



COUNCIL AGENDA: 08-02-11
ITEM: 2.14

Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Dennis Hawkins, CMC
City Clerk

SUBJECT: SEE BELOW

DATE: 07-27-11

SUBJECT: AB 341 (CHESBRO) SOLID WASTE: DIVERSION

RECOMMENDATION

As referred by the Rules and Open Government Committee on July 27, 2011 and outlined in the attached memo previously submitted to the Rules and Open Government Committee, approve a support position for AB 341 (Chesbro) Solid Waste: Diversion.



Subject: **AB 341 (Chesbro)**
Solid Waste: Diversion

RULES COMMITTEE: 7-27-11
ITEM: D.1.b

Recommend Position: Support

Rules and Open Government Committee Action Request

Department: ESD	CEQA: N/A	Coordination: City Manager/City Attorney/Legis. Rep in Sacramento	CMO Approval: 
			Dept. Approval: Kerrie Romanow /s/

RECOMMENDED ACTION:

1. Pursuant to the City's streamlined bill process for responding quickly to legislative proposals, approve support for AB 341 (Chesbro).
2. Recommend a one-week turnaround to the City Council for direction to the City's legislative staff to advocate for the City's position on AB 341.

BILL SYNOPSIS:

AB 341 proposes to require the California Department of Resources Recycling and Recovery (CalRecycle) to ensure that by January 1, 2020, and annually thereafter, 75% of the solid waste generated in California is source reduced, recycled, or composted. The bill proposes the following changes to existing law:

1. **State Mandated 75% Solid Waste Diversion Requirement.**
 - o **Existing law:** The California Integrated Waste Management Act of 1989, which is administered by CalRecycle, requires each city, county, and regional agency, if any, to develop a source reduction and recycling element of an integrated waste management plan to divert 50% of all solid waste from landfill by January 1, 2000, through source reduction, recycling, and composting activities.
 - o **Proposed change:** This bill would require CalRecycle, on January 1, 2020, and annually thereafter, to ensure that not less than 75% of all solid waste generated is source reduced, recycled, or composted.
2. **Streamlined Nondisposal Facility Element Amendment Process.**
 - o **Existing law:** California Public Resources Code requires every California city and county to prepare and adopt a Non-disposal Facility Element (NDFE) for all permitted solid waste facilities, other than disposal facilities (landfills and transformation facilities), which will be needed to implement local Source Reduction and Recycling Elements (SRRE). This includes existing, expanded, and new facilities, which divert or which will divert at least 5% of the total volume of materials received by the facility. Existing law requires a city or county to incorporate the NDFE and any amendment to the element into the revised SRRE at the time of the 5-year revision of the SRRE and requires CalRecycle and a local task force to review and comment on an amendment to an NDFE.
 - o **Proposed change:** This bill would repeal the requirement for CalRecycle and local task force review and comment on an NDFE amendment, streamlining the process.

BILL SYNOPSIS: (Continued)

3. Mandatory Recycling for Large Venue Businesses and Multifamily Residential Dwellings.

- **Existing law:** Requires a local agency to impose certain requirements on an operator of a large venue or event to facilitate solid waste reduction, reuse, and recycling.
- **Proposed change:** This bill would require the owner or operator of a business, defined to include a commercial or public entity, that contracts for solid waste services and generates more than four cubic yards of total solid waste per week or is a multifamily residential dwelling of five units or more to arrange for recycling services, consistent with state or local laws or requirements.

4. Change to Annual Reporting Due Date.

- **Existing law:** Requires each state agency to submit an annual report to the department summarizing its progress in reducing solid waste that is due on September 1 of each year starting in 2009.
- **Proposed change:** This bill would change the due date to May 1 of each year.

5. Revised Permit Review Process.

- **Existing law:** Requires an operator of a solid waste facility that wants to change the design or operation of the solid waste facility in a manner not authorized by the current permit to apply for a revised permit. Within 60 days of receipt of the application for the revised permit, the enforcement agency is required to inform the operator, and in some circumstances the department, of its determination to allow the change without revision of the permit, disallow the change, require a revision of the permit to allow the change, or require review under the California Environmental Quality Act before a decision is made.
- **Proposed change:** This bill would also require the enforcement agency to give notice of its determination to allow certain changes without a revision to the permit through a modification to the permit allowed by regulations developed by the department.

IMPACTS TO CITY OF SAN JOSÉ:

This bill would provide the City with additional tools to achieve the City's Green Vision goals related to green jobs creation and zero waste. San José is home to more solid waste recycling facilities that serve multiple Bay Area jurisdictions than any other city in the South Bay. The increased waste diversion requirement mandated by AB 341 would increase regional demand for the recycling and waste diversion services provided by private companies in San José and could produce local economic benefits and jobs. The following is a discussion of the potential impacts to the City should the changes proposed by AB 341 become law.

1. State Mandated 75% Solid Waste Diversion Requirement.

The City has already approved a redesign to its commercial solid waste program to achieve 75% solid waste diversion in 2012 and 80% waste diversion in 2014, well ahead of the AB 341 requirement for 75% waste diversion by 2020. In its multi-family recycling program, the City has already realized significant gains, achieving over 78% waste diversion today. These higher diversion rates translate into hundreds of thousands of tons of material over time diverted from landfill.

As neighboring cities adopt new policies, pursuant to the higher waste diversion target in AB341, they likely will need to send material to the region-serving recycling facilities in San José, rather than siting and building new facilities, which would require undergoing significant permitting and CEQA review. San José facilities have the capacity to accept more material, which translates into more local green jobs and revenue for the City.¹ There are over ten Material Recovery Facilities (MRF) in San José, including The Recyclery at Newby Island Resource Recovery Park, the Zanker Material Processing Facility, the Greenwaste Recovery Facility, the Green Team MRF, the California Waste Solutions facility, and Smurfit Stone Recycling Company, to name a few. Waste to energy is also a key component of our redesigned commercial system and could lead to additional revenues for the City over the life of new facilities coming on-line.

2. Streamlined Nondisposal Facility Element Amendment Process.

The proposed change to eliminate CalRecycle and local task force reviews of amendments to nondisposal facility elements, will streamline the City process for making beneficial changes to the nondisposal facility element.

3. Mandatory Recycling for Large Venue Businesses and Multifamily Residential Dwellings.

While the City is already on track to achieve a nation-leading rate of waste diversion, AB 341 provides an additional waste diversion tool by requiring businesses and multi-family developments meeting certain specifications, regardless of the jurisdiction in which they are located, to recycle. This mandatory recycling requirement will "level the playing field" amongst jurisdictions and help to eliminate the concern

¹ Based on CalRecycle data, 3.78 jobs are created per 1,000 tons of solid waste that is diverted from the landfill. In contrast, only 2.22 jobs are created when that waste is not diverted. (Source: Goldman, George and Ogishi, Aya, Department of Agricultural and Resource Economics, University of California, Berkeley. "The Economic Impact of Waste Disposal and Diversion in California – A Report to the California Integrated Waste Management Board." are.berkeley.edu. 4 April 2001. <<http://are.berkeley.edu/extension/EconImpWaste.pdf>>

IMPACTS TO CITY OF SAN JOSÉ: (Continued)

some companies may have about the perceived cost of implementing additional recycling when they consider relocating from one city to another.

4. Change to Annual Reporting Due Date.

This bill would simply change the due date from September 1 to May 1 of each year with no discernable impact to the City.

5. Revised Permit Review Process.

The revisions to the permit review process do not represent a significant impact to the City.

POLICY ALIGNMENT:

Included in the Council approved 2011 Legislative Guiding Principles and Priorities under Principle F (Promote Livability, Sustainable Development, and Environmental Protection) is language supporting state and federal legislation that fosters solid waste diversion.

F. Promote Livability, Sustainable Development, and Environmental Protection

The City supports legislation and policies that emphasize sustainable development; improve environmental standards and the regulatory process; provide incentives and financial measures for preservation of natural resources; promote sustainable energy policies; and are consistent with the Green Vision:

[9] Supports Source Reduction and increased recycling and composting in order to achieve Zero Waste.

SUPPORTERS/OPPONENTS:

Support: City and County of San Francisco	Environment California
California League of Conservation Voters	Planning and Conservation League
Center for Biological Diversity	National Resources Defense Council
Ecology Action	Sierra Club California
Alameda County Waste Management Authority (StopWaste.Org)	

Opposed: County of Los Angeles Board of Supervisors
Los Angeles County Solid Waste Management Committee
Orange County Board of Supervisors

STATUS OF BILL:

June 27: Passed as amended by Senate Committee on Environmental Quality and referred to Senate Committee on Appropriations.

FOR QUESTIONS, CONTACT: Jeff Anderson – 408-975-2518