## COUNTY OF EL DORADO

330 Fair Lane Placerville, CA 95667 (530) 621-5390 (530) 622-3645 Fax

KIM DAWSON Clerk of the Board



## **B**OARD OF **S**UPERVISORS

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March 24, 2020

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

RE: Assembly Bill 2612 - SUPPORT

Dear Assembly Member Maienschein:

The El Dorado County Board of Supervisors is writing to express our support for your Assembly Bill 2612, which invests \$200 million annually to help meet the state's ambitious solid and organic waste recycling goals.

Assembly Bill 2612 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. This will 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.

China's 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. 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. As an example, our solid waste franchise service provider on the West Slope was granted a 2.86% residential and commercial rate increase last June to mitigate costs associated with the significant changes in recycling markets on top off a 6% Consumer Price Index increase.

Furthermore, SB 1383 (2016) requires the state to reduce landfill disposal of organic waste 75 percent by 2025 and to increase edible food waste recovery by 20%. Those efforts are estimated to cost as much as \$40 billion over the next decade and pose many challenges for local governments. California currently lacks the infrastructure necessary to achieve SB 1383's ambitious recycling goals and will need to double the number of organic waste facilities to have adequate capacity to recycle 75% of our organic waste.

AB 2612 helps alleviate these market challenges by directing cap and trade auction revenues to in-state solid and organic waste recycling projects. These funds can 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. Local governments are currently subject to several waste diversion and recycling mandates.

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.

For these reasons, we support your AB 2612.

Sincerely,

Brian K. Veerkamp,
Chair, El Dorado County Board of Supervisors

cc: Honorable Brian Dahle, California State Senate Honorable Frank Bigelow, California State Assembly Honorable Kevin Kiley, California State Assembly Staci Heaton, Rural County Representatives of California