



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

March 3, 2020

The Honorable Brian Maienschein
Member, California State Assembly
State Capitol, Room 2170
Sacramento, CA 95814

**RE: Assembly Bill 2612 – SUPPORT/CO-SPONSOR
As Introduced February 20, 2020**

Dear Assembly Member Maienschein:

On behalf of the Rural County Representatives of California (RCRC), I am writing to express our support and co-sponsorship for your Assembly Bill 2612, which invests \$200 million annually to help meet the state's ambitious solid and organic waste recycling goals. RCRC is an association of thirty-seven rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

Assembly Bill 2612's appropriations will help achieve the state's lofty solid and organic waste recycling goals through cost-effective investments in infrastructure expansion, market development, technology upgrades to increase the quality of recycled materials, and implementation assistance for local agencies. These investments will help create additional collection, processing, and manufacturing jobs throughout the state; will help the state better manage its waste without depending upon foreign markets with less stringent environmental safeguards; and reduce pressure to increase local trash rates.

Dealing with National Sword and other market challenges. For many years, roughly one-third of the materials annually collected for recycling in California were exported overseas for processing and manufacturing into new products. In 2017, China accounted for 55 percent of the recyclable exports California shipped overseas. China's new National Sword policy, which bans the importation of many recyclable commodities and imposes strict contamination limits, is having a significant impact on California's solid waste and recycling systems. Products that Californians long-assumed were easily recyclable are now piling-up with nowhere to go. India's recent announcement that it will ban scrap plastic imports will further exacerbate these market challenges.

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While recycling programs used to generate revenue or be cost neutral for haulers and local governments, reduced commodities prices (and efforts to recycle materials with a negative scrap value) have resulted in significant cost pressures for local governments across the state – costs that are often passed onto residents through sharp rate increases.

Furthermore, physical similarities between resin types make it difficult to properly sort some high-value plastic products that are otherwise recyclable, thereby increasing the risk of feedstock contamination and making it harder and more expensive to recycle.

Reducing methane emissions from organic waste management. Methane emissions from the decomposition of organic waste is a significant contributor to the state’s greenhouse gas emissions. SB 1383 (2016) requires the state to reduce landfill disposal of organic waste 75 percent below 2014 levels by 2025 and to increase edible food waste recovery by 20 percent over that period. CalRecycle’s ambitious SB 1383 regulations are estimated to cost as much as \$40 billion to implement over the next decade and poses many challenges for local governments.

While California has dozens of composting and anaerobic digestion facilities to manage organic waste, we currently lack the infrastructure necessary to achieve SB 1383’s ambitious recycling goals. CalRecycle has estimated that the state will need to double the number of organic waste facilities to have adequate capacity to recycle 75 percent of our organic waste.

Funding to increase in-state recycling. AB 2612 helps to alleviate these market challenges by directing cap and trade auction revenues to in-state solid and organic waste recycling projects that reduce the state’s greenhouse gas emissions. These funds could be used to help build new or expand existing solid and organic waste recycling facilities, develop innovative technologies to improve the quality of recycled material, and recover food for human consumption and waste prevention. By investing in in-state solid and organic waste processing and recycling, AB 2612 will create additional jobs for collection, processing, and manufacturing throughout California.

Funding to help local governments meet existing legislative mandates. Local governments are currently subject to several waste diversion and recycling mandates. California is in the process of implementing the ambitious organic waste recycling goals contained in SB 1383 (Lara, Chapter 395, 2016). SB 1383 requires the state to reduce landfill disposal of organic waste 75 percent below 2014 levels by 2025. The California Department of Resources Recycling and Recovery’s (CalRecycle) far-reaching SB 1383 regulation will cost billions of dollars to implement and poses many challenges for local governments. Funding for organic waste infrastructure is vital to meet these ambitious mandates, which will require the construction of 50-100 new organic waste recycling facilities. Directing cap and trade auction revenues to organic waste recycling will help local governments meet their SB 1383 organic waste recycling requirements.

The Honorable Brian Maienschein
Assembly Bill 2612
March 3, 2020
Page 3

Cost-effective use of cap and trade auction revenues. The Legislative Analyst's Office noted that solid and organic waste recycling loans and grants are among the most cost-effective ways to reduce greenhouse gas emissions, with organics recycling programs costing roughly \$4-9/ton of emissions reduced and recycling manufacturing projects costing roughly \$15/ton. Despite the accumulation of considerable cap and trade auction revenues and the cost effectiveness of solid and organic waste recycling projects, the Legislature has provided very little funding in this area.

We support your effort to increase in-state recycling, as these investments will help reduce pollution, help achieve the state's recycling mandates, and create in-state manufacturing jobs. For these reasons, we support your AB 2612. If you should have any questions, please do not hesitate to contact me at jkennedy@rcrcnet.org or (916) 447-4806.

Sincerely,



JOHN KENNEDY
Legislative Advocate

cc: Members of the Assembly Natural Resources Committee
Elizabeth MacMillan, Consultant, Assembly Natural Resources Committee
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