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**Date:** May 27, 2020

**TO:** Waste Management Authority Board

**FROM:** Jeff Becerra, Communications Manager

**SUBJECT:** Legislative Update

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**SUMMARY:**

At the March WMA meeting, staff provided a legislative update and the Board endorsed our slate of bills, although much was up in the air because of the onset of COVID-19 and shelter in place requirements. At the May 27 meeting, staff will update the Board on the current state of the legislature and bills of interest to StopWaste.

**DISCUSSION:**

On March 16, the Legislature went in to temporary recess due to COVID-19. The Assembly returned to work on May 4 and the Senate returned on May 11. The legislative calendar for both houses have been revised to accommodate policy committee hearings to hear priority bills. Since the Legislature has reconvened, both houses have issued guidance on physical distancing, limiting the number of people in committee hearings, and strongly encouraging the public and advocates to participate via the web portal or telephonically.

State legislators and the Newsom Administration have focused their attention on meeting the immediate needs of Californians as the COVID-19 pandemic continues to unfold. There seems to be general agreement that three ongoing state emergencies – COVID-19 response, homelessness, and wildfires – continue to deserve legislative attention, but most other legislative business might have to wait. In light of the compressed legislative schedule and scope of business, leadership in both the Assembly and Senate have signaled to their colleagues a need to scale back their legislative portfolio for this year. Below is a list of bills still in play for now.

**Plastic Pollution Prevention**

[AB 1080 \(Gonzalez /SB 54 \(Allen, Skinner\): Solid waste: packaging and products](#)

Link: [SB 54](#)

Would develop a comprehensive framework for reducing plastic pollution and reforming wasteful product packaging. These bills would require that all single-use packaging and certain food (plates, bowls, cups,

stirs, and straws) be recyclable or compostable by 2030. It would also require a 75% reduction statewide by producers of waste generated from single-use packaging and certain food ware through source reduction, recycling, or composting by 2030.

Agency Position: Support

Support: More than 60 organization that include Californians Against Waste, CPSC, ReThink Waste, Story of Stuff Project, Sierra Club.

AB 2287 (Eggman): Solid waste: plastic products: certification.

Link: [AB 2287](#)

Authorizes the use of agricultural mulch film plastic labeled “soil degradable” if it meets specified standards. Makes related clarifying and technical changes to the law relating to biodegradable and compostable labeling.

Agency Position: Support

Sponsor/Support: Californians Against Waste, Biodegradable Products Institute

## **Recycling**

SB 667 (Hueso): Recycling Infrastructure and Facilities

Link: [SB 667](#)

This bill will require CalRecycle, in coordination with the Treasurer and the California Pollution Control Financing Authority (CPCFA) to develop financial incentive mechanisms to fund organic waste diversion and recycling infrastructure. It will also require the Treasurer to coordinate with the states of Nevada, Oregon, and Washington on infrastructure financing to support the recycling needs of the region.

Agency Position: Support

Support: League of California Cities, Recology, Republic Services.

## **Climate**

AB 3256 (E. Garcia): Economic Recovery, Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2020

Link: [AB 3256](#)

This bill proposes the Economic Recovery, Wildfire Prevention, Safe Drinking Water, Climate Resilience, Drought Preparation and Flood Protection Bond Act of 2020 (Bond), subject to voter approval in the November 3, 2020, statewide general election. This bill proposes the issuance of \$6.98 billion in general obligation bonds to implement its provisions.

Agency Position: Support If Amended (to include funds for organics infrastructure)

Support: East Bay Regional Park District, Together Bay Area

SB 1258 (Stern) California Climate Technology and Infrastructure Financing Act

Link: [SB 1258](#)

This bill enact the California Climate Technology and Infrastructure Financing Act to require the California Infrastructure and Economic Development Bank, in consultation with specified agencies to administer the Climate Catalyst Revolving Fund, which would establish to provide financial assistance to eligible climate catalyst projects.

Agency Position: Support If Amended (to make sure organics infrastructure is explicitly eligible for funds)  
Support: Natural Resource Defense Council, Rethink Waste

### **Extended Producer Responsibility (EPR)/Circular Economy**

AB 1672 (Bloom) Solid waste: nonwoven disposable products

Link: [AB 1672](#)

This bill will help reduce expensive repairs and maintenance to sewers and water treatment equipment that caused by misled consumers flushing mislabeled wipes that do not degrade. The bill requires clear, accurate labeling of “flushable” and “non-flushable” wipes.

Agency Position: Support

Sponsor/Support: California Association of Sanitation Agencies, National Stewardship Action Council

### **Other**

SB 1156 (Archuleta): Lithium-ion batteries: illegal disposal: penalties

Link: [SB 1156](#)

This bill would require CalRecycle to create an education campaign promoting the proper disposal of lithium-ion batteries, as well as require the Department of Forestry and Fire Protection to develop a model protocol for lithium-ion battery fire detection, handling, and suppression for the solid waste industry.

Agency Position: Watch

Support: California Product Stewardship Council, Californians Against Waste

### **Budget Update**

At the beginning of 2020, California had a strong economy, historic reserves, and a structurally balanced budget. Governor Gavin Newsom's January budget reflected a \$5.6 billion surplus and record level of reserves of \$21 billion in FY 2020-21, including \$18 billion projected in the state's Rainy Day Fund. However, the COVID-19 pandemic has caused a national recession.

On May 14, Governor Newsom released his [Administration's revenue and expenditure revisions to the FY 2020-21 Proposed State Budget](#). This annually-required “May Revision” update is always based on the latest economic forecasts available to the governor and his Department of Finance; the update of course focused squarely on the massive adverse economic impacts of the worldwide COVID-19 pandemic to California's revenues.

The California Constitution requires the Legislature to pass a balanced State Budget by June 15; and, the governor must sign the State Budget (and make any concurrent line-item vetoes of new legislative spending proposals in the budget bill that he deems necessary) by July 1. However, while a governor's May Revision usually contemplates the tax revenues from the April 15 filing deadline, this year, because Governor

Newsom used his emergency authority under the health crisis to push back payment deadlines for some taxpayers to July 15, we believe the Administration may release another update to the state revenue picture later this summer, after those new tax receipts come in. That also gives the Administration time to further scope pandemic relief spending needs. We believe this will likely trigger another round of actions by the Governor and legislature, perhaps in August, to further shore up the State Budget, in terms of either available new spending and/or a new round of expenditure cuts.

### **Greenhouse Gas Reduction Fund**

In January, the Governor originally proposed an allocation of \$15 million from the Greenhouse Gas Reduction Fund (GGRF) for CalRecycle to support waste diversion and recycling infrastructure, and \$18 million to the Department of Food and Agriculture for Healthy Soils.

The May Revision maintains the Governor's January proposal but establishes a “pay-as-you-go” budget mechanism to authorize budget act expenditures based on actual proceeds received at each quarterly auction.

### **CalRecycle and SB 1383**

The final comment period for the SB 1383 rulemaking process ended on May 20. On behalf of its member agencies, both via the formal 1383 input process and an additional meeting with CalRecycle leadership, StopWaste has urged CalRecycle to reconsider or provide relief of implementation dates as a result of the hardships cities and public agencies are facing from COVID-19. CalRecycle has not indicated support for changing any implementation dates, believing that jurisdictions will have ample time to meet the law's requirements. Staff will pursue additional follow up with the Governor's office in conjunction with the League of Cities.

### **Statewide Commission on Recycling Markets and Curbside Recycling**

This new group formed as a result of AB 1583, and is designed to provide policy and messaging recommendations to CalRecycle, along with identifying which items are truly recyclable or compostable. Appointments to the committee were recently announced by CalRecycle, and include a number of close connections to StopWaste, such as Jeff Donleavy, Ming's Recycling; Nick Lapis, Californians Against Waste; Heidi Sanborn, National Stewardship Action Council; Richard Valle, Tri-CED. Recommendations from the commission are due to CalRecycle by January 1, 2021.

### **California Recycling and Plastic Pollution Reduction Act**

Led by Recology, this voter initiative closely matches the provisions of SB 54/AB 1080, and was designed to be a fallback should that legislation not pass. Due to the COVID-19 pandemic, signature gathering has mostly ceased at a critical time for the initiative. Recology and other supporters are still attempting to gather the necessary signatures by the June 30 deadline. At this point the initiative is likely headed for the 2022 ballot rather than 2020.

## **RECOMMENDATION**

This item is for information only.