SB 1013 Addition of New Beverage Containers Permanent Regulations
Wine Institute Comments
September 30, 2025

Wine Institute appreciates the opportunity to comment on these proposed regulations. Please note we have extensive comments concerning the machine-readable labeling requirements that begin on the second page.

1. **"Clearly and Prominently" definition (Sec 2000(9)):** requires that redemption message can be easily found and read by consumers and recyclers without "effort".

    - **Recommendation:** While we agree with the intent that the redemption message should be easy to find and read, literally any act requires "effort." We recommend it just state that the message can be ready easily and without difficulty.

2. **Label Review (Sec 2200(a)):** Consistent with SB 1013, removes requirement for manufacturers to have their labels pre-approved by CalRecycle. Additionally, it requires manufacturers to remit their product label and/or container for CalRecycle 10 days after CalRecycle has sent the request.

    - **Recommendation**: The product manufacturer should be required to reply to CalRecycle with their label and/or container 10 days after CalRecycle's request has been *received* rather than sent to account for any delay due to mailing, etc...

3. **Labeling for glass containers (Sec 2200(b)(2)(A)** – increases flexibility of label placement on glass containers by allowing them to be anywhere on the container or label. However, it makes no mention of using smaller font choice without contrasting color if outlined, as has been previously allowable.

    - **Recommendation:** While we appreciate the added flexibility of message placement, we recommend including an option to use the small font choice without contrasting color if outlined.

4. **Labeling for Bag-in-Box (Sec 2200(b)(5))** – specifies that the redemption message must be at least 4.76 mm in height and not located on the panel which provides access to the dispense.

    - **Recommendation:** Bag-in-box containers should be afforded the same opportunity to use a smaller font size as glass containers.

5. **Bag in Box Redemption (Sec. 2401 (b)(2)):** CalRecycle is proposing that, in order to be eligible for CRV redemption, the interior bag and valve need to be inside of the box.

    - **Recommendation:** Wine Institute believes this issue should be discussed further. We've long advocated and messaged to our customers that they remove the bladder from the box and place the box in curbside recycling. This is not only more efficient in our view but is the standard in other states and internationally. Moreover, it is possible that the bladder be labeled with CRV messaging.

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Wine Institute's Recommendations to Proposed Regulations re Machine-Readable Labeling

CalRecycle proposes that if a container uses machine-readable indicia (e.g., a QR code) to indicate the CRV redemption eligibility, then it must also adhere to certain proposed regulations described below. We include our recommendations in summary forms under each proposed regulation. In short, we are concerned that CalRecycle's proposed regulations are too prescriptive and do not align with best practices for permitting and using QR codes in food and beverage labeling. Following our recommendations, we also provide more detailed support with helpful resources and references.

Proposed Regulation: Clearly and prominently use either (1) the word "DEPOSIT" in all capital letters adjacent to or within the QR code or (2) a chasing arrows symbol within the QR code in contrasting colors to it and in a size that is at least half its height and width. The chasing arrows option is only allowed for beverage containers that had a 60 percent or higher mean average recycling rate in the past five years in biannual reports that CalRecycle issues. *See* proposed Sec. 2205(b)(1)(A)-(B).[1]

- **Wine Institute's Recommendations**: CalRecycle should not require the term "DEPOSIT" at all nor "adjacent to" the QR code. It is unnecessary and may compromise the recommended "quiet zone" around QR codes or (if within the QR code) compromise readability when scanned. It also undermines the purpose and benefits of permitting QR codes—e.g., QR codes are used to disclose other mandatory and voluntary information and help prevent overcrowding limited label space. "DEPOSIT" relates to only one piece of information that could be available via QR code and requires more characters than "CRV CA." Consumers already understand that QR codes provide more information, including about recycling.

  If used, CalRecycle should not require the chasing arrows symbol to be in contrasting colors or at least half the height and width of the QR code. This will compromise readability when scanned and is unnecessary for the same reasons stated above. CalRecycle should not require any symbol but if it does it should not require a minimum size or that it be in contrasting colors. Instead, the regulation should simply state "a chasing arrows symbol may be use inside the machine-readable label in lieu of the message 'DEPOSIT' adjacent to or within the machine-readable indicia."

[1] We note that the California Legislature recently passed AB 720. If enacted, it will impact some of the requirements that CalRecycle proposes. In relevant part, AB 720 will amend Public Resources Code section 14561(d) as follows (amendments in *italics*): "The department may require that a beverage container intended for sale in the state be printed, embossed, stamped, labeled, or otherwise marked with a scan code, a quick response (QR) code, or a universal product code or similar machine-readable ~~*indicia.*~~ *indicia, which shall be at least one-half inch in size, but may, at the discretion of the beverage manufacturer, be larger in size. If the beverage container is eligible to be labeled with a chasing arrows symbol in compliance with Section 42355.51, a chasing arrows symbol may be used inside the machine-readable label in lieu of the message "DEPOSIT" adjacent to or within the machine-readable indicia. For purposes of this subdivision, "chasing arrows symbol" means an equilateral triangle, formed by three arrows curved at their midpoints, depicting a clockwise path, with a short gap separating the apex of each arrow from the base of the adjacent arrow."*

Finally, CalRecycle should not set thresholds for using the chasing arrows symbol because it is unnecessary, redundant, and potentially confusing given the California Truth in Recycling law already address that issue. *See generally* SB 343.

Proposed Regulation: The QR code shall be at least 19.05 millimeters in height and width. *See* proposed Sec. 2205(c).

- **Wine Institute's Recommendation**: CalRecycle should not require any minimum size but if it does it should be one-half inch. That is a common QR code size, a reasonable size (e.g., substantially larger than required "CRV" indicia), and would remain highly visible to consumers.

Proposed Regulation: Include a toll-free telephone number or internet website on the beverage container for customer assistance to address technical issues related to scanning the QR code. *See* proposed Sec. 2205(d).

- **Wine Institute's Recommendation:** CalRecycle should not require a phone number or website for technical assistance. Wineries and their staff are not technical experts, and most consumers are already familiar with QR codes and use them. They are commonly used to provide mandatory and voluntary information on consumer goods in the US and elsewhere and will become more ubiquitous in the coming years considering efforts like GS1's Sunrise 2027 which we describe below.

Proposed Regulation: Upon scanning the QR code, the message specified in section 14561(a) of the Act shall be displayed clearly and prominently and shall appear separately and before any other information on the page. The message specified in section 14561(a) of the Act shall be visible immediately without having to scroll, open any additional page, or click on any additional link. *See* proposed Sec. 2205(e)(1).

- **Wine Institute's Recommendation:** This requirement is overly burdensome, too prescriptive, and potentially conflicts with other government-approved uses for QR codes to the extent it requires recycling information "separately and before" other information on the page. In most if not all circumstances, QR codes open "e-labels" (electronic labels that open on a smartphone's browser when someone scans a QR code) with important information in a straightforward manner. There are endless examples in the marketplace of food and beverage labeling service providers whose platforms present mandatory and voluntary information to consumers in a straightforward and helpful manner. We would gladly share some examples.

Proposed Regulation: The text or other information linked to a QR code shall conform to the standards set forth in the Web Content Accessibility Guidelines (WCAG) 2.2 published in 2024 by the World Wide Web Consortium, and the entirety of the Web Content Accessibility Guidelines (WCAG) 2.2 published in 2024 are incorporated by reference. *See* proposed Sec. 2205(e)(2).

- **Wine Institute's Recommendation:** This requirement is unnecessary and problematic for several reasons. The WCAGs are not static and in fact the WCAG 3.0 are currently in

a working draft form.[2] More importantly, most companies operating mobile or desktop websites are already aware of and follow the WCAGs. Although WCAG is not a formal legal standard for companies under the American with Disabilities Act, it is widely considered the authoritative guideline for website accessibility. Courts and federal agencies often refer to WCAG when evaluating accessibility claims.[3]

Proposed Regulation: If CalRecycle requests information to determine whether the QR code or the text or other information linked to the QR code complies with the Act and this chapter. A beverage manufacturer that marks a beverage container shall submit the requested information within 10 working days of the request being sent by CalRecycle. *See* proposed Sec. 2205(f)(1).

- **Wine Institute's Recommendation:** This requirement is problematic to the extent it requires submission based on when a request was "sent" rather than when it was received. It is common for statutory and regulatory deadlines to trigger from when notice or an inquiry is *received*—rather than when it is sent—to provide more certainty that the receiving party was made aware with sufficient time to respond.[4] That standard should apply here especially because the deadline applies to submission of the requested information and not only a response.

Proposed Regulation: CalRecycle proposes that it is a violation of the Act if required information doesn't appear "when scanned." Lack of an internet connection could render the use of a QR Code a violation with this language.

- **Wine Institute's Recommendation:** Wine Institute recommends this requirement be clarified such that an internet connection must be operable to ensure the QR Code is functional.

1. Important QR Code Standards and Common Practices That Support Wine Institute's Recommendations

In support of our recommendations above, we provide the following important and relevant details and resources for CalRecycle's consideration.

ISO/IEC Standard for QR Codes

The International Organization for Standardization (ISO) and International Electrotechnical Commission (IEC) published ISO/IEC 18004:2024 *Information technology—Automatic identification*

[2] *See* https://www.w3.org/TR/wcag-3.0/.

[3] For example, in April 2024, the Department of Justice published a final rule requiring state and local governments to conform with WCAG 2.1 AA to ensure that their websites and mobile apps are accessible to people with disabilities. *See* https://www.ada.gov/assets/pdfs/web-rule.pdf.

[4] *See, e.g.,* 14 Cal. Code Regs. § 18499.4(b) (operator must respond to CalReycle "within 10 working days from receipt of the Order."); Cal. Civ. Proc. Code § 417.10(a) (proof of summons service requires acknowledgment of receipt); Cal. Lab. Code § 6319(a) (employer may appeal "within 15 working days after receipt of the citation or notice."); Cal. Lab. Code § 129.5(a)(1) (administrative penalty for "[f]ailure to comply with the notice … within 15 days of receipt").

and data capture techniques—QR code barcode symbology specification. That is the current ISO/IEC standard for QR codes. The American Nation Standards Institute (ANSI) has adopted the ISO/IEC standard.[5]

In relevant part, the standard describes the "quiet zone" as "[t]he quiet region which shall be free of all other markings, surrounding the [QR code] symbol on all four sides." The quiet zone, or blank space around the QR code, helps protect against QR code reader errors. The ISO/IEC standard specifies that the quiet zone should be equal to the size of four modules on each side of the QR code. Modules are essentially the little black or white squares that make up the grid of a QR code and together encode data and function patterns. Requiring words adjacent to QR codes could compromise this recommended quiet zone. Thus, the ISO/IEC standard recommends against having text in the quiet zone.

The standard does not prohibit the use of symbols or logo graphics within a QR code but states that "[w]hen a designer intends to include logo graphics in a QR code, choosing higher levels of error correction is more reliable for reading." High levels of error correction in a QR code might limit the amount of data that can be stored in the QR code.

A single QR code can of course be used for many things including providing mandatory (e.g., CRV indicia) and voluntary information. In fact, the ability to use a single code on a label to provide consumers, regulators, and others with information they need or want is one of the primary benefits of QR codes. The ISO/IEC standard also recognizes this and concludes "[a]s QR code symbols are capable of encoding thousands of characters, a human readable interpretation of the data characters is not always practical." In other words, if various regulatory authorities require "human readable interpretations"—i.e., words describing what information is in the QR code—near the code, in short time there will be too much to print on the label, it will be confusing for consumers, and it will undermine the primary benefit of using QR codes.

As for the size of QR codes, rather than prescribe a specific minimum size, the X-dimension (i.e., the width of a module specified by the application, taking into account the scanning technology to be used and the technology to produce the symbol) determines an appropriate minimum size.

In sum, the ISO/IEC standard makes clear that there should be a quiet zone around QR codes, plain language (or "human readable") text around a QR code is not always practical, and there is no minimal one-size-fits-all for QR codes—rather, it depends on the module width, application, and scanning technology used. For those reasons, we are concerned that CalRecycle's proposed regulations are too prescriptive because they require:

- Plain language ("DEPOSIT") adjacent to or within the QR code or (if qualified) a chasing arrows symbol within the QR code. This could compromise the quiet zone, cause reader errors, confuse consumers (given QR codes may carry other mandatory or voluntary information), and undermine one of the primary benefits of using QR codes (i.e., avoid overcrowding already limited space).

[5] *See* https://blog.ansi.org/ansi/iso-iec-18004-2024-qr-code-bar-code-symbology/.

- The QR code shall be at least 19.05 square millimeters. This is unnecessarily large and focuses on an arbitrary size rather than functionality based on the X-dimension.
- A toll-free number or website for customer assistance to address technical issues related to scanning the machine-readable indicia. This is unnecessary because QR codes are already sufficiently ubiquitous and understood, and most wineries are not qualified to provide technical assistance related to QR code scanning and readers.

GS1's Sunrise 2027

GS1—the international global standards organization for developing and maintaining barcodes—is working toward what it calls Sunrise 2027. That is the year by which the global supply chain (manufacturers and retailers) will move toward "two-dimensional barcodes" (e.g., QR codes). According to GS1, by the end of 2027, retailers will need to ensure their point-of-sale systems are equipped with scanners capable of reading both traditional barcodes and 2D barcodes. The shift has already begun with the new technology being tested in 48 countries across the world. In short, QR codes will become more ubiquitous, common and familiar to consumers, and accessible as manufacturers and retailers make this shift in the coming years.

Notably, GS1 follows the ISO/IEC standard. For example, it recommends a quiet zone of equal proportion to the ISO/IEC standard.[6] Similarly, when it comes to the appropriate size of a QR code, GS1explains: "Due to the size of a QR is contingent upon factors such as the amount of data it will hold, there isn't a definitive answer regarding the precise size."[7] In other words, GS1's approach is consistent with the ISO/IEC standard and the reasons for our concerns stated above. Moreover, the transition that GS1 is leading means that QR codes will become even more prevalent in the US and globally, and consumer understanding that they can scan QR codes to get more information about a product and how to scan them will be second nature. Accordingly, QR codes do not need signal words or icons in or adjacent to them for each piece of information that the QR code may contain.

EU Regulation for Mandatory Labeling of Wines

As CalRecycle is already aware, in recent years the European Union (EU) adopted regulations that require nutrition and ingredient disclosures for wine and it permits wineries to provide that information via QR codes.[8] As a consequence, wine labels with QR codes providing mandatory information are now commonplace in the EU marketplace and familiar to consumers. We encourage Cal Recycle to review that regulation and common practices to ensure alignment and avoid regulatory conflicts.

2. Established Benefits of Permitting QR Codes

Using QR codes to provide product or packaging information comes with many benefits to various stakeholders including consumers, producers, retailers, and regulators. Those benefits include cost-efficiency, flexibility, reduction in time-to-market, and the ability to present relevant information in a more consumer-friendly format that is away from

[6] *See* https://www.gs1uk.org/knowledge-hub/qr-codes-powered-by-gs1/how-big-should-a-qr-code-powered-by-gs1-be.
[7] *Id.*
[8] *See, generally,* Regulation (EU) 2021/2117 of the European Parliament and of the Council of 2 December 2021.

overcrowded physical labels. There are other benefits, however, including:

- Translation of e-label content into the language of the consumer in real time, which is not possible using physical labels. This is already used to comply with the European Union's (EU) labeling requirements for wine—which permits mandatory nutrition and ingredient information via QR code—given the EU's 24 official languages.
- Enhanced accessibility via new audio technologies for the visually impaired.[9]
- Reduced waste, consistent with industry sustainability goals, since the use of e-labels reduces label re-prints.

[9] *See, e.g.,* Blind Welfare Society, available at https://blindwelfaresociety.in/blogs/innovative-food-packaging-solutions-making-food-more-accessible-for-the-visually-impaired ("QR codes can link to audio descriptions when scanned with a smartphone. This feature can provide detailed information about the product, including ingredients, cooking instructions, and dietary information."); *see also*, BBC News, *The codes helping visually-impaired people shop*, available at https://www.bbc.com/news/business-57679943.