

DATE:	May 22, 2024
то:	Waste Management Authority and Energy Council
FROM:	Jennifer West, Program Manager
SUBJECT:	Legislative Update and New Legislative Positions for 2024

SUMMARY

This memo, accompanied by a staff presentation at the May meeting, provides an update on the status of bills WMA has taken positions on in 2023-2024 and includes several new bills with recommended positions for the Board's consideration.

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. This memo represents the status of bills and positions as of May 13, 2024. Changes to the bills could happen before the board meeting on May 22, and staff will update any status changes at that time.

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	Letters of support with recommended amendments; indicates that bill language
if Amended	and details are still evolving, and we will continue to watch and provide input and
	take a support/oppose position when appropriate
Oppose Unless	Letters of opposition unless the measure includes recommended amendments to
Amended	address concerns
Oppose	Opposition to bill

StopWaste Bill Positions:

Organics/Composting and SB 1383 Requirement Adjustments

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 through other methods, such as allowing material from community composting and on-site 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.

<u>Agency position: Sponsor</u> Support: League of California Cities, City and County of San Francisco Opposition: None listed Cost to local government: None

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 million 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, and 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 million per fiscal year, for composting infrastructure and existing healthy soils programs.

Agency position: Support

Support: California Compost Coalition, Californians Against Waste, Resource Recovery Coalition Opposition: None listed

Cost to local governments: None

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 procurement requirements until January 1, 2037, and requires CalRecycle to adopt regulations to establish a process to renew the exemption after that date for a period of up to 10 years; (2) 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), Republic Services, California Compost Coalition

Opposition: None listed

Cost to local government: Unknown at this time

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: California Certified Organic Farmers, NextGen California, Californians Against Waste

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

The bill would require CalRecycle, CARB, and the California Environmental Protection Agency to hold at least two joint meetings per calendar year to coordinate their implementation efforts to accomplish the goals within SB 1383 (Lara, 2016) policies. The bill also directs CalRecycle, by January 1, 2028, to submit a report on the status implementation efforts to meet SB 1383 goals, including: compliance of local jurisdictions and technical assistance provided to local jurisdictions; and recommendations to continue advancing the program.

Agency position: Support

Support: League of California Cities (Sponsor), Rural County Representative of California Opposition: None listed

Cost to local governments: Unknown at this time

SB 1045 (Blakespear) Composting facilities: zoning

This bill requires local jurisdictions, when substantively revising their land use element after January 1, 2028, to consider updating the land use element to identify areas where composting facilities could be cited.

<u>Agency position: Support</u> Support: California Compost Coalition, Recology, Republic Services Opposition: California Air Pollution Control Officers Association Cost to local governments: Unknown at this time

<u>SB 1046 (Laird) Organic waste reduction: program environmental impact report: composting facilities</u>

This bill would require CalRecycle to prepare a programmatic environmental impact report (EIR) for small and medium compost facilities by January 1, 2027. <u>Agency position: Support</u> Support: Rural County Representative of California, League of California Cities, City of Berkeley 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

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: CALPIRG, American Lung Association, Coalition for Clean Air Opposition: Association of Home Appliance Manufacturers Cost to local governments: None

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: California Chamber of Commerce, California State Association of Electrical Workers Cost to local governments: None

Please note this measure is no longer moving forward. This bill failed to pass the policy deadline.

*NEW <u>SB 1054 (Rubio) Climate Pollution Reduction in Homes Initiative: natural gas: customer credit</u>

This bill would establish the Climate Pollution Reduction in Homes Initiative to provide financial assistance to low-income households for the purchase of zero-carbon-emitting appliances. It would authorize up to 15 percent of the natural gas corporations' greenhouse gas (GHG) allowances to be used to fund the program and require that the remainder be returned to residential customers of the utilities.

Agency position: Watch

Support: U.S. Green Building Council, California Apartment Association, Climate Reality Project Opposition: None

Cost to local governments: None

*NEW <u>SB 1095 (Becker) Cozy Homes Cleanup Act: building standards: gas-fuel-burning appliances</u>

This measure would make specified changes to the Manufactured Housing Act, State Housing Law, and the Davis-Sterling Common Interest Development Act to facilitate the installation of electric water heaters, space heating systems, and appliances in manufactured homes, mobile homes, and homes within a common interest development (CID).

Agency position: Support

Support: Bay Area Air Quality Management District, U.S. Green Building Council, NRDC Opposition: None listed

Cost to local governments: None

*NEW <u>SB 1207 (Dahle) Buy Clean California Act: Eligible materials</u>

This bill expands the scope of the Buy Clean California Act to encompass all types of insulation, as compared to currently only pertaining to mineral wool board insulation. <u>Agency position: Support</u> Support: California Building Industry Association, NRDC, U.S. Green Building Council Opposition: None Cost to local governments: None

*NEW <u>SB 1221 (Min) Gas corporations: priority neighborhood decarbonization zones: pilot projects</u>

Requires each gas corporation, by July 1, 2025, to annually file a map containing certain information, including the location of all potential gas distribution line replacement projects identified in its distribution integrity management plan and other foreseeable gas distribution pipeline replacements. The PUC will be required to establish a voluntary program to facilitate the cost-effective decarbonization of priority neighborhood decarbonization zones. This includes not more than 30 pilot projects across the state and affects no more than 1% of each gas corporation's customers. Agency position: Support

Co-Sponsors: Building Decarbonization Coalition, Earthjustice, Natural Resources Defense Council Opposition: California State Association of Electrical Workers, California State Pipe Trades Council, Coalition of California Utility Employees

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 at end of life. 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 options; 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. <u>Agency position: Support</u> 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. <u>Agency position: Support</u> 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

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

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

Agency position: Support

Support: California Grocers Association, Californians Against Waste

Opposition: Association of Postconsumer Plastic Recyclers, Recycling Partnership, Western Center on Law and Poverty

Cost to local governments: Unknown at this time

*NEW <u>AB 2762 (Friedman) Recycling: reusable beverage containers</u>

Establishes rates for the use and the collection for reuse of reusable beverage containers. The measure also requires the beverage manufacturer to demonstrate compliance by submitting a report to CalRecycle that includes the percentage of total volume of beverages produced and sold in reusable beverage containers and the number of single-use beverage containers and reusable beverage containers produced and sold in California in the previous calendar year, specified by the type of beverage, size of container, and container material type. Requires a beverage manufacturer to make the report publicly available on its website.

Agency position: Watch

Support: California Product Stewardship Council, Californians Against Waste, NRDC Opposition: American Beverage Association Cost to local governments: None

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 <u>SB 903 (Skinner) Environmental health: product safety: perfluoroalkyl and polyfluoroalkyl</u> substances

Prohibits a person from distributing, selling, or offering for sale in the state a product that contains intentionally added per- or poly-fluoroalkyl substances (PFAS) unless the use of PFAS is currently unavoidable. This bill would authorize the Department of Toxic Substances Control (DTSC) to establish regulations to administer the prohibition.

Agency position: Support

Support: California Product Stewardship Council, Californians Against Waste, NRDC, League of CA Cities

Opposition: Advanced Medical Technology Association, California Manufacturers & Technology Association, California Grocers Association

Cost to local governments: None

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. <u>Agency position:</u> Support Support: California Product Stewardship Council, Californians Against Waste Opposition: Worthington Industries

Cost to local governments: None

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 would 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

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

Requires manufacturers to create, fund, and implement an 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: Recreational Boaters of California, Standard Fusee Corporation dba Orion Safety Products Cost to local government: None

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, League of California Cities, Californians Against Waste Opposition: California Chamber of Commerce, California Manufacturers & Technology Association Cost to local government: None

<u>SB 1167 (Blakespear) Solid waste: single-use drinking vessels</u>

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: California Restaurant Association, California Retailers Association, California Chamber of Commerce

Cost to local government: Unknown at this time

Please note this measure is no longer moving forward. This bill failed to pass the policy deadline.

<u>SB 1231 (Allen) Plastic Pollution Prevention and Packaging Producer Responsibility Act: environmental</u> 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 in order to provide an on-ramp process for new products or packaging.

Agency position: Support

Support: National Stewardship Action Council, California Farm Bureau, American Chemistry Council Opposition: None listed

Cost to local government: Unknown at this time

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: iFixit 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

AB 2577 (Irwin) Organic waste: reduction regulations

The bill requires CalRecycle to promulgate regulations requiring food labels to reduce food waste. <u>Agency position: Support</u> Support: Californians Against Waste, NRDC, Zero Waste Sonoma Opposition: California League of Food Processors 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.

<u>Agency position: Support</u> Support: California Compost Coalition, Californians Against Waste, Ecology Center Opposition: None Cost to local governments: None

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, California Compost Coalition, League of California Cities 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 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; and 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

Other

***NEW** <u>AB 3051 (Muratsuchi) Personal income taxes: voluntary contributions: California K–12 Climate</u> <u>Change Education Voluntary Tax Contribution Fund</u>

This bill creates, for taxable years beginning on or after January 1, 2024, the California K-12 Climate Change Education Voluntary Tax Contribution Fund (Fund) program on the personal income tax (PIT) return. The creation of this fund will further the state's implementation and enhancement of teaching about climate change in California's schools.

Agency position: Support

Support: California Green Business Network, Center for Ecoliteracy, Association of Environmental Education Foundation

Opposition: None listed at this time

Costs to local government: None

Next Steps/Key Dates

- May: Governor's May revision of the budget is released. House of origin approval deadline
- June: The state budget for 2024-25 must be passed
- August: Deadline for bills to pass the Legislature
- <u>September:</u> Deadline for Governor to sign or veto bills

RECOMMENDATION

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