



LOS ANGELES COUNTY
SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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DEAN D. EFSTATHIOU
CHAIRMAN

August 26, 2008

The Honorable Jared Huffman
State Capitol Room 4139
Sacramento, CA 94249-2006

Dear Assembly Member Huffman:

**ASSEMBLY BILL 1390 (AMENDED AUGUST 22, 2008)
MAJOR REVISIONS TO THE CALIFORNIA'S INTEGRATED WASTE MANAGEMENT ACT**

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) **strongly opposes** Assembly Bill 1390 (AB 1390), which among other things, would propose to increase the waste diversion mandate imposed on local governments from 50 percent to 60 percent, and from 60 percent to 75 percent effective January 1, 2015, and January 1, 2020, respectively. It would increase the Statewide landfill tipping fee from \$1.40 per ton to \$2.13 per ton, with the increased revenue to be used for specified purposes on a limited time basis. Lastly, AB 1390 would change the designation of greenwaste used as alternative daily cover from beneficial use to disposal for the purposes of charging the Statewide tipping fee, under certain circumstances.

Pursuant to Chapter 3.67 of the Los Angeles County Code and the California Integrated Waste Management Act of 1989 (AB 939, as amended), the Task Force is responsible for coordinating the development of all major solid waste planning documents prepared for the County of Los Angeles and its 88 cities in Los Angeles County with a combined population in excess of 10 million. Consistent with these responsibilities, and to ensure a coordinated and cost-effective and environmentally-sound solid waste management system in Los Angeles County, the Task Force also addresses issues impacting the system on a Countywide basis. The Task Force membership includes representatives of the League of California Cities-Los Angeles County Division, the County of Los Angeles Board of Supervisors, the City of Los Angeles, the waste management industry, environmental groups, the public, and a number of other governmental agencies.

As you may know, the Task Force had previously expressed its opposition to three solid waste bills – AB 2640 (Huffman, removing greenwaste alternative daily cover diversion credit), AB 2866 (De Leon, increasing the Statewide tipping fee), and SB 1020 (Padilla, increasing the Statewide diversion mandate) since they would have a significant financial impact on local governments, and would benefit key private waste management companies at the expense of

ratepayers. In part due to the bills' failure to address these concerns, all three recently stalled in legislative committees.

Much to our surprise, on August 22, 2008, AB 1390 was "gutted and amended" to incorporate key legislative provisions of these three bills. It appears that the goal of this major "gut and amend" is to bypass the Legislature's two house committee process which had extensively reviewed AB 2640, AB 2866, and SB 1020 and rejected all bills due to valid concerns by local governments, as well as their related costs. The Task Force is very concerned that the provisions of the three failed bills were made a part of AB 1390, and thus the Task Force strongly opposes AB 1390.

Specifically, the Task Force is opposed to the following major provisions of the Bill:

1. Increasing the waste diversion mandate imposed on local governments from 50 to 60 percent by January 1, 2015, and to 75 percent by January 1, 2020
2. Increasing the disposal fee from \$1.40 to \$2.13 per ton of solid waste disposed, beginning July 1, 2010. The additional revenue would be earmarked towards the following:
 - 25 percent of the new fee revenue during the period of January 1, 2010, through June 30, 2012, would be used for clean transportation fuel demonstration projects, including fuels generated from solid waste or landfill gas; however, "high temperature" conversion technologies are specifically excluded from eligibility;
 - 30 percent of the new fee revenue for a period of 30 months would be used to subsidize the composting industry by redirecting grants to new or existing composting facilities;
 - 25 percent of the new fee revenue would be directed on a continuous basis to maintain a proposed \$50 million Postclosure Trust Fund to bail out negligent landfill operators which fail to fulfill their financial assurance responsibilities;
 - 20 percent of the new fee revenue would go to the California Integrated Waste Management Board starting 2010, which will eventually increase to 100 percent by 2020.
3. Requires each jurisdiction to adopt a mandatory commercial recycling ordinance by January 1, 2011, incorporating mandatory inspection and enforcement by local jurisdictions.
4. Changes the designation of "excess" greenwaste alternative daily cover (ADC) from diversion to disposal, effective January 1, 2010.

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AB 1390 would significantly increase costs to local governments, increase the mandatory diversion rate and impose other mandates on local governments, while simultaneously reducing the actual diversion rate of all local governments currently using greenwaste ADC. The Bill does not provide jurisdictions with the necessary financial and technological tools to implement these new mandates, and in the case of greenwaste ADC, actually rolls back an existing option for diverting greenwaste from landfill disposal, which is especially important to jurisdictions in Los Angeles County given that there is no commercial composting capacity within the County. As a result, the Bill would cost jurisdictions throughout the State hundreds of millions of dollars during uncertain fiscal times, imposing a host of State mandated local programs on jurisdictions already struggling to meet their current diversion requirements. The Bill also increases the likelihood that local governments will be subject to a fine of up to \$10,000 per day for failing to maintain the State's waste reduction mandate.

Therefore, the Task Force **strongly opposes** AB 1390. If you have any questions, please contact Mr. Mike Mohajer of the Task Force at (909) 592-1147.

Sincerely,



Margaret Clark, Vice-Chair
Los Angeles County Solid Waste Management Committee/
Integrated Waste Management Task Force and
Council Member, City of Rosemead

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cc: Senate President Pro Tem Don Perata
Assembly Speaker Karen Bass
Senator Alex Padilla
Each Member of the Los Angeles County Legislative Delegation
Ms. Miriam Barcelona Ingenito, Senate Appropriation Committee
Ms. Caroll Mortenson, Senate Environmental Quality Committee
Each Member of the County of Los Angeles Board of Supervisors
Each City Mayor in the County of Los Angeles
California State Association of Counties
League of California Cities
League of California Cities, Los Angeles County Division
Southern California Association of Governments
San Gabriel Valley Council of Governments
South Bay Cities Council of Governments
Each Member of the Los Angeles County Integrated Waste Management Task Force
Each City Recycling Coordinator in Los Angeles County