



ENVIRONMENTAL QUALITY POLICY COMMITTEE

Friday, April 29, 2022

1:30 p.m. – 4:30 p.m.

Register for this meeting:

<https://us06web.zoom.us/join/joinMeeting/register/tJ0kdemorDluGt1HqRxz2IMRkzmtTDdjtaR4>

Immediately after registering, you will receive a link and confirmation email to join the meeting.

Pervious Meeting [Highlights](#) from February 11, 2022.

AGENDA

I. Welcome and Introductions

Speakers: Chair, David Pollock, Councilmember, Moorpark
Vice Chair, Jen Cavanaugh, Vice Mayor, Piedmont
Cal Cities President Cindy Silva, Mayor Pro Tem, Walnut Creek

II. Public Comment

III. General Briefing (Handout)

Informational

IV. State of the Drought Update

Informational

Speaker: Jeanine Jones, Interstate Resources Manager, California
Department of Water Resources

V. ["California Recycling and Plastic Pollution Reduction Act of 2020"](#) Ballot Measure

Presentation (Attachment A) Action

Support: Paul Krekorian, Los Angeles City Councilmember
Amy Wolfrum, Senior Manager for California Ocean Policy, Monterey
Bay Aquarium

Opposition: California Manufacturers & Technology Association (Invited)
California Chamber of Commerce (Invited)

VI. Legislative Agenda (Attachment B)

Action

1. [AB 2878 \(Aguilar-Curry\)](#) Forest Biomass Waste Utilization Program

VII. Legislative and Budget Update

Informational

Speaker: Derek Dolfie, Cal Cities, Environmental Quality Lobbyist

A list of the Cal Cities EQ interest bills can be found [here](#) and a complete list of all the Cal Cities EQ bills can be found [here](#)

VIII. Adjourn

Final Virtual Meeting: Friday, June 10, 1:30p.m. to 4:30 p.m.

Brown Act Reminder: The League of California Cities' Board of Directors has a policy of complying with the spirit of open meeting laws. Generally, off-agenda items may be taken up only if:

1) Two-thirds of the policy committee members find a need for immediate action exists and the need to take action came to the attention of the policy committee after the agenda was prepared (Note: If fewer than two-thirds of policy committee members are present, taking up an off-agenda item requires a unanimous vote); or

2) A majority of the policy committee finds an emergency (for example: work stoppage or disaster) exists.

A majority of a city council may not, consistent with the Brown Act, discuss specific substantive issues among themselves at League meetings. Any such discussion is subject to the Brown Act and must occur in a meeting that complies with its requirements.



**Environmental Quality Policy Committee
California Recycling and Plastic Pollution Reduction Act of 2020 Ballot Measure
April 2022**

Staff: Derek Dolfie, Legislative Affairs, Lobbyist, (916) 658-8218, ddolfie@calcities.org

**1. [The California Recycling and Plastic Pollution Reduction Act of 2020](#)
Ballot Measure by Michael J. Sangiacomo, Caryl Hart, and Linda Escalante**

Overview:

This measure would require the California Department of Resources Recycling and Recovery (CalRecycle) to adopt regulations reducing plastic waste; places a tax of up to one cent on all single-use plastic packaging and products; and allocates the tax revenues for recycling and environmental programs, including local recycling and composting programs.

Ballot Measure Calendar:

As of July 9, 2021, this proposal qualified for the November 8, 2022, ballot. The signatories of this proposal have until June 30 to pull the proposal from the November 2022 ballot.

Ballot Measure Description:

This measure would make three major changes to the current recycling system in California:

- 1) Require CalRecycle to develop regulations that would:
 - Require all single-use plastic packaging and foodware to be recyclable, reusable, refillable, or compostable by 2030.
 - Require producers to reduce or eliminate single-use plastic packaging or foodware that is unnecessary for the delivery of a product or food item.
 - Require producers to reduce the total amount of single-use plastic packaging and foodware sold in California by 25 percent by 2030.
 - Establish take-back and deposit programs to establish convenient ways for consumers to recycle.
 - Prohibit food vendors from distributing expanded polystyrene food service containers (commonly known as "styrofoam").

- 2) Establish a tax of up to one cent on all single-use plastic packaging and covered products, including foodware.
 - The tax will be adjusted for inflation beginning in 2030.
 - Creates different criteria for the amount of the tax levied, up to one cent, on such products based on if those products are produced with renewable materials.

- 3) Allocates and describes allowable uses of the revenue generated by the new tax. After funding for the collection and administration of the tax, the remaining revenue would be allocated as follows:

- Fifty percent to CalRecycle for implementing and enforcing the requirements of the measure, as well as funding various programs intended to support statewide recycling, reduction, and composting efforts.
- Thirty percent to the California Natural Resources Agency for grants to state and local agencies to mitigate the environmental impacts of plastic pollution, such as by restoring habitats and protecting wildlife.
- Twenty percent to local governments for various purposes, such as supporting local recycling and composting programs and mitigating the impacts of plastic pollution.
 - Additionally, the measure requires the local government funding to be allocated in the following ways:
 - A minimum of 25 percent to projects located within the boundaries of, and benefiting individuals in, disadvantaged communities,
 - A minimum of five percent for projects benefitting low-income households or to projects located within the boundaries of, and benefiting individuals living in, low-income communities located anywhere in the state.
 - A minimum of five percent for projects that either benefit low-income households that are outside of, but within one-half mile of, disadvantaged communities or to projects located within the boundaries of, and benefiting the individuals living within, low-income communities that are outside of, but within one-half mile of, disadvantaged communities.
 - The local government funds will be allocated upon appropriation by the Legislature on an annual basis.
 - Projects eligible for funding from the local government funds include:
 - Maintaining local recycling and composting programs and increasing the amount of recycled material.
 - Providing grants to organizations involved in litter abatement.
 - Education and outreach to residents and businesses on waste reduction, recycling, and composting.
 - Groundwater and drinking water cleanup.
 - Prevention and cleanup of impacts of litter and marine plastic pollution.

The ballot measure also states in the intent language that “nothing in the initiative is intended to impose new increased costs to state or local governments.” This is reiterated in section 42381(b) that “nothing in this subdivision shall be construed to impose any mandate upon a local government or local recycling provider.”

Background:

Legislation

Over the last several years, there has been a desire by the Legislature to develop and pass a comprehensive plastics bill that would reduce the amount and types of single-use plastics that enter the California market. The most notable efforts recently have been efforts by Senator Ben Allen and former Assembly Member Lorena Gonzalez with [SB 54](#) and

[AB 1080](#) from 2019 and 2020, and Senator Allen's reintroduction of [SB 54](#) in the 2021-22 session.

Cal Cities took a support position on both SB 54 (Allen) and AB 1080 (Gonzalez) from the 2019-20 session and currently has a support in concept position on the new version of SB 54. Cal Cities continues to work diligently with Senator Allen, his staff, and stakeholders on the current version of SB 54 to find a legislative solution that all parties could agree to. These discussions have been productive and ongoing. This ballot measure is on a parallel track with the discussions around SB 54.

Senator Allen has committed that SB 54 will not move forward this year unless the plastics industry, local government, waste haulers, and environmental groups agree on a legislative proposal. If such a deal can be reached, then pulling the ballot measure from the ballot would be considered.

In previous years Cal Cities has also asked for state funding to help local governments develop more recycling infrastructure, collection services, and California redemption value (CRV) redemption centers. Cal Cities continues to advocate for additional funding and policy tweaks to make recycling more available and easier for California residents.

Waste Rates in California Cities

Additionally in 2021, Cal Cities released [an infographic](#) outlining the results of a statewide waste rate survey. The survey showed cities of every size anticipated solid waste and recycling rate increases in the next three years. Of the 149 cities surveyed, nine out of 10 cities indicated their rates are increasing, with more than seven out of 10 anticipating a 1 to 20 percent rate increase. The data showed California cities of every size anticipated solid waste and recycling rate increases in the next three years. One of the biggest cost drivers indicated was the lack of recycling markets and infrastructure.

Fiscal Impact:

According to the Legislative Analyst's Office [initial analysis](#) from 2019:

“Increased State Revenue and Costs. *The measure will result in increased state revenue from the new tax on single-use plastic packaging and foodware. The magnitude of the revenue generated is uncertain but possibly in the range of a few billion dollars annually in the near term. (Emphasis added) The actual amount of revenue will depend on the number of items of single-use plastic packaging and foodware sold in the state and the specific regulations developed by CalRecycle, for example, how it defines “recyclable” for determining tax rates. Revenue from the tax over the longer term could be higher or lower depending on several factors. On the one hand, revenues could be lower in the future to the extent that producers reduce the total amount of single-use plastic packaging they use, consumers purchase fewer single-use plastic foodware, or more packaging and foodwares switch to renewable sources. On the other hand, if historic trends of increasing production and use of plastic items continues, revenue in the longer term could be higher. In addition, the state will incur costs, funded from the new tax revenue, to administer the tax, develop regulations, and administer and implement new programs.”*

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“Unclear Net Effects on Local Governments. *The fiscal effects on local governments are unclear but potentially significant. While this measure does not increase requirements specifically on local governments, it does require CalRecycle to implement a number of new regulations, which could affect different aspects of the waste collection, sorting, and recycling systems. For example, the regulations might result in the installation of new collection and sorting equipment to better enable recycling of certain plastic materials. Because local governments will continue to have a role in collecting and sorting waste, including single-use plastic packaging and foodware, the measure’s requirements could result in additional costs to local governments. The magnitude of these costs would depend on the specific regulations enacted and how they actually would be implemented. However, these local government costs could be partially or fully offset by (1) a share of the new tax revenues provided to local governments under this measure, (2) possible future payments made by producers to support recycling, and (3) a reduction in costs to the extent that the amount of plastic waste that has to be collected and sorted declines.”*

Existing Cal Cities Policy:

Extended Producer Responsibility (EPR)

Cal Cities supports legislation implementing producer responsibility. This includes, but is not limited to, mandating or providing incentives including funding for comprehensive producer responsibility programs for hazardous and universal wastes and products and packaging for which disposal or recycling is problematic for local governments.

Single-Use Plastics

Cal Cities supports reducing the amount of single-use plastic packaging and products that enter the waste stream through methods such as, source reduction and increases to the recyclability and composability of these items. This includes reducing the waste generated from single use plastics, such as plastic straws.

Staff Comments:

Cities have been at the forefront of advocating for reforms to the current recycling system, including advocating for reductions in single-use plastics overall and that all single-use plastics be recyclable or compostable. This ballot measure is far reaching and would achieve many of the goals of previous legislation related to single-use plastics. If a legislative compromise cannot be reached this year, it could be difficult to achieve a legislative solution to the problem of single-use plastics due to a series of recent unsuccessful attempts.

Support, including but not limited to *(As of April 19, 2022):*

Californians Against Waste
Oceana
The Nature Conservancy
Recology

Opposition, including but not limited to *(As of April 19, 2022):*

California Chamber of Commerce
California Business Roundtable

Staff Recommendation

Cal Cities staff recommends the committee discuss the proposal and make a recommendation to the Board.

Committee Recommendation:

Board Action:

Environmental Quality Policy Committee
Legislative Agenda
April 2022

Staff: Derek Dolfie, Legislative Affairs, Lobbyist, (916) 658-8218, ddolfie@calcities.org

1. [AB 2878 \(Aguiar-Curry\) Forest Biomass Waste Utilization Program](#)

Overview:

This measure would increase the use of forest waste biomass for energy generation and wood products manufacturing.

Bill Description:

This measure would:

- Establish a Forest Biomass Waste Utilization Program (Program) at the Board of Forestry's (BOF) Joint Institute for Wood Products Innovation.
 - This Program would meet the goals and recommendations of the Forest Biomass Waste Utilization Plan from 2020 and the comprehensive wood utilization strategy and market development framework required by the Wildfire and Forest Resilience Action Plan.
- Require the California Natural Resources Agency (CRNA) to incorporate forest biomass utilization recommendations into the state's climate adaptation plans.
- Require the California Public Utilities Commission (CPUC) and California Energy Commission (CEC) to adopt various measures to increase forest biomass utilization for bioenergy (including the BioMAT program), particularly in rural microgrids.
- Require the California Air Resources Control Board (CARB) to include emissions from human caused wildfires and controlled burns in the state's greenhouse gas emissions inventory.

Additionally, this measure would extend the CPUC's Bioenergy Market Adjusting Tariff (BioMAT) program to 2030 and increase the cap on the amount of forest biomass waste under that program. The BioMAT program requires utilities to procure electricity from small bioenergy projects, including biomass facilities that use fuels from high hazard zones. The program has no statutory end date; however, the CPUC is scheduled to sunset the program on December 31, 2025, regardless of whether the procurement requirements have been met.

Background:

From the Author:

"California's forests cover nearly one-third of the state and provide enormous benefits for the climate, the environment, and the economy. Our forests are, however, increasingly vulnerable to wildfire, invasive species, drought, and other threats. In the past decade, California has experienced 8 of the 10 largest wildfires in the state's history, causing loss of life and destroying millions of acres of forest

land, homes, and businesses. Wildfire is also an increasing source of climate and air pollution, undermining the state's climate and air quality goals.

...According to the Forest Biomass Utilization Plan adopted by the Board of Forestry, forest thinning in California will generate 10 to 15 million tons of forest biomass waste annually. If that waste is disposed of through pile and burn, it will emit enormous amounts of climate and air pollution.

If it is left to decay, it will emit methane, a climate super pollutant, and continue to pose a fire threat. The California Forest Carbon Plan, adopted by CalEPA and the California Natural Resources Agency, found that converting that forest waste to energy can cut climate and air pollution by 98 percent compared to open burning. At present, though, California has only a small fraction of the facilities need to convert forest biomass waste to bioenergy and other valuable wood products."

Recent Legislation

Currently, Cal Cities does not have robust existing policy on biomass. However, in 2019 Cal Cities supported [SB 515 \(Caballero\)](#), which sought to improve the condition of forests ensuring that biomass facilities that currently have contracts can continue to operate and meet their requirements to provide a specific percentage of high hazard fuel. This bill was held in the Assembly Appropriations Committee and did not advance. This was in part in response to the historic nature of the catastrophic wildfires that were occurring around the state at that time.

Which Emissions Are Worse?

The process to convert biomass into energy produces some harmful emissions. This has led some environmental groups to discourage the use and allowance of biomass energy facilities. The argument being there are cleaner and greener forms of energy that the state can utilize.

Currently, when forest thinning and vegetation management occur, it is too costly to transport and convert the biomass material from the site where it is originally cut. Thus, this material is left where it is, and both decomposes, releasing methane emissions, and adds to fuel loads for a wildfire. This has led fire prevention experts to argue that increases in fuel to the existing biomass energy facilities are needed as a balanced mixture of non-fossil fuel burning energy.

The committee should consider what types of emissions are worse and how the state can deal with the dead vegetation left over after forest thinning and vegetation management activities.

Potential for Growth

According to the Assembly Natural Resources Committee analysis, there are an estimated 47 million bone dry tons (BDT) of biomass resource potential in California. Currently there are 23 existing biomass facilities that utilize an estimated five million BDT of biomass resource a year and produce about two percent of the states overall power. If more biomass facilities were constructed, or more biomass were utilized, California could

produce more biomass power by allowing for the removal of more debris from the forest floor.

Fiscal Impact:

A fiscal analysis has yet to be conducted.

Existing Cal Cities Policy:

Utilities

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Cal Cities opposes legislation that dictates the mix of generating sources (i.e., hydro, coal, biomass, wind, etc.) used by municipal utilities.

Community Choice Aggregation

Local Energy Autonomy: Cal Cities supports programs that increase local control over the purchase and development of renewable energy resources, as an effective means of increasing consumer access to renewable energy at stable, competitive rates, and decreasing statewide greenhouse gas emissions.

Microgrids

Cal Cities supports the use and deployment of microgrids, especially as a tool to aid energy resiliency and disaster preparedness.

Electric Industry Restructuring

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Biomass. The unique problems of the biomass industry, as they relate to California's solid waste infrastructure, should be fairly resolved in any deregulation program.

Staff Comments:

As California continues to see catastrophic wildfires year after year, more must be done to address forest health and vegetation management.

Cal Cities has been extremely active on supporting legislation and regulations that help make our cities safer from wildfires and provide additional resources for cities to do so. The committee should consider what types of tools would be helpful for local governments to utilize or have available to prevent future large-scale wildfires.

Support (As of April 18, 2022):

Rural County Representatives of California (co-sponsor)

Placer County Air Pollution Control District (co-sponsor)

Bioenergy Association of California

California Biomass Energy Alliance

California State Association of Counties (CSAC)

California Forestry Association

California Tahoe Alliance

County of Tulare

Earth Foundries, INC.

Ganrock

Golden Grid

Golden State Natural Gas Systems
Golden State Power Cooperative
H Cycle LLC
Humboldt and Mendocino Redwood Company LLC
Marin Wildfire Prevention Authority
Mendocino Redwood Company
Microgrid Resources Coalition (MTC)
Mote, INC.
Northstar Community Services District (NCSD)
Santa Clara County Firesafe Council
Sierra Business Council
The Watershed Research and Training Center
TSS Consultants
Wisewood Energy
Yosemite Clean Energy

Opposition *(As of April 18, 2022):*

None of file at this time.

Staff Recommendation

Cal Cities staff recommends the committee support the measure.

Committee Recommendation:

Board Action: