

**SENATE RULES COMMITTEE**

AB 1826

Office of Senate Floor Analyses  
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**THIRD READING**

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Bill No: AB 1826  
Author: Chesbro (D), et al.  
Amended: 8/6/14 in Senate  
Vote: 21

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SENATE ENVIRONMENTAL QUALITY COMMITTEE: 5-1, 6/25/14  
AYES: Hill, Hancock, Jackson, Leno, Pavley  
NOES: Gaines  
NO VOTE RECORDED: Fuller

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 54-22, 5/15/14 - See last page for vote

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**SUBJECT**: Solid waste: organic waste

**SOURCE**: Author

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**DIGEST**: This bill requires a business that generates a specified amount of organic waste per week to arrange for recycling services for that organic waste, in a specified manner.

**ANALYSIS**:

Existing law, under the California Integrated Waste Management Act of 1989:

1. Specifies a state policy goal that 75% of solid waste generated be diverted from landfill disposal by 2020.
2. Requires each local jurisdiction to divert 50% of solid waste from landfill disposal.

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3. Requires a commercial waste generator, including multi-family dwellings, to arrange for recycling services and requires local governments to implement commercial solid waste recycling programs designed to divert solid waste from businesses.
4. Requires, under the California Global Warming Solutions Act of 2006 (commonly referred to as AB 32), the Air Resources Board (ARB) to determine the 1990 statewide greenhouse gas (GHG) emissions level and approve a statewide GHG emissions limit that is equivalent to that level, to be achieved by 2020, and to adopt GHG emissions reductions measures by regulation. ARB is authorized to include the use of market-based mechanisms to comply with these regulations.

This bill:

1. Requires businesses that generate organic waste to arrange for recycling services for that material on the following schedule:
  - A. Beginning April 1, 2016, a business that generates eight cubic yards or more of organic waste per week;
  - B. Beginning January 1, 2017, a business that generates four cubic yards or more of organic waste per week; and
  - C. On and after January 1, 2019, a business that generates four cubic yards or more of solid waste per week, or two cubic yards of solid waste if specified findings are made by the Department of Resources Recycling and Recovery (CalRecycle).
2. Exempts a business from the above requirements if it is in a rural jurisdiction, as defined, where the county board of supervisors of the county, city or regional agency that contains the rural jurisdiction, adopts a resolution that makes findings as to the purpose of and need for the exemption.
3. Makes the above exemption inoperative on or after January 1, 2020, if CalRecycle finds that statewide organics disposal has not reduced 50% of the level of disposal during 2014, and that applying the diversion requirements in rural jurisdictions will result in significant additional reductions of disposal or organic waste.

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4. Defines “business” as a commercial or public entity including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a non-profit or for-profit entity, or a multifamily dwelling.
5. Defines “organic waste” as food waste, green waste, landscape and pruning waste, non-hazardous wood waste, and food-soiled paper mixed with food waste.
6. Requires businesses that generate organic waste generators that are subject to the organic recycling requirements in this bill to do one of the following:
  - A. Source separate organic waste from other waste and subscribe to a basic level of organic recycling service that includes collection and recycling of organic waste.
  - B. Recycle its organic waste for recycling on site or self-haul its own organic waste.
  - C. Subscribe to an organic waste recycling service that may include mixed waste processing that specifically recycles organic waste, or make other arrangements consistent with selling or donating the waste.
7. Requires businesses that contract for landscaping or gardening services to require that the organic waste generated be recycled in compliance with this bill.
8. Specifies that multifamily dwellings of fewer than five units are exempt from the requirements of this bill, and specifies that food waste generated by multifamily dwellings of five or more units is not subject to the requirements of this bill.
9. On and after January 1, 2016, requires each local jurisdiction to implement an organic waste recycling program that is appropriate for the jurisdiction and designed to divert organic waste generated by businesses. Specifies that local jurisdictions that have an organic waste recycling program in place prior to January 1, 2016, and that meet certain requirements, do not have to implement a new or expanded program.
10. Requires the program to:

- A. Identify barriers to siting new or expanded compostable materials handling operations, as defined, and specify a plan to remedy those barriers that are within the control of the local jurisdiction.
  - B. Provide education, outreach and monitoring for businesses.
  - C. Notify the businesses if they are not in compliance with the organic waste recycling requirements.
11. Specifies that an “organic waste recycling facility” shall include compostable materials handling operations, as defined, and may include other facilities that recycle organic waste.
12. Authorizes organic waste recycling programs to include a mandatory organic waste recycling policy or ordinance, mandatory commercial organic waste recycling through a franchise contract or agreement or requirement for organic waste processing to divert organic materials from disposal.
13. Authorizes the organic waste recycling program to include enforcement provisions, certification requirements for self-haulers and to exempt businesses from the requirements of this bill on a case-by-case basis for the following reasons:
- A. Lack of sufficient space in multifamily complexes or businesses to provide additional organic material recycling bins.
  - B. The current implementation by a business of actions that result in the recycling of a significant portion of its organic waste.
  - C. The business or group of businesses does not generate at least one-half of a cubic yard of organic waste per week.
  - D. Limited-term exemptions for extraordinary and unforeseen events.
  - E. The business or group of businesses does not generate at least one cubic yard of organic waste per week, if the local jurisdiction provides CalRecycle with information that explains the need for this higher exemption, as specified, and information on the number of businesses that generate organic waste. Makes this exemption inoperative on or after January 1, 2020, if CalRecycle finds that statewide organics disposal has not reduced 50% of the level of disposal during 2014.

14. Requires local jurisdictions to include specified information relating to the organic waste recycling program in each jurisdiction's annual report to CalRecycle and requires CalRecycle to review a jurisdiction's compliance annually.
15. Specifies that if a local jurisdiction adds or expands an organic waste recycling program pursuant to this bill, it is not required to update its source reduction and recycling element or obtain CalRecycle's approval.
16. Specifies that this bill does not limit the authority of a local jurisdiction to adopt requirements that are more stringent than this bill and clarifies that this bill does not modify, limit, or abrogate:
  - A. A solid waste franchise granted by a local government.
  - B. A contract, license, or permit to collect solid waste granted by a local government.
  - C. The existing right of a business to sell or donate its recyclable organic waste materials.
17. Requires CalRecycle to identify and recommend actions to address state and federal permitting and siting challenges and to encourage the continued viability of the state's organic waste processing and recycling infrastructure.
18. Requires CalRecycle to cooperate with local governmental agencies and the solid waste industry to provide assistance for increasing the feasibility of organic waste recycling and requires CalRecycle to post funding mechanisms available for the development of organic waste infrastructure.
19. Requires CalRecycle to identify and post on its Internet Web site state financing mechanisms and state funding incentives that are available for in-state development of organic waste infrastructure to help the state achieve its GHG reduction goals and waste reduction goals.

### Background

Statewide Waste Diversion Goals. CalRecycle is tasked with diverting at least 75% of solid waste statewide by 2020. Currently, organic materials, including green waste, make up one-third of the waste stream (approximately 11 million

tons) and food waste continues to be the highest single category of disposal at over 15%. Green materials, such as lumber, cardboard, and leaves and grass comprise over 20%.

CalRecycle is also charged with implementing its Strategic Directive 6.1, which calls for reducing organic waste disposal by 50% by 2020. According to CalRecycle, significant gains in organic waste diversion (through recycling technologies for organic waste including composting and anaerobic digestion) are necessary to meet the 75% goal and to implement Strategic Directive 6.1. Anaerobic digestion, which produces biogas that can be processed to biomethane fuel, is particularly suited to handle food waste. Green waste is more efficiently processed through composting. Compost, in addition to improving the quality of soil, prevents soil erosion, reduces the need for chemical fertilizers and pesticides, and enables better soil water retention.

Greenhouse Gasses and Organic Waste. Landfill gas is generated by the anaerobic decomposition of organic materials such as food, paper, wood, and green material. Fifty percent of landfill gas is methane, a GHG with a much shorter life, but much higher global warming potential than CO<sub>2</sub> (methane is approximately 25 times more efficient at trapping heat than carbon dioxide over a 100-year time span). Depending on the types of solid waste, the chemical makeup of landfill biogas can vary greatly from the biogas produced from dairy farms and municipal solid waste and wastewater treatment facilities.

Local air districts regulate air emissions from stationary sources and have adopted rules to implement federal and state emission standards for municipal solid waste landfills, primarily targeting reductions in ozone precursors and hazardous air pollutants, but which also provide supplemental methane emission reductions.

In 2009, pursuant to authority under AB 32 as a discrete early action measure, landfill methane capture regulations were adopted and require owners and operators of certain uncontrolled municipal solid waste landfills, to install gas collection and control systems for methane emissions, and requires existing and newly installed gas and control systems to operate in an optimal manner. Often, these emission control systems involve a combustion step as a way to reduce the emissions of methane and other organics.

Even with advanced methane landfill control systems, however, significant amounts of methane from landfills continue to escape into the atmosphere. According to ARB's updated Scoping Plan, approximately eight million tons of

CO<sub>2</sub> equivalent are released annually by landfills. That number is expected to increase to 8.5 million tons of CO<sub>2</sub> equivalent by 2020.

Recycling organic waste provides significant GHG emission reductions over landfilling. Composting and other organic processing technologies, including anaerobic digestion, reduce GHG emissions by avoiding the emissions that would be generated by the material's decomposition in a landfill. In the case of anaerobic digestion, the process produces methane from the organic waste in a controlled environment for use as a renewable fuel, and results in climate benefits by both reducing GHGs from landfills, and displacing fossil fuels.

### Related Legislation

AB 1594 (Williams, 2014) phases out solid waste diversion credit, for green material used as landfill cover.

AB 341 (Chesbro, Chapter 476, Statutes of 2011) requires businesses and multifamily dwellings that generate at least four cubic yards of solid waste to arrange for recycling services on and after January 1, 2012.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: Yes

**SUPPORT:** (Verified 8/5/14)

American Biogas Council  
Association of Compost Producers  
Biodegradable Products Institute  
Bioenergy Association of California  
Breathe California  
California Biomass Energy Alliance  
California Climate and Agriculture Network  
California Coastal Protection Network  
California League of Conservation Voters  
California Resource Recovery Association  
Californians Against Waste  
Castaway Solutions  
Center for Biological Diversity  
Cities of Los Angeles, San Francisco, and San Jose  
CleanWorld  
Clean Power Campaign  
Coalition for Clean Air

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Community Alliance with Family Farmers

Costa Mesa Sanitary District

County of San Francisco

**CR&R Environmental Services**

East Bay Municipal Utility District

Ecology Center

Environment California

Frank M. Booth Design Build Co.

GAIA

Global Green USA

GrassRoots Recycling Network

Greenaction

**GreenWaste Recovery**

Harvest Power

**Inland Empire Disposal Association**

LAANE

**Los Angeles County Waste Management Association**

Marin County Hazardous and Solid Waste Management Joint Powers Authority

**Napa Recycling & Waste Services**

Natural Resources Defense Council

NatureWorks

Northern California Recycling Association

Novamont

Peabody Engineering

Planning and Conservation League

Recology

Rethink Waste/South Bayside Waste Management Authority

Sierra Club, California

**Solid Waste Association of Orange County**

Sonoma Compost Co.

StopWaste

Synergex International

U.S. Composting Council

Vasko Electric, Inc.

Waste Management

**OPPOSITION:** (Verified 8/5/14)

Cities of Commerce, and West Hollywood

Los Angeles County Solid Waste Management Committee/Integrated Waste  
Management Task Force

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San Luis Obispo County, Integrated Waste Management Authority

**ARGUMENTS IN SUPPORT:** StopWaste writes, “Despite California’s robust recycling infrastructure for traditional recyclables, the state continues to landfill organic materials, such as plant debris and food scraps, at an alarming rate. In fact, food is the most prevalent item in our waste stream and a third of the material going to landfills is readily compostable. In the context of achieving a 75% recycling rate and strict greenhouse gas limits, it would not be responsible to landfill this material. Our county has addressed this issue by banning plant debris in the landfill and by adopting a commercial mandatory recycling ordinance which requires businesses to recycle traditional recyclables and organics, by specified dates. We strongly suggest that the bill use the “volume of solid waste” as threshold for identifying affected businesses, instead of the “volume of organics,” to make the law more easily implementable by businesses.

“Tackling organics is a critical part of achieving the goals in AB 341 and AB 32. According to CalRecycle “the 75% goal cannot be reached unless a significant amount of organics now being landfilled is instead used in new composting/AD facilities,” and the ARB has repeatedly identified the importance of composting and anaerobic digestion to reduce greenhouse gases. Nonetheless, the building of organics processing infrastructure has been hindered by a complex regulatory structure and state policies that have supported low-cost disposal alternatives. AB 1826 will work to address this regulatory complexity with a goal of augmenting compost processing capacity in the state.”

**ARGUMENTS IN OPPOSITION:** The City of Commerce writes to address the following concerns:

[...]

**Lack of Infrastructure to Process Organic Waste.** While we appreciate the benefits of composting, our region’s urban nature prevents the siting of commercial-scale compost facilities capable of processing the region’s organic waste. The region simply needs other options to process organic waste, otherwise the waste would need to be transported outside the region, which is costly, economically and environmentally. We believe robust state-administered grant and loan programs are critical to helping the organic waste processing industry in our region get off the ground.

**Undefined Key Terms.** The lack of definitions for “organic waste recycling” and “organic waste recycling facility” leaves uncertainty for jurisdictions. Moreover,

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the term “reasonable vicinity” is highly subjective, which necessitates a definition as well.

Excessive Requirements on Jurisdictions. In addition to the difficult tasks of developing an organic waste recycling program as well as identifying, notifying, and monitoring affected businesses, local programs would be required to identify vacant parcels, existing vacant or expandable facilities, zoning and permitting requirements, and steps towards removal of barriers and siting and/or expanding “organic waste recycling facilities.” These requirements are excessive and seem to infringe upon local land use decision making authority.

**ASSEMBLY FLOOR:** 54-22, 5/15/14

**AYES:** Alejo, Ammiano, Bloom, Bocanegra, Bonilla, Bonta, Bradford, Buchanan, Ian Calderon, Campos, Chau, Chesbro, Cooley, Dababneh, Daly, Dickinson, Eggman, Fong, Frazier, Garcia, Gatto, Gomez, Gonzalez, Gordon, Gray, Hall, Roger Hernández, Holden, Jones-Sawyer, Levine, Lowenthal, Mullin, Muratsuchi, Nazarian, Nestande, Pan, Perea, John A. Pérez, V. Manuel Pérez, Quirk, Quirk-Silva, Rendon, Ridley-Thomas, Rodriguez, Salas, Skinner, Stone, Ting, Waldron, Weber, Wieckowski, Williams, Yamada, Atkins

**NOES:** Achadjian, Allen, Bigelow, Chávez, Conway, Dahle, Donnelly, Fox, Beth Gaines, Gorell, Grove, Hagman, Harkey, Jones, Linder, Logue, Maienschein, Melendez, Olsen, Patterson, Wagner, Wilk

**NO VOTE RECORDED:** Brown, Mansoor, Medina, Vacancy

RM:e 8/6/14 Senate Floor Analyses

SUPPORT/OPPOSITION: SEE ABOVE

\*\*\*\* **END** \*\*\*\*