to the message required.

## PLASTIC PORTION CONTROLLED CUPS

Section 2200(b)(3):

Plastic portion controlled cups that have peelable, heat sealed lids that are not resealable, shall be marked in a minimum lettering size of at least 1/8" (inch) in height on either side of the container only, or on the lid and bottom of the container.

# CALIFORNIA BEVERAGE CONTAINER LABELING\*



Example A

## CLEARLY AND PROMINENTLY

Section 2000(a)(9) . . . means that the redemption message is displayed so that it is easily found and read by consumers and recyclers. Each letter comprising the message is complete, legible, and cannot be readily obscured. The message must be distinguishable from refund messages of other states.

## CONTRASTING COLORS

Section 2000(a)(12) . . . means a clear differentiation in hue, value, and intensity with the background on which the redemption message appears, surrounding artwork, and other nearby printed information.

## INDELIBLY

Section 2000(a)(27) . . . 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.

## MINIMUM LETTERING SIZE

Section 2000(a)(31) . . . is applicable to the height of all the letters in the redemption message.

\* Please see the full text of the Public Resources Code and California Code of Regulations for complete requirements:

<http://www.calrecycle.ca.gov/BevContainer/LawsRegs/>



FOR INFORMATION  
1-800-RECYCLE\*\*

\*\* California only

For questions about CRV labeling contact (916) 323-1835  
or [reg.crvlabeling@calrecycle.ca.gov](mailto:reg.crvlabeling@calrecycle.ca.gov)

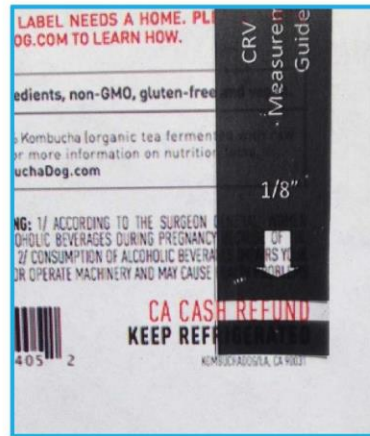
(Revised 9/12)



# CRV Labeling



Text height of 3/16"



Minimum Text Height of 1/8" with Contrasting Color



On lid of aluminum container





## Clearly & Prominently

### 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, 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.

CA CRV

1.5 L ALC 14.5% BY VOL CONTAINS SULFITES





## Acceptable Temporary Options



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.



# Other Info on Labels



## Label Approval

- ▶ Unlike other beverages, CalRecycle will not require label pre-approval for wine and spirits labels.
- ▶ However, wineries may request to have their labels reviewed for compliance by CalRecycle. Submit image to:  
[Reg.CRVLLabeling@Calrecycle.ca.gov](mailto:Reg.CRVLLabeling@Calrecycle.ca.gov)

## TTB COLA

- ▶ Adding QR code, UPC, refund value is an allowable revision to an existing COLA

# Beverage Manufacturer Processing Fees

Beverage Manufacturers pay per container processing fees to CalRecycle that are dependent on the material type (not based on size).

## 2023 Rate per Container:

- ▶ Glass: **\$0.00452**
- ▶ Plastic 1 PETE: **\$0.00005**
- ▶ Box Equivalent: **\$0.00762**
- ▶ Aluminum: **\$0** (*high scrap value*)

Processing fees are meant to partially cover the difference between a container's scrap value and the cost for a recycler to actually recycle that container, plus reasonable handling.

# Beverage Distributor

“Distributor” includes:

## Direct Shipper Permittee

- ▶ Distributor is the person/entity named on **direct shipper permit** issued by the ABC. (PRC 14560(a)(4)(A))

## Sells to CA dealers\*

- ▶ A distributor is any person who engages in the **sale** of beverages in beverage containers **to a dealer** in California, or any manufacturer or importer who engages in sales to dealers or consumers in California. (PRC14511)

*\*out-of-state wineries cannot sell and ship wine directly to CA retailers, including samples, but must go through a CA ABC licensed wine importer/distributor*

# Distributor Responsibilities

## **Register** with CalRecycle

- ▶ One registration per EIN (*distributor and beverage manufacturer*)

## **Collect CRV from Retailers and Pay that CRV to CalRecycle** for all beverage containers distributed in California

- ▶ *Minus 1.5% administration fee*
- ▶ Must remit CRV to CalRecycle even if distributor does not collect CRV from dealer/consumers

## **Report** Monthly (online or via paper)

# Registration

If you are a winery that holds a CA ABC Direct Shipper Permit, register with CalRecycle as a beverage manufacturer and distributor **now!**

- ▶ Available online or paper (type “registration CalRecycle” into search engine)
- ▶ “First sale date” to use on registration form is **Jan.1, 2024** (date wine is included in California bottle bill system).
- ▶ Once registration submitted, CalRecycle Registration staff will reach out and get your winery set up as a beverage manufacturer and distributor.

# Reporting + fees

## DORIIS – Online reporting system

- ▶ **Distributor Reports** and associated redemption payments must be received by the last day of the month following the month of sales.
- ▶ **Beverage Manufacturer Reports** and associated processing fees must be submitted by the 10th day of the second month following the month of sales.

Distributor	Charge and Collect CRV (minus 1.5%)	Jan. 2024 Report and Payment DUE: <b>2/29/2024</b>
Beverage Manufacturer	Track Sales and Transfers into California	Jan. 2024 Report and Payment DUE: <b>3/10/2024</b>

# Other Changes of Interest to Wineries

Wine/beer/spirits poured in California tasting rooms are exempt from CRV

California Wineries/Breweries/Distillery tasting rooms exempt from take back requirements (redemption of CRV for empty beverage containers)

CRV is subject to California sales tax

- ▶ Direct Wine Shippers must charge sales tax on the total cost of the wine to the California consumer, including any CRV

# High Level Recap of CA Bottle Bill Changes

Is your wine sold into CA by a California Importer/Distributor?

- ▶ Add CRV indicia to labels/can top for wines bottled/labeled on or after 1/1/2024 (not enforced until 7/1/25).
- ▶ Library wines are grandfathered.
- ▶ CA ABC licensed Importer/Distributor is responsible for CRV and processing fees on your wines they import into CA

Is your winery a CA ABC Direct Wine Shipper?

- ▶ **Register ASAP** as a beverage manufacturer and distributor with CalRecycle.
- ▶ CalRecycle registration staff will reach out and assign account numbers and account reps to your winery.
- ▶ Participant Registration Unit will take over and help with reports and fees.
- ▶ Add CRV indicia to any wine bottled or labeled on or after 1/1/2024 (not enforced until 7/1/25).
- ▶ Charge CRV to California direct shipper consumers, and charge sales tax on CRV.
- ▶ Remit per container beverage manufacturer processing fees and CRV to CalRecycle each month.



# Out-of-State Winery

- Out-of-state wineries are beverage manufacturers (processing fees) and distributors (CRV) for direct wine shipments to CA consumers
- Only California licensed winegrowers and distributors may sell wine directly to California retailers.
- Wine samples to CA retailers from out-of-state wineries must come through a CA ABC licensed distributor/importer (who is responsible for processing fees and CRV)
- CRV indicia must still be on label or top of can

# Other State Bottles Bills

- **Oregon**

- Canned wine brought into bottle bill in July 2025
- Labeling by Oct. 2026

- **Maine**

- Standard wine is already in bottle bill (as in Iowa). New law removes exemption for Direct Shipped wine.
- Wine Institute is working with ME DEP on implementation, because Maine bottle bill law requires registration as Initiator of Deposit (\$500/yr.) and physical pick up of your branded containers from every dealer or redemption center.

- **Vermont**

- Legislature passed bottle bill amendments to include wine (and many other beverages) in bottle bill.
- Governor vetoed, but legislature reconvenes in January, and may try to override veto

# Questions?

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