2022 LEGISLATIVE AND REGULATORY PLATFORM



MISSION STATEMENT:

To represent local government interests and the three California Chapters' membership in developing and advocating environmentally and technically sound, economical solid waste policy at the most appropriate government level.



Legislative Task Force

CALIFORNIA CHAPTERS

Created by the SWANA California Chapters Legislative Task Force







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Message from the Chair

January 1, 2022

Created 60 years ago, SWANA has become recognized as a leader in the solid waste and recycling industry. From its humble beginnings as the Governmental Refuse Collection and Disposal Association (GRCDA) founded in Southern California in December 1961, growing to over 900 members by 1978, then changing its name to the Solid Waste Association of North America (SWANA) in 1992, the organization has now grown to over 10,000 members.

For the last 30+ years, the SWANA California Chapters Legislative Task Force (LTF), formed out of the Gold Rush, Sierra, & Founding Chapters, has continued to represent local governments and publicly-owned solid waste facilities in the legislative and regulatory development processes. The LTF is a diverse volunteer group of industry professionals advocating for environmentally sound and sustainable solid waste policies. It continues to seek advocates for funding for maintaining the infrastructure needed to fulfill waste management mandates and adapt to global conditions such as California's SB 1383 legislation around organics, China's "National Sword/Blue Sky" Policy of 2018, and COVID-19.

Local governments continue to grapple with the complexities of complying with State waste management mandates, such as AB 939 (Sher, 1989), AB 341 (Chesbro, 2011), AB 1826 (Chesbro, 2014), and SB 1383 (Lara, 2016). The SB 1383 regulation, which set ambitious management goals for organic waste, incorporating significant penalties for noncompliance, has caused significant concerns for local governments around funding of this mandate. COVID-19 continues to perpetuate the increase in the use of disposable products, which has increased disposal and caused issues with local agencies providing sewer management services due to significant clogging of non-flushable products. Further, providing efficient collection and processing and processing waste materials are challenging enough, but our facilities and collection infrastructure continue to face a significant threat due to improperly disposed Lithium-Ion batteries.

In 2021, the LTF 1) monitored and engaged with CalRecycle in implementation of the SB 1383 regulations; 2) supported legislation that would address proper battery management (SB 244, Archuleta and SB 289, Newman); and 3) continued communicating the complexities of solid waste management with legislators, the Governor's office, CalRecycle, AB 1583's Statewide Commission on Recycling

Markets and Curbside Recycling, and other stakeholders. In 2022 the LTF will continue to address these issues and more. On behalf of the LTF, I would like to thank the SWANA membership and those agencies that have contributed financially to allow the LTF to continue our advocacy.

With warmest regards:

Doug Kobold, Chair

Overview

The Solid Waste Association of North America (SWANA) is the world's largest association of solid waste professionals (more than 10,000 members). SWANA's three California chapters – Founding, Sierra, and Gold Rush - represent more than 1,100 of those members. The California Chapters Legislative Task Force (LTF) represents the California Chapters on solid waste-related legislative and regulatory issues, including:

- Collection and Processing: collection, transfer, processing and/or preprocessing, and hauling solid waste (refuse, organics, recyclables);
- Disposal: disposing of refuse and residue from collection routes and nondisposal facilities;
- Resource Recovery and Marketing: sorting and marketing of recyclables and processing organics for compost or conversion to fuel or power;
- Regulatory Compliance: regulatory reporting and compliance.

The LTF advocates environmentally- and economically-sound solid waste legislation and regulations. The LTF contracts with Shaw Yoder Antwih Schmelzer & Lange (SYASL) for legislative and regulatory advocacy services.

At the end of each year, the LTF prepares this Legislative and Regulatory Platform. It is comprised of:

An Advocacy Report (of the prior year's activities, 2021) and

A Work Plan (for the coming year, 2022).

This document also provides information on past legislation and regulations that continue to be policy drivers; information on the activities of the LTF; and, as an appendix, a Lobbyist Report detailing key issues that SYASL represented the LTF on in 2021. Additional information on the work of the group, including all LTF advocacy documents, can be found on the LTF website: https://swanacal-leg.org.

2021 Advocacy Report

2021 Teleconferences and Meetings

The LTF continued to hold its monthly meetings via Zoom conference call throughout 2021. Due to the persistence of COVID-19, positions continued to be taken on bills and on draft regulations. Meeting notes were taken, approved, and provided to the Chapters (see https://www.swanacal-leg.org/ltf-approved- meeting-minutes) virtually. Modifications were made to the 2021 LTF budget, as well as to the 2022 LTF budget, to minimize costs and adjust for reduced revenues due to the COVID-19 pandemic. The California State Legislature's operations were limited once again in 2021 due to the COVID-19 environment. Most legislative business was conducted under strict safety protocols. Legislative offices were once again closed to drop-in visits from lobbyists, legislators were limited in the number of bills they could move to the second house, and much of the legislative staff worked from home. Despite these challenges, SYASL continued to work closely with key stakeholders, legislators, and legislative staff on SWANA LTF's 2021 legislative priorities. The LTF's workplan meeting was conducted by video conference in November 2021, with this 2021 Regulatory and Legislative Platform as the resulting product.

2021 Comments / White Papers / Fact Sheets

The LTF prepared facts sheets in 2020 on Photovoltaic Panels, Organic Wastes, Lithium-Ion Batteries, PFAS and the China Sword/Blue Sky Policy as well as developed and submitted a number of policy proposals to the AB 1583's Statewide Commission on Recycling Markets and Curbside Recycling for their consideration in preparation of their report to the Legislature. LTF documents, including correspondence regarding COVID-19, are posted on the LTF website https://swanacal-leg.org/.

2021 Outreach

The LTF conferred with and provided comments to many other entities interested in solid waste and recycling, including:

Outreach			
Group	Individuals		
Government organizations	Cal Cities/League of California Cities		
	CSAC / California State Association of Counties		
	RCRC / Rural County Representatives of California		
	AB 1583's Statewide Commission on Recycling Markets		
	and Curbside Recycling		
Public interest associations	CRRA / California Resource and Recovery Association		
	CAW / Californians Against Waste		

	CPSC / California Product Stewardship Council	
	CCC / California Compost Coalition	
	ACP / Association of Compost Producers	
Industry groups and individual	SWIG / Solid Waste Industry Group	
corporations	CWRA / California Waste and Recycling Association	
	RRCC / Resource Recovery Council of California	
	CWHC / California Waste Haulers Council	
	Waste Management, Republic, Recology, Waste	
	Connection, Etc.	
Elected officials	Legislators and their staff	
Regulators and their staff	CalRecycle	
	SWRCB / State Water Resources Control Board (and	
	Regional Boards)	
	CARB / CA Air Resources Board (and Regional Air	
	Districts)	
	DTSC / Department of Toxic Substances Control	

2021 LTF Website

The LTF continues to update its website, https://swanacal-leg.org/ to make it more user friendly and useful to SWANA members, local government representatives, and the general public. The website provides LTF meeting agendas and minutes, monitored bills and LTF positions (including bill number, sponsor if known and summaries), White Papers and Fact Sheets, comment letters and more. SWANA members are encouraged to register on the website to access all of its information. Additionally, a more informal FaceBook/Meta page was started, where general information articles could be posted, but it refers to the LTF Website for official positions https://www.facebook.com/Solid-Waste-Association-of-North-America-Legislative-Task-Force-103896561077374

2021-22 State Budget

On June 28, 2021 Governor Newsom signed AB 128 (Ting), which reflected a spending framework agreement between the Legislature and the Governor. This \$262.6 billion spending plan for the fiscal year that began July 1 was fueled by a \$76 billion state surplus and \$27 billion in federal aid. However, there were a few disagreements on a few budget items, which lead to the introduction of SB 129 (Skinner), which amended the Budget Act of 2021, representing weeks of negotiations between the Governor and legislative leaders, and was signed on July 12.

Given the substantial resources available this year and disagreements on a few budget items, the legislature passed more than a dozen budget bills when they returned from summer recess in July. This included <u>SB 170 (Skinner)</u>, which

finishes allocating most of the funds initially agreed to in the summer budget. This measure included details of the state's Circular Economy package and allocations for Cap-and-Trade. Details are below:

Circular Economy

- Approves \$75 million in this budget year and \$65 million in 2022-2023 for a combined \$140 million two-year Circular Economy package.
- \$3 million to CalRecycle for food waste prevention and rescue programs.
- \$5 million to CalRecycle for community composting.
- \$2 million to CalRecycle for Circular Economy development.
- \$10 million to CalRecycle for co-digestion at wastewater treatment plants.
- \$20 million to CalRecycle for organics grants.
- \$25 million to CalRecycle for the Recycling Market Development Zone Loan Program.
- \$10 million to CalRecycle for the Quality Incentive Payment Program for plastic thermoforms.

Cap-and-Trade

- Appropriates \$850 million GGRF.
- \$130 million to CalRecycle for waste diversion/recycling infrastructure, \$70 million for organics grants and \$60 million for grants to local jurisdictions to assist in implementation of SB 1383 (Lara, 2016).
- \$25 million to CDFA for the Healthy Soils Program.
- \$15 million to Department of Community Services and Development for the Low-Income Weatherization Program (LWIP).
- \$30 million to ARB for small off-road engines (e.g., leaf blowers)
- \$565 million to ARB for Low Carbon Transportation, which includes \$315 for Clean Trucks, Buses, and Off-Road Freight Equipment.
- \$20 million to State Water Board for Safe and Affordable Drinking Water

2021 Legislative Positions

The LTF advocated very successfully during the past year. Below is a summary table of legislation on which the LTF took a formal position and the graphics below the table reflect the 79 industry related bills closely monitored the LTF during the first year of the new 2021-2022 legislative session. Additional information on the bills and SYASL's advocacy efforts can be found in Appendix 1, 2021 End of Year Report by Shaw Yoder Antwih Schmelzer & Lange.

Bill Number	Document	
AB 1	Joined coalition letter expressing concerns with provisions of the measure.	
AB 332	Joined coalition supporting the option to manage and dispose treated wood waste.	
AB 478	Joined coalition letter in opposition to the potential negative impacts the	
	measure will have on the current recycling system.	
AB 818	Joined coalition letter in supporting the labeling requirements in flushable	
	wipes.	
AB 1001	Letter expressing opposition to the strict new air quality requirements on all	
	stationary source equipment and facilities requiring air quality permits.	
AB 1201	Request for veto based on the latest amendments that make it unclear if local	
	governments would need to create a bifurcated, or dual-stream, organic waste	
	collection system.	
AB 1276	Letter supporting the need for the public to request for single-use food ware	
	accessories.	
Trailer Bill	Letter opposing the DTSC reform trailer bill.	
SB 244	Coalition letter in support of developing protocols to prevent fires caused by	
	lithium-ion batteries in the solid waste system.	
SB 289	Coalition letter in support of creation of a stewardship program for batteries	
	and battery-embedded products.	



Number of Bills Tracked by the LTF:

• Assembly: 57 (plus AJR 4)

Senate: 22

Total of 79

Policy Drivers

State Requirements to Increase Waste Diversion

Many significant solid waste related bills have been enacted since 2011 that have had a significant impact on the solid waste industry and local governments. Some of the more notable include:

- AB 341 (2011) This statute, among other things, establishes the State's policy goal that 75% of solid waste generated be source reduced, recycled, or composted by 2020; the law imposes mandatory commercial recycling (MCR) on businesses and multi-family dwellings; and it requires jurisdictions to implement MCR programs and include those programs in their annual reports to CalRecycle.
- AB 1594 (2014) This statute provides that effective January 1, 2020, the use of green material as alternative daily cover or alternative intermediate cover does not constitute diversion through recycling and would be considered disposal for purposes of AB 939 (1989) compliance (which requires that local governments achieve and annually demonstrate a 50 percent waste diversion rate from a 1990 "base year" disposal rate).
- AB 1826 (2014) This statute requires certain businesses and multifamily dwellings to recycle organic waste (phased in over 4 years beginning in 2016) and jurisdictions to implement organic waste recycling programs. Under this Statute, "organic waste" means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper.
- AB 901 (2015) This statute requires recycling, disposal, and compost facilities, as well as exporters, brokers, and transporters of recyclables or compost to submit information directly to CalRecycle on types, quantities, jurisdiction of origin, and destinations of materials that are disposed of, sold, or transferred inside or outside of the state. Civil penalties may be imposed for failure to comply.
- **SB 1383 (2016)** This statute requires the Air Resources Board (ARB) to develop and implement a strategy to reduce short-lived climate pollutants (SLCP), including methane from landfills. The SLCP Reduction Strategy was approved by the ARB in March 2017. This statute requires CalRecycle to adopt regulations to achieve a 50 percent reduction in the level of statewide organic waste landfill disposal from the 2014 level by 2020, a 75 percent reduction by 2025, and not less than 20 percent recovery of edible food "currently" disposed by 2025. CalRecycle may impose penalties (up to \$10,000/day) on a jurisdiction for noncompliance with CalRecycle's adopted regulations.

- AB 617 (2017) This statute requires the state to track emissions of criteria air pollutants and toxic air contaminants of stationary sources, to select the highest priority locations in the state for the deployment of community air monitoring systems, and to prepare and update, at least once every 5 years, a statewide strategy to reduce emissions of toxic air contaminants and criteria pollutants in communities affected by a high cumulative exposure burden. It also stipulates the provision of grants to community-based organizations for technical assistance and to support community participation in the programs. This statute requires a district that is in nonattainment for one or more air pollutants to adopt an expedited schedule for the implementation of best available retrofit control technology.
- **AB 1583 (2019)** This statute requires CalRecycle by July 1, 2020, to convene a Statewide Commission on Recycling Markets and Curbside Recycling and would require the commission by January 1, 2021, among other things, to issue policy recommendations to achieve State specified market development goals and waste reduction goals, identify products that are recyclable or compostable, and share findings with the Legislature as well as providing regular feedback to CalRecycle on public messaging designed to encourage proper recycling and to minimize contamination in curbside recycling programs. [Note: subsequent legislation, AB 2287 (2020) extend the January 1, 2021 deadline to July 1, 2021]
- SB 619 (2021) This statute authorizes a local jurisdiction facing continuing violations of the regulations adopted pursuant to SB 1383 (Lara, 2016), to submit a notice of intent to comply (NOI) to the CalRecycle. If approved by CalRecycle, the jurisdiction is eligible for administrative civil penalty relief for the 2022 calendar year and a corrective action plan.

State Climate Change and Renewable Energy Requirements

Solid waste management and legislation in California is often driven by state policies related to climate change and renewable energy. Some of the more significant bills and policies enacted in recent years include:

- **SB 32 (2015)** Extended cap-and-trade program to 2030
- SB 350 (2015) Extended Renewable Portfolio Standard to 50% by 2030
- **SB 1383 (2016)** Sets goals to reduce Short-Lived Climate Pollutants, including 40% reduction below 2013 levels in methane emissions by 2030
- Short-Lived Climate Pollutant Strategy (2017) CARB strategy to reduce livestock and landfill methane emissions via organic waste diversion

- **SB 100 (2018)** Sets goal for renewable energy and zero-carbon resources to supply 100% of retail sales of electricity by 2045.
- **CARB Scoping Plan (2022)**: It will assess progress towards achieving the Senate Bill 32 2030 target and lay out a path to achieve carbon neutrality by mid-century.

China National Sword/Blue Sky Policy

In 2017, China announced that 24 categories of materials including recovered mixed paper, recycled plastics, textiles, and other materials, would be banned from import into the country later in the year. In January 2018, China confirmed strict contamination standards of 0.5% for plastic, ferrous metals, and other materials, that took effect March 1, 2018. The changes have resulted in significant challenges for statewide recycling industry and local governments as each year, California exports approximately one-third of its recyclable material – most of that to China. The LTF Fact Sheet on this topic is posted on the LTF website at https://swanacal-leg.org/.

2022 Work Plan

This coming year, LTF advocacy will focus on the priority issues listed below. Once new bills are introduced in 2022, additional priorities may be identified.

A. Legislation and Regulation

1. Organic and Recycling Infrastructure Development /SB 1383 Compliance

Issue: SB 1383 (Lara, Chapter 395, Statutes of 2016) established methane emissions reduction targets in a statewide effort to reduce short-lived climate pollutants (SLCP). Specifically, SB 1383 established targets to achieve a 50% reduction in the level of statewide disposal of organic waste from the 2014 level by 2020 and a 75% reduction by 2025. The legislation also established a target of no less than 20% of currently disposed edible food to be recovered for human consumption by 2025. CalRecycle began preparation of the SB 1383 implementing regulations over three years ago which received approval by the State Office of Administration Law in November 2020.

The implementing regulations are extremely detailed and require expansion of organic waste collection to all generators; expand definition of organic waste; specify mandatory local enforcement programs; mandate procurement of diverted organic waste end-products; require jurisdictions to implement an edible food recovery program; specify prescriptive standards for collection and outreach programs; prescribe hauler requirements, landfill and MRF performance standards; formulate verification of new technologies for the use and recovery of solid waste; mandate preparation of the countywide Organic Waste Recycling Capacity Plan by each county for a planning period of 15-year while identifying the tonnages of existing capacity of each in- and out-of-county facility that are verifiably available to jurisdictions within that county; require imposition of penalties by jurisdictions on their residents and businesses for noncompliance; and stipulate enforcement penalties of up to \$10,000/day per violation on jurisdictions for failure to comply with provisions of the SB 1383 implementing regulations. The adopted regulations do not recognize that for some jurisdictions, unique local conditions may prohibit compliance with all requirements; however, the SB 1383 implementing regulations do not consider a jurisdiction's "good faith effort" to comply with the regulations. The LTF in concert with many other stakeholders along with Senator Laird, who authored SB 619 (2021) to address this major deficiency, made significant efforts to provide for the subject provision to be included in the SB 1383 implementing regulations. Unfortunately, the final version of the bill failed to address this critical issue which caused the LTF not to take a position on the bill.

Over the past several years, the LTF has actively been engaged with CalRecycle and State lawmakers regarding the urgent and important need for infrastructure to comply with the requirements of Senate Bill SB 1383. CalRecycle estimates 41 percent of the waste disposed annually in California is compostable organics (approximately 16 million tons), half of which is considered waste. Californians will be required to reduce the amount of organic waste (compostable and non-compostable, e.g., textile, carpet, etc.) from landfill disposal by 75 percent by the year 2025 compared to 2014 disposal rates. This will require billions of dollars in new waste processing infrastructure.

CalRecycle estimates the cost to construct an anaerobic digester facility is upward of \$50 million and estimates the cost to construct a compost facility is upward of \$15 million. It is estimated that approximately 100 new facilities will be required, resulting in capital investment among processors of up to \$1 - \$3 billion. The Greenhouse Gas Reduction Fund (GGRF) allocations (\$30 million) in FY20-21 were significantly insufficient to provide the necessary financial support and there were other limited grant funding sources for the successful development of infrastructure to support the implementation of SB 1383. However, the LTF was successful in convincing the Legislature and the Governor to increase the FY 21-22's GGRF funding to \$60 million for grants to local governments to assist in the development and implementation of local SB 1383 programs as well as an additional \$70 million (as an element of the Cap and Trade) for an existing program that provides grants for organic waste diversion and recycling infrastructure.

The 2020 LTF fact sheet on this topic is has been posted on its website at https://swanacal-leg.org/.

1. **Actions:** SB 1383 implementing regulations (14 CCR, Sections 18992.1, 2 & 3) require by August 1, 2022, each county in concert with jurisdictions and regional agencies located within that county to report to CalRecycle as to the existing organic waste infrastructure capacity, located in the county and outside the county, that is verifiably available for use to the county and the jurisdictions located in the county for a period covering January 1, 2022, through December 31, 2024. Exempt rural jurisdictions will also need to report infrastructure capacity but are exempt from the first reporting period. First report for exempt rural jurisdictions is due By August 1, 2024.

Each county is also required to prepare another capacity planning document and submit to CalRecycle by August 1, 2024, for a period covering January 1, 2025 through December 31, 2034. With this mechanism in place, CalRecycle as the lead agency, needs to develop and disseminate information on capacity deficits and costs associated with organic waste diversion on or before August 1, 2022, while identifying the capability of existing facilities to process the anticipated additional materials. In concert with the foregoing, inform the Legislature and local officials as to the

infrastructure deficiencies, compliance challenges and costs, both to comply and for noncompliance. Document and disseminate data on COVID-related cost impacts.

- 2. Encourage permit streamlining. Track and comment, as necessary, on State Water Resources Control Board regulatory activities that pertain to solid waste and composting facilities (e.g., waste discharge requirements and general permits). Comment on the efforts by the California Air Pollution Control Officers Association (CAPCOA), ARB, and CalRecycle to address air quality permitting and regulatory issues.
- 3. Promote funding sources (e.g., GGRF, Cap & Trade, etc.) for the development and expansion of organics diversion solutions/facilities. Urge CARB and CalRecycle to support funding for SB 1383 implementations as well as solid waste diversion activities.
- 4. Advocate for the development and use of advanced conversion technologies to divert organic materials that cannot be diverted via aerobic composting and/or anaerobic digestion (AD).
- 5. Promote legislations that would recognize a jurisdiction's "good faith effort" toward compliance with SB 1383 legislative and regulatory mandates.
- 6. Urge CalRecycle and CARB to identify alternative markets for Renewable Natural Gas (RNG) to encourage diversion to AD facilities and incentives to encourage investments in such markets.
- 7. Work with CalRecycle to clarify the requirements related to collection and solid waste facility sampling requirements to verify contamination of organics loads.
- 8. Expand opportunities for jurisdiction to meet procurement mandates.
- 9. Emphasize that achieving organic waste reduction goals is a shared responsibility between the waste sector, State government, local agencies, business community, and the public.

2. Single-Use Plastics and Packaging

Issue: China's National Sword/Blue Sky policy continues to have significant impacts on the market value of recyclable materials, with the added complication of protocols for worker safety at materials recovery facilities due to COVID-19. Many materials are increasing in volume, but they have virtually no market value and increasingly must be landfilled. One of the best ways to address the massive

volume of single-use plastics is to "source reduce" this material, or to generate less of it in the first place. A second important way to address plastic recycling challenges is to expand markets within California. Bills that were passed this year to address these issues include:

- AB 881 (Gonzalez) Plastic waste export. This bill establishes standards for mixed plastic waste that is exported for recycling to be credited toward a local jurisdiction's solid waste diversion rate. It also will require recycling and composting operations to report the jurisdiction or region of origin to CalRecycle for exported materials that contain a mixture of plastic wastes. CalRecycle is tasked with developing implementing regulations. The LTF took a "Concerns" position on this bill, noting that exporter practices are largely out of the control of local jurisdictions and facilities. The LTF will continue to engage during development of the regulation to ensure it is not unreasonably burdensome on waste and recycling facilities nor unfairly penalizes jurisdictions but rather exporters whose failure to comply results in a loss of diversion credit to a jurisdiction.
- AB 962 (Kamlager) Reusable beverage containers. The LTF took a "Support" position on this bill that specifies that reusable beverage containers can be included in the California Beverage Container Recycling and Litter Reduction Act if the processor transfers the empty container to a washer approved by CalRecycle.
- AB 1201 (Ting) plastic products labeling: compostability and biodegradability. While the LTF originally worked with the author on this bill, it ended up taking an "Oppose" position after late amendments were added that were confusing and misleading, and potentially interpreted to allow CalRecycle the authority to require a bifurcated organic waste collection and processing system. Although the author published a letter to the Assembly Journal clarifying that was not the intent (the intent was bifurcated labeling), the LTF will continue to work with the author to amend the statute in 2022 to clarify the intent.
- AB 1276 (Carrillo) Single-use food accessories. The LTF supported this bill that would prohibit a food facility from providing any single-use foodware accessory or standard condiment, as defined, to a consumer unless requested by the consumer.
- SB 343 (Allen) Environmental advertising: recycling symbol. The LTF took
 a watch position on this bill that prohibits a product or package label to
 include the "chasing arrows" recycling symbol unless CalRecycle has
 determined that the product or package is eligible for such labeling. The LTF
 took a "Watch" position on this bill.

Actions:

- 1. Develop and discuss solutions with CalRecycle and legislators, including the author of SB 54 on Single-Use Plastic Packaging.
- 2. Encourage efforts to reduce the amount of unrecyclable, single-use packaging, or the cost to recycle it. (Some form of Extended Producer Responsibility (EPR) may play a role in this reform.)

3. Special Wastes: Lithium Batteries; Vaping Wastes; PFAS; Photovoltaic Modules

Lithium Ion Battery Issue: Both Lithium Ion and Lithium Metal Batteries (Li Batteries) have the potential to catch fire and explode when crushed or penetrated, and thus pose a significant public health and safety risk, as well as proven significant risk to infrastructure, especially to solid waste transportation and processing facilities in California and across the nation. The introduction of highcapacity lithium batteries (>300 watt-hours) are contributing to increases the hazards associated with mismanagement. AB 1509 (Mullin) was introduced during the 2019-2020 Legislative Session to create an extended producer responsibility solution to the threat of improper disposal of Li Batteries. SB 1156 (Archuleta) was also introduced during that legislative session and attempted to address this issue by prohibiting a person from knowingly disposing of a lithium-ion battery in a container or receptacle that is intended for the collection of solid waste or recyclable materials, unless the container or receptacle is designated for the collection of batteries for recycling. Neither of these bills passed in 2019-20, so legislation was introduced again in 2021. Senator Josh Newman introduced SB 289 and Senator Archuleta reintroduced his bill SB 244. A 2020 LTF Fact sheet on this topic is on the LTF website at https://swanacal-leg.org/.

Lithium Battery Actions:

- Work with industry to identify environmentally responsible solutions to Lithium Batteries issues, such as promoting recyclability, EPR, E-waste program inclusion, and/or "Right to Repair" legislation to improve product design.
- 2. Develop further understanding of and compile additional data on the problems (e.g., number of fires) and potential solutions related to, Lithium Batteries.
- 3. SB 289 (Newman)- Recycling batteries and battery-embedded products. The LTF took a "Support" on this bill that creates a statewide, producer-run collection and recycling program for loose and product embedded batteries at retail locations across the state.

- 4. SB 244 (Archuleta)- Lithium-ion batteries: illegal disposal: fire prevention. The LTF took a "Support" on this bill that require the Department of Forestry and Fire Protection (CAL FIRE), in consultation with relevant state agencies like the California Highway Patrol (CHP), the Department of Toxic Substances Control (DTSC), and the waste industry, to develop protocols for the proper management of the disposal of lithium-ion batteries using existing resources, including safe handling, detection, and the suppression of fires originating from discarded lithium-ion batteries.
- 5. Continue to monitor legislation related to Lithium Batteries in the coming 2022 Legislative Session and take positions as appropriate.
- **b. Vaping Waste Issue:** Health risks and waste product issues are associated with single-use vaping devices. The LTF supported SB 424 introduced by Senator Jackson in 2019, a bill that attempted to restrict single-use vaping devices. School districts inherit these waste products through abandonment or confiscation. Solid waste and household hazardous facilities encounter these devices disposed of in the waste stream. The device has a small lithium-ion battery (universal waste), a small circuit board (e-waste), and a nicotine containing pod ("p-listed" RCRA hazardous waste), along with other materials. Currently, there is no way to process these devices in California due to the variety of components and how those components are regulated.

Vaping Waste Action: Support legislation that provides waste management solutions. Identify/develop/suggest solutions.

c. Per- and Poly-fluoroalkyl Substance (PFAS) Issue: Per- and Polyfluoralkyl Substances (PFAS) are a human-made family of compounds that are resistant to heat, water, and oil. They are commonly used for non-stick coatings on paper plates, cookware, pizza boxes and similar products, which often are disposed of in landfills. Research indicates a potential for health impacts related to presence of PFAS in the environment, particularly as a contaminant in groundwater. Concerns about PFAS in drinking water have emerged and efforts are underway to understand the extent and severity of groundwater contamination, and landfills (e.g. via leachate) have been identified as one source of PFAS in both groundwater and municipal wastewater (i.e. when leachate is discharged to the sewer system). This could be a significant source of liability for landfill owner/operators since they may be identified as a source or contributor to surface water or groundwater contamination.

There are also efforts underway on the federal level to address PFAS issues through both legislation and administrative activities, including development of new regulations such as the development of Clean Water Act effluent guidelines for municipal solid waste landfills.

At the state level, SB 1044 (Allen) passed in 2020, which will phase-out the use of PFAS in firefighting equipment and foam. AB 652 (Friedman) and AB 1200 (Ting) were enacted in 2021, which will phase out the use of PFAS in selected children's products and food packaging, respectively. Phasing out PFAS will reduce future impacts, but current products will remain in the waste stream for generations. AB 1200 will also require the disclosure of the use of PFAS and other chemicals in cookware. Several state agencies are working on efforts to assess the extent of PFAS releases and emissions and to develop regulatory standards for PFAS, including the Office of Environmental Health Hazard Assessment (OEHHA), which is developing Public Health Goals for Perfluorooctanesulfonic acid (PFOS) and Perfluorooctanoic acid (PFOA). The State Water Resources Control Board, which has issued Statewide Investigative Orders to several types of industries (including landfills), and the Department of Toxic Substances Control (DTSC), which, through the Safer Consumer Products Program, is working on advancing efforts to find alternatives to the use of PFAS in priority products such as textiles and converted leather products and food packaging.

PFAS Actions:

- 1. Support legislative and regulatory efforts to reduce use of PFAS in consumer products and other applications that may have a pathway to the environment via municipal solid waste management practices.
- 2. Track and comment, as appropriate on regulatory developments related to PFAS by state agencies.
- d. Photovoltaic Module Issue: The first generation of large electricity generating photovoltaic panels (solar panels) are reaching their end of useful life. SB 489 (Monning) was signed into law in September 2015 and requires the Department of Toxic Substances Control (DTSC) to designate solar panels, both RCRA (federal hazardous waste) and non-RCRA (California-only hazardous waste) as Universal Waste and develop regulations for the processing of these panels. DTSC received authority and promulgated regulations to manage photovoltaic modules as Large electricity generating solar panels are made universal hazardous wastes. of a variety of components, one of which is the photovoltaic cells themselves. These cells are typically of two types, film type and silica type, and it is difficult to tell the difference between the two types. The film type cells have tested in the hazardous range and may be considered a RCRA waste (hazardous waste classification) or California hazardous waste. Currently options to manage photovoltaic modules are limited even though the regulations have made management easier. Further, the only processing and recycling option for solar panels in the state, ECS Refining, went out of business in 2018.

The LTF has been closely monitoring the process and supported DTSC's adoption of the regulations to designate end-of-life photovoltaic modules as universal hazardous waste. The LTF's Fact Sheet on this topic is on the LTF website at https://swanacal-leg.org/.

Photovoltaic Module Actions:

- 1. Identify solutions for the management of solar panels, such as improvement in labeling to reduce need to test. Assess the scope and cost of problem and discuss these details with solar manufacturers.
- 2. Include in outreach efforts the LTF fact sheet and other information about the problems associated with solar panel end-of-life management.

4. CRV / California Redemption Value

Issue: California's California Redemption Value (CRV) program, also known as the "Bottle Bill," is a \$0.05 or \$0.10 deposit charged on eligible beverage containers. Established in 1986 (AB 2020) and operated and administered by CalRecycle, the deposit system generates approximately \$1.3 billion collected by the state. Since an average of only 80% of containers are returned, CalRecycle uses some of the surplus fees to subsidize privately-owned and -operated redemption centers established in "convenience zones" located near beverage retailers. The CRV program has resulted in an average of 80% of qualified containers being recycled, but to remain fiscally stable, the program has required more than 60 legislative amendments.

In the past few years, the state's supplemental formula has become outdated, China's recycling policy changes have crippled the global market, scrap value of beverage containers material has plummeted, and operating costs have steadily risen. The cumulative effect of these factors has resulted in a critical reduction in operating revenue for the privately-operated redemption centers and led to the closure of approximately half of the 2,500 CRV convenience zone centers statewide. The CRV program also requires beverage retailers to provide deposit redemption services to customers or pay penalties. Some retailers have attempted to provide service but were unprepared for the volumes and complexity of the program, while other retailers have just chosen to pay the fines associated with non-compliance with the law. With convenience center closures, the surviving convenience centers have been overwhelmed with customers trying to redeem their deposits.

Action: Support efforts to reform beverage container funding, such as adjustments to CRV and recycling-related payments, and oppose proposals to reduce current CRV funding to local governments

5. Conversion Technologies / Advanced Recovery Technologies

Issue: Advanced Conversion Technologies (ACT) are also sometimes referred to as Waste Recovery Technologies. ACTs are non-incineration technologies that convert non-recyclable municipal solid waste to electricity, fuels, and/or industrial chemical feedstocks. Interest is growing in ACTs because of their potential role in addressing renewable energy and low carbon mandates and green jobs initiatives as well as meeting state and local solid waste management needs.

Older burning technologies (waste to energy, or WTE) produced an undesirable level of emissions, and in an effort to protect air quality, California has enacted statutory obstacles that have discouraged not only the older WTE facilities, but also the cleaner more efficient ACTs commonly used in the EU and other nations that are eagerly participating in programs to minimize climate change. While California has enacted aggressive waste diversion goals (e.g., 75% by 2020) the California Public Resources Code (PRC) defines most ACTs as a form of "disposal" rather than waste diversion. Only Composting and Anaerobic Digestion are considered forms of recycling. To encourage climate-friendly low carbon fuels, energy, and chemicals, more technologies must be considered "resource recovery."

SB 1383 provides a mechanism to promote appropriate technologies: CalRecycle may approve technologies that reduce the disposal of organic waste in landfills and achieve equal or greater GHG benefits than attained by composting technologies. ACTs that may be used to support SB 1383 include, but are not limited to:

- Gasification: Gasification is a commercially proven manufacturing process that converts hydrocarbons and biomass to a synthesis gas (syngas), which can be further processed to produce chemicals, fertilizers, liquid fuels, hydrogen, and electricity.
- Pyrolysis: Pyrolysis involves thermal decomposition of feedstock at high temperatures in the absence of air. The resulting product is a mixture of solids (char), liquids (oxygenated oils), and gases (methane, carbon monoxide, and carbon dioxide) that may be further processed in energy, fuels, or chemicals.
- Hydrolysis/fermentation: Known as waste-to-ethanol, this anaerobic biological process uses microorganisms to metabolize sugars and produce alcohols to produce such fuel liquids as ethanol and other chemicals.

 Autoclave/mechanical processing: This technology subjects wastes to high temperature (usually with superheated steam) under high pressure for a length of time sufficient to kill all the bacteria and pathogens that might be in the waste. The process may involve several steps to remove plastics, metal, and glass if present. After preprocessing, the wastes are shredded and processed to produce an organic product for low carbon fuel and other uses.

Actions:

- 1. Support the development and use of ACTs through amended California statutes and regulations, particularly to enhance the production of low carbon energy, fuels, and chemicals needed to achieve California's GHG reduction goals.
- 2. Advocate for policies that promote and recognize the benefits of producing low-carbon renewable energy from solid waste, particularly from organic waste, and non-recyclable materials to the Legislature and administrative agencies. Monitor and comment on policies related to biogas, landfill gas, and biomass, and regarding emerging technologies.

6. Heavy Duty Vehicle and Transportation Infrastructure

Issue: The solid waste and recycling industry in California is heavily reliant upon on-road and off-road heavy-duty vehicles to both operate its facilities and effectively transport municipal solid waste and recycled products. In response to regulatory mandates, the industry has largely transitioned from diesel fueled vehicles to cleaner fuels, such as Natural Gas and Renewable Natural Gas. This industry is estimated to have invested more than \$1 billion in California to develop and use low carbon renewable natural gas in refuse and recycling vehicles. Renewable natural gas has the lowest carbon intensity of all available transportation fuels. A series of Governor Executive Orders by Governor Brown and now Governor Newsom have called for accelerating the electrification of the vehicle fleets to meet climate goals; the latest, electrification to support meeting carbon neutrality goals no later than 2045. California Air Resources Board (CARB) is now drafting a comprehensive Advanced Clean Fleets regulation that will be part of a broader strategy to deploy medium- and heavy-duty zero-emission vehicles (ZEV) everywhere feasible. In the current draft refuse trucks are targeted to meet this goal by 2040. The cost to the solid waste and recycling industry will be Coupled with reliability issues associated with electrification, the industry's ability to effectively deliver its essential public service will be in question. Grants now emphasize electrification with regulations focused almost exclusively on zero emission vehicles and electrification instead of promoting the lowest

carbon fuels that are available and consistent with the other mandates. This also creates a disconnect with the need to develop low-carbon transportation fuels under SB 1383. SB 1383's focus on reducing short-lived climate pollutants, such as methane generated by organic waste, underscores the importance of using organic waste-derived methane as a fuel. While ZEV transportation currently has a carbon intensity of about 30 gCO2e/MJ, renewable gaseous and liquid fuels have been shown to have virtually the same or much lower carbon intensity generally as follows:

Vehicle Category	gCO2e/MJ
Landfill RNG	33.89 – 52.57
Renewable Diesel	19.65 – 39.33
Bio-Diesel	11.76 – 83.25
Wastewater RNG	8.68 – 34.36
Municipal Organic Waste RNG	– 25.48
Dairy Waste RNG	- 281.1

It is vital that CARB recognize the importance of low carbon transportation fuels to the industry and develop regulations that promote this transportation industry.

Actions:

- 1. Promote a technology-neutral approach to encourage the development of alternative transportation fuels suitable for specific purposes based on performance standards rather than a specific technology.
- 2. Promote the lowest carbon and most sustainable transportation fueling options, including renewable natural gas that are consistent with all the goals of CARB's climate programs.

7. CARB's 2022 SCOPING PLAN UPDATE

Issue: CARB is currently in the process of updating its climate Scoping Plan. As a review, in 2006, the California Legislature passed the California Global Warming Solutions Act of 2006 [Assembly Bill 32 (AB 32)], which created a comprehensive, multi-year program to reduce greenhouse gas (GHG) emissions in California. AB 32 required the California Air Resources Board (CARB or Board) to develop a Scoping Plan that describes the approach California will take to reduce GHGs to achieve the goal of reducing emissions to 1990 levels by 2020. The Scoping Plan was first approved by the Board in 2008 and must be updated at least every five years. The 2022 Scoping Plan Update will assess progress towards achieving the Senate Bill 32 2030 target and lay out a path to achieve carbon neutrality by midcentury. The solid waste and recycling industry sector has always been a target in the Scoping Plans because of methane emissions from landfill operations (Short-

Lived Climate Pollutants) and the extensive use of medium- and heavy-duty, onand off-road vehicles, a key component of carbon emissions. The industry sector will be heavily impacted by this update due to the push to electrify the transportation sector, and the continued focus on reducing methane emissions from landfills. The latter focus is further complicated because of its relationship with SB 1383, diverting organics from landfills and the need to develop low-carbon transportation fuels as part of this effort.

Actions:

The industry/LTF must continue to work with CARB as it prepares the Scoping Plan 2022 Update to ensure that the proposed transition to carbon neutrality allows the industry sector to be consistent with all the objectives of the climate plans without severe economic impact and disruption of our municipal solid waste essential public services.

8. Market Development

Issue: The solid waste sector can collect, sort, and transport the waste materials that are generated, but solid waste policies are needed at the federal, state, and local level to 1) reduce the amount of waste generated by all sectors of society, 2) ensure that the greatest proportion as possible of waste materials generated can be reused, recycled, or composted, and 3) promote markets for the recyclable materials and compost. With the 2017 China National Sword/Blue Sky policy, the need for local markets and "closed loop" products, was highlighted. Additionally, increased organic waste processing will result in the generation of increasing amounts of compost material. Markets for compost are already challenging. The agricultural industry usually has very exacting specifications for soil amendments, and it has little use for composted organic waste. Markets for an increasingly abundant product must be promoted, for example with policies for use of these materials on State lands, and with local land use policies.

When there is no market for composted or recyclable materials, local governments are unable to comply with waste diversion mandates. When infrastructure to process materials does not exist, often because there is no market for the resultant products, local government cannot comply with waste diversion mandates.

In 2018, proposed legislation AB 3178 would have required CalRecycle to consider the availability of markets and a jurisdictions' good faith efforts to recycle. Although the bill passed the legislature, it was vetoed by the Governor whose veto message stated that CalRecycle already has the authority to do that.

In 2019, SB 667 (Hueso) was introduced to comprehensively address market issues associated with GHGs and solid waste. This bill would have required the

development of a needs assessment to support innovation and technological and infrastructure development, to meet specified organic waste reduction and recycling targets. It also included provisions to support development of interstate recycling infrastructure and markets for recyclable materials. However, the bill did not make it through the legislative process.

The crucial need for local markets, resources to support necessary diversion infrastructure, new technologies to recover energy, fuels and chemicals, and support for producer responsibility will dominate the LTF's 2022 efforts.

Actions:

- 1. Develop recommendations to promote markets and provide the recommendations to CalRecycle and other stakeholders.
- 2. Support market development efforts.

B. Agency Monitoring

Not all LTF work entails legislative activities. Although most regulatory agency work is in response to legislation, ongoing programs can be modified by agencies, and this can result in major impacts to the solid waste industry and to local government. The following are some of the key aspects of agency monitoring in 2022:

CalRecycle

AB 901/RDRS (Recycling and Disposal Reporting System) Monitor AB 901 implementation to assure that it balances development of robust data with the administrative burden on haulers, facilities, and jurisdictions.

E-Waste. Watch and support CalRecycle efforts to add more products to the E-waste program. Watch and participate in proposed legislation related to the expansion of CalRecycle's E-waste program.

SB 1383. Monitor and comment, as appropriate, on CalRecycle enforcement activities relating to SB 1383.

CARB

Greenhouse Gas Reduction Programs. Track and comment as appropriate on implementation of new greenhouse gas reduction programs and requirements as well as air quality monitoring and reduction programs pursuant to SB 32 and AB 617 (2017).

Scoping Plan. Track and comment, as necessary, on regulatory activities that impact facilities and jurisdictions.

C. Outreach and Education

The LTF positions on legislation are important, but coordination with other stakeholders and dissemination of fact sheets and white papers is also vital. The LTF will seek, in 2022, to:

- Maintain an active advocacy presence in the Legislature and at state agencies that oversee the management, recycling, and disposal of municipal solid waste, household hazardous waste, and pertinent special wastes, through involvement in the legislative and regulatory processes.
- Continue to advocate for EPR Legislation that reduces the generation of nonrecyclable products and shifts the burden away from jurisdictions to manage such materials.
- Develop relationships with key members of the Legislature and their staff, and with the appropriate staff in the Governor's office and at CalRecycle, DTSC, CARB, SWRCB, and other agencies as appropriate.
- Reach out to and engage other solid waste organizations (such as CAW, CRRA, SWIG) and local government organizations (such as CSAC, Cal Cities, and RCRC).
- Coordinate advocacy efforts with other local government groups, particularly for issues impacting local authority, governance, and discretion.
- Support SWANA International in advocacy and policy areas that apply to California, such as product stewardship policy, disposal bans, "Pushing the Envelope" documents, and applied research on emerging technologies.
- Further enhance education and awareness of key legislation and regulations to SWANA membership through communications such as fact sheets, targeted communications such as the annual legislative platform, discussions at Chapters.
- Improve and enhance the convenience and effectiveness of the LTF website to better serve and inform SWANA members of LTF activities. Ensure mobile compatibility of the website.
- Encourage chapter presidents to appoint young professionals to the LTF, either as voting or non-voting members. The goal is involvement, training, and preparation for future leadership.

LTF OFFICERS & MEMBERSHIP

LTF Officers and Membership

Nominated Officers

Doug Kobold, California Product Stewardship Council, Chair Christina Hanson, Placer County/WPWMA, Vice Chair

Appointed Officers

Hans Kernkamp, Riverside County Dept. of Waste Resources, Treasurer Herb Cantu, City of Santa Maria, Secretary

Membership

GOLD RUSH CHAPTER:

Doug Kobold, California Product Stewardship Council
Christina Hanson, Placer County/Western Placer Waste Management Authority
Larry Sweetser, Sweetser & Associates, Inc.
Charles White, Manatt, Phelps, & Phillips, LLC
Joe La Mariana, South Bayside Waste Management Authority
Guy Petraborg, Monterey Regional Waste Management District (Alternate)
Deepti Jain, City of Sunnyvale (Alternate)

SIERRA CHAPTER:

Eric Zetz, Merced County Regional Waste Authority
Curtis Larkin, Fresno County
Herb Cantu, City of Santa Maria
Chuck Magee, Kern County
Nicole Riley, Kings Waste and Recycling Authority
Dawyne Balch, City of Clovis (Alternate)
Lynnda Martin, American Refuse/Tule Trash Co (Alternate)

FOUNDING CHAPTER:

Steven Halligan, Orange County Waste and Recycling
Hans Kernkamp, Riverside County Dept. of Waste Resources
Sharon Green, Los Angeles County Sanitation Districts
Mike Mohajer, P.E., So. California Waste Management Forum
Jane-Marie Fajardo, City of San Diego
Frank Caponi, P.E., Retired (Alternate)
Constance Hornig, Esq., Law Offices (Alternate)

LTF Goals and Principles

LTF Advocacy Goal

Ensure, through active participation in the development and review process, that proposed laws and regulations protect health, safety, and the environment, and are economically and technically feasible.

LTF Principles

The basis for establishing LTF's policy positions on legislation and regulation are based on the following principles:

- Local Authority. Oppose state regulations and legislation that undermine or preempt local authority or discretion. Support local government control of solid waste policy and operations. Promote legislation that provides opportunities for local government stakeholder participation in regulatory and policy matters proposed for adoption by state and regional agencies.
- State Funding: Increase State funding for mandated activities.
- CalRecycle Review of IWMPs. Push for transparency, consistency, and consideration of reasonable and realistic "best efforts" in CalRecycle's review of Integrated Waste Management Plan and Annual Reports.
- **Due Process:** Develop regulatory frameworks that provide the regulated community with independent due process in State agency enforcement proceedings.
- **EPR:** Extended Producer Responsibility: Foster product stewardship. Shift the financial burden of managing hazardous and difficult-to-handle products from local government to the producers of those products
- **Organics Management:** Develop cost-effective organics management programs and infrastructure that best fits each jurisdiction's demographics, waste characteristics, and facility availability.
- Recyclables Market Development: Encourage the development of domestic markets for recycled materials, including organics; and increase of recycled content requirements for specific products.
- **Emerging Technology:** Develop local and state regulatory framework, and create incentives, that encourages development of emerging technology to recover resources such as energy, fuels, and chemicals from all waste streams (garbage, C&D, yard waste, organics, etc.). Eliminate legislative and regulatory barriers.
- Worker Safety: Protect workers' safety in the solid waste industry
- **Stakeholders:** Foster opportunities for meaningful stakeholder input in the development of platforms, policies, and regulations.
- **Regulatory Clean-up:** Streamline redundant and overlapping regulations and oppose underground regulations.

Appendix 1

2021 End of Year Legislative Report

Shaw Yoder Antwih Schmelzer & Lange





DATE: January 5, 2022

TO: Solid Waste Association of North American Legislative Task Force

FROM: Priscilla Quiroz, Legislative Advocate

Shaw Yoder Antwih Schmelzer & Lange

SUBJECT: SWANA LTF 2021 Year-End of Session Report

On behalf of all the employees of Shaw Yoder Antwih Schmelzer & Lange (SYASL), we'd like to thank the Solid Waste Association of North America Legislative Task Force (SWANA LTF) for once again entrusting our firm with the important task of providing legislative and regulatory advocacy services to the California chapters of SWANA.

This report highlights key legislation that SYASL worked on in 2021 for the SWANA LTF. We also discuss significant state budget developments and major legislative actions taken by the legislature this year. Furthermore, we highlight other policy objectives we pursued on behalf of SWANA LTF this year.

Attachment 1 to this memo displays a summary of the 28 bills we actively lobbied or monitored.

The following is a brief summary of relevant major actions taken by the Legislature this year:

2021-22 STATE BUDGET REPORT

2021-22 State Budget

On June 28, Governor Newsom signed AB 128 (Ting), which reflected a spending framework agreement between the Legislature and the Governor. This \$262.6 billion spending plan for the fiscal year that began July 1 was fueled by a \$76 billion state surplus and \$27 billion in federal aid. However, there were a few disagreements on a few budget items, which lead to the introduction of SB 129 (Skinner), which represents weeks of negotiations between the Governor and legislative leaders, which was signed on July 12.

Given the substantial resources available this year and disagreements on a few budget items, the legislature passed more than a dozen budget bills when they returned from summer recess. This included <u>SB 170 (Skinner)</u>, which finishes allocating most of the funds initially agreed to in the summer budget.

SYASL will note that the administration is anticipating a \$31 billion surplus in 2022.

Climate Change

The 2021-22 budget package provides a total of \$21.7 billion from various fund sources—the General Fund, bond funds, and various special funds—for programs administered by the California Natural Resources and Environmental Protection Agencies. This is a net increase of \$4.8 billion compared to 2020-21 estimated expenditures. This increase is primarily due to two factors. First, the approved budget includes roughly \$6.9 billion for various natural resources and environmental programs in several "packages" related to climate change, drought, wildfires, and other issues. Second, the budget includes a \$1.5 billion discretionary cap-and-trade expenditure plan that is significantly larger than the one approved in 2020-21.

Circular Economy

Appropriates \$140 million over two years to develop a more sustainable circular economy and reduce plastic pollution. Historically, California has shipped recyclable material to other nations, which contributes to the global carbon footprint. These investments will help reduce global carbon emissions and generate the feedstock to attract remanufacturing companies to California.

- Approves \$75 million in this budget year and \$65 million in 2022-2023 for a combined \$140 million two-year Circular Economy package.
 - o \$3 million to CalRecycle for food waste prevention and rescue programs.
 - o \$5 million to CalRecycle for community composting.
 - o \$2 million to CalRecycle for Circular Economy development.
 - o \$10 million to CalRecycle for co-digestion at wastewater treatment plants.
 - o \$20 million to CalRecycle for organics grants.
 - o \$25 million to CalRecycle for the Recycling Market Development Zone Loan Program.
 - o \$10 million to CalRecycle for the Quality Incentive Payment Program for plastic thermoforms.

Cap-and-Trade

The 2021-22 budget allocates \$3.4 billion from GGRF for various programs. This plan includes \$1.8 billion in continuous appropriations, \$186 million in other existing spending commitments, and \$1.5 billion in discretionary spending. The plan assumes about \$2.8 billion in auction revenue in 2021-22, about \$700 million carried over from the end of 2020-21, and \$60 million in interest income accrued to the fund.

SYASL will note the following allocations:

- \$130 million to CalRecycle for waste diversion/recycling infrastructure, \$70 million for organics grants and \$60 million for grants to local jurisdictions to assist in implementation of SB 1383 (Lara, 2016).
- \$25 million to CDFA for the Healthy Soils Program.
- \$15 million to Department of Community Services and Development for the Low-Income Weatherization Program (LWIP).
- \$30 million to ARB for small off-road engines (e.g. leaf blowers)

- \$565 million to ARB for Low Carbon Transportation, which includes \$315 for Clean Trucks, Buses, and Off-Road Freight Equipment.
- \$20 million to State Water Board for Safe and Affordable Drinking Water

Clean Transportation

Allocates \$3.9 billion over three years to reduce emissions from the transportation sector, which accounts for nearly 50 percent of California's annual emissions. This package provides funding for clean cars, trucks, and buses, infrastructure programs, and ongoing funding to ensure low-income Californians can afford to own a clean car.

- Clean Vehicle Rebate Project (CVRP): Provides \$525 million to CVRP, which provides customer rebates for new ZEV purchases. Although all of the funding is allocated in 2021-22, the funding is available to be spent until June 30, 2024. It also directs the California Air Resources Board (CARB) to develop CVRP rebate levels that phase down as cumulative sales volumes increase. These rebate levels must be consistent with a goal of 1 million total ZEVs on the road by January 1, 2023, and 5 million ZEVs by 2030. Additionally, of the \$525 million provided to CVRP, the budget specifies that \$10 million General Fund is available to establish a new Electric Bicycle Incentives Project to provide financial incentives for purchasing electric bicycles
- ZEV Fueling Infrastructure Grants: Includes \$500 million on a one-time basis from the General Fund for ZEV fueling infrastructure, including electric vehicle charging stations and hydrogen fueling stations.
- Carve-Out for Specific Types of Heavy-Duty Vehicles: Provides allocations for three specific vehicle types: drayage trucks (\$225 million), school buses (\$150 million), and transit buses (\$100 million).

2021 REGULATORY REPORT

Short-Lived Climate Pollutants

SB 1383 (Lara, Chapter 395, Statutes of 2016) codified that ARB's Short-Lived Climate Pollutants Reduction Strategy, establishing methane emissions reduction targets in a statewide effort to reduce short-lived climate pollutants. Specifically, the bill established targets to achieve a 50% reduction in the level of statewide disposal of organic waste from the 2014 level by 2020 and a 75% reduction by 2025. The bill also established a target of not less than 20% of currently disposed edible food to be recovered for human consumption by 2025.

In November 2020, CalRecycle's regulations were approved by the Office of Administrative Law (OAL) and take effect January 1, 2022. The regulatory package is comprehensive, placing various responsibilities on local jurisdictions. The six main requirements of the regulations are: 1) Providing mandatory organic waste collection services; 2) Edible food recovery program; 3) Education and outreach to the community; 4) Procurement requirements for products made from organic materials; 5) Providing access to edible food and composting facilities; and, 6) Monitoring and enforcement by the local jurisdictions. Pursuant to statutory requirements, local jurisdictions cannot issue enforcement penalties until two years after the operative date of the regulations – January 1, 2024.

SWANA this year worked closely with local governments associations to receive relief and funding to implement SB 1383. While the coalition was not successful in passing a measure that delayed the dates within SB 1383, we were successful got the state to invest in infrastructure, the most we've ever seen the state invest.

SB 212 Regulatory Process

On September 30, 2018, Governor Brown signed SB 212 (Jackson, Ting, and Gray), a bill to create a statewide takeback program for pharmaceutical medications and sharps products from households. The bill requires manufacturers of these products to create, fund, and operate a stewardship program that provides for the takeback of covered drugs and home-generated sharps waste from households as well as reimbursement of local agency sharps disposal costs.

On January 7, 2021, the Office of Administrative Law approved the regulation, after minor non-substantial edits were made, and forwarded them to the California Secretary of State for publishing. CalRecycle requested an early effective date, which was granted; therefore the regulations were effective immediately on January 7, 2021.

Treated Wood Waste

From 2008 to 2020, the state had specific standards for disposing of wood treated with a chemical preservative, as specified (known as treated wood waste or TWW). In 2020, however, the Governor vetoed SB 68 (Galgiani, 2019), which would have eliminated the sunset on the treated wood waste management standards and made certain changes to the program; the Governor's veto message stated that the additions to the program would have exacerbated the Hazardous Waste Control Account's existing structural deficit and improperly exempted treated wood waste from other hazardous waste laws and regulations. As a result, there is no clear guidance on means of disposing of treated wood waste other than at a Class I hazardous disposal facility, which is significantly more onerous than under the prior laws.

The elimination of the alternative management standards for treated wood waste has led to a sharp increase in the cost of disposing of treated wood waste and in the improper disposal of treated wood waste, likely due to the added burden of doing so. In the absence of clear guidance on how treated wood waste should be disposed, the Department of Toxic Substances Control developed a temporary, short-term fix by issuing variances to generators, transporters, handlers, and disposal facilities for the management and disposal of TWW. The variance system was not intended to be a permanent solution, but instead facilitates the proper management and disposal of TWW while the Legislature crafts a long-term approach.

SYASL worked with a coalition of local governments and solid waste organizations in getting DTSC to issue variances, but also getting AB 332 (Committee on Environmental Safety and Toxic Materials) introduced, which will facilitate the safe and proper handling and disposal of TWW by codifying the Alternative Management Standards that sunset on January 1, 2021. Those standards significantly eased the burdens associated with proper transportation, management, and disposal of TWW. AB 332 passed through the legislative process and was signed by the Governor

on August 31. Given the immediate need to address this issue, this measure had an urgency clause, which means it went into effect when the bill was signed.

Solar Panel Regulations

In 2015, Senate Bill 489, Monning, authorized DTSC to designate solar panels as Universal Waste and promulgated regulations for the processing of these panels, similar to the existing eWaste processing existing today. In May 2018, the California Energy Commission mandated that all new homes under three stories will have solar systems installed. This mandate takes effect on January 1, 2020.

Many facilities have begun to receive solar panels that have reached the end of their useful life and expects to receive many more in the future. Large electricity generating solar panels are made of a variety of components, one of which is the photovoltaic cells themselves. Some cells exhibit the hazardous waste characteristic of toxicity, and some do not. Unless a determination can be visually made on the extent of toxicity, they must be managed as hazardous wastes, meaning they can only be legally disposed of in a Subtitle C lined Class I landfill, which can be very costly (up to \$1,300 per ton). If the DTSC designates solar panels as Universal Waste, it would provide a simpler, alternative management option and enable them to be managed similar to electronic wastes and in a way that is commensurate to their low risk.

On March 25, 2019, the DTSC held a public informational seminar on California's Universal Waste Program and the proposed regulations to included waste photovoltaic modules (PV modules) on the list of hazardous waste eligible to be managed as universal waste. On September 28, 2020, DTSC received approval from Office of Administrative Law of the rulemaking. These regulations go into effect January 1, 2021.

CalRecycle: Statewide Commission on Recycling Markets and Curbside Recycling

In 2019, Governor Newsom signed into law The California Recycling Market Development Act (AB 1583, Eggman). This act requires CalRecycle to convene a Statewide Commission on Recycling Markets and Curbside Recycling consisting of representatives of public agencies, private solid waste enterprises and environmental organizations that have expertise in recycling. The Commission is tasked with providing policy recommendations for achieving specified market development and waste reduction goals and to provide regular feedback to CalRecycle on public messaging designed to encourage proper recycling and to minimize contamination in curbside recycling programs.

The Commission held their first meeting on June 24, 2020 and have since been holding meetings on the first and third Wednesday every month. They have also developed four committees that cover: market development, organics, recycling, and labeling and media. These committees are currently reviewing policy proposals that have been submitted through the Commission's public portal. The commission was required to submit preliminary policy recommendations to the legislature by January 1, 2021. However, with the governor approving AB 2287 (Eggman, 2020), it has given the Commission an additional six months to development policy recommendations. A preliminary policy report was published on January 1, 2021, proposing 19 different policies. A number of these policies were introduced this legislative session, which SYASL flagged for SWANA. The Commission released their final report on June 25, 2021, which included 30 policy recommendations. Some of these recommendations included producer

responsibility for market development, what is recyclable, renewable technology/organic discards to energy infrastructure and market development, carpet stewardship and others. SYASL anticipates that some of the recommendations will be introduced in 2022, SYASL will continue to monitor for SWANA.

Attachment 1 contains a list and descriptions of bills on which the SWANA LTF took a position or closely monitored during the 2021 legislative session, along with their final status, organized by issue area. Please note that in 2021, the Legislature sent 835 bills to the Governor for his consideration, signing 769 and vetoing 66 bills.

Please do not hesitate to contact us if you have any questions about this material.

ATTACHMENT 1

Key Legislation by Issue Area

Beverage-Container Recycling

AB 478 (Ting) Solid waste: thermoform plastic containers: postconsumer thermoform recycled plastic: commingled rates. - Concerns

This bill would establish minimum recycled content requirements for thermoform plastic containers and redefine "commingled rate" for purposes of California's Bottle Bill program. The measure also requires CalRecycle to exclude thermoform plastic for purposes of calculating the commingled rate for each type of plastic container.

Status: Held in Senate Appropriations Committee.

AB 962 (Kamlager)California Beverage Container Recycling and Litter Reduction Act. - Support

This bill specifies that reusable glass beverage containers can be included in the California Beverage Container Recycling and Litter Reduction Act if the processor either washes the reusable beverage container or transfers the reusable beverage container to a CalRecycle-approved processor for subsequent washing.

Status: Signed Into Law

AB 1454 (Bloom) The California Beverage Container and Litter Reduction Act.- Watch

This bill authorizes CalRecycle to establish regional convenience zones, expands the payment options for the California Redemption Value (CRV) and increases processing payments for certified recycling centers for a specified number of beverage containers.

Status: Two-year bill.

SB 38 (Wieckowski) Beverage Container.- Watch

This bill would require distributors of beverage containers to form a stewardship organization to develop and submit a plan and budget for the recovery and recycling of empty beverage containers and would require a stewardship fee be paid by distributor members of the organization, to assist in covering the costs of implementing

the program, reimburse the department for the department's costs of enforcement, and face administrative civil penalties for a violation. The bill would require the organization to establish no less than 10,000 points of redemption in the state by July 1, 2026.

Status: Two-year bill.

Environmental Quality

AB 652 (Friedman) Product safety: juvenile products: chemicals: perfluoroalkyl and polyfluoroalkyl substances. - Watch

The bill prohibits, on or after July 1, 2023, a person from selling or distributing in commerce any new juvenile products that contain regulated perfluoroalkyl and polyfluoroalkyl substances (PFAS).

Status: Signed Into Law

AB 818 (Bloom) Solid waste: premoistened nonwoven disposable wipes. - Support

The bill would require certain premoistened nonwoven disposable wipes manufactured on or after July 1, 2022, to be labeled clearly and conspicuously with the phrase "Do Not Flush" and a related symbol, as specified. The bill would prohibit a covered entity from making a representation about the flushable attributes, benefits, performance, or efficacy of those premoistened nonwoven disposable wipes, as provided.

Status: Signed Into Law

Hazardous Waste Regulations

AB 1 (C. Garcia) Hazardous Waste. - Monitor

This bill attempts to reform the Department of Toxic Substances Control (DTSC). Specifically, this bill creates the Board of Environmental Safety within the California Environmental Protection Agency (CalEPA) to provide policy direction to and oversight of the DTSC.

Status: Two-year bill.

AB 318 (Levine) Hazardous waste: classification: cannabis waste. - Concerns

This bill would require, on or before January 1, 2023, the Department of Toxic Substances Control, in consultation with the Department of Resources Recycling and Recovery and the Department of Food and Agriculture, to provide guidance to certified unified program agencies on how to characterize cannabis waste, as defined, under the hazardous waste control laws and regulations. The bill would authorize the department to adopt regulations within its jurisdiction establishing management standards for cannabis waste as an alternative to the requirements specified in the hazardous waste control laws and implementing regulations.

Status: Two-year bill.

AB 322 (Salas) Energy: Electric Program Investment Charge program: biomass. - Support

This bill requires the California Energy Commission (CEC) to consider funding for eligible biomass conversion to energy projects in the investment planning process for the electric ratepayer-funded Electric Program Investment Charge (EPIC) program.

Status: Two-year bill.

AB 332 (Committee on Environmental Safety and Toxic Materials) Hazardous waste: treated wood waste: management standards.- Support

This bill would re-establish statutory changes to simplify the process for handling and disposal of treated wood waste. This bill would declare that it is to take effect immediately as an urgency statute.

Status: Signed Into law.

SB 42 (Wieckowski) Department of Toxic Substances Control: Board of Environmental Safety. - Monitor

Establishes the Board of Environmental Safety, consisting of five members appointed by the Governor, within the Department of Toxic Substances Control.

Status: Signed Into law.

SB 244 (Archuleta) Lithium-ion batteries: illegal disposal: fire prevention. - Support

This bill would require the Department of Forestry and Fire Protection (CAL FIRE), in consultation with relevant state agencies like the California Highway Patrol (CHP), the Department of Toxic Substances Control (DTSC), and the waste industry, to develop protocols for the proper management of the disposal of lithium-ion batteries using existing resources, including safe handling, detection, and the suppression of fires originating from discarded lithium-ion batteries.

Status: Vetoed by Governor

SB 289 (Newman) Recycling batteries and battery-embedded products. - Support

This bill would create a statewide, producer-run collection and recycling program for loose and product embedded batteries at retail locations across the state.

Status: Held in Senate Appropriations Committee.

SB 502 (Allen) Hazardous materials: green chemistry: consumer products. - Watch

This bill would make a number of updates to California's Safer Consumer Products program (Green Chemistry program) with the intent of increasing program expediency and improving decision-making.

Status: Two-year bill.

SB 557 (Wieckowski) Hazardous waste: treated wood waste. - Watch

This bill would make a number of updates to California's Safer Consumer Products program (Green Chemistry program) with the intent of increasing program expediency and improving decision-making.

Status: Held in Senate Appropriations Committee.

Miscellaneous

AB 246 (Quirk) Contractors: disciplinary actions. – Support

Existing law provides for the licensure and regulation of contractors by the Contractors State License Board (board). Under existing law, willful or deliberate disregard by a licensed contractor of various state building, labor, and safety laws constitutes a cause for disciplinary action by the board. This bill would reorganize these provisions and would add illegal dumping to the list of violations that constitute a cause for disciplinary action against a contractor by the board.

Status: Signed Into Law

AB 659 (Mathis) Dumping. - Support

This creates a new misdemeanor crime by specifying that the fourth violation of illegal dumping on private property is punishable by up to 30 days in county jail and a fine of not less than \$750 nor more than \$3,000.

Status: Two-year bill.

AB 1001 (C. Garcia) Environment: air pollution and mitigation measures for air and water quality impacts. - Oppose Unless Amended

This bill would require that air districts, in a nonattainment area, review existing emissions sources and mandate that each source is subject to a regulation employing best available retrofit control technology (BARCT).

Status: Two-year bill.

SB 741 (Archuleta) Trash receptacles and storage containers: reflective markings.- Monitor

This bill would require a person who sells or provides for compensation a trash receptacle or storage container that is longer than 3 feet and taller than 4 feet and that is designed to be placed on a roadway or the curb of a roadway in order to be emptied or picked up to mark the receptacle or container with a reflector on each side. The bill would authorize a civil penalty against a person who violates this prohibition pursuant to an action brought by the Attorney General, a district attorney, or a city attorney.

Status: Two-year bill.

Organic Source Reduction

SB 619 (Laird) Organic waste: reduction goals: local jurisdictions. - Support

This bill authorizes a local jurisdiction facing continuing violations of the regulations adopted pursuant to SB 1383 (Lara, 2016), to submit a notice of intent to comply (NOI) to the CalRecycle. If approved by CalRecycle, the jurisdiction is eligible for administrative civil penalty relief for the 2022 calendar year and a corrective action plan. Status: Signed Into law.

Recycling & Packaging Reform

AB 661 (Bennett) Recycling: materials - Support If Amended

This bill amends the State Agency Buy Recycle Campaign (SABRC) to establish new, temporary recycled content standards in statute for materials purchased by the state and expands SABRC to services contracts. This bill authorizes the Department of Resources Recycling and Recovery (CalRecycle) to adjust those standards administratively on a triennial basis.

Status: Two-year bill.

AB 881 (Gonzalez) Recycling: plastic waste export. - Concerns

This bill would prohibit the export of plastic waste from counting as diversion for purposes of AB 939 unless the plastic waste is a mix of polythene, polypropylene, or polyethylene terephthalate, is destined for separate recycling of each material, and complies with the Basel Acord and other agreements. This bill also requires reports on types and quantities of materials from recycling and composting operations and facilities to CalRecycle to include the jurisdiction or region of origin for exported materials that are a mixture of plastic waste and requires CalRecycle to make that information publicly available.

Status: Signed Into Law

AB 1200 (Ting) Plant-based food packaging: cookware: hazardous chemicals.- Support and Seek Amendments

This bill bans the toxic "forever chemicals" known as PFAS from paper, paperboard or plant-based food packaging, utensils and paper straws, effective January 1, 2023. The measure also requires manufacturers to label cookware that contains toxic chemicals on product handles or coatings, starting January 1, 2024.

Status: Signed Into Law

AB 1201 (Ting) Solid waste: products: labeling: compostability and biodegradability. - Oppose

This bill expands content and labeling requirements for compostable products. Specifically, this measure ban products from being labeled "compostable" if they contain PFAS and requires products marked "compostable" to meet established performance standards; meet California Department of Food and Agriculture's organic standards; and be certified by a third-party.

Status: Signed Into Law

AB 1276 (Carrillo) Single-use foodware accessories and standard condiments.- Support

This bill would prohibit a food facility or a third-party food delivery platform from providing single-use food accessories, such as cutlery, straws and condiment packets, to consumers unless requested by the consumer.

Status: Signed Into Law

AB 1371 (Friedman) Recycling: plastic: packaging and carryout bags.- Support and Seek Amendments

This bill prohibits online retailers from using single-use plastic packaging and reinstates the at store recycling program for plastic bags. It would also requires online retailers with at least one physical location in the state with in-person sales to provide a take back container for plastic film and EPS packaging for consumers at each location.

Status: Two-year bills.

SB 343 (Allen) Environmental advertising: recycling symbol: recyclability: products and packaging.- Watch

This bill would prohibit the use of the chasing-arrows symbol or any other suggestion that a material is recyclable, unless the material is actually recyclable in most California communities and is routinely sold to manufacturers to make new products

Status: Signed Into law.

Transportation

AB 96 (O'Donnell) California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.- Support The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. The program provides that projects eligible for funding include, among others, technology development, demonstration, precommercial pilots, and early commercial deployments of zero- and near-zero-emission medium- and heavy-duty truck technology, and requires, until December 31, 2021, no less than 20% of funding made available for that purpose to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology. The program defines "zero- and near-zero-emission" for its purposes. This bill would extend the requirement that 20% of funding be made available to support early commercial deployment of existing zero- and near-zero-emission heavy-duty truck technology until December 31, 2026.

Status: Two-year bill.