



GAIL FARBER
CHAIR

LOS ANGELES COUNTY
SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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March 31, 2009

The Honorable Christine Kehoe
State Capitol, Room 5050
Sacramento, CA 95814

Dear Senator Kehoe:

**SENATE BILL 390 (INTRODUCED FEBRUARY 26, 2009)
RECYCLING MARKET DEVELOPMENT**

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) **supports** Senate Bill 390 (SB 390) which, among other things, would repeal the sunset date for the Recycling Market Development Revolving Loan Program (RMDZ), thereby indefinitely continuing the program.

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 the 88 cities in Los Angeles County with a combined population in excess of ten 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.

The RMDZ program provides direct loans to businesses that use post-consumer or secondary waste materials to manufacture new products. The program has been successful in creating and maintaining market demand for recyclable materials, but has been hampered by a limitation in the funding available for the program. SB 390, if enacted, would delete the sunset date for the RMDZ program, thereby indefinitely continuing the program. In addition, the bill would delete the current five million limit on the funds that the legislature could transfer to the RMDZ Revolving Loan Subaccount, and prevent any single project from utilizing more than fifty percent of the funds in the Subaccount. These provisions would further strengthen the RMDZ program.

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The current global economic downturn and collapse of the global recycling market has negatively affected the State's already weakened recycling infrastructure and industries. With less demand for recycled material, jurisdictions are beginning to struggle to meet the current 50 percent waste diversion mandate. Currently most recyclables are stored in storage houses and will soon be disposed of in landfills due to lack of markets. Programs such as RMDZ are crucial in the promotion and in-State development of markets for recyclable materials.

SB 390 would continue this successful program and further strengthen the program. Therefore, the Task Force **supports** SB 390. If you have any questions, please contact Mr. Mike Mohajer of the Task Force at (909) 592-1147.

Sincerely,

Margaret Clark

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

SK/RG:cw
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cc: Governor Arnold Schwarzenegger
Senate President Pro Temp Darrell Steinberg
Senator Dennis Hollingsworth, Minority Leader
Each Member of the Los Angeles County Legislative Delegation
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
Gateway Cities Council of Governments
Each Member of the Los Angeles County Integrated Waste Management Task Force
Each City Recycling Coordinator in Los Angeles County