



DATE: January 24, 2018

TO: Waste Management Authority Board

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SUBJECT: 2018 Legislative Priorities

SUMMARY

Each year, the Board adopts its legislative priority areas to focus the Agency’s involvement in legislative work. This report outlines the legislative priorities for Board approval. It also includes an overview of the Agency’s legislative and regulatory work.

BACKGROUND

Through its input on legislation and regulation, StopWaste has been an effective voice in Sacramento on issues important to the Agency and to its member agencies. In order to be nimble in responding to changes that occur during the legislative session, the Board approves the legislative protocols, including priority areas for focus. These are topic areas that the Agency Staff and lobbyist devote more time to— providing additional letters of support to committee members, testifying at hearings and working closely with the bill’s sponsors.

In 2017, the Board adopted two areas as legislative priorities that support the Agency’s work on shifting toward waste prevention:

- Extended Producer Responsibility (EPR)
- Organics legislation and regulation

The timeline for legislative activity is typically as follows:

December-January: WMA Board adopts legislative priorities for the year

February: Deadline for introduction of bills and committee meetings for bills moving ahead from previous year

March: Bill authors and organizational sponsors seek letters of support, committee meetings begin

April: Staff reviews bills and recommends positions on bills for Board adoption

June: Board receives status update on bills and provides direction as appropriate

October: Status update provided to Board after Governor takes action

In June 2016, the Board adopted a motion to authorize the Executive Director to take positions on bills in accordance with Agency’s adopted priority areas, with a notice to the Board within three business days of a letter taking a position.

DISCUSSION

Guidelines/Principles for Agency Support of Legislative Bills

In November 2016, the Board adopted a set of guiding principles to guide the Agency's work through 2018. Some of those principles are outlined below and will be used to evaluate bills for the Agency to focus.

- Organics, as the largest remaining portion of the waste stream going to landfill, will continue to be an emphasis.
- Emphasize waste prevention over management of discards for the Agency's non-mandatory projects.
- Pursue bills with multiple sustainability benefits (greenhouse gas reduction, water conservation), only when linked with materials and waste management.
- Coordinate and collaborate with partner organizations and cities to avoid duplication of effort.
- Ensure that implementation of new regulations minimizes adverse impact to member organizations.

2018 Priority Areas

Staff believes that **Extended Producer Responsibility** and **Organics legislation and regulation** should continue to be priority areas.

In addition, the Agency should focus on the area of **Circular Economy** - material re-purposing and rethinking of how product materials and packaging can be cycled back into supply chains, and preventing would-be waste from reaching landfills.

In a circular economy, products and systems are redesigned to reevaluate the very concept of waste. The concept aligns with long-standing principles such as waste hierarchies (reduce, reuse, recycle) and aims to keep products, components and materials at their highest utility and value at all times. The emphasis is placed on designing solutions from the beginning of a product's life to eliminate waste at its end. The concept is gaining momentum among businesses and industries. A fully circular economy not only reduces landfilled waste but also natural resource depletion, carbon emissions and pollution, and economic waste.

Areas to watch

The following are additional areas that conform to the goals of the Agency that staff will continue to monitor:

Right to Repair

Sixteen states have approved "Right to Repair" or "Fair Repair" legislation, which is designed to make it easier for people to repair their broken electronic equipment like cell phones, computers, appliances, and cameras. Any legislation would require manufacturers to release repair information to the public and sell spare parts to owners and independent repair shops. If passed, the laws would give consumers more options than just the manufacturer for repair.

Food Related Packaging

Food related packaging includes disposable food ware such as to-go containers, cups, cutlery, and straws, as well as packaging for grocery items, prepared foods, meal-kits, and increasingly produce. Depending on the type of packaging, it may impact the environment as litter, or present challenges to recycling and compost processes.

Mattress Recycling

As a follow up to the Mattress Bill SB 254 in 2013, there is an apparent need to work on providing “fixes” to the bill in order to include measurable goals for consumer convenience to dispose of used mattresses at no charge, to increase incentives to be meaningful in clean-up of illegal dumping of mattresses, and providing CalRecycle the tools necessary for monitoring and enforcement.

Deconstruction and Design for Disassembly

The ultimate goal of deconstruction is to capture materials removed at a building’s end-of-life at their highest value and reuse them in another construction project. Compared to demolition, it reduces waste generation and consumption of raw materials, along with associated environmental impacts. Programs, policies, and building codes can encourage or require deconstruction of existing buildings and build infrastructure to support material reuse, or cause new buildings to be designed for optimal disassembly and material reuse in the future.

Regulatory Work

The passage of several organics bills over the last few years, as well as the increased statewide focus on organics processing capacity and getting organics out of the landfill as a climate change strategy to reduce methane emissions, has raised the importance of prioritizing the development of new organics laws and regulations.

In September 2016, Governor Brown signed SB 1383 into law, which established targets to achieve a 50% statewide reduction in disposed organic waste by 2020, and a 75% reduction by 2025. In order to achieve those targets, CalRecycle is now conducting informal workshops in advance of the formal rulemaking process that is expected to begin next year. Although the regulations will not take effect until 2022, adopting rules in 2019 is intended to allow regulated entities approximately three years to plan and implement necessary budgetary, contractual, and other programmatic changes. StopWaste staff has been working with member agencies and has been actively participating and submitting comments as part of these workshops, and expects to continue such efforts as the formal rulemaking process commences next year.

CalRecycle is in the process of developing a set of guidelines and framework for mandatory packaging policy. Staff has been attending the workshops and will work closely with CalRecycle staff to provide input and mitigate local requirements and mandates.

Staff is also monitoring implementation of current regulations to provide input on existing EPR mechanisms that could be modified to work better, including mattress and carpet EPR, especially through our partnership with the California Product Stewardship Council.

Funding

This past July, state lawmakers approved a 10-year extension for California's landmark cap-and-trade program. The Budget Act of 2017 and AB 109 authorized an additional \$40 million appropriation from the Greenhouse Gas Reduction Fund for the California Department of Resources Recycling and Recovery (CalRecycle).

Staff will continue to monitor funding opportunities and advocate for cap and trade funds to be allocated to projects that reduce greenhouse gas emissions through waste reduction, recycled content manufacturing, composting, edible food recovery and increased organics processing capacity.

Partnerships

As always, we will collaborate with multiple partners, with our main legislative partners being Californians Against Waste and the California Product Stewardship Council. In addition, we are exploring new partnerships as we embark on work with food recovery infrastructure and packaging.

RECOMMENDATION

Confirm the legislative priority areas to include Extended Producer Responsibility (EPR), Organics Legislation and Regulation, and the Circular Economy.