

DATE: March 27, 2024

TO: Waste Management Authority and Energy Council

FROM: Jennifer West, Program Manager

SUBJECT: Legislative Positions for 2024

SUMMARY:

The legislature returned in January to convene the second year of the two-year 2023-24 Legislative Session. Immediately upon their return, the legislature acted on bills introduced in the first year of the two-year session that did not move out of their first house (these bills are commonly referred to as "two-year bills"). Per the 2024 Legislative Calendar, two-year bills still in their first policy committee were required to be acted on by January 22 to remain active, and all two-year bills had to pass their first house by January 31. A few of our supported bills from last session did not make it over that hurdle.

The legislature introduced 2,124 new bills by the February 16 deadline. Legislative policy committees will begin to hear these new bills in late March and April.

DISCUSSION:

At its January 24 meeting, the Waste Management Authority adopted five legislative priorities for 2024:

- 1. Common sense adjustments to SB 1383 requirements
- 2. Decarbonization/electrification in the built environment to reduce reliance on carbon-intensive energy and materials in our communities, including pursuing supply-side policies that would support electrification
- 3. Circular economy solutions and plastic pollution prevention
- 4. Clear product information for consumers
- 5. Building healthy food systems

Working with Jason Schmelzer and Priscilla Quiroz of Shaw Yoder Antwih Schmelzer and Lange (our contract lobbyist in Sacramento), we are tracking and contributing input on priority bills throughout the legislative process.

Of the total 2,124 new bills introduced, hundreds are considered "spot bills," containing no substantive change to an existing law or only expressing the "intent of the legislature" to enact legislation later. Spot bills must have amendments this month, or they will not move through the legislative process.

Substantive bills will be referred to a policy committee(s) based on their subject matter. Policy committees will hear bills until May 3, 2024. The bills with costs to the state must be heard by the Appropriations Committee, which could hold the bill if the state cost is deemed too significant, before heading to the floor for consideration by the full body. Bills must move out of their house of origin by

May 24, and the bills that do succeed in moving out of their house of origin then repeat the same process in the other house and must be passed to the Governor by August 31.

With a challenging budget year, bills with costs to the state are less likely to be passed. We also expect to see bills proposing one or more bonds to be placed on the ballot this fall. A May revised budget from the Governor will give more insight into the budget this year.

Costs to local governments are generally not known at this point in the session, as it is still early and financial analyses are completed later. Staff will address cost implications to local governments with more detail when we come back to the Board in May.

StopWaste Bill Positions:

Sponsor	Actively working on a bill with an Author
Support	Support positions can range from signing joint support letters, submitting our own support letters, testifying in committees, and/or providing input on bill language
Watch, Support if Amended	Letters of support with recommended amendments; indicates that bill language and details are still evolving, and we will continue to watch and provide input and take a support/oppose position when appropriate
Oppose Unless Amended	Letters of opposition unless the measure includes recommended amendments to address concerns
Oppose	Opposition to bill

Organics/Composting and SB 1383 Requirement Adjustments

*NEW AB 2346 (Lee) Organic waste reduction regulations: procurement of recovered organic waste products.

StopWaste is sponsoring this bill. It provides additional pathways for local governments to meet SB 1383 (Lara, 2016) procurement requirements by allowing material from community composting and onsite composting to be included in a jurisdiction's compost procurement target. Additionally, the measure grants credits to investments made by a jurisdiction within its boundaries to expand organics processing capacity, which can also count toward meeting the target.

Agency position: Sponsor Support: None listed Opposition: None listed

Cost to local government: Unknown at this time, but an objective of the bill is to reduce local

government costs

*NEW SB 1135 (Limón) Greenhouse Gas Reduction Fund: income taxes: credit

This bill, in the 2025–26 fiscal year through the 2035–36 fiscal year, would transfer 1% of the annual proceeds of the Greenhouse Gas Reduction Fund, not to exceed \$120,000,000 per fiscal year, to the California Compost Tax Credit Fund, which the bill would establish. The bill would allow a tax credit for the application of compost on agricultural lands, ranchlands, or rangelands to improve soils, sequester carbon, and reduce greenhouse gas emissions. The bill would require the Department of Conservation to allocate the credits to qualified taxpayers through an application process, as specified. This bill would also appropriate up to 20% of moneys in the California Compost Tax Credit Fund, not to exceed \$24,000,000 per fiscal year, for composting infrastructure and existing healthy soils programs.

Agency position: Support Support: None listed Opposition: None listed Cost to local governments: None

*NEW AB 2902 (Wood) Organic waste: reduction regulations: exemptions

This measure intends to provide flexibility for smaller counties to comply with SB 1383 (Lara, 2016). Specifically, the bill (1) extends the existing rural exemptions for counties with fewer than 70,000 residents of the SB 1383 procurements requirements indefinitely, but they will still have to implement the edible food recovery, recycled paper procurement and model water efficient landscaping requirements; (2) It also allows nonexempt counties generating less than 200,000 tons of solid waste annually to request approval for alternative organic waste diversion and recycling programs; (3) seeks to provide more flexibility for CalRecycle to consider granting additional "elevation waivers" for areas below 4,500 in elevation and where nearby bear populations pose a public safety and animal welfare risk.

Agency position: Support

Support: Rural County Representative of California (Sponsor)

Opposition: None listed

Cost to local government: Unknown at this time

*NEW AB 2313 (Bennett) Farmer Equity Act of 2017: Regional Farmer Equipment and Cooperative Resources Assistance Pilot Program

This bill establishes the Regional Farmer Equipment and Cooperative Resources Assistance Pilot Program. This bill requires the California Department of Food and Agriculture under the Farmer Equity Act of 2017, to provide financial and technical assistance to support regional farm equipment sharing and enhance cooperative benefits for socially disadvantaged farmers and ranchers and, if funding is still available, for limited resource farmers and ranchers.

Agency position: Support
Support: None listed
Opposition: None listed

Cost to local government: Unknown at this time

*NEW SB 972 (Min) Methane Emissions: organic waste: landfills

The bill would require CalRecycle, CARB, and the California Environmental Protection Agency to hold at least 2 joint meetings per calendar year to coordinate their implementation efforts to accomplish the goals within SB 1383 (Lara, 2016) and other climate goals, including zero-emission vehicles and water conservation goals, where organic waste could be re-used.

Agency position: Support

Support: League of California Cities (Sponsor)

Opposition: None listed

Cost to local governments: Unknown at this time

*NEW SB 1045 (Blakespear) Composting facilities: zoning: air and water permits

This bill would require the Office of Planning and Research, in consultation with CalRecycle to develop a model zoning ordinance that facilitates the siting of composting facilities by cities or counties to meet the organic waste reduction goals by June 1, 2026. This bill, beginning on the date of completion of the model zoning ordinance, and before January 1, 2027, would require a city or county, upon amending any zoning ordinance, to additionally amend an appropriate zoning ordinance to allow composting facilities based on the model ordinance developed by the Office of Planning and Research.

Agency position: Support
Support: None listed
Opposition: None listed

Cost to local governments: Unknown at this time

*NEW SB 1046 (Laird) Organic waste reduction: program environmental impact report: composting facilities

This bill would require CalRecycle to prepare a programmatic environmental impact report (EIR) that streamlines the process with which jurisdictions can develop and site small and medium compost facilities for processing organic waste.

Agency position: Support

Support: Rural County Representative of California

Opposition: None listed

Cost to local governments: Unknown at this time

Decarbonization and Electrification, Low-Carbon Buildings

AB 593 (Haney) Carbon emission reduction strategy: building sector

This bill requires the California Energy Commission to identify an emission reduction strategy for the building sector to support the achievement of the state's 2045 greenhouse gas (GHG) emission reduction goals.

The Department of Finance tagged this bill with a \$5.8 million one-time cost in 2023-2024, but also noted ongoing costs to the PUC of approximately \$800,000. The bill was held in the Senate Appropriations Committee as a two-year bill, likely because of the cost.

Agency position: Support

Support: Building Decarbonization Coalition, Climate Action California, SPUR

Opposition: California Association of Realtors

Cost to local governments: None

*NEW AB 2513 (Pellerin) Gas stoves and ranges: warning label

This bill, starting January 1, 2025, prohibits the sale, attempted sale, or offering for sale of gas stoves in California unless they bear a specific warning label. This label must be attached to the gas stove in a conspicuous location.

Agency position: Support Support: None listed Opposition: None listed

Cost to local governments: None

*NEW SB 938 (Min) Electrical and gas corporations: rate recovery: political activities and advertising

Prohibits political lobbying by investor-owned utilities (IOU) that can be charged to ratepayers. The bill also would require public reporting on the financing of a utility's political speech and establishes a penalty system for any violations.

Agency position: Support

Support: The Utility Reform Network, Earthjustice

Opposition: None listed

Cost to local governments: None

Plastic Pollution Prevention, Circular Economy Solutions and Upstream Waste Prevention, including Extended Producer Responsibility

AB 2 (Ward) Solar Photovoltaic Module Recycling

This bill implements a multi-pronged strategy for establishing a solar panel collection and recycling program. As drafted, the bill would create separate programs for panels that are consumer-owned and

not consumer-owned. Panels owned by consumers of all varieties would be managed by California's Covered Electronic Waste Recycling Program. Panels that are not consumer-owned would be managed by their owners. These panels typically fall into two categories: 1) panels owned by manufacturers and leased to a consumer, business, public agency, or utility, and 2) panels owned by a utility or related entity. Owners of these panels would be required to develop a plan, somewhat like that typical of an extended producer responsibility (EPR) program, that would outline how they would meet their obligation to properly manage and recycle their panels. The bill is still in development and the panel manufacturers and owners have substantial political leverage over the direction of the bill.

The bill is in the Senate Appropriations Committee where it was made a two-year bill. It will be eligible for consideration in 2024.

Agency Position: Watch

Support: California Product Stewardship Council (sponsor), Californians Against Waste

Opposition: None listed

Cost to local governments: None

AB 1238 (Ward) Hazardous waste: solar panels

This bill requires the Department of Toxic Substances Control (DTSC) to develop alternative management standards (AMS) for the management of photovoltaic (PV) modules. The bill specifies that the AMS should (1) Promote the safe collection, reuse, and recycling of PV modules; (2) Ensure that the AMS do not pose a significant potential hazard to human health and safety or the environment; (3) Provide flexibility and administrative convenience for persons collecting and recycling PV modules; (4) Seek to streamline the process for persons collecting and recycling PV modules; (5) Allow for the safe landfilling of PV modules, if there are no recycling or reuse option; (6) Allow a person, when following the AMS, to collect, reuse, or recycle PV modules without a hazardous waste permit. This bill is connected to the effort to establish an EPR program for PV panels in AB 2 by the same bill author.

AB 1238 is currently in the Senate Environmental Quality Committee and is a two-year bill. It is eligible for consideration again in the summer of 2024.

Agency position: Support

Support: California Product Stewardship Council, Californians Against Waste, RethinkWaste

Opposition: None listed

Cost to local governments: None

AB 863 (Aguilar-Curry) Carpet Extended Producer Responsibility

This bill would increase accountability in California's existing carpet EPR program. Specifically, it would increase penalties for non-compliance on the low end from \$5,000 to \$10,000, and on the high end from \$10,000 to \$50,000. The bill will also make a stewardship organization ineligible to serve as an agent on behalf of manufacturers if they violate California's carpet stewardship law three times. The sponsor of this bill is working with the author and stakeholders on a proposal that would expand the scope of this bill to include a more substantial restructuring of the existing law governing California's carpet EPR program.

The bill is currently in the Senate Appropriations Committee where it was voluntarily made a two-year bill by the author. The bill is being negotiated by stakeholders at this time and will be eligible for consideration again in the summer of 2024.

Agency position: Support

Support: National Stewardship Action Council (sponsor), California Product Stewardship Council,

RethinkWaste, Californians Against Waste Opposition: The Carpet and Rug Institute

Cost to local governments: None

AB 1659 (Gabriel) Sale of small electronic devices: charging devices

This bill creates a single charging hardware standard for small electronic devices, such as cell phones. The bill requires small electronic devices, such as smartphones, tablets, and laptops, manufactured after 2025 to be universally chargeable with a USB Type-C cable.

AB 1659 is currently in the Senate Appropriations Committee where it was held as a two-year bill and will be eligible for consideration again in the summer of 2024.

Agency position: Support

Support: California Product Stewardship Council, Californians Against Waste, Climate Equity Policy

Center, Natural Resources Defense Council Opposition: Consumer Technology Association

Cost to local governments: None

*NEW <u>AB 2236/SB 1053 (Bauer-Kahan & Blakespear) Solid waste: reusable grocery bags: standards:</u> plastic film prohibition

This bill would prohibit all plastic shopping bags in California grocery stores and require recycled paper bags to be made from 100 percent postconsumer recycled materials, without exception.

Agency position: Support if Amended

Support: California Grocers Association, Californians Against Waste

Opposition: None listed

Cost to local governments: Unknown at this time

SB 615 (Allen) Vehicle traction batteries

This bill would require vehicle traction batteries (for EVs) to be recovered and reused, repurposed, or remanufactured and recycled at the end of their useful life. This bill would also require vehicle manufacturers, dealers, dismantlers, repair dealers, or other secondary users to be responsible for ensuring responsible end-of-life management of vehicle traction batteries. This bill continues to be negotiated by stakeholders that include recyclers, manufacturers, local governments, and environmental organizations. Discussions are being guided by a report that was issued on the subject by a legislatively mandated working group at CalEPA.

SB 615 is a two-year bill and is currently in the Assembly Environmental Safety and Toxic Materials Committee. This bill will be eligible for consideration again in the summer of 2024.

Agency position: Support if Amended

Support: California Product Stewardship Council, Union of Concerned Scientists, Californians Against Waste, National Stewardship Action Council

Opposition: None at this time but some manufacturers may oppose as details get finalized Cost to local governments: None

*NEW SB 1280 (Laird) Waste management: propane cylinders: reusable or refillable

This measure would require 1 pound propane cylinders sold in the state to be refillable or reusable by January 1, 2028.

Agency position: Support

Support: California Product Stewardship Council, Californians Against Waste

Opposition: Worthington Industries

Cost to local governments: Unknown at this time

SB 707 (Newman) Textile Recovery Act of 2023

This bill establishes an EPR program for apparel and a limited scope of household textile articles such as bedding, curtains, and towels. Under the bill producers will be required to design, fund, and implement a takeback and recycling program that also contains strong repair and reuse elements. The bill also requires internalized funding that includes modulation of fees based on recyclability of products. Stakeholders are working to achieve consensus to the maximum extent possible, and there are likely to be significant amendments in 2024.

SB 707 is currently a two-year bill because the author and sponsor held the bill to allow for additional collaboration. The bill is currently in the Assembly Natural Resources Committee and will be eligible for consideration again in the summer of 2024.

Agency position: Support

Support: California Produce Stewardship Council (sponsor), Rethink Waste, Rural County Representatives of California, National Stewardship Action Council, Zero Waste Sonoma

Opposition: California Chamber of Commerce, California Retailers Association, American Apparel and

Footwear Association, California Manufacturers & Technology Association

Cost to local governments: None

*NEW SB 1066 (Blakespear) Hazardous waste: marine flares: producer responsibility

Requires manufacturers to create, fund, and implement a extended producer responsibility (EPR) program for the end-of-life management of expired flares.

Agency position: Support

Support: National Stewardship Action Council (Sponsor), Zero Waste Sonoma (Sponsor), Rural County

Representatives of California Opposition: None listed

Cost to local government: Unknown at this time

*NEW SB 1143 (Allen) Household hazardous waste: producer responsibility

Establishes Extended Producer Responsibility (EPR) for products containing household hazardous waste.

Agency position: Support

Support: National Stewardship Action Council

Opposition: None listed

Cost to local government: Unknown at this time

*NEW SB 1167 (Blakespear) Solid waste: single-use drinking vessels

This bill would require chain restaurants in California to provide dine-in customers with non-toxic reusable cups, instead of single-use plastic or paper cups.

Agency position: Support if Amended

Support: The 5 Gyres Institute, Californians Against Waste, Heal the Bay, Surfrider Foundation

Opposition: None listed

Cost to local government: Unknown at this time

*NEW SB 1231 (Allen) Plastic Pollution Prevention and Packaging Producer Responsibility Act: environmental advertising

Existing law considers a product or packaging displaying a chasing arrows symbol (among other symbols) deceptive unless it meets statewide recyclability criteria. The product or packaging must be of a material type and form that routinely becomes feedstock for new products or packaging. This bill expands the exemption period to up to 24 months after the department publishes or updates a specified material characterization study.

Agency position: Support

Support: None listed Opposition: None listed

Cost to local government: Unknown at this time

*NEW SB 1384 (Dodd) Powered wheelchairs: repair

This bill requires an original manufacturer of a powered wheelchair to provide a wheelchair owner or independent repair provider the necessary parts and equipment used to inspect, diagnose, maintain, and repair the wheelchair.

Agency position: Support Support: None listed Opposition: None listed

Cost to local governments: Unknown at this time

Clear Product Information for Consumers

AB 660 (Irwin) Food and beverage products: labeling and sell by dates

This bill would require on and after January 1, 2025 a food manufacturer, processor, or retailer responsible for the labeling of food items for human consumption to use "BEST if Used by" to indicate quality, and "Use by" to indicate safety of a product, and prohibits the use of "Sell by."

AB 660 is currently a two-year bill and is in the Senate Agriculture Committee. The bill will be eligible for consideration again in the summer of 2024.

Agency position: Support

Support: Californians Against Waste (Co-sponsor), California Product Stewardship Council, National Stewardship Action Council, RethinkWaste, NRDC (Co-sponsor)

Opposition: California Farm Bureau Federation, Association of California Egg Farmers, California Grocers

Association, Pacific Egg and Poultry Association

Cost to local governments: None

*NEW AB 2577 (Irwin)Organic waste: reduction regulations

The bill requires CalRecycle to promulgate regulations requiring food labels to reduce food waste.

Agency position: Support

Support: Californians Against Waste Opposition: None listed at this time Costs to local government: None

Building a Healthy Food System

AB 408 (Wilson) Climate-resilient Farms, Sustainable Healthy Food Access, and Farmworker Protection Bond Act of 2024

This bill enacts the \$3.65 billion Climate-Resilient Farms, Sustainable Healthy Food Access, and Farmworker Protection Bond Act of 2024. Specifically, this bill, upon approval by the voters in the November 5, 2024 statewide general election, enacts the bond to authorize the issuance of \$3.65 billion in general obligation (GO) bonds to finance projects in the following categories: (1) \$1.25 billion for improving agricultural resilience and advancing sustainable agriculture; (2) \$750 million for protecting the health and well-being of California's farmworkers; (3) \$750 million for sustainable healthy food access and nutrition security; (4) \$915 million for strengthening regional food economies.

AB 408 is a two-year bill and is currently in the Senate Appropriations Committee. It will be eligible for consideration again in the summer of 2024.

Agency position: Support

Support: California Compost Coalition, Californians Against Waste, Ecology Center

Opposition: None

Cost to local governments: None

*NEW AB 2311 (Bennett) Greenhouse Gas Reduction Fund: Edible Food

The bill builds on an existing grant program administered by CalRecycle to reduce greenhouse gas emissions in the State by expanding or creating new projects to reduce, recycle, or reuse recyclable materials, including organic material. Specifically, it will make the transportation of recovered edible food and the purchase or subscription to technology or software that improves the efficiency and tracking of edible food recovery, eligible for grant funding.

Agency position: Support

Support: California Food Recovery Coalition

Opposition: None listed at this time Costs to local government: None

AB 1567 (Garcia) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024

This bill enacts the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2024. Specifically, this bill, upon approval by the voters in the March 5, 2024, statewide primary election, enacts the bond to authorize the issuance of \$15 billion in general obligation (GO) bonds to finance projects including: (1) \$1.6 billion for the protection of California's wildlife, biodiversity, and fisheries from climate risks. (2) \$820 million for protecting farms, ranches, and working lands from the impacts of climate change. (3) \$1.8 billion for regional climate resilience projects that address multiple risks.

This bond measure did not pass in 2023 and will be eligible for consideration again in 2024. The bill is currently in the Senate Natural Resources Committee as a two-year bill.

Agency position: Support if amended to include \$200 million towards organic waste infrastructure

Support: The Nature Conservancy, California Urban Forests Council, Placer Land Trust

Opposition: None

Cost to local governments: None

Next Steps/Key Dates

- April: Committee hearings
- May: Board receives status update on bills and provides direction as appropriate. Governor's May revision of the budget is released
- June: The state budget for 2024-25 must be passed
- August: Deadline for bills to pass the Legislature
- September: Deadline for Governor to sign or veto bills

RECOMMENDATION:

Staff recommend that the Boards adopt the stated positions on the bills listed above.