

# **AB 1826/SB 1383**

# **Recycling Market Development**

# **Zone (RMDZ)**

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# AB 1826/SB 1383

## \* What are AB 1826 and SB 1383?

- \* State mandates for mandatory organics recycling
- \* AB 1826 currently in place
- \* SB 1383 to start reductions in 2020; enforcement beginning in 2022

## \* What are organics?

- \* Currently defined by the State as:
  - \* food waste
  - \* green waste
  - \* landscape and pruning waste
  - \* nonhazardous wood waste
  - \* food-soiled paper waste that is mixed in with food waste

# AB 1826 – What Does it Require?

## \* **Mandatory Commercial Organics Recycling Options**

- \* Source-separate organic waste from other waste and subscribe to an organic waste recycling service that specifically includes collection and recycling of organic waste
- \* Recycle organic waste onsite, or self-haul to an organics recycling facility
- \* Subscribe to a service provider with dedicated organic waste recycling
- \* Sell or donate the generated organic waste (food rescue)

# AB 1826 – Enforcement Dates

- \* **Must have organics recycling program in place by:**
  - \* **January 1, 2017** – generators of 4 or more cubic yards of organic waste per week
  - \* **January 1, 2019** – generators of 4 or more cubic yards of solid waste per week
  - \* **Summer/Fall 2021** – generators of 2 or more cubic yards of solid waste per week, if statewide disposal of organic waste is not decreased by 50%

# SB 1383 – What Does it Require?

- \* Short-Lived Climate Pollutants (SLCP)
  - \* Methane
  - \* Hydrofluorocarbons
  - \* Anthropogenic black carbon
- \* Focus - Organic Waste Methane Emissions Reductions

## Senate Bill No. 1383

### CHAPTER 395

An act to add Sections 39730.5, 39730.6, 39730.7, and 39730.8 to the Health and Safety Code, and to add Chapter 13.1 (commencing with Section 42652) to Part 3 of Division 30 of the Public Resources Code, relating to methane emissions.

[Approved by Governor September 19, 2016. Filed with  
Secretary of State September 19, 2016.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1383, Lara. Short-lived climate pollutants: methane emissions: dairy and livestock: organic waste: landfills.

(1) The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The state board is required to approve a statewide greenhouse gas emissions limit equivalent to the statewide greenhouse gas emissions level in 1990 to be achieved by 2020. The state board is also required to complete a comprehensive strategy to reduce emissions of short-lived climate pollutants, as defined, in the state.

This bill would require the state board, no later than January 1, 2018, to approve and begin implementing that comprehensive strategy to reduce emissions of short-lived climate pollutants to achieve a reduction in methane by 40%, hydrofluorocarbon gases by 40%, and anthropogenic black carbon by 50% below 2013 levels by 2030, as specified. The bill also would establish specified targets for reducing organic waste in landfills.

This bill would require the state board, in consultation with the Department of Food and Agriculture, to adopt regulations to reduce methane emissions from livestock manure management operations and dairy manure management operations, as specified. The bill would require the state board to take certain actions prior to adopting those regulations. This bill would require the regulations to take effect on or after January 1, 2024, if the state board, in consultation with the department, makes certain determinations.

This bill would require the state board, the Public Utilities Commission, and the State Energy Resources Conservation and Development Commission to undertake various actions related to reducing short-lived climate pollutants in the state. The bill would require state agencies to consider and, as appropriate, adopt policies and incentives to significantly increase the sustainable production and use of renewable gas.

(2) The California Integrated Waste Management Act of 1989, which is administered by the Department of Resources Recycling and Recovery, establishes an integrated waste management program that requires each

# SB 1383 – What Does it Require?

- \* **Air Resources Board (ARB) must present a plan by January 1, 2018 to reduce SLCP emissions**
  - \* 50% reduction in the level of statewide disposal of organic waste from 2014 level by 2020 (~20 million tons in 2014)
  - \* 75% reduction in the level of statewide disposal of organic waste from 2014 level by 2025
  - \* 20% improvement in edible food recovery by 2025

# SB 1383 – What is Organic Waste?

## \* **SB1383 Draft Regulatory Definition:**

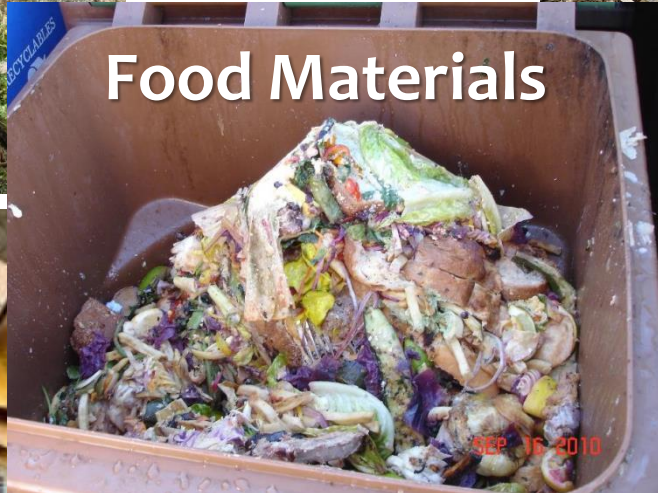
- \* “Organic Waste” means solid wastes containing material originated from living organisms and their metabolic waste products, including but not limited to food waste, green waste, landscape and pruning waste, applicable textiles and carpets, wood, lumber, fiber, manure, biosolids, digestate and sludges.

# SB 1383 – What is Organic Waste?

**Green Materials**



**Food Materials**



**Wood Waste**



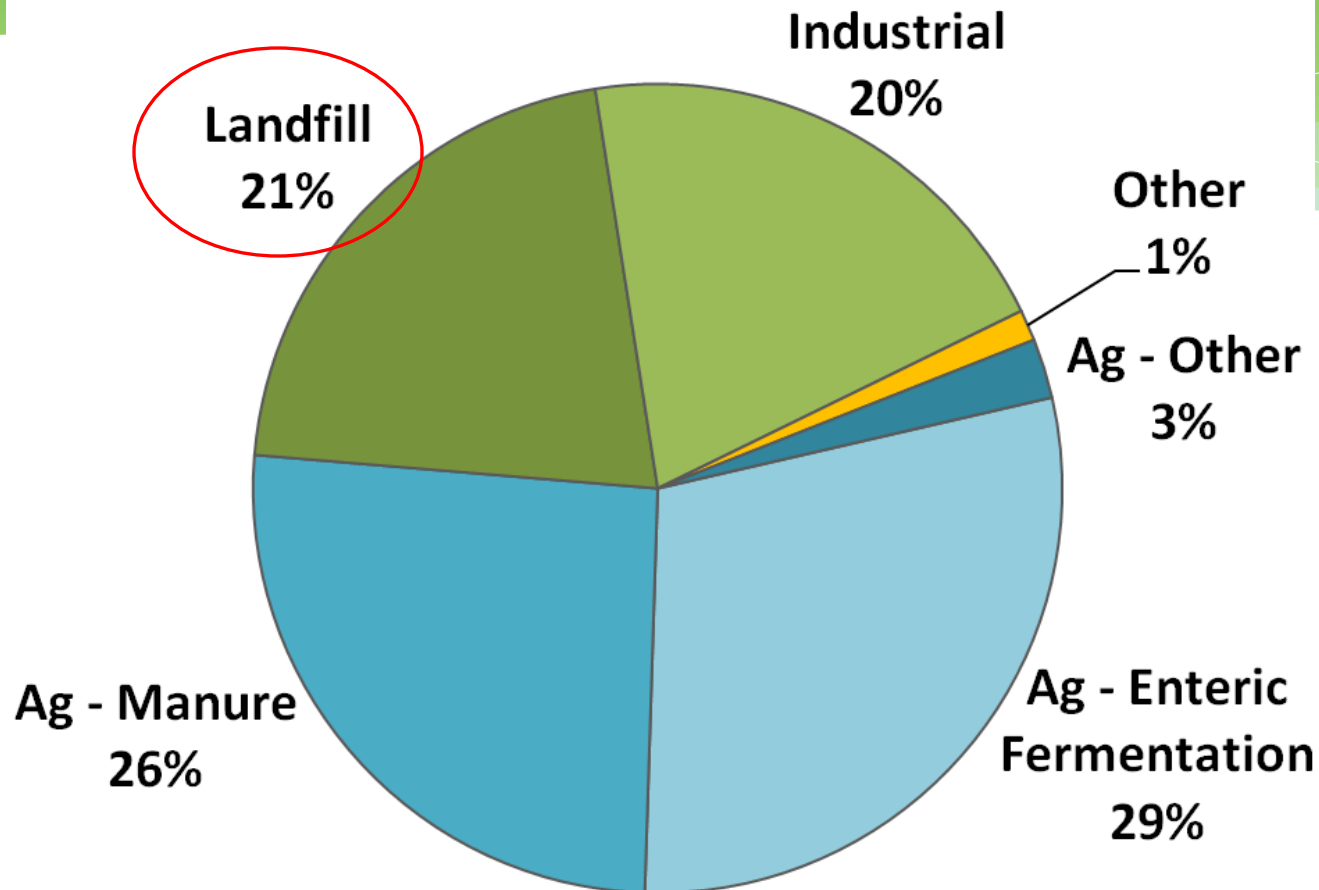
**Fiber  
(Paper and Cardboard)**



**Biosolids**



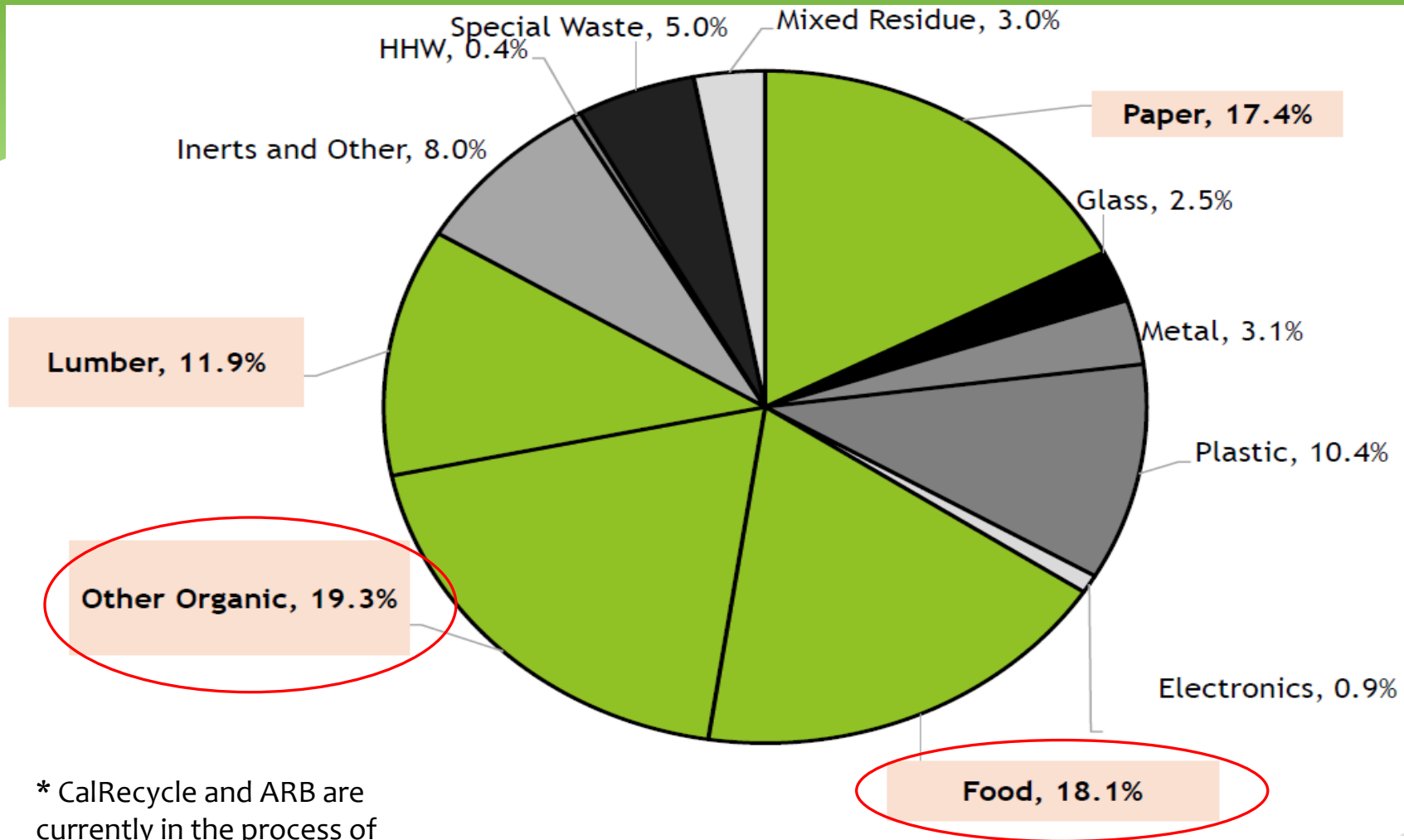
# SB 1383 – Why Organic Waste?



**2015 Total CH<sub>4</sub> Emissions: 39.6 MMTCO<sub>2</sub>e**

*Help reduce your CH<sub>4</sub> emissions by reducing waste to landfills!*

# SB 1383 - How Many Tons?

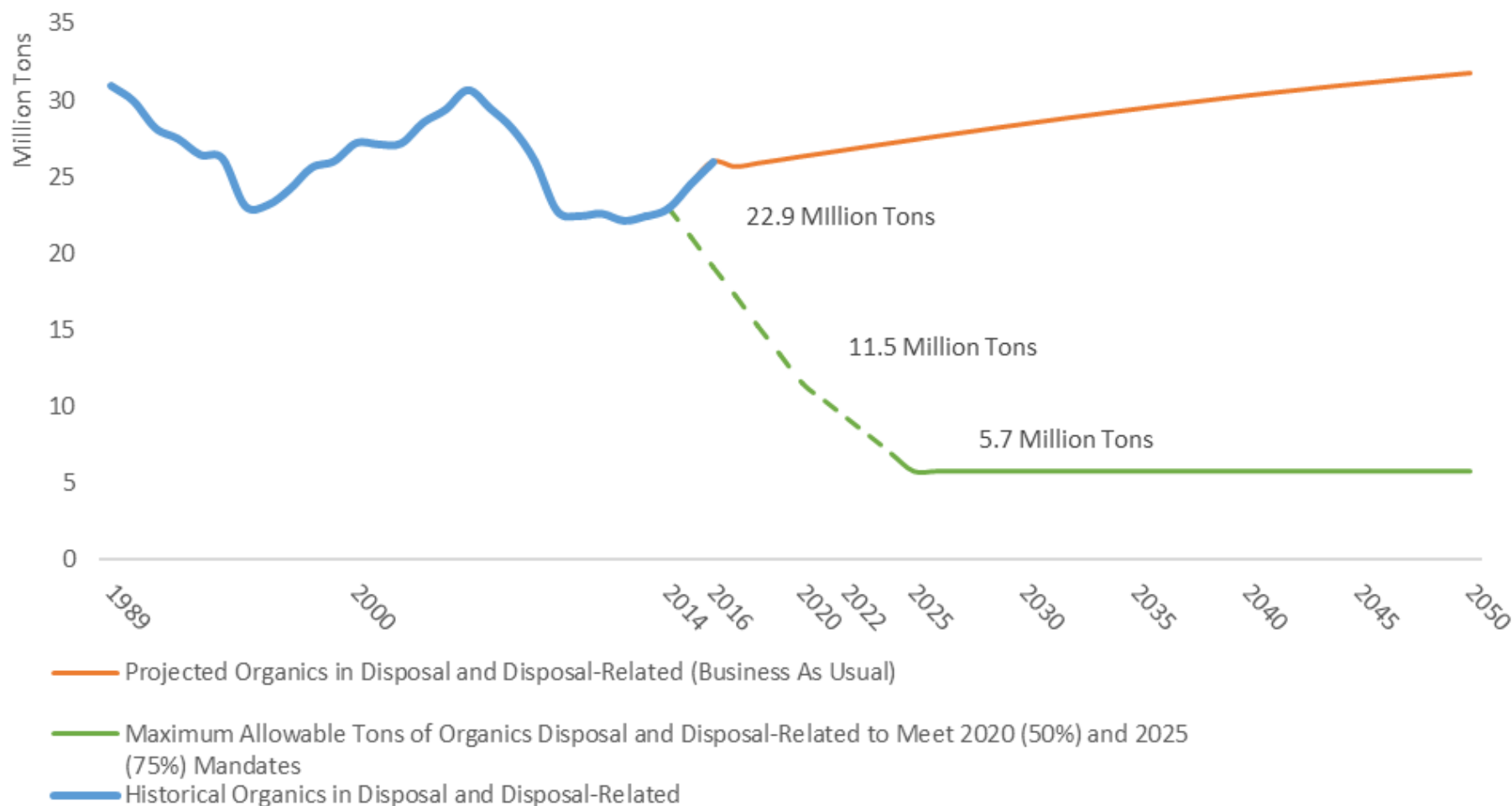


\* CalRecycle and ARB are currently in the process of determining activities that count as disposal for the purposes of SB 1383.

- \* +/- 23 Million Tons of Organic Waste
- \* +/- 66% of Total Disposal

# SB 1383 – Where Are We Today?

## Allowable Disposal of Organics Statewide



# SB 1383 – Where Are We Today?

- \* **Existing Organics Recycling Infrastructure**

- \* Recycles (+/-) 6 Million Tons Annually

- \* **NEW RECYCLING INFRASTRUCTURE AND CAPACITY NEEDED**

- \* 2020 – Additional 10 Million Tons Per Year
- \* 2025 – Additional 20 Million Tons Per Year (growing each year thereafter)

# SB 1383 – How Do We Get There?

- \* 2017 – Informal rulemaking workshops
- \* 2018 – Formal rulemaking and adoption of regulations  
(regulations to be adopted in 2018/2019)
- \* 2020 – 50% Reduction in organics disposal ( $\leq 10$  M tons)
  - \* 2020 Analysis on Waste Sector Progress
  - \* **2022 Regulations Take Effect**
- \* 2025 – 75% Reduction in organics disposal ( $\leq 5$  M tons)

# How Can the RMDZ Help?

- \* **RMDZ – Recycling Market Development Zone**

- \* All of the City of Los Angeles is part of the RMDZ
- \* Parts of Los Angeles County are a RMDZ

- \* **Priority Materials**

- \* Organics are priority materials for an RMDZ Loan

- \* **Anaerobic Digestion is eligible**

- \* **Qualifying criteria**

- \* Reduce waste during manufacturing process
- \* Create recycled-content feedstock by processing waste material
- \* Manufacture products using discarded materials

# RMDZ Examples

## \* **Co-Production**

- \* Product made from discards of production at location they were created:
  - \* EcoShell Inc. – Corning, California
  - \* Walnut shells – sold as a biodegradable, non-toxic, environmentally safe and cost effective blasting material

## \* **Composting**

- \* Earthworm Soil Factory – Butte Co. California
- \* Vermicomposting organic matter to sell as garden blend for landscaping

# How RMDZ Can Help

## \* **Financial Assistance**

- \* Low interest, fixed-rate loan
- \* Fund loans up to \$2million dollars

## \* **Marketing Assistance**

- \* Staff can help promote business on the internet as well as traditional advertising methods

## \* **Technical Assistance**

- \* Staff can help businesses find raw materials, recommend changes to reduce your disposal costs, help develop new revenue streams

# How Can You Use RMDZ Funds?

- \* **Purchase Equipment**
- \* **Purchase Real Estate**
- \* **Real Estate Improvements**
- \* **Working Capital**
- \* **Debt Financing**

# Summary

- \* Starting in 2022, SB 1383 regulations will be in effect
- \* RMDZ provides business assistance and loans to help develop businesses and reduce waste
- \* Current State Law AB 1826 requires mandatory organics recycling – fulfilled by RecycLA

# Thank You

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