

**Environmental Services Joint Powers' Authority
Board of Directors' Meeting**

Thursday, October 18, 2018

**Agenda Item V
Legislative Update**

Complete Text of Selected Solid Waste Bills

AB 2832 Dahle	Recycling: lithium-ion vehicle batteries: advisory group	page 1
AB 2908 Berman	Tire Recycling: California tire regulatory fee and waste tire program - VETOED	page 7
AB 3036 Cooley	Solid Waste: definition	page 31
AB 3178 Rubio	Integrated waste management plans: diversion Requirements - VETOED	page 33
SB 212 Jackson	Solid waste: pharmaceutical and sharps waste stewardship	page 49
SB 452 Glazer	CA Beverage Container Recycling Act VETOED	page 75

Summary Listing of Selected Solid Waste Related Bills page 101

Assembly Bill No. 2832

CHAPTER 822

An act to add and repeal Article 3 (commencing with Section 42450.5) of Chapter 8 of Part 3 of Division 30 of the Public Resources Code, relating to recycling.

[Approved by Governor September 27, 2018. Filed with Secretary of State September 27, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2832, Dahle. Recycling: lithium-ion vehicle batteries: advisory group.

The Rechargeable Battery Recycling Act of 2006 requires every retailer, as defined, to have in place a system for the acceptance and collection of used rechargeable batteries for reuse, recycling, or proper disposal. Existing law requires the system for the acceptance and collection of used rechargeable batteries to include, at a minimum, specified elements, including, among others, the take-back at no cost to the consumer of a used rechargeable battery of the type or brand that the retailer sold or previously sold. Existing law defines "rechargeable battery" for purposes of these provisions to mean a small, nonvehicular, rechargeable nickel-cadmium, nickel metal hydride, lithium-ion, or sealed lead-acid battery, or a battery pack containing these types of batteries.

This bill would require the Secretary for Environmental Protection, on or before April 1, 2019, to convene the Lithium-Ion Car Battery Recycling Advisory Group to review, and advise the Legislature on, policies pertaining to the recovery and recycling of lithium-ion batteries sold with motor vehicles in the state, and would require the secretary to appoint members to the committee from specified departments, vocations, and organizations. The bill would require the advisory group to consult with specified entities and, on or before April 1, 2022, to submit policy recommendations to the Legislature aimed at ensuring that as close to 100% as possible of lithium-ion batteries in the state are reused or recycled at end-of-life in a safe and cost-effective manner. The bill would require the policy recommendations to reflect specified considerations. The bill would repeal these provisions on January 1, 2027.

The people of the State of California do enact as follows:

SECTION 1. Article 3 (commencing with Section 42450.5) is added to Chapter 8 of Part 3 of Division 30 of the Public Resources Code, to read:

Article 3. Lithium-Ion Batteries

42450.5. (a) For purposes of this section, the following definitions apply:

(1) “Automobile dismantler” has the same definition as in Section 220 of the Vehicle Code.

(2) “Motor vehicle” has the same definition as in Section 415 of the Vehicle Code.

(3) “Vehicle manufacturer” has the same definition as in Section 672 of the Vehicle Code.

(b) On or before April 1, 2019, the Secretary for Environmental Protection shall convene the Lithium-Ion Car Battery Recycling Advisory Group to review, and advise the Legislature on, policies pertaining to the recovery and recycling of lithium-ion vehicle batteries sold with motor vehicles in the state. Until April 1, 2022, the advisory group shall meet at least quarterly. The advisory group shall consult with universities and research institutions that have conducted research in the area of battery recycling, with manufacturers of electric and hybrid vehicles, and with the recycling industry. The Secretary for Environmental Protection shall appoint at least one member to the advisory group from each of the following:

(1) The Department of Resources Recycling and Recovery.

(2) The Department of Toxic Substances Control.

(3) A vehicle manufacturer.

(4) An organization that represents one or more vehicle manufacturers.

(5) An electronic waste recycler or an organization that represents one or more electronic waste recyclers.

(6) An automotive repair dealer or an organization that represents one or more automotive repair dealers.

(7) An automobile dismantler or an organization that represents one or more automobile dismantlers.

(8) An environmental organization that specializes in waste reduction and recycling.

(9) A representative of the energy storage industry.

(10) A lithium-ion vehicle battery manufacturer.

(11) A standards-developing organization that has a focus on automotive engineering.

(c) On or before April 1, 2022, the Lithium-Ion Car Battery Recycling Advisory Group shall submit policy recommendations to the Legislature, in compliance with Section 9795 of the Government Code, aimed at ensuring that as close to 100 percent as possible of lithium-ion vehicle batteries in the state are reused or recycled at end-of-life in a safe and cost-effective manner. The policy recommendations shall reflect entire life cycle considerations for lithium-ion vehicle batteries, including, but not limited to, opportunities and barriers to the reuse of those batteries as energy storage systems after they are removed from the vehicle, best management considerations for those batteries at end-of-life, and the overall effect of different management practices on the environment. In developing the policy

recommendations, the advisory group shall consider both in-state and out-of-state options for the recycling of lithium-ion vehicle batteries.

(d) This section shall remain in effect only until January 1, 2027, and as of that date is repealed.

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RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

August 30, 2018

The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

RE: Assembly Bill 2832 (Dahle) – REQUEST FOR SIGNATURE

Dear Governor Brown:

On behalf of the Rural County Representatives of California (RCRC), I am writing to respectfully urge your signature on Assembly Bill 2832. AB 2832, authored by Assembly Member Brian Dahle, would require the Department of Toxic Substances Control (DTSC) to work with other state entities and stakeholders to identify approaches for the reuse or recycling of lithium-ion batteries from electric vehicles and to submit a report to the Legislature by July 1, 2020, based on their findings. RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

In addition, twenty-four member counties have formed the Rural Counties' Environmental Services Joint Powers Authority (ESJPA) to provide assistance to solid waste managers in rural counties. These solid waste managers have been charged with ensuring that their respective counties meet state-imposed requirements in order to reduce waste being disposed in landfills and increase recycling/re-use efforts for certain products.

To meet the state's greenhouse gas emissions reductions goals, car manufacturers are required to provide an increasing percentage of electric vehicles. While the life of the batteries is expected to generally be 7-10 years, at some point in the future, the state can anticipate a large volume of discarded lithium-ion batteries from electric vehicles when the batteries no longer function for their intended purpose. The state should be prepared to properly handle and divert these batteries from the waste stream before it becomes a problem.

AB 2832 would require the Secretary of Environmental Protection to convene a Lithium-ion Car Battery Recycling Advisory Group, with specified members, and submit policy recommendations to the Legislature by April 1, 2020, aimed at ensuring that 90

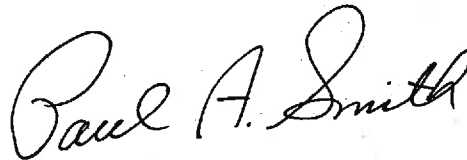
1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | FAX: 916.448.3154

The Honorable Edmund G. Brown, Jr.
Assembly Bill 2832
August 30, 2018
Page 2

percent of end-of-life lithium-ion vehicle batteries discarded in the state are recycled in a safe and cost-effective manner in the state. RCRC believes AB 2832 is a mechanism for the state to be prepared to properly handle discarded lithium-ion batteries.

Again, RCRC respectfully requests your signature on AB 2832.

Sincerely,

A handwritten signature in cursive script that reads "Paul A. Smith".

PAUL A. SMITH
Vice President Governmental Affairs

cc: The Honorable Brian Dahle, Member of the State Assembly
The Honorable Melissa Melendez, Member of the State Assembly
The Honorable Bill Quirk, Member of the State Assembly
The Honorable Freddie Rodriguez, Member of the State Assembly
The Honorable Autumn Burke, Member of the State Assembly
The Honorable Tom Lackey, Member of the State Assembly
The Honorable Devon Mathis, Member of the State Assembly
The Honorable Dante Acosta, Member of the State Assembly
The Honorable Phil Ting, Member of the State Assembly

Assembly Bill No. 2908

Passed the Assembly August 27, 2018

Chief Clerk of the Assembly

Passed the Senate August 23, 2018

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 2018, at ____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 42872.1, 42885, 42889, and 42961.5 of, and to add Sections 42872.2 and 42872.3 to, the Public Resources Code, relating to tire recycling.

LEGISLATIVE COUNSEL'S DIGEST

AB 2908, Berman. Tire recycling: California tire regulatory fee and waste tire program.

(1) The California Tire Recycling Act requires, until January 1, 2024, a person who purchases a new tire to pay a California tire fee of \$1.75 per tire, for deposit in the California Tire Recycling Management Fund, for expenditure by the Department of Resources Recycling and Recovery upon appropriation by the Legislature, to fund the waste tire program and for other purposes, including to pay for the costs associated with a waste tire and used tire hauler program and manifest system, as provided. After January 1, 2024, existing law reduces the tire fee to \$0.75 per tire.

Existing law requires any person generating waste tires or used tires that are transported or submitted for transportation, for offsite handling, altering, storage, disposal, or for any combination thereof, to complete a California Uniform Waste and Used Tire Manifest, as required by the department. Existing law requires a generator to provide the manifest to the waste and used tire hauler at the time of transfer of the tires, and to submit to the department, on a quarterly schedule, a legible copy of each manifest.

This bill would require, until January 1, 2024, upon a specified finding by the department, a waste tire generator that is a retail seller of new tires to end user purchasers to pay a California tire regulatory fee and to remit that fee to the state on a quarterly schedule for deposit in the California Tire Recycling Management Fund. The bill would require the department to track revenue from the California tire regulatory fee separately and would prohibit those funds from being used for activities other than those specified. The bill would require the department to identify the specific programs that the California tire regulatory fee would fund. The bill would require the department to establish the California tire regulatory fee in an amount that does not exceed

\$1 per new tire sold, and would require the department to base the amount of the fee on specified criteria, as provided. The bill would authorize the department to differentiate in setting the fees between the waste tire generators who are retail sellers depending upon the nature of the activity generating waste tires, the number of waste tires generated, and other appropriate bases.

The bill would require the department, prior to establishing the California tire regulatory fee or making any adjustment to the fee, to hold a public hearing, as specified. The bill would provide that an adjustment to the fee becomes effective on January 1 of the year following its adoption. The bill would require the department to adopt regulations to implement the initial California tire regulatory fee, and would authorize the department to adopt regulations to adjust the California tire regulatory fee, as specified.

(2) Existing law prohibits the California tire fee from being imposed on a tire sold with, or sold separately for use on, a self-propelled wheelchair, a motorized tricycle or motorized quadricycle, or a vehicle that is similar to a motorized tricycle or motorized quadricycle, as specified.

This bill would prohibit the California tire regulatory fee from being imposed on those same vehicles.

(3) Existing law establishes, as a part of the waste tire program, the tire recycling program, which promotes and develops alternatives to the landfill disposal of used whole tires. The program provides for grants to certain entities involved in activities that result in reduced landfill disposal of whole used tires, and development and implementation of a waste tire incentive payment program to promote increased demand for waste tires recycled in this state. Under the act, until June 30, 2019, the Rubberized Pavement Market Development Act provides for the award of grants to certain public agency projects that use rubberized asphalt concrete.

This bill would extend the operation of the Rubberized Pavement Market Development Act to January 1, 2020, and would enact the Tire Recycling Incentive Program Act. The bill would require the department to establish this incentive program to make payments to eligible entities that purchase tire products that are processed in the state from waste tire material for incorporation in products for sale to end users or for use in local public works projects, as specified. The bill would include as an eligible entity a city, county,

city and county, or special district that uses rubberized asphalt products that incorporate California-generated waste tire material for a local public works pavement project, as provided. The bill would require that no less than 50% of the total annual value of incentive payments be made available to those local entities. The bill would require the department, on or before January 1, 2020, to hold a public workshop to develop a plan for the tire recycling incentive payment program, as specified. The bill would require the department to collect data from recipients of incentive payments and release that data annually in the California Waste Tire Market Report, as specified. The bill would require the department to evaluate the program in a public forum and propose changes accordingly. The bill would require the department, upon appropriation by the Legislature, to annually make available an allocation for incentive payments that is not less than 75% of the projected California tire fee revenue for that fiscal year at the time of the enactment of the annual Budget Act. The bill would authorize the department to reduce that allocation before the end of the fiscal year, if the department finds that actual California tire fee revenue falls short of projections.

(4) Existing law declares the intent of the Legislature to reduce the landfill disposal and stockpiling of used whole tires by 25% within 4 years of full implementation of a statewide tire recycling program and to recycle and reclaim used tires and used tire components to the greatest extent possible in order to recover valuable natural resources.

This bill would declare that it is the policy goal of the state that not less than 75% of solid waste tires generated be source reduced or recycled in the state annually. The bill would require the department, if that policy goal is met for 3 consecutive years, to review existing tire recycling programs and make recommendations, as specified.

(5) Existing law requires a person generating waste or used tires that are transported or submitted for transportation to submit a California Uniform Waste and Used Tire Manifest, as defined, to the waste and used tire hauler and to submit copies of the manifest to the department. A waste and used tire hauler is required to possess that manifest while transporting waste or used tires, and the operator of a waste or used tire facility is required to submit a copy of the manifest to the department and the generator. Existing

law requires the department to develop and implement a system for auditing manifests, including continuously conducting random sampling and matching of manifests.

This bill would revise those provisions to, among other things, require a waste and used tire hauler, on and after January 1, 2020, to submit an electronic manifest, instead of a paper manifest, to the department within 7 days of the date of the pickup or delivery for each load of waste or used tires transported.

(6) This measure would declare that its provisions are severable.

The people of the State of California do enact as follows:

SECTION 1. Section 42872.1 of the Public Resources Code is amended to read:

42872.1. (a) This section shall be known, and may be cited, as the Rubberized Pavement Market Development Act.

(b) In accordance with the tire recycling program authorized by Section 42872, the department shall award grants in the following manner:

(1) To cities, counties, and other local governmental agencies for the funding of public works projects that utilize rubberized pavement.

(2) To state and local governmental agencies, including regional park districts, for the funding of disability access projects at parks and Class I bikeways as defined in subdivision (a) of Section 890.4, relative to projects that utilize rubberized pavement.

(c) (1) Except as provided in paragraph (2), the department shall award the grants pursuant to subdivision (b) in the amount of two dollars (\$2) for every 12 pounds of crumb rubber used in a public works or disability access project by a state or local governmental agency, including a regional park district.

(2) The department may adjust the amount of grants awarded pursuant to paragraph (1) to an amount that is greater than, or less than, two dollars (\$2) for every 12 pounds of crumb rubber if the department finds this adjustment would further the purposes of this article.

(d) This section shall remain in effect only until January 1, 2020, and as of that date is repealed.

SEC. 2. Section 42872.2 is added to the Public Resources Code, to read:

42872.2. (a) This section shall be known, and may be cited, as the Tire Recycling Incentive Program Act.

(b) In accordance with Section 42872, the department shall establish a tire recycling incentive program that makes payments to eligible entities.

(c) Incentive payments shall be made only to eligible entities for incentive-eligible tire products manufactured from California-generated waste tire material that promote the recycling of, the reduction of the disposal of, or the prevention of illegal dumping of California-generated waste tire material.

(d) An entity is eligible to receive an incentive payment only upon demonstrating the following to the department, as applicable:

(1) The entity purchased a tire product that is manufactured completely in California from California-generated waste tire material processed in California.

(2) If the end use of the tire product is for something other than a local public works project, the entity sold an incentive-eligible tire product that is processed and manufactured completely in California incorporating California-generated waste tire material to an end user.

(e) For purposes of this section, “eligible entity” includes both of the following:

(1) A manufacturer that produces an incentive-eligible tire product incorporating California-generated waste tire material for purchase by an end user. “Eligible entity” does not include the entity or person that receives the finished product, except as provided in paragraph (2).

(2) A city, county, city and county, or special district that puts out a bid and contracts with an outside entity to use rubberized asphalt products that incorporate California-generated waste tire material for a local public works pavement project, including, but not limited to, a pavement project on a street, road, alley, or other thoroughfare specified in the bid documents. No less than 50 percent of the total annual value of incentive payments made pursuant to this section shall be made available for the eligible entities described in this paragraph.

(f) For purposes of this section, “end user” includes, but is not limited to, the following:

(1) Cities, counties, and other local governmental agencies, including school districts.

(2) State governmental agencies, including regional park districts.

(3) Private companies and persons.

(g) (1) For purposes of this section, "incentive-eligible tire product" may include, but is not limited to, the following:

(A) Pavement-related products, such as rubberized asphalt, asphalt rubber, modified binders, and chip seals.

(B) Rubberized asphalt base stock to be used in applications other than pavement.

(C) Products used in disability access projects at parks and Class I bikeways, as defined in subdivision (a) of Section 890.4 of the Streets and Highways Code, relative to projects that use recycled tires.

(D) Poured in place and tile playground mats.

(E) Landscape nuggets and mulch.

(F) Walkways and pathways.

(G) Running tracks.

(H) Tire-derived aggregate engineered applications.

(I) Molded, extruded, injected, and calendered products.

(J) Products that use recycled rubber as a substitute for other materials, such as plastic.

(K) Paint and coatings.

(L) Other products, environmentally safe applications, or treatments determined to be appropriate by the department.

(2) "Incentive-eligible tire product" does not include any of the following:

(A) Tire-derived fuel.

(B) Alternative daily cover, intermediate cover, erosion, or other landfill uses, except tire-derived aggregates used in landfill engineered projects for landfill gas and leachate control systems and other engineering projects designated by the department.

(C) Exports of whole waste tires.

(D) Crumb rubber as an intermediate product before purchase for incorporation into a final end use.

(E) Tire-derived aggregate as an intermediate product before purchase for incorporation into a final end use or as an intermediate product that is shipped out of state.

(F) Rubberized pavement shipped out of state.

(G) Synthetic turf infill.

(H) Loose rubber nugget or mulch playgrounds.

(I) Purchases made to meet procurement requirements established pursuant to Section 42703.

(h) (1) On or before January 1, 2020, the department shall hold a public workshop to develop a plan for the tire recycling incentive payment program established pursuant to subdivision (b). The plan shall be included in the next revision of the five-year plan required pursuant to Section 42885.5.

(2) At the public workshop required pursuant to paragraph (1), the department shall do both of the following:

(A) Consistent with this chapter, determine, among other things, all of the following:

(i) What products, in addition to those listed in paragraph (1) of subdivision (g), are “incentive-eligible tire products” for purposes of this section.

(ii) The incentive payment amounts to be paid to eligible entities, consistent with the requirements of subdivision (I).

(iii) Conditions to ensure that incentives are paid only for bona fide transactions.

(iv) What is considered a “recycled-tire product” for purposes of determining the recycling rate for California-generated waste tire material. “Recycled-tire product” shall include, among other things, some nonincentive-eligible tire-derived products, for those purposes.

(v) A timeline for implementing the tire recycling incentive program and the program commencement date, which shall be no later than July 1, 2020.

(B) (i) Develop a tiered incentive payment structure with no more than three tiers. The tiers shall be designed to ensure that the maximum amount of California-generated waste tires is recycled.

(ii) During the first two years of the program, individual payment amounts for projects in the tier with the highest incentive payments shall be no more than twice the individual payment amounts for projects in the tier with the second highest incentive payments. After the first two years of the program, the department may determine in a public workshop incentive payments for projects in the highest tier that are more than twice the individual payment amounts for those in the tier with the second highest incentive payments. This determination shall be based on market information, program performance, the potential of new products and different market segments, and the department’s goal of

developing a long-term, sustainable, and diversified demand for tire-derived products. Payments for projects in the tier with the highest incentive payments shall account for no more than 25 percent of the total amount of moneys made available as incentive payments by the program for purposes other than pavement-related activities.

(iii) In developing the tiers, the department shall consider factors, including, but not limited to, the following:

(I) The quantity of waste tires that will be diverted from landfills.

(II) The incentive amount necessary for incentive-eligible tire products to effectively compete with nonrecycled alternatives.

(III) The existing and potential markets for the applicable incentive-eligible tire product.

(IV) The policy goal established pursuant to Section 42872.3.

(V) The market segments for waste tires.

(VI) The pricing structures necessary to increase the use of incentive-eligible tire products by market segment, including pricing structures necessary to achieve the goal established pursuant to Section 42872.3.

(VII) The development of long-term, sustainable, and diversified market demand for California tire-derived products.

(iv) The department shall conduct a waste tire market evaluation to inform the development of the tiers and shall discuss the findings at the public workshop required pursuant to paragraph (1).

(3) The department shall consider the amount of moneys made available for incentive payments pursuant to subdivision (l) and, in the biennial update of the plan following January 1, 2019, shall reduce the amount of moneys expended for waste tire market development grants pursuant to the five-year plan described in Section 42885.5, from the amount that was authorized for such grants as of January 1, 2019, as it deems appropriate. All other tire program activities that are not related to market development grants shall continue as described in the five-year plan.

(i) The department shall collect data from recipients of incentive payments to be released annually in the California Waste Tire Market Report.

(1) Data shall be aggregated to determine the total amount of money paid for each category of incentive-eligible tire products listed in subparagraphs (A) to (L), inclusive, of paragraph (1) of subdivision (g) and how many tires, or passenger tire equivalents

as defined in subdivision (b) of Section 42961.5, were recycled. The department shall use the data specified in this paragraph for purposes of the evaluation required pursuant to subdivision (j).

(2) The department shall include in the California Waste Tire Market Report the annual recycling rate, the number of tires, or passenger tire equivalents, as defined in subdivision (b) of Section 42961.5, that were recycled in that year and, to the extent the information is available, the number of tires or passenger tire equivalents of the nonincentive-eligible tire-derived products considered recycled-tire products pursuant to clause (iv) of subparagraph (A) of paragraph (2) of subdivision (h).

(3) The report shall also include the number of tires recycled by the Department of Transportation and, to the extent the information is available, an estimate of the recycling rate of waste tire material recycled by other state and local agencies and by the private sector, as part of the overall recycling rate.

(4) The report shall also analyze the use of incentive payments by the public and private entities that receive incentive payments and shall analyze whether the minimum percentage of the total annual value of incentive payments made available pursuant to paragraph (2) of subdivision (e) should be modified in statute to maximize tire recycling.

(j) As part of the biennial update of the five-year plan required pursuant to Section 42885.5, the department shall evaluate the tire recycling incentive program established pursuant to subdivision (b) in a public forum and propose changes accordingly. Consistent with this chapter, the department may make changes to the tire program, but no more frequently than annually and only after holding a public workshop.

(1) The evaluation required pursuant to this subdivision shall include, but is not limited to, the following elements:

(A) The recycling rate of California-generated waste tire material, including waste tire material recycled through funding pursuant to the tire recycling incentive program, and, to the extent the information is available, an estimate of the recycling rate of waste tire material recycled by other state and local agencies and the private sector.

(B) The amount of California-generated waste tire material entering each market segment.

(C) The amount of waste tire material recycled through expenditures authorized by this chapter.

(2) Based on the findings from the evaluation required pursuant to this subdivision, the department shall reevaluate and prioritize funding for the categories of incentive-eligible tire products that recycle the most waste tires.

(k) For purposes of this section, recipients of incentive payments shall meet specified criteria, as established by the department, that are consistent with the provisions of this article.

(l) For purposes of this section, the department, upon appropriation by the Legislature, shall annually make available an allocation for incentive payments that is not less than 75 percent of the projected California tire fee revenue for that fiscal year at the time of the enactment of the annual Budget Act. If the department finds that actual California tire fee revenue falls short of projections, the department may reduce this allocation to the extent it is unexpended before the end of the fiscal year.

(m) Nothing in this section is intended to limit the use of waste tire products that are not incentive-eligible tire products.

(n) It is the intent of the Legislature that this section encourage activities and expenditures in addition to those under the tire program, other than activities associated with market development grants. Implementation of the tire recycling incentive program shall not result in reduced expenditures for other tire program activities that are not associated with market development grants.

SEC. 3. Section 42872.3 is added to the Public Resources Code, to read:

42872.3. (a) The Legislature hereby declares that it is the policy goal of the state that not less than 75 percent of solid waste tires generated be source reduced or recycled in the state annually.

(b) If the state meets the policy goal in subdivision (a) for three consecutive years, the department shall, as part of the five-year plan required pursuant to Section 42885.5, review existing tire recycling programs and make recommendations as to which policies are necessary to maintain and increase the level of waste tire recycling.

SEC. 4. Section 42885 of the Public Resources Code, as amended by Section 31 of Chapter 401 of the Statutes of 2013, is amended to read:

42885. (a) (1) For purposes of this section, “California tire fee” means the fee imposed pursuant to subdivision (b) of this section.

(2) For purposes of this section, a “California tire regulatory fee” means a fee imposed pursuant to subdivision (c) of this section.

(b) (1) A person who purchases a new tire, as defined in subdivision (h), shall pay a California tire fee of one dollar and seventy-five cents (\$1.75) per tire.

(2) The retail seller shall charge the retail purchaser the amount of the California tire fee as a charge that is separate from, and not included in, any other fee, charge, or other amount paid by the retail purchaser.

(3) The retail seller shall collect the California tire fee from the retail purchaser at the time of sale and may retain 1 ½ percent of the fee as reimbursement for any costs associated with the collection of the fee. The retail seller shall remit the remainder to the state on a quarterly schedule for deposit in the California Tire Recycling Management Fund, which is hereby created in the State Treasury.

(c) (1) Upon a finding by the department that the balance of the California Tire Recycling Management Fund is projected to drop below twenty-five million dollars (\$25,000,000) for the next fiscal year, the department shall establish, and a waste tire generator that is a retail seller of new tires to end user purchasers shall pay, a California tire regulatory fee. The amount of the California tire regulatory fee shall be established and adjusted by the department based on the factors specified in paragraph (3), but that amount shall not exceed one dollar (\$1) per new tire sold. The department shall set this fee to collect no more than is necessary for the following fiscal year, including a prudent reserve, as specified in subparagraph (B) of paragraph (3). The department may differentiate in setting fees between waste tire generators who are retail sellers of new tires to end user purchasers depending upon the nature of the retail seller’s activity generating waste tires, the number of waste tires generated, and other appropriate bases.

(2) A waste tire generator that is a retail seller of new tires to end user purchasers may charge the retail purchaser the amount of the California tire regulatory fee as a charge that is separate

from, and not included in, any other fee, charge, or other amount paid by the retail purchaser.

(3) A waste tire generator that is a retail seller of new tires to end user purchasers shall remit the fee assessed pursuant to this subdivision to the state on a quarterly schedule for deposit in the California Tire Recycling Management Fund. The revenue from the California tire regulatory fee shall be tracked separately by the department and shall not be used for activities other than those described in this subdivision.

(4) Prior to establishing or adjusting the California tire regulatory fee, the department shall review at a public hearing the following factors:

(A) The amount necessary to fund the reasonable regulatory costs incurred by the department incident to audits, inspections, administrative activities, adjudications, manifesting, registration, and other regulatory activities associated with waste tires pursuant to this chapter, Chapter 16 (commencing with Section 42800), and Chapter 19 (commencing with Section 42950).

(B) The sufficiency of revenues in the California Tire Recycling Management Fund for the department to administer, enforce, and promote its regulatory activities regarding waste tires, including the regulatory aspects of the programs established pursuant to this chapter, Chapter 16 (commencing with Section 42800), and Chapter 19 (commencing with Section 42950), plus a prudent reserve.

(C) Whether additional revenue is necessary to preserve the department's ability to conduct regulatory activities in the following fiscal year.

(D) Whether, at the end of a fiscal year, after making payments pursuant to Sections 42872.1, 42872.2, and 42889, sufficient net fund balance remains in the California Tire Recycling Management Fund to reduce the California tire regulatory fee.

(5) An adjustment to the California tire regulatory fee shall become effective on January 1 of the year following its adoption.

(6) (A) The department shall adopt regulations to establish the California tire regulatory fee.

(B) The department may adopt regulations to adjust the California tire regulatory fee. These regulations shall be deemed to meet the description in subdivision (g) of Section 11340.9 of

the Government Code and may be filed by the department pursuant to Section 11343.8 of the Government Code.

(7) The department shall identify the specific programs to be funded by the California tire regulatory fee.

(d) The department, or its agent authorized pursuant to Section 42882, shall be reimbursed for its costs of collection, auditing, and making refunds associated with the California Tire Recycling Management Fund, but the amount of that reimbursement shall not exceed 3 percent of the total annual revenue deposited in the fund.

(e) (1) The California tire fee imposed pursuant to subdivision (b) shall be separately stated by the retail seller on the invoice given to the customer at the time of sale. Any other disposal or transaction fee charged by the retail seller related to the tire purchase shall be identified separately from the California tire fee.

(2) The California tire regulatory fee imposed pursuant to subdivision (c) may be separately stated by the retail seller on the invoice given to the customer at the time of sale. Any other disposal or transaction fee charged by the retail seller related to the tire purchase may be identified separately from the California tire regulatory fee.

(f) A person or business who knowingly, or with reckless disregard, makes a false statement or representation in a document used to comply with this section is liable for a civil penalty for each violation or, for continuing violations, for each day that the violation continues. Liability under this section may be imposed in a civil action and shall not exceed twenty-five thousand dollars (\$25,000) for each violation.

(g) In addition to the civil penalty that may be imposed pursuant to subdivision (f), the department may impose an administrative penalty in an amount not to exceed five thousand dollars (\$5,000) for each violation of a separate provision or, for continuing violations, for each day that the violation continues, on a person who intentionally or negligently violates a permit, rule, regulation, standard, or requirement issued or adopted pursuant to this chapter. The department shall adopt regulations that specify the amount of the administrative penalty and the procedure for imposing an administrative penalty pursuant to this subdivision.

(h) For purposes of this section, "new tire" means a pneumatic or solid tire intended for use with onroad or off-road motor

vehicles, motorized equipment, construction equipment, or farm equipment that is sold separately from the vehicle or equipment, or a new tire sold with a new or used motor vehicle, as defined in Section 42803.5, including the spare tire, or with construction or farm equipment. “New tire” does not include retreaded, reused, or recycled tires.

(i) The California tire fee and the California tire regulatory fee shall not be imposed on a tire sold with, or sold separately for use on, any of the following:

(1) A self-propelled wheelchair.

(2) A motorized tricycle or motorized quadricycle, as defined in Section 407 of the Vehicle Code.

(3) A vehicle that is similar to a motorized tricycle or motorized quadricycle and is designed to be operated by a person who, by reason of the person’s physical disability, is otherwise unable to move about as a pedestrian.

(j) This section shall remain in effect only until January 1, 2024, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2024, deletes or extends that date.

SEC. 5. Section 42889 of the Public Resources Code, as amended by Section 152 of Chapter 35 of the Statutes of 2014, is amended to read:

42889. (a) Of the moneys collected pursuant to subdivision (b) of Section 42885, an amount equal to seventy-five cents (\$0.75) per tire on which the fee is imposed shall be transferred by the California Department of Tax and Fee Administration to the Air Pollution Control Fund. The state board shall expend those moneys, or allocate those moneys to the districts for expenditure, to fund programs and projects that mitigate or remediate air pollution caused by tires in the state, to the extent that the state board or the applicable district determines that the program or project remediates air pollution harms created by tires upon which the fee described in subdivision (b) of Section 42885 is imposed.

(b) The remaining moneys collected pursuant to subdivision (b) of Section 42885 shall be used to fund the waste tire program and the tire recycling incentive program, pursuant to Sections 42872.1 and 42872.2, and shall be appropriated to the department in the annual Budget Act in a manner consistent with the five-year plan adopted and updated by the department. These moneys shall be expended for the payment of refunds under this chapter and for

the following purposes, to the extent they are not lawfully payable from funds allocated pursuant to subdivision (c) of Section 42885:

(1) To pay the administrative overhead cost of this chapter, not to exceed 6 percent of the total revenue deposited in the fund annually, or an amount otherwise specified in the annual Budget Act.

(2) To pay the costs of administration associated with collection, making refunds, and auditing revenues in the fund, not to exceed 3 percent of the total revenue deposited in the fund, as provided in subdivision (d) of Section 42885.

(3) To pay the costs associated with operating the tire recycling program specified in Article 3 (commencing with Section 42870).

(4) To pay the costs associated with the development and enforcement of regulations relating to the storage of waste tires and used tires. The department shall consider designating a city, county, or city and county as the enforcement authority of regulations relating to the storage of waste tires and used tires, as provided in subdivision (c) of Section 42850, and regulations relating to the hauling of waste and used tires, as provided in subdivision (b) of Section 42963. If the department designates a local entity for that purpose, the department shall provide sufficient, stable, and noncompetitive funding to that entity for that purpose, based on available resources, as provided in the five-year plan adopted and updated as provided in subdivision (a) of Section 42885.5. The department may consider and create, as appropriate, financial incentives for citizens who report the illegal hauling or disposal of waste tires as a means of enhancing local and statewide waste tire and used tire enforcement programs.

(5) To pay the costs of cleanup, abatement, removal, or other remedial action related to waste tire stockpiles throughout the state, including all approved costs incurred by other public agencies involved in these activities by contract with the department.

(6) To make studies and conduct research directed at promoting and developing alternatives to the landfill disposal of waste tires.

(7) To assist in developing markets and new technologies for used tires and waste tires. The department's expenditure of funds for purposes of this subdivision shall reflect the priorities for waste management practices specified in subdivision (a) of Section 40051.

(8) To pay the costs associated with implementing and operating a waste tire and used tire hauler program and manifest system pursuant to Chapter 19 (commencing with Section 42950).

(9) To pay the costs to create and maintain an emergency reserve, which shall not exceed one million dollars (\$1,000,000).

(10) To pay the costs of cleanup, abatement, or other remedial action related to the disposal of waste tires in implementing and operating the Farm and Ranch Solid Waste Cleanup and Abatement Grant Program established pursuant to Chapter 2.5 (commencing with Section 48100) of Part 7.

(11) To fund border region activities specified in paragraph (8) of subdivision (b) of Section 42885.5.

(12) For expenditure pursuant to paragraph (3) of subdivision (a) of, and paragraph (3) of subdivision (b) of, Section 17001.

(c) This section shall remain in effect only until January 1, 2024, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2024, deletes or extends that date.

SEC. 6. Section 42961.5 of the Public Resources Code is amended to read:

42961.5. (a) For purposes of this chapter, the following definitions shall apply:

(1) “California Uniform Waste and Used Tire Manifest” or “manifest” means a shipping document signed by a waste or used tire hauler and a generator of waste or used tires, or the operator of a waste or used tire facility or other destination that contains all of the information required by the department, including, but not limited to, an accurate measurement of the number of tires being shipped, the date the shipment originated or terminated, and the origin and final destination of the shipment.

(2) “Electronic Manifest” means a manifest that is submitted to the department electronically in a manner specified by the department.

(3) “Waste and used tire hauler” or “hauler” means any person required to be registered with the department pursuant to subdivision (a) of Section 42951.

(b) For purposes of this section, “Passenger Tire Equivalent” or “PTE” means either of the following:

(1) A unit of measurement, such that one PTE equals 20 pounds of waste or used tires, and one PTE equals one waste or used tire.

(2) A unit of measurement, such that 10 PTEs equals one cubic yard of waste or used tires, and one PTE equals one waste or used tire.

(c) (1) A hauler transporting waste or used tires for offsite handling, altering, storage, or disposal, or for any combination thereof, shall complete a manifest.

(2) A hauler shall have the manifest in his or her possession while transporting waste or used tires. The manifest shall be shown upon demand to any representative of the department, any officer of the Department of the California Highway Patrol, or any peace officer, as defined in Section 830.1 or 830.2 of the Penal Code.

(3) A hauler shall provide the manifest, or otherwise provide all required manifest information, to the generator of waste or used tires or to the operator of a waste or used tire facility or other destination at the time of transfer of the tires.

(4) The hauler shall submit a manifest to the department for each load of waste or used tires transported within seven days of the date of the pickup or delivery. The department may grant an extension before the seventh day upon a showing of good cause by the hauler.

(5) Notwithstanding the Uniform Electronic Transactions Act (Title 2.5 (commencing with Section 1633.1) of Part 2 of Division 3 of the Civil Code), on and after January 1, 2020, the hauler shall submit only an electronic manifest, and not a paper manifest, to the department within seven days of the date of the pickup or delivery for each load of waste or used tires transported.

(6) If approved by the department, a hauler may submit an electronic manifest prior to January 1, 2020. The electronic manifest shall include all information required to be on the manifest and any other information required by the department.

(d) The authorized representative for the person generating or accepting waste or used tires shall verify that the information on the manifest is correct, including the number of tires and other information specified by the department, and shall sign the manifest. The person generating or accepting waste or used tires shall maintain a copy of the manifest and any other information required that the department deems necessary to track the flow of waste and used tires through the state.

(e) The department may require an electronic manifest submitted by a hauler to the department to include verification from a hauler,

and a generator of waste or used tires, or the operator of a waste or used tire facility or other destination, that the information on the manifest is correct, including the number of tires and other information specified by the department.

(f) The department shall develop and implement a system for auditing manifests submitted to the department pursuant to this section, for the purpose of enforcing this section.

(g) If the amount of waste or used tires recorded on a manifest is by weight or volume, the department shall determine the number of waste or used tires being transported by converting the weight or volume into PTEs.

(h) The department may require a hauler to attend trainings and demonstrate understanding and proficiency with the provisions of this chapter, Chapter 16 (commencing with Section 42800), Chapter 17 (commencing with Section 42860), and any rules, regulations, or requirements issued or adopted pursuant to this chapter, Chapter 16, or Chapter 17 prior to receiving a waste and used tire hauler registration or a waste and used tire hauler registration renewal.

SEC. 7. The provisions of this measure are severable. If any provision of this measure or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

August 28, 2018

The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

RE: Assembly Bill 2908 (Berman) – REQUEST FOR SIGNATURE

Dear Governor Brown:

On behalf of the Rural County Representatives of California (RCRC), I am writing to respectfully urge your signature on Assembly Bill 2908. AB 2908, authored by Assembly Member Marc Berman, addresses the issue of increasing used tire recycling efforts. RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

In addition, twenty-four member counties have formed the Rural Counties' Environmental Services Joint Powers Authority (ESJPA) to provide assistance to solid waste managers in rural counties. These solid waste managers have been charged with ensuring that their respective counties meet state-imposed requirements in order to reduce waste being disposed and increase recycling/re-use efforts for certain products.

Despite the significant funding and human resources expended by the California Department of Resources Recycling and Recovery (CalRecycle) over the previous two decades, California's recycling rate for used tires is low and has remained stagnant for several years. Unfortunately, our state continues to either place used tires in landfills, burn used tires, or export used tires in the amount of approximately 27 million out of the 44 million tires generated in the State each year. Most significant to rural areas is that illegally dumped tires continue to pose significant costs to local agencies.

Used tires have considerably high value as a recyclable commodity. Rubberized paving has proven to be the largest market for recycled tires, and local government paving programs have the potential to use significantly more recycled tires in lieu of traditional asphalt. This not only recycles the tires, but also produces roads that are quieter, function better under wet conditions, and last longer.

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

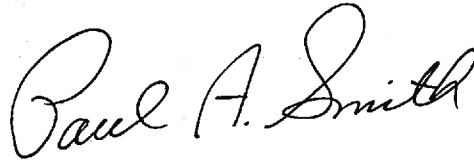
ALPINE AMADOR BUTTE CALAVERAS COLUSA DEL NORTE EL DORADO GLENN HUMBOLDT IMPERIAL INYO LAKE LASSEN MADERA MARIPOSA MENDOCINO MERCED
MODOC MONO NAPA NEVADA PLACER PLUMAS SAN BENITO SAN LUIS OBISPO SHASTA SIERRA SISKIYOU SUTTER TEHAMA TRINITY TULARE TUOLUMNE YOLO YUBA

The Honorable Edmund G. Brown, Jr.
Assembly Bill 2908
August 28, 2018
Page 2

AB 2908 puts in place a mechanism to increase the recycling of tires by replicating the incentive payment model that has proven to be successful for other recycled materials. AB 2908 will direct CalRecycle to develop an incentive payment program that pays directly for recycling, which in turn will allow recyclers to outcompete other end-of-life alternatives. Furthermore, by redirecting CalRecycle's existing market development efforts from a series of competitive grant programs to a guaranteed incentive payment program, AB 2908 allows both local governments and recycled content manufacturers to plan and budget for sustained use of recycled tire products.

Again, RCRC respectfully requests your signature on AB 2908.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Smith". The signature is written in a cursive, flowing style.

PAUL A. SMITH
Vice President Governmental Affairs

cc: The Honorable Marc Berman, Member of the State Assembly
The Honorable Jim Frazier, Member of the State Assembly
The Honorable Toni Atkins, Member of the State Senate

OFFICE OF THE GOVERNOR

SEP 30 2018

To the Members of the California State Assembly:

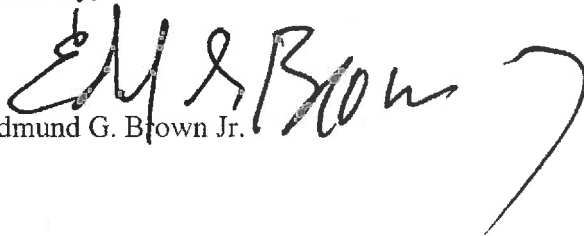
I am returning Assembly Bill 2908 without my signature.

This bill would authorize the Department of Resources Recycling and Recovery to establish an incentive program to encourage manufacturing of new products made from waste tires.

Since 1990, the Department has used grants to increase tire recycling. The Department has recently decided that incentive payments are a more effective way to promote such recycling. While this bill creates an incentive payment program, it also requires fifty percent of the payments to go to local governments for paving projects. This limits the Department's ability to respond to innovation in this area.

Because I do believe there is merit to this policy and I am directing the Department of Resources Recycling and Recovery to recommend an incentive program in this area as part of the budget.

Sincerely,


Edmund G. Brown Jr.

Assembly Bill No. 3036

CHAPTER 832

An act to add Section 40059.4 to the Public Resources Code, relating to solid waste.

[Approved by Governor September 27, 2018. Filed with Secretary of State September 27, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

AB 3036, Cooley. Solid waste: byproducts from the processing of food or beverages.

The California Integrated Waste Management Act of 1989, administered by the Department of Resources Recycling and Recovery, generally regulates the disposal, management, and recycling of solid waste. The act authorizes each county, city, district, or other local governmental agency to determine, among other things, whether solid waste handling services are provided for by means of a nonexclusive, partially exclusive, or wholly exclusive franchise, contract, license, permit, or otherwise.

This bill would prohibit a county, city, district, or local governmental agency from subjecting the hauling of certain byproducts from the processing of food or beverages to an exclusive franchise, contract, license, or permit.

The people of the State of California do enact as follows:

SECTION 1. Section 40059.4 is added to the Public Resources Code, to read:

40059.4. (a) For purposes of this section, "industrial source" means any of the following:

- (1) An entity required to be registered pursuant to Section 110460 of the Health and Safety Code.
- (2) An entity exempted from registration pursuant to Section 110480 of the Health and Safety Code.
- (3) A beer manufacturer, as defined in Section 23012 of the Business and Professions Code.
- (4) A distilled spirits manufacturer, as defined in Section 23015 of the Business and Professions Code.

(b) A county, city, district, or local governmental agency shall not subject the hauling of byproducts from the processing of food or beverages to an exclusive franchise, contract, license, or permit, if those byproducts meet all of the following conditions:

- (1) The byproducts originate from agricultural or industrial sources.

- (2) The byproducts do not include animal, including fish, processing byproducts.
- (3) The byproducts are source separated by the generator of the byproducts.
- (4) The byproducts are not discarded.
- (5) The byproducts are used as animal feed.

O

Assembly Bill No. 3178

Passed the Assembly August 23, 2018

Chief Clerk of the Assembly

Passed the Senate August 20, 2018

Secretary of the Senate

This bill was received by the Governor this ____ day
of _____, 2018, at ____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Section 41825 of the Public Resources Code, relating to solid waste.

LEGISLATIVE COUNSEL'S DIGEST

AB 3178, Rubio. Integrated waste management plans: source reduction and recycling element: diversion requirements.

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. Existing law requires each city, county, and regional agency, if any, to develop a source reduction and recycling element of an integrated waste management plan. The act requires the source reduction and recycling element to divert from disposal 50% of all solid waste subject to the element through source reduction, recycling, and composting activities, with specified exceptions.

Existing law requires a city, county, or regional agency to submit an annual report to the department summarizing its progress in reducing solid waste. Existing law requires the department to review a jurisdiction's compliance with the diversion requirements every 2 or 4 years, as specified, and authorizes the department to issue an order of compliance if the department finds, after considering specified factors, the jurisdiction failed to make a good faith effort to implement its source reduction and recycling element.

This bill would make findings, including, among others, that under China's National Sword import policy, many recyclable materials are now banned and may no longer be imported into that country, which has had a profound impact on California efforts to meet state recycling objectives. The bill would require the department, when evaluating a jurisdiction's good faith effort to implement a diversion program, to also consider, until January 1, 2022, whether China's National Sword import policy caused the absence or loss of a market for recyclable materials that necessitated the disposal of those materials as a temporary measure to avoid a public health threat, as specified. The bill would also require the department to consider the extent to which the jurisdiction has made efforts to reduce contamination and improve

the quality of recycled materials and the extent to which the lack of an available market for one or more types of recyclable materials, which prevented the jurisdiction from fully implementing its diversion programs, was the result of circumstances beyond the reasonable control of the jurisdiction.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The existence of sustainable and resilient markets able to receive material that has been separated and processed for reuse is essential to any successful recycling or composting system.

(b) Since the inception of the California Integrated Waste Management Act of 1989, California has relied almost exclusively on foreign markets to accept most of the recyclable materials that are recovered in the state. Domestic markets for these materials have not emerged. The department reports that more than 60 percent of California's recyclable materials were exported to China in 2016.

(c) The need to develop reliable domestic markets for recyclable materials is now more acute than ever before. The National Sword import policy implemented by China in 2018 has had a profound impact on California efforts, and on the efforts of other states, to meet applicable state recycling objectives.

(d) Under China's new policy, many recyclable materials are now banned and may no longer be imported into that country. Other recyclable materials that are not banned are now required, as a condition of importation into China, to meet strict new contamination limits that, in certain cases, may be unachievable.

(e) As of the effective date of this section, the network of recycling facilities that was developed to meet California's waste diversion requirements is being overwhelmed. These facilities are unable to move and market all of the processed recyclables they receive. Most have resorted to stockpiling recyclable materials as they seek to identify alternatives. Many are about to reach their storage capacity.

(f) The state must assert a leadership role and take the steps necessary to reduce its traditional reliance on volatile foreign markets for its recyclable materials. In the interim, it must also

consider the potential public health risk associated with recyclable material storage that exceeds the design or permitted capacity of a recycling facility.

SEC. 2. Section 41825 of the Public Resources Code, as amended by Section 1 of Chapter 155 of the Statutes of 2017, is amended to read:

41825. (a) Using the information in the report submitted to the department by the jurisdiction pursuant to Section 41821 and any other relevant information, the department shall make a finding whether each jurisdiction was in compliance with Section 41780 for calendar year 2006 and shall review a jurisdiction's compliance with Section 41780 in accordance with the following schedule:

(1) If the department makes a finding that the jurisdiction was in compliance with Section 41780 for calendar year 2006, the department shall review, commencing January 1, 2012, and at least once every four years thereafter, whether the jurisdiction has implemented its source reduction and recycling element and household hazardous waste element.

(2) If the department makes a finding that the jurisdiction made a good faith effort to implement its source reduction and recycling element and household hazardous waste element, the department shall review, commencing January 1, 2010, and at least once every two years thereafter, whether the jurisdiction has implemented its source reduction and recycling element and household hazardous waste element.

(3) If the department makes a finding that the jurisdiction was not in compliance with Section 41780 for calendar year 2006 or for any subsequent calendar year, the department shall review, commencing January 1, 2010, and at least once every two years thereafter, whether the jurisdiction has implemented its source reduction and recycling element and household hazardous waste element.

(4) If, after determining that a jurisdiction is subject to paragraph (2), or, if, after determining that a jurisdiction is not in compliance with Section 41780 and is subject to paragraph (3), the department subsequently determines that the jurisdiction has come into compliance with Section 41780, the department shall review, at least once every four years, whether the jurisdiction has implemented its source reduction and recycling element and

household hazardous waste element in the same manner as a jurisdiction that is subject to paragraph (1).

(5) If, after determining that a jurisdiction is in compliance with Section 41780 and is subject to paragraph (1), the department subsequently determines that the jurisdiction is not in compliance with Section 41780, the department shall review, at least once every two years, whether the jurisdiction has implemented its source reduction and recycling element and household hazardous waste element in the same manner as a jurisdiction that is subject to paragraph (2) or (3).

(b) In addition to the requirements of subdivision (a), the department may review whether a jurisdiction is in compliance with Section 41780 in accordance with the requirements of this section at any time that the department receives information that indicates the jurisdiction may not be making a good faith effort to implement its source reduction and recycling element and household hazardous waste element.

(c) (1) Before issuing a compliance order pursuant to subdivision (d), the department shall confer with the jurisdiction regarding conditions relating to the proposed order of compliance, with a first meeting occurring not less than 60 days before issuing a notice of intent to issue an order of compliance.

(2) The department shall issue a notice of intent to issue an order of compliance not less than 30 days before the department holds a hearing to issue the notice of compliance. The notice of intent shall specify all of the following:

(A) The proposed basis for issuing an order of compliance.

(B) The proposed actions the department recommends are necessary for the jurisdiction to complete to implement its source reduction and recycling element or household hazardous waste element.

(C) The proposed recommendations to the department.

(3) The department shall consider any information provided pursuant to subdivision (c) of Section 41821 if the proposed issuance of an order of compliance involves changes to a jurisdiction's calculation of annual disposal.

(d) (1) If, after holding a public hearing, which, to the extent possible, shall be held in the local or regional agency's jurisdiction, the department finds that a jurisdiction has failed to make a good faith effort to implement its source reduction and recycling element

or its household hazardous waste element, the department shall issue an order of compliance with a specific schedule for achieving compliance.

(2) The compliance order shall include those conditions that the department determines to be necessary for the jurisdiction to implement its diversion programs.

(3) In addition to considering the good faith efforts of a jurisdiction, as specified in subdivision (e), to implement a diversion program, the department shall consider all of the following factors in determining whether or not to issue a compliance order:

(A) Whether an exceptional growth rate may have affected compliance.

(B) Whether China's National Sword import policy caused the absence or loss of a market for recyclable materials diverted from solid waste facilities that necessitated the disposal of those materials as a temporary measure to avoid a public health threat associated with storing recyclable materials in amounts that exceed the permitted or design capacity of a solid waste facility.

(C) Other information that the jurisdiction may provide that indicates the effectiveness of the jurisdiction's programs, such as disposal characterization studies or other jurisdiction specific information.

(e) For purposes of making a determination pursuant to this section whether a jurisdiction has failed to make a good faith effort to implement its source reduction and recycling element or its household hazardous waste element, the department shall consider all of the following criteria:

(1) For the purposes of this section, "good faith effort" means all reasonable and feasible efforts by a jurisdiction to implement those programs or activities identified in its source reduction and recycling element or household hazardous waste element, or alternative programs or activities that achieve the same or similar results.

(2) For purposes of this section, "good faith effort" may also include the evaluation by a jurisdiction of improved technology for the handling and management of solid waste that would reduce costs, improve efficiency in the collection, processing, or marketing of recyclable materials or yard waste, and enhance the ability of the jurisdiction to adequately address all sources of significant

disposal, the submission by the jurisdiction of a compliance schedule, and the undertaking of all other reasonable and feasible efforts to implement the programs identified in the jurisdiction's source reduction and recycling element or household hazardous waste element.

(3) In determining whether a jurisdiction has made a good faith effort, the department shall consider the enforcement criteria included in its enforcement policy, as adopted on April 25, 1995, or as subsequently amended.

(4) The department shall consider all of the following when considering whether a jurisdiction has made a good faith effort to implement its source reduction and recycling element or its household hazardous waste element:

(A) Natural disasters.

(B) Budgetary conditions within a jurisdiction that could not be remedied by the imposition or adjustment of solid waste fees.

(C) Work stoppages that directly prevent a jurisdiction from implementing its source reduction and recycling element or household hazardous waste element.

(D) The impact of the failure of federal, state, and other local agencies located within the jurisdiction to implement source reduction and recycling programs in the jurisdiction.

(E) The extent to which the jurisdiction has implemented additional source reduction, recycling, and composting activities.

(F) The extent to which the jurisdiction has made program implementation choices driven by considerations related to other environmental issues, including climate change.

(G) The extent to which the jurisdiction has made efforts to reduce contamination and improve the quality of recycled materials.

(H) Whether the jurisdiction has provided information to the department concerning whether construction and demolition waste material is at least a moderately significant portion of the waste stream, and, if so, whether the local jurisdiction has adopted an ordinance for diversion of construction and demolition waste materials from solid waste disposal facilities, has adopted a model ordinance pursuant to subdivision (a) of Section 42912 for diversion of construction and demolition waste materials from solid waste disposal facilities, or has implemented another program

to encourage or require diversion of construction and demolition waste materials from solid waste disposal facilities.

(I) The extent to which the jurisdiction has implemented programs to comply with Section 41780 and to maintain its per capita disposal rate.

(J) The extent to which the lack of an available market for one or more types of recyclable materials is the result of circumstances beyond the reasonable control of the jurisdiction, and prevented the jurisdiction from fully implementing its diversion programs.

(5) In making a determination whether a jurisdiction has made a good faith effort, pursuant to this section, the department may consider a jurisdiction's per capita disposal rate as a factor in determining whether the jurisdiction adequately implemented its diversion programs. The department shall not consider a jurisdiction's per capita disposal rate to be determinative as to whether the jurisdiction has made a good faith effort to implement its source reduction and recycling element or its household hazardous waste element.

(f) This section shall remain in effect only until January 1, 2022, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2022, deletes or extends that date.

SEC. 3. Section 41825 of the Public Resources Code, as amended by Section 2 of Chapter 155 of the Statutes of 2017, is amended to read:

41825. (a) At least once every two years, the department shall review each jurisdiction's source reduction and recycling element and household hazardous waste element for compliance with Section 41780.

(b) In addition to the requirements of subdivision (a), the department may review whether a jurisdiction is in compliance with Section 41780 in accordance with the requirements of this section at any time that the department receives information that indicates the jurisdiction may not be making a good faith effort to implement its source reduction and recycling element and household hazardous waste element.

(c) (1) Before issuing a compliance order pursuant to subdivision (d), the department shall confer with the jurisdiction regarding conditions relating to the proposed order of compliance, with a first meeting occurring not less than 60 days before issuing a notice of intent to issue an order of compliance.

(2) The department shall issue a notice of intent to issue an order of compliance not less than 30 days before the department holds a hearing to issue the notice of compliance. The notice of intent shall specify all of the following:

(A) The proposed basis for issuing an order of compliance.

(B) The proposed actions the department recommends are necessary for the jurisdiction to complete the implementation of its source reduction and recycling element or household hazardous waste element.

(C) The proposed recommendations to the department.

(3) The department shall consider any information provided pursuant to subdivision (c) of Section 41821, if the proposed issuance of an order of compliance involves changes to a jurisdiction's calculation of annual disposal.

(d) (1) If, after holding a public hearing, which, to the extent possible, shall be held in the local or regional agency's jurisdiction, the department finds that a jurisdiction has failed to make a good faith effort to implement its source reduction and recycling element or its household hazardous waste element, the department shall issue an order of compliance with a specific schedule for achieving compliance.

(2) The compliance order shall include those conditions that the department determines to be necessary for the jurisdiction to implement its diversion programs.

(3) In addition to considering the good faith efforts of a jurisdiction, as specified in subdivision (e), to implement a diversion program, the department shall consider both of the following factors in determining whether or not to issue a compliance order:

(A) Whether an exceptional growth rate may have affected compliance.

(B) Other information that the jurisdiction may provide that indicates the effectiveness of the jurisdiction's programs, such as disposal characterization studies or other jurisdiction specific information.

(e) For purposes of making a determination pursuant to this section as to whether a jurisdiction has failed to make a good faith effort to implement its source reduction and recycling element or its household hazardous waste element, the department shall consider all of the following criteria:

(1) For the purposes of this section, “good faith effort” means all reasonable and feasible efforts by a jurisdiction to implement those programs or activities identified in its source reduction and recycling element or household hazardous waste element, or alternative programs or activities that achieve the same or similar results.

(2) For purposes of this section, “good faith effort” may also include the evaluation by a jurisdiction of improved technology for the handling and management of solid waste that would reduce costs, improve efficiency in the collection, processing, or marketing of recyclable materials or yard waste, and enhance the ability of the jurisdiction to adequately address all sources of significant disposal, the submission by the jurisdiction of a compliance schedule, and the undertaking of all other reasonable and feasible efforts to implement the programs identified in the jurisdiction’s source reduction and recycling element or household hazardous waste element.

(3) In determining whether a jurisdiction has made a good faith effort, the department shall also consider the enforcement criteria included in its enforcement policy, as adopted on April 25, 1995, or as subsequently amended.

(4) The department shall consider all of the following when considering whether a jurisdiction has made a good faith effort to implement its source reduction and recycling element or its household hazardous waste element:

(A) Natural disasters.

(B) Budgetary conditions within a jurisdiction that could not be remedied by the imposition or adjustment of solid waste fees.

(C) Work stoppages that directly prevent a jurisdiction from implementing its source reduction and recycling element or household hazardous waste element.

(D) The impact of the failure of federal, state, and other local agencies located within the jurisdiction to implement source reduction and recycling programs in the jurisdiction.

(E) The extent to which the jurisdiction has implemented additional source reduction, recycling, and composting activities.

(F) The extent to which the jurisdiction has made program implementation choices driven by considerations related to other environmental issues, including climate change.

(G) The extent to which the jurisdiction has made efforts to reduce contamination and improve the quality of recycled materials.

(H) Whether the jurisdiction has provided information to the department concerning whether construction and demolition waste material is at least a moderately significant portion of the waste stream, and, if so, whether the local jurisdiction has adopted an ordinance for diversion of construction and demolition waste materials from solid waste disposal facilities, has adopted a model ordinance pursuant to subdivision (a) of Section 42912 for diversion of construction and demolition waste materials from solid waste disposal facilities, or has implemented another program to encourage or require diversion of construction and demolition waste materials from solid waste disposal facilities.

(I) The extent to which the jurisdiction has implemented programs to comply with Section 41780 and to maintain its per capita disposal rate.

(J) The extent to which the lack of an available market for one or more types of recyclable materials is the result of circumstances beyond the reasonable control of the jurisdiction, and prevented the jurisdiction from fully implementing its diversion programs.

(5) In making a determination whether a jurisdiction has made a good faith effort, pursuant to this section, the department may consider a jurisdiction's per capita disposal rate as a factor in determining whether the jurisdiction adequately implemented its diversion programs. The department shall not consider a jurisdiction's per capita disposal rate to be determinative as to whether the jurisdiction has made a good faith effort to implement its source reduction and recycling element or its household hazardous waste element.

(f) This section shall become operative on January 1, 2022.



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

August 24, 2018

The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

RE: Assembly Bill 3178 (Rubio) - REQUEST FOR SIGNATURE

Dear Governor Brown:

On behalf of the Rural County Representatives of California (RCRC), I respectfully request your signature on Assembly Bill 3178. AB 3178, authored by Assembly Member Blanca Rubio, would require the California Department of Resources Recycling and Recovery (CalRecycle) to consider whether the absence or loss of a market for recyclable materials necessitated the disposal of those materials as a temporary measure when evaluating a jurisdiction's good faith effort in solid waste diversion program implementation. RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties.

In addition, twenty-four member counties have formed the Rural Counties' Environmental Services Joint Powers Authority (ESJPA) to provide assistance to solid waste managers in rural counties. These solid waste managers have been charged with ensuring that their respective counties meet state-imposed requirements to reduce waste being disposed in landfills and increase recycling/re-use efforts for certain products.

Local jurisdictions have worked as partners with solid waste haulers and facility operators, the public, and the state in achieving the goals of Assembly Bill 939 by implementing solid waste diversion programs. However, the success of the diversion programs has been largely dependent upon foreign markets, with more than 60 percent exported to China. The National Sword import policy implemented by China in January 2018 has had a devastating impact on California's ability to process recyclable materials. There is not the facility capability domestically or in other foreign markets to process the materials no longer being accepted in China.

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

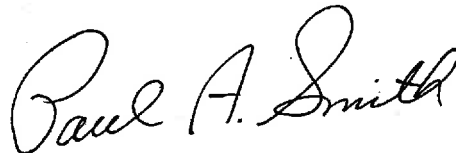
ALPINE AMADOR BUTTE CALAVERAS COLUSA DELNORTE EL DORADO GLENN HUMBOLDT IMPERIAL INYO LAKE LASSEN MADERA MARIPOSA MENDOCINO MERCED
MODOC MONO NAPA NEVADA PLACER PLUMAS SAN BENITO SAN LUIS OBISPO SHASTA SIERRA SISKIYOU SUTTER TEHAMA TRINITY TULARE TUOLUMNE YOLO YUBA

The Honorable Edmund G. Brown, Jr.
Assembly Bill 3178
August 24, 2018
Page 2

Facility operators have been stockpiling diverted materials, and due to facility limitations and/or public health and safety concerns, now find themselves in the predicament of having to landfill these materials. AB 3178 specifically acknowledges that due to circumstances beyond the control of local jurisdictions and the state, previously diverted materials may temporarily need to be landfilled until other alternative markets are established. RCRC also believes that this is California's opportunity to vigorously pursue development of facilities within our state to responsibly handle recyclable materials, to provide future reliability, and enhance our local economy.

Again, RCRC respectfully requests your signature on AB 3178.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Smith". The signature is written in a cursive, flowing style.

PAUL A. SMITH
Vice President Government Affairs

cc: The Honorable Blanca Rubio, Member of the State Assembly

OFFICE OF THE GOVERNOR

SEP 10 2018

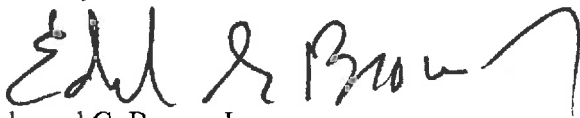
To the Members of the California State Assembly:

I am returning Assembly Bill 3178 without my signature.

This bill would require the Department of Resources Recycling and Recovery (Department) to consider market factors when evaluating a jurisdiction's compliance with waste diversion and recycling mandates.

Current statute and regulations already require the Department to consider market conditions when reviewing a local jurisdiction's compliance with recycling laws. As such, this bill is not necessary. I encourage the Legislature to work with the Department to focus on increasing California's infrastructure and development of domestic markets.

Sincerely,

A handwritten signature in black ink that reads "Edmund G. Brown Jr." with a stylized flourish at the end.

Edmund G. Brown Jr.

Senate Bill No. 212

CHAPTER 1004

An act to add Chapter 2 (commencing with Section 42030) to Part 3 of Division 30 of the Public Resources Code, relating to solid waste.

[Approved by Governor September 30, 2018. Filed with
Secretary of State September 30, 2018.]

LEGISLATIVE COUNSEL'S DIGEST

SB 212, Jackson. Solid waste: pharmaceutical and sharps waste stewardship.

The California Integrated Waste Management Act of 1989, administered by the Department of Resources Recycling and Recovery (CalRecycle), generally regulates the disposal, management, and recycling of solid waste.

Former law, repealed as of January 1, 2013, required CalRecycle to develop, in consultation with appropriate state, local, and federal agencies, model programs for the collection and proper disposal of pharmaceutical drug waste, and to make the model programs available to eligible participants, as specified.

Existing law, the Medical Waste Management Act administered by the State Department of Public Health, regulates the management and handling of medical waste, as defined. Existing regulations authorize pharmacies, hospitals or clinics with onsite pharmacies, distributors, and reverse distributors licensed by the California State Board of Pharmacy to offer, subject to prescribed requirements, specified prescription drug take-back services through collection receptacles or mail back envelopes or packages to provide options for the public to discard unwanted, unused, or outdated prescription drugs.

This bill would establish a stewardship program, under which a manufacturer or distributor of covered drugs or sharps, or other entity defined to be covered by the bill, would be required to establish and implement, either on its own or as part of a group of covered entities through membership in a stewardship organization, a stewardship program for covered drugs or for sharps, as applicable. The bill would impose various requirements on a covered entity or stewardship organization that operates a stewardship program, including submitting a proposed stewardship plan, an initial stewardship program budget, an annual budget, annual report, and other specified information to CalRecycle. The bill would provide that all reports and records provided to CalRecycle pursuant to the bill are provided under penalty of perjury. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program. The bill would require proprietary information, as defined, submitted pursuant to the bill to be kept confidential.

The bill would require a stewardship plan for covered drugs to contribute to meeting specified minimum requirements for authorized collection sites in each county in which the plan will be implemented, including, as applicable, a minimum of one authorized collection site per 50,000 people in the county and a minimum of 5 collection sites in the county. The bill would authorize an operator of a stewardship program for covered drugs, if authorized by the department, after the stewardship plan has been approved, to establish a mail-back program or alternative collection program for covered products, or both, for a county in which it operates that does not have the minimum number of authorized collection sites, as specified. The bill would require a retail pharmacy to make a reasonable effort to serve as an authorized collector as part of a stewardship program for covered drugs and would require a retail pharmacy chain operating in a county to have at least one location or 15% of its store locations, whichever is greater, in the county serve as authorized collectors if the above-specified minimum authorized collection site requirements for the county are not met.

The bill would require each covered entity, either individually or through the stewardship organization of which it is a part, to pay all administrative and operational costs associated with establishing and implementing the stewardship program in which it participates. The bill would also require a covered entity to pay a quarterly administrative fee in the amount adequate to cover any regulatory costs incurred by a state agency in administering and enforcing the provisions of the bill, to be deposited in the Pharmaceutical and Sharps Stewardship Fund, which the bill would create. The bill would authorize moneys in the fund to be expended, upon appropriation by the Legislature, for the regulatory activities of state agencies of administering and enforcing the bill.

The bill would authorize CalRecycle to impose an administrative penalty on a covered entity, program operator, stewardship organization, or authorized collector that sells, offers for sale, or provides a covered product in violation of the bill's provisions, to be deposited in the Pharmaceutical and Sharps Stewardship Penalty Account, which the bill would create.

The bill would require CalRecycle to adopt regulations for the administration of the bill's provisions, with an effective date of no later than January 1, 2021, and would authorize the state board to adopt regulations for the administration of the portions of these provisions for which it has been given responsibilities.

Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Chapter 2 (commencing with Section 42030) is added to Part 3 of Division 30 of the Public Resources Code, to read:

CHAPTER 2. PHARMACEUTICAL AND SHARPS WASTE STEWARDSHIP

Article 1. Definitions

42030. For purposes of this chapter, the following terms have the following meanings:

(a) "Authorized collection site" means a location where an authorized collector operates a secure collection receptacle for collecting covered products.

(b) "Authorized collector" means a person or entity that has entered into an agreement with a program operator to collect covered drugs, including, but not limited to, any of the following:

(1) A person or entity that is registered with the United States Drug Enforcement Administration and that qualifies under federal law to modify that registration to collect controlled substances for the purpose of destruction.

(2) A law enforcement agency.

(3) A retail pharmacy that offers drug take-back services in compliance with Article 9.1 (commencing with Section 1776) of Title 16 of the California Code of Regulations.

(c) "Controlled substance" means a substance listed under Sections 11053 to 11058, inclusive, of the Health and Safety Code or Section 812 or 813 of Title 21 of the United States Code, or any successor section.

(d) "Cosmetic" means an article, or a component of an article, intended to be rubbed, poured, sprinkled, sprayed, introduced into, or otherwise applied to the human body for cleansing, beautifying, promoting attractiveness, or altering the appearance. "Cosmetic" includes articles with or without expiration dates.

(e) (1) "Covered drug" means a drug, including a brand name or generic drug, sold, offered for sale, or dispensed in the State of California in any form, including, but not limited to, any of the following:

(A) Prescription and nonprescription drugs approved by the United States Food and Drug Administration pursuant to Section 505 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355) or Section 351 of the federal Public Health Service Act (42 U.S.C. 262).

(B) A drug marketed pursuant to an over-the-counter drug monograph.

(C) A drug in a medical device, or a combination product containing a drug and a medical device.

(2) "Covered drug" does not include any of the following:

(A) Vitamins or supplements.

(B) Herbal-based remedies and homeopathic drugs, products, or remedies.

(C) Cosmetics, soap, with or without germicidal agents, laundry detergent, bleach, household cleaning products, shampoos, sunscreens, toothpaste, lip balm, antiperspirants, or any other personal care product that is regulated as both a cosmetic and a nonprescription drug under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. Sec. 301 et seq.).

(D) A drug for which a pharmaceutical product stewardship program or drug takeback program is provided in the state as part of a United States Food and Drug Administration managed risk evaluation and mitigation strategy under 21 U.S.C. Sec. 355-1.

(E) Biological drug products, as defined by 42 U.S.C. 262(i)(1), including those products currently approved in the state under a new drug application that will be deemed to be licensed under section 351 of the Public Health Service Act (42 U.S.C. 262) pursuant to Section 7002(e) of the federal Biologics Price Competition and Innovation Act of 2009 (Public Law 111-148).

(F) A medical device, or a component part or accessory of a medical device, if it does not contain a covered drug.

(G) Drugs that are used for animal medicines, including, but not limited to, parasiticide products for animals.

(H) Dialysate drugs or other saline solutions required to perform kidney dialysis.

(f) (1) (A) “Covered entity” means the manufacturer of covered products that are sold in or into the state.

(B) If no entity that meets the definition in subparagraph (A) is in the state, “covered entity” means the distributor of covered products that are sold in or into the state that is licensed as a wholesaler, as defined in Section 4043 of the Business and Professions Code, but does not include a warehouse of a retail pharmacy chain that is licensed as a wholesaler if it engages only in intracompany transfers between any division, affiliate, subsidiary, parent, or other entity under complete common ownership and control.

(C) If no entity that meets the definition in subparagraph (A) or (B) is in the state, “covered entity” means a repackager, as defined in Section 4044 of the Business and Professions Code, of covered products that are sold in or into the state.

(D) If no entity that meets the definition in subparagraph (A), (B), or (C) is in the state, “covered entity” means the owner or licensee of a trademark or brand under which covered products are sold in or into the state, regardless of whether the trademark is registered.

(E) If no entity that meets the definition in subparagraph (A), (B), (C), or (D) is in the state, “covered entity” means the importer of the covered products that are sold in or into the state.

(2) The department shall adopt regulations on the process for determining what entity is a covered entity following the priority order set forth in paragraph (1).

(g) “Covered product” means a covered drug or home-generated sharps waste.

(h) "Department" means the Department of Resources Recycling and Recovery, and any successor agency.

(i) "Distributor" means a wholesaler, as that term is defined in Section 4043 of the Business and Professions Code.

(j) "Drug" means any of the following:

(1) An article recognized in the official United States pharmacopoeia, the official national formulary, the official homeopathic pharmacopoeia of the United States, or any supplement of the formulary or those pharmacopoeias.

(2) A substance intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in humans or other animals.

(3) A substance, other than food, intended to affect the structure or any function of the body of humans or other animals.

(4) A substance intended for use as a component of any substance specified in this subdivision.

(k) "Generic drug" means a drug that is chemically identical or bioequivalent to a brand name drug in dosage form, safety, strengths, route of administration, quality, performance, characteristics, and intended use, though inactive ingredients may vary.

(l) (1) "Home-generated sharps waste" has the same meaning as defined in Section 117671 of the Health and Safety Code.

(2) "Home-generated sharps waste" does not include either of the following:

(A) Components manufactured for use with external ambulatory insulin pump therapy systems or continuous glucose monitoring systems, including, but not limited to, insulin infusion sets, glucose sensors that are sterile goods indicated for single subcutaneous use, sterile drug delivery channels indicated for single subcutaneous use, and injection ports.

(B) A biological product, as defined in Section 262(i)(1) of Title 42 of the United States Code, including a combination product, as defined in Section 3.2(e) of Title 21 of the Code of Federal Regulations.

(m) "Mail-back program" means a method of collecting covered products from ultimate users by using prepaid, preaddressed mailing envelopes as described in Section 1776.2 of Article 9.1 of Division 17 of Title 16 of the California Code of Regulations.

(n) "Nonprescription drug" means any drug that may be lawfully sold without a prescription.

(o) "Pharmacy" has the same meaning as defined in Section 4037 of the Business and Professions Code.

(p) "Prescription drug" means a drug, including, but not limited to, a controlled substance, that is required under federal or state law to be dispensed with a prescription, or is restricted to use by practitioners only.

(q) "Program operator" means a covered entity, or stewardship organization on behalf of a group of covered entities, that is responsible for operating a stewardship program in accordance with this chapter.

(r) "Proprietary information" means information that is all of the following:

(1) Submitted pursuant to this chapter.

(2) A trade secret, or commercial or financial information, that is privileged or confidential, and is identified as such by the entity providing the information to the department.

(3) Not required to be disclosed under any other law or any regulation affecting a covered product or covered entity.

(s) "Retail pharmacy" means an independent pharmacy, a supermarket pharmacy, a chain pharmacy, or a mass merchandiser pharmacy possessing a license from the state board to operate a pharmacy.

(t) "Retail pharmacy chain" means a retail pharmacy with five or more stores in the state.

(u) "Sharps" means hypodermic needles, pen needles, intravenous needles, lancets, and other devices that are used to penetrate the skin for the delivery of medications.

(v) "State board" means the California State Board of Pharmacy.

(w) "Stewardship organization" means an organization exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code of 1986 (21 U.S.C. 501(c)(3)) that is established by a group of covered entities in accordance with this chapter to develop, implement, and administer a stewardship program established pursuant to this chapter.

(x) "Stewardship plan," or "plan" means the plan for collecting and properly managing covered products that is developed by a covered entity or stewardship organization pursuant to this chapter.

(y) "Stewardship program" means a stewardship program for the collection, transportation, and disposal of covered products.

(z) "Ultimate user" means a state resident or other nonbusiness entity and includes a person who has lawfully obtained, and who possesses, a covered product, including a controlled substance, for his or her own use or for the use of a member of his or her household. "Ultimate user" does not include a needle exchange program established under Section 121349 of the Health and Safety Code, or a medical waste generator, as defined in Section 117705 of the Health and Safety Code.

Article 2. Covered Entities and Stewardship Organizations

42031. (a) (1) No later than 90 days after the effective date of this section, a covered entity shall provide a list of covered products, and a list and description of any drugs or sharps that are not covered products, that it sells or offers for sale in the state to the state board.

(2) A covered entity, or a stewardship organization on behalf of a group of covered entities, shall update the lists described in paragraph (1) and provide the updated lists to the state board on or before January 15 of each year or upon request of the department.

(b) No later than 90 days after the effective date of this section, a retail pharmacy that sells a covered product under its own label shall provide written notification to the state board identifying the covered entity from

which the retail pharmacy obtains a covered product that the retail pharmacy sells under its store label.

(c) The state board shall verify the information received pursuant to subdivisions (a) and (b) and make it available to the department upon request.

(d) The state board may issue a letter of inquiry to any entity listed in subparagraphs (A) to (E), inclusive, of paragraph (1) of subdivision (f) of Section 42030, requesting a list of all drugs and sharps it distributes in California, regardless of whether the drugs or sharps are covered under this chapter, the name of the manufacturer of such products, and any additional information necessary to carry out this chapter. An entity that is issued a letter of inquiry pursuant to this subdivision shall respond in writing no later than 60 days after receipt of the letter. Responses to those inquiries may be shared with the department, but are otherwise deemed proprietary and exempt from disclosure. If the entity does not believe it is a covered entity for purposes of this chapter, it shall submit all of the following to the state board in response to the letter of inquiry:

(1) The basis for the claim that it is not a covered entity.

(2) A list of any drugs and sharps it sells, distributes, repackages, or otherwise offers for sale within the state.

(3) If applicable, the name and contact information of the person or entity from which it obtains a drug or sharp identified pursuant to paragraph (2).

(e) The state board shall obtain and verify and, within 30 days of receipt or upon request by the department, submit to the department a list of drugs and sharps sold or offered for sale in the state excluded from the definition of "covered drugs" pursuant to paragraph (2) of subdivision (e) of Section 42030 or excluded from the definition of "home-generated sharps waste" in subdivision (I) of Section 42030.

(f) Notwithstanding Section 42036.4, information submitted by the state board to the department under this chapter may include proprietary information.

(g) The state board shall notify the department if any covered entity or stewardship organization is in violation of this section for purposes of enforcement by the department.

42031.2. (a) The department shall adopt regulations for the implementation of this chapter with an effective date of no later than January 1, 2021.

(b) The state board may adopt regulations for the administration of the portions of this chapter for which it has been given responsibilities.

42031.4. (a) Except as specified in subdivision (d) of Section 42035, a covered entity is not in compliance with this chapter and is subject to penalties pursuant to Article 6 (commencing with Section 42035) if, commencing one year from the adoption of regulations pursuant to Section 42031.2, a covered product sold or offered for sale by the covered entity is not subject to an approved stewardship plan, which is submitted by the covered entity or by a stewardship organization that includes the covered entity, that has been approved by the department pursuant to Section 42032.

(b) In order to comply with the requirements of this chapter, a covered entity may establish and implement a stewardship program independently, or as part of a group of covered entities through membership in a stewardship organization exempt from taxation under Section 501(c)(3) of the federal Internal Revenue Code of 1986 (21 U.S.C. 501(c)(3)).

42031.6. (a) A program operator shall conduct a comprehensive education and outreach program intended to promote participation in the stewardship program. At a minimum, the education and outreach program shall do all of the following:

(1) Promote its stewardship program to ultimate users by providing signage for hospitals, pharmacies, and other locations, as necessary.

(2) Provide educational and outreach materials for persons authorized to prescribe drugs, pharmacies, pharmacists, ultimate users, and others, as necessary.

(3) Establish an Internet Web site that publicizes the location of authorized collectors and provides other information intended to promote the use of the stewardship program.

(4) Prepare and provide additional outreach materials not specified in this section, as needed to promote the collection and proper management of covered drugs and home-generated sharps waste.

(5) Encourage ultimate users to separate products that are not covered products from covered products, when appropriate, before submitting the covered products to an authorized collection site or mail-back program.

(b) A program operator shall not, as part of the education and outreach program, promote the disposal of a covered product in a manner inconsistent with the services offered to ultimate users by the stewardship program.

Article 3. Stewardship Plans

42032. (a) (1) Within six months of the adoption date of regulations by the department pursuant to Section 42031.2, a program operator shall submit to the department for approval a complete stewardship plan that meets the requirements of Section 42032.2 for the establishment and implementation of a stewardship program, in a format determined by the department.

(2) The department shall approve a proposed stewardship program if the program operator submits a completed plan that meets the requirements of this section.

(b) (1) Before submitting a stewardship plan to the department pursuant to this section, a program operator shall submit its proposed stewardship plan to the state board for review, and to any other applicable state agencies with areas of authority relative to the stewardship plan. The duration of time that the state board takes to review a stewardship plan pursuant to this paragraph shall not count toward the time limit specified in paragraph (1) of subdivision (a).

(2) An agency that receives a plan shall review the plan for compliance with state and federal laws and regulations related to the agency's respective authority. The agency shall determine compliance or noncompliance with those laws and regulations, and provide to the program operator that determination and an explanation for any finding of noncompliance, within 90 days of receipt of the plan.

(3) A program operator may submit an updated proposed plan to an agency that issued a determination of noncompliance to attempt to obtain a determination of compliance. A program operator shall submit any determination received from an agency when it submits its stewardship plan to the department.

(4) If, 90 days after submitting a plan to an applicable agency, a program operator has not received a response from the applicable agency, the program operator may submit a certification to the department that the stewardship plan is consistent with all other applicable laws and regulations.

(c) (1) The department shall determine if a stewardship plan is complete, including the determinations required pursuant to subdivision (b), and notify the submitting program operator within 30 days of receipt.

(2) If the department finds that the stewardship plan is complete, the department's 90-day review period for consideration of approval of the plan set forth in subdivision (d) shall commence upon the original date of receipt.

(3) If the department determines the stewardship plan is incomplete, the department shall identify for the program operator the required additional information, and the program operator shall resubmit the plan within 30 days.

(4) If the department determines upon resubmission that the stewardship plan is complete, the department's 90-day review period for consideration of approval of the plan shall commence upon the date of receipt of the resubmitted plan.

(d) (1) The department shall review a complete submitted stewardship plan and shall approve, disapprove, or conditionally approve the plan within 90 days of receipt of the complete plan.

(2) The department may consult with, or submit a stewardship plan for review to, the state board or another state agency it determines is necessary to determine the completeness of the stewardship plan or for making a determination on the approval of the stewardship plan or an amendment to the stewardship plan. The duration of time that the department takes to review a stewardship plan pursuant to this paragraph shall not count toward the 90-day time limit specified in paragraph (1).

(e) A program operator shall submit any significant changes to a stewardship plan in writing for approval by the department, and shall not implement the changes prior to that approval.

(f) (1) If the department disapproves a submitted stewardship plan pursuant to subdivision (d), the department shall explain, in writing within 30 days, how the plan does not comply with this chapter, and the program operator shall resubmit a revised plan to the department.

(2) If the department finds that the revised stewardship plan submitted by the program operator does not comply with the requirements of this chapter and disapproves the plan, the covered entity operating its own stewardship program, or the stewardship organization and the covered entities that are members of the stewardship organization, are not in compliance with this chapter until the program operator submits a plan that the department approves.

(g) A program operator shall fully implement operation of an approved stewardship program no later than 270 days after approval by the department of the stewardship plan that establishes the stewardship program.

(h) If a stewardship plan is revoked pursuant to subdivision (a) of Section 42035.4 or terminated by the program operator that submitted the plan, a covered entity no longer subject to that plan may, without being subject to penalties pursuant to Article 6 (commencing with Section 42035), sell or offer for sale covered products in the state for a period of up to one year after the plan terminated or was revoked if the covered entity continues to operate under the most recent approved stewardship plan to which the covered entity was subject.

(i) The department shall make all stewardship plans submitted pursuant to this section available to the public, except proprietary information in the plans protected pursuant to Section 42036.4.

42032.2. (a) (1) To be complete, a stewardship plan for covered drugs shall do all of the following:

(A) Identify and provide contact information for the stewardship organization, if applicable, and each participating covered entity, and identify each covered drug sold or offered for sale by each participating covered entity.

(B) Identify and provide contact information for the authorized collectors for the stewardship program, as well as the reasons for excluding any potential authorized collectors from participation in the program.

(C) Include any determinations provided by a state agency pursuant to subdivision (b) of Section 42032. Any determination of noncompliance shall be accompanied by a superseding determination of compliance.

(D) Demonstrate adequate funding for all administrative and operational costs of the stewardship program, to be borne by participating covered entities.

(E) Provide for a handling, transport, and disposal system that complies with applicable state and federal laws, including, but not limited to, regulations adopted by the United States Drug Enforcement Administration.

(F) Provide for a collection system that complies with the requirements of this chapter and meets all of the following requirements for authorized collection sites in each county in which the plan will be implemented:

(i) Provides for a minimum of five authorized collection sites or one authorized collection site per 50,000 people, whichever is greater.

(ii) Provides for a reasonable geographic spread of authorized collection sites and an explanation for the geographic spread.

(iii) Provides for a mail-back program covering any counties where there is not an authorized retail pharmacy operating as an authorized collection site.

(G) Require a program operator to do all of the following:

(i) Permit an ultimate user who is a homeless, homebound, or disabled individual to request prepaid, preaddressed mailing envelopes, or an alternative form of a collection and disposal system, as described in paragraph (2) of subdivision (c), that would render the covered drug inert. A program operator shall accept that request through an Internet Web site and toll-free telephone number that it shall maintain to comply with the requests.

(ii) Provide alternative methods of collection from ultimate users for any covered drugs, other than controlled substances, that cannot be accepted or commingled with other covered drugs in secure collection receptacles or through a mail-back program, to the extent technically feasible and permissible under applicable state and federal law, including, but not limited to, United States Drug Enforcement Administration regulations.

(iii) (I) Provide a service schedule that meets the needs of each authorized collection site to ensure that each secure collection receptacle is serviced as often as necessary to avoid reaching capacity and that collected covered drugs are transported to final disposal in a timely manner. Additionally, a receipt or collection manifest shall be left with the authorized collection site to support verification of the service. The authorized collection site shall maintain and make available to the department this documentation.

(II) An authorized collector shall comply with applicable federal and state laws regarding collection and transportation standards, and the handling of covered drugs, including United States Drug Enforcement Administration regulations.

(H) Provide the policies and procedures for the safe and secure collection, transporting, and disposing of the covered drug, describe how and where records will be maintained and how, at a minimum, instances of security problems that occur will be addressed, and explain the processes that will be taken to change the policies, procedures, and tracking mechanisms to alleviate the problems and to improve safety and security.

(2) Paragraph (1) shall apply only with regard to covered drugs.

(b) (1) At least 120 days before submitting a stewardship plan to the department, the operator of a stewardship program for covered drugs shall notify potential authorized collectors in the county or counties in which it operates of the opportunity to serve as an authorized collector for the proposed stewardship program. If a potential authorized collector expresses interest in participating in a stewardship program, the program operator shall commence good faith negotiations with the potential authorized collector within 30 days.

(2) A retail pharmacy shall make a reasonable effort to serve as an authorized collector as part of a stewardship program in the county in which it is located. If the minimum threshold described in clause (i) of subparagraph (F) of paragraph (1) of subdivision (a) is not met in each county in which

a retail pharmacy chain has store locations, the retail pharmacy chain shall have at least one location or 15 percent of its store locations, whichever is greater, in that county serve as authorized collectors in a stewardship program.

(3) A program operator shall include as an authorized collector under its stewardship program any entity listed in subdivision (b) of Section 42030 that offers to participate in the stewardship program, in writing and without compensation, even if the minimum convenience standards set in clause (i) of subparagraph (F) of paragraph (1) of subdivision (a) have been achieved. The program operator shall include the offering entity as an authorized collector in the program within 90 days of receiving the written offer to participate. A program operator shall not be required to respond to offers pursuant to this paragraph until the program operator's stewardship plan has been approved by the department.

(c) After a stewardship plan for covered drugs has been approved, the program operator may supplement service, if approved by the department, for a county in which it operates that does not have the minimum number of authorized collection sites due to circumstances beyond the program operator's control, by establishing one or both of the following:

(1) A mail-back program. The mail-back program may include providing information on where and how to receive mail-back materials or providing the locations at which it distributes prepaid, preaddressed mailing envelopes. The program operator shall propose the locations of those envelope distribution locations as part of the stewardship plan. Prepaid mailing envelopes may be mailed to an ultimate user upon request.

(2) An alternative form of collection and disposal of covered drugs that complies with applicable state and federal law, including, but not limited to, United States Drug Enforcement Administration regulations.

(d) (1) To be complete, a stewardship plan for home-generated sharps waste shall do all of the following:

(A) Identify and provide contact information for the stewardship organization, if applicable, and each participating covered entity, and identify each covered product sold or offered for sale by each participating covered entity.

(B) Include any determinations provided by a state agency pursuant to subdivision (b) of Section 42032. Any determination of noncompliance shall be accompanied by a superseding determination of compliance.

(C) Demonstrate adequate funding for all administrative and operational costs of the stewardship program, to be borne by participating covered entities.

(D) Provide for a handling, transport, and disposal system, at no cost to the ultimate user, that complies with applicable state and federal laws.

(E) Maintain an Internet Web site and toll-free telephone number for purposes of providing information on the program, including disposal options, and to receive requests for sharps waste containers from ultimate users.

(F) Provide that a stewardship program for home-generated sharps waste shall be a mail-back program for home-generated sharps waste that complies with this chapter and that meets all the following requirements:

(i) The program provides or initiates distribution of a sharps waste container and mail-back materials at the point of sale, to the extent allowable by law. Containers and mail-back materials shall be provided at no cost to the ultimate user. The program operator shall select and distribute a container and mail-back materials sufficient to accommodate the volume of sharps purchased by an ultimate user over a selected time period.

(I) For any sharps, the packaging, an insert or instructions, or separate information provided to the ultimate user shall include information on proper sharps waste disposal.

(II) All sharps waste containers shall include on a label affixed to the container or packaging, or on a separate insert included in the container or packaging, the program operator's Internet Web site and toll-free telephone number.

(III) All sharps waste containers shall include prepaid postage affixed to the container or to the mail-back packaging.

(ii) Upon request, the program provides for reimbursement to local agencies for disposal costs related to home-generated sharps waste, unless the program operator provides for the removal of the home-generated sharps waste from the local household hazardous waste facility.

(I) A local agency shall not knowingly request reimbursement for disposal expenses pursuant to this subparagraph for disposal costs resulting from a municipal needle exchange program or a medical waste generator.

(II) Reimbursement costs shall be limited to the actual costs of transportation from the household hazardous waste facility and for the actual costs of disposal.

(III) A request for reimbursement pursuant to this clause shall be submitted with a declaration under penalty of perjury that the local agency has not knowingly requested reimbursement for expenses prohibited by this section.

(IV) A cost is eligible for reimbursement pursuant to this clause if the cost is incurred 270 days or more after the approval of a stewardship plan for home-generated sharps waste.

(2) Paragraph (1) shall apply only with regard to home-generated sharps waste.

(e) A stewardship plan shall include provisions to expand into jurisdictions not included in the stewardship plan pursuant to Section 42036.2, in the event a jurisdiction repeals its local stewardship program ordinance.

(f) A stewardship plan shall include educational and outreach provisions to meet the requirements of Section 42031.6.

Article 4. Reports, Budgets, and Records

42033. With the submission of a stewardship plan, a program operator shall submit to the department an initial stewardship program budget for the first five calendar years of operation of its stewardship program that includes both of the following:

(a) Total anticipated revenues and costs of implementing the stewardship program.

(b) A total recommended funding level sufficient to cover the plan's budgeted costs and to operate the stewardship program over a multiyear period.

42033.2. (a) On or before March 31, 2022, and each year thereafter, a program operator shall prepare and submit to the department both of the following:

(1) A written report describing the stewardship program activities during the previous reporting period of one year.

(2) A written program budget for stewardship program implementation for the upcoming calendar year.

(b) An annual report submitted pursuant to paragraph (1) of subdivision (a) shall include, at a minimum, all of the following for the prior year:

(1) A list of covered entities participating in the stewardship organization.

(2) The updated and reverified list provided pursuant to paragraph (2) of subdivision (a) of Section 42031 of covered products that each covered entity subject to the stewardship plan sells or offers for sale.

(3) The amount, by weight, of covered products collected from ultimate users at each authorized collection site that is part of the stewardship program.

(4) For a stewardship plan for covered drugs, the name and location of authorized collection sites at which covered drugs were collected.

(5) For a stewardship plan for home-generated sharps waste, information on the mail-back program.

(6) Whether policies and procedures for collecting, transporting, and disposing of covered products, as established in the stewardship plan, were followed during the reporting period and a description of each instance of noncompliance, if any occurred.

(7) Whether any safety or security problems occurred during collection, transportation, or disposal of collected covered products during the reporting period and, if so, what changes have been or will be made to policies, procedures, or tracking mechanisms to alleviate the problem and to improve safety and security.

(8) How the program operator complied with all elements in its stewardship plan.

(9) Any other information the department reasonably requires.

(c) An annual program budget submitted pursuant to paragraph (2) of subdivision (a) shall include, at a minimum, both of the following for the upcoming calendar year:

(1) An independent financial audit of the stewardship program, as required by subdivision (b) of Section 42033.4, funded by the stewardship organization from the charge paid from its member covered entities pursuant to Section 42034 or by a covered entity if it operates its own stewardship program.

(2) Anticipated costs and the recommended funding level necessary to implement the stewardship program, including, but not limited to, costs to cover the stewardship plan's budgeted costs and to operate the stewardship program over a multiyear period in a prudent and responsible manner.

(d) (1) The department shall determine if a submitted annual report and program budget are complete and notify the submitting stewardship organization or covered entity within 30 days.

(2) If the department finds that an annual report and program budget are complete, the department's 90-day review period for consideration of approval of the annual report and program budget, set forth in subdivision (e), shall commence upon the original date of receipt.

(3) If the department determines either an annual report or a program budget is incomplete, the department shall identify for the program operator within 30 days the required additional information, and the program operator shall submit a revised annual report or program budget, as applicable, within 30 days.

(4) If the department determines upon resubmission that the annual report or program budget is complete, the department's 90-day review period for consideration of approval of the annual report or program budget shall commence upon the date of receipt of the resubmitted report or program budget.

(e) (1) The department shall review the annual report and program budget required pursuant to this section and within 90 days of receipt shall approve, disapprove, or conditionally approve the annual report and program budget.

(2) (A) If the department conditionally approves an annual report or program budget, the department shall identify the deficiencies in the annual report or program budget and the program operator shall comply with the conditions of the conditional approval within 60 days of the notice date, unless the Director of Resources Recycling and Recovery determines that additional time is needed.

(B) If the department conditionally approves an annual report or program budget and the conditions are not met within 60 days of the notice date, unless additional time is granted pursuant to subparagraph (A), the department shall disapprove the annual report or program budget.

(3) If the department disapproves an annual report or program budget, the department shall identify the deficiencies in the annual report or program budget and the program operator shall submit a revised annual report or program budget and provide any supplemental information requested within 60 days of the notice date.

42033.4. (a) A program operator shall keep minutes, books, and records that clearly reflect the activities and transactions of the program operator's stewardship program.

(b) (1) The minutes, books, and records of a program operator shall be audited at the program operator's expense by an independent certified public accountant retained by the program operator at least once each calendar year.

(2) A program operator shall arrange for the independent certified public accountant audit to be delivered to the department, along with the annual report and program budget submitted pursuant to subdivision (a) of Section 42033.2.

(3) The department may conduct its own audit of a program operator. The department shall review the independent certified public accountant audit for compliance with this chapter and consistency with the program operator's stewardship plan, annual report, and program budget submitted pursuant to this chapter. The department shall notify the program operator of any conduct or practice that does not comply with this chapter or of any inconsistencies identified in the department's audit. The program operator may obtain copies of the department's audit, including proprietary information contained in the department's audit, upon request. The department shall not disclose any confidential proprietary information protected pursuant to Section 42036.4 that is included in the department's audit.

42033.5. For a local jurisdiction that requests removal of home-generated sharps waste or cost recovery or reimbursement for removal pursuant to Section 42032.2, the local jurisdiction shall provide information on home-generated sharps waste to the covered entity or program operator, within a reasonable time upon request by the covered entity or program operator.

42033.6. As part of the administration of this chapter, within 12 months of a program operator's submission of three consecutive complete annual reports submitted pursuant to Section 42033.2, the department shall develop, and post on its Internet Web site, a report analyzing whether the program operator's stewardship program provides adequate access to safe disposal of home-generated sharps waste or covered drugs, as applicable, to the ultimate user.

Article 5. Financial Provisions

42034. In order to further the objective that covered entities establish and implement stewardship programs that comply with the requirements of this chapter, each covered entity, either individually or through a stewardship organization, shall pay all administrative and operational costs associated with establishing and implementing the stewardship program in which it participates, including the cost of collecting, transporting, and disposing of covered products.

42034.2. (a) (1) On or before the end of the 2022–23 fiscal year, and once every three months thereafter, a program operator shall pay to the department an administrative fee. The department shall set the fee at an

amount that, when paid by every covered entity, is adequate to cover the department's and any other state agency's full costs of administering and enforcing this chapter. The total amount of fees collected shall not exceed the state's actual and reasonable regulatory costs to implement and enforce this chapter. These costs may include the actual and reasonable costs associated with regulatory activities pursuant to this chapter before submission of stewardship plans pursuant to Section 42032.

(2) For a stewardship organization, the administrative fee paid pursuant to paragraph (1) shall be funded by the covered entities that make up the stewardship organization. This administrative fee shall be in addition to the charge paid pursuant to Section 42034. A stewardship organization may require its participating covered entities to pay the administrative fee and the charge paid pursuant to Section 42034 at the same time.

(b) The department shall deposit administrative fees paid by a program operator pursuant to subdivision (a) into the Pharmaceutical and Sharps Stewardship Fund, which is hereby established. Upon appropriation by the Legislature, moneys in the fund may be expended by the department, the state board, and any other agency that assists in the regulatory activities of administering and enforcing this chapter. Upon appropriation by the Legislature, moneys in the fund may be used for those regulatory activities and to reimburse any outstanding loans made from other funds used to finance the startup costs of the department's activities pursuant to this chapter. Moneys in the fund shall not be expended for any purpose not enumerated in this chapter.

42034.4. (a) (1) A stewardship organization may conduct an audit of covered entities that are required to remit a charge or administrative fee to the stewardship organization pursuant to Sections 42034 and 42034.2 to verify that the administrative fees and charges paid are proper and accurate. In addition, a stewardship organization may conduct an audit of authorized collectors to verify the charges submitted are proper and accurate.

(2) The purpose of the audits described in paragraph (1) is to ensure parties required by this chapter to pay or collect an administrative fee or charge are paying or collecting the proper amount to implement the program.

(b) If a stewardship organization conducts an audit pursuant to subdivision (a), it shall do all of the following:

(1) Conduct the audit in accordance with generally accepted auditing practices.

(2) Limit the scope of the audit of covered entities to confirming whether a charge or administrative fee has been properly paid by the covered entities.

(3) Hire an independent third-party auditor to conduct the audit.

(4) Provide a copy of the audit to the department.

Article 6. Enforcement

42035. (a) (1) On or before June 30, 2022, and at least annually thereafter, the department shall post on its Internet Web site a list of

stewardship organizations, including entities with an approved stewardship plan, and covered entities, authorized collection sites, retail pharmacies, and retail pharmacy chains provided in the stewardship plans that are in compliance with this chapter.

(2) The state board shall coordinate with the department to verify that the list posted pursuant to paragraph (1) is consistent with the information submitted to each agency pursuant to Section 42031.

(b) A covered entity or stewardship organization that is not listed on the department's Internet Web site pursuant to subdivision (a), but demonstrates compliance with this chapter before the department is required to post the following year's list pursuant to subdivision (a), may request a certification letter from the department stating that the covered entity or stewardship organization is in compliance with this chapter. A covered entity or stewardship organization that receives a certification letter shall be deemed to be in compliance with this chapter.

(c) A distributor or wholesaler of covered products, and a pharmacy or other retailer that sells or offers for sale a covered product, shall monitor the department's Internet Web site to determine which covered entities and stewardship organizations are in compliance with this chapter. The distributor or wholesaler and the pharmacy or other retailer shall notify the department if it determines that a covered product that it sells or offers for sale is from a covered entity that is not listed on the department's Internet Web site.

(d) The sale, distribution, or offering for sale of any inventory that was in stock before the commencement of a stewardship program is exempt from this chapter and not required to be subject to a stewardship plan.

(e) If the department determines a covered entity or stewardship organization is not in compliance with this chapter, the department shall remove the entity from the list maintained on the department's Internet Web site pursuant to subdivision (a).

42035.2. (a) (1) The department may impose an administrative penalty on any covered entity, program operator, stewardship organization, or authorized collector that sells, offers for sale, or provides a covered product in violation of this chapter.

(2) The amount of the administrative penalty imposed pursuant to this subdivision shall not exceed ten thousand dollars (\$10,000) per day unless the violation is intentional, knowing, or reckless, in which case the administrative penalty shall not exceed fifty thousand dollars (\$50,000) per day.

(b) The department shall not impose a penalty on a program operator pursuant to this section for failure to comply with this chapter if the program operator demonstrates it received false or misleading information that contributed to its failure to comply, including, for a stewardship organization, from a participating covered entity.

(c) The department shall deposit all penalties collected pursuant to this section in the Pharmaceutical and Sharps Stewardship Penalty Account, which is hereby created in the Pharmaceutical and Sharps Stewardship Fund established in Section 42034.2. Upon appropriation by the Legislature,

moneys in the Pharmaceutical and Sharps Stewardship Penalty Account may be expended by the department on activities including, but not limited to, the promotion of safe handling and disposal of covered products, grants for related purposes, and the administration and enforcement this chapter.

42035.4. Upon a written finding that a covered entity, program operator, stewardship organization, or authorized collector has not met a material requirement of this chapter, in addition to any other penalties authorized under this chapter, the department may take one or both of the following actions to ensure compliance with the requirements of this chapter, after affording the covered entity, stewardship organization, or authorized collector a reasonable opportunity to respond to, or rebut, the finding:

(a) Revoke the program operator's stewardship plan approval or require the program operator to resubmit the plan.

(b) Require additional reporting relating to compliance with the material requirement of this chapter that was not met.

42035.6. (a) A covered entity, stewardship organization, program operator, retail pharmacy, or retail pharmacy chain shall do both of the following:

(1) Upon request, provide the department with reasonable and timely access, as determined by the department, to its facilities and operations, as necessary to determine compliance with this chapter.

(2) Upon request, provide the department with relevant records necessary to determine compliance with this chapter.

(b) A covered entity, stewardship organization, program operator, retail pharmacy, or retail pharmacy chain shall maintain and keep accessible all records required to be kept or submitted pursuant to this chapter for a minimum of three years.

(c) All reports and records provided to the department pursuant to this chapter shall be provided under penalty of perjury.

(d) The department may take disciplinary action against a covered entity, stewardship organization, program operator, pharmacy, retail pharmacy, or retail pharmacy chain that fails to provide the department with the access to information required pursuant to this section, including one or both of the following:

(1) Imposing an administrative penalty pursuant to Section 42035.2.

(2) Posting a notice on the department's Internet Web site, in association with the list that the department maintains pursuant to paragraph (1) of subdivision (a) of Section 42035, that the covered entity, stewardship organization, program operator, pharmacy, retail pharmacy, or retail pharmacy chain is no longer in compliance with this chapter.

(e) The department shall not prohibit as a disciplinary action a covered entity, stewardship organization, program operator, pharmacy, retail pharmacy, or retail pharmacy chain from selling a covered product.

42035.8. All handling, transport, and disposal undertaken as part of a stewardship program under this chapter shall comply with applicable state and federal laws, including, but not limited to, regulations adopted by the United States Drug Enforcement Administration.

Article 7. Miscellaneous Provisions

42036. (a) Except as provided in subdivision (c), an action specified in subdivision (b) that is taken by a stewardship organization or a covered entity pursuant to this chapter is not a violation of the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), the Unfair Practices Act (Chapter 4 (commencing with Section 17000) of Part 2 of Division 7 of the Business and Professions Code), or the Unfair Competition Law (Chapter 5 (commencing with Section 17200) of Part 2 of Division 7 of the Business and Professions Code).

(b) Subdivision (a) shall apply to all of the following actions taken by a stewardship organization or covered entity:

(1) The creation, implementation, or management of a stewardship plan approved by the department pursuant to Article 3 (commencing with Section 42032) and the determination of the types or quantities of covered products collected or otherwise managed pursuant to a stewardship plan.

(2) The determination of the cost and structure of an approved stewardship plan.

(3) The establishment, administration, collection, or disbursement of the charge or administrative fee imposed pursuant to Section 42034 or 42034.2, respectively.

(c) Subdivision (a) shall not apply to an agreement that does any of the following:

(1) Fixes a price of or for covered products, except for an agreement related to costs, charges, or administrative fees associated with participation in a stewardship plan approved by the department and otherwise in accordance with this chapter.

(2) Fixes the output of production of covered products.

(3) Restricts the geographic area in which, or customers to whom, covered products are sold.

42036.2. (a) This chapter does not apply to a drug or sharp within a jurisdiction that is subject to a local stewardship program pursuant to an ordinance that took effect before April 18, 2018. If that ordinance is repealed in the jurisdiction or, if more than one ordinance is applicable, those ordinances are repealed in the jurisdiction, the drug or sharp shall be subject to this chapter in that jurisdiction within 270 days after the date on which the ordinance is, or ordinances are, repealed.

(b) This chapter shall preempt a local stewardship program for drugs or sharps enacted by an ordinance or ordinances with an effective date on or after April 18, 2018.

(c) A local stewardship program for covered products enacted by an ordinance that has an effective date before April 18, 2018, may continue in operation, but the program and its participants shall not receive or benefit from moneys from the Pharmaceutical and Sharps Stewardship Fund or the Pharmaceutical and Sharps Stewardship Penalty Account, including, but not limited to, for administrative or enforcement costs. Participants of a

local stewardship program for covered products enacted by an ordinance that has an effective date before April 18, 2018, shall be eligible to participate in a stewardship program under this chapter and thereby become eligible to receive funds from the Pharmaceutical and Sharps Stewardship Fund or the Pharmaceutical and Sharps Stewardship Penalty Account only if the local stewardship program is dissolved.

42036.4. Proprietary information submitted to the department under this chapter shall be protected by all parties as confidential and shall be exempt from public disclosure under the California Public Records Act (Chapter 3.5 (commencing with Section 6250) of Division 7 of Title 1 of the Government Code). The department and other parties may only disclose proprietary information in an aggregated form that does not directly or indirectly identify financial, production, or sales data of an individual covered entity or stewardship organization. Proprietary information may be disclosed to the party that submitted the proprietary information.

SEC. 2. The Legislature finds and declares that Section 1 of this act, which adds Section 42036.4 to the Public Resources Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to ensure that the competitive market in the state for the manufacture and sale of drugs and sharps is not compromised, it is necessary that proprietary information collected for the purpose of administering a stewardship program be confidential.

SEC. 3. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

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RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

September 4, 2018

The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol Building, First Floor
Sacramento, CA 95814

RE: Senate Bill 212 – REQUEST FOR SIGNATURE

Dear Governor Brown:

On behalf of the Rural County Representatives of California (RCRC), I am writing to respectfully urge your signature on Senate Bill 212. SB 212, authored by Senator Hannah-Beth Jackson, would implement a product stewardship program for two specific products – pharmaceuticals and sharps.

RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from those member counties. In addition, twenty-four member counties have formed the Rural Counties' Environmental Services Joint Powers Authority (ESJPA) to provide assistance to solid waste managers in rural counties. These solid waste managers have been charged with ensuring that their respective counties meet state-imposed requirements in order to reduce waste being disposed and increase recycling/re-use efforts for certain products.

Despite the enactment of Senate Bill 1305 (Figueroa) in 2006 which prohibits home-generated sharps waste from being disposed of in trash or recycling containers, needles continue to be discarded irresponsibly, resulting in an unacceptable risk of injuries. Similarly, pharmaceuticals present significant problems when leftover if not properly secured and disposed. Leftover drugs and a lack of safe and convenient disposal options are fuel to the opioid epidemic and increase instances of accidental poisonings, and can cause environmental harm. Both pharmaceuticals and sharps present significant challenges for local governments and municipal workers when it comes to safe and convenient collection and disposal.

SB 212 creates a system for both pharmaceuticals and used sharps end-of-life disposal that will be convenient for consumers to use while ensuring all parties in the product chain share in the responsibility to manage these products. This approach will have state and local governments play a minimal role and allow the manufacturers,

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | FAX: 916.448.3154

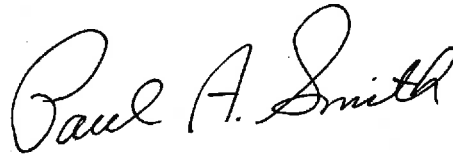
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The Honorable Edmund G. Brown, Jr.
Senate Bill 212
September 4, 2018
Page 2

distributors, and retailers to devise a system that minimizes costs, promotes access, and ensures that these items are not discarded in landfills. It allows manufacturers of pharmaceuticals and sharps to design a system that works best for their business model while alleviating a significant financial burden to local governments.

For the above reasons, RCRC respectfully requests your signature on SB 212.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Smith". The signature is written in a cursive, flowing style.

PAUL A. SMITH
Vice President Governmental Affairs

cc: The Honorable Hannah-Beth Jackson, Member of the State Senate

OFFICE OF THE GOVERNOR

SEP 30 2018

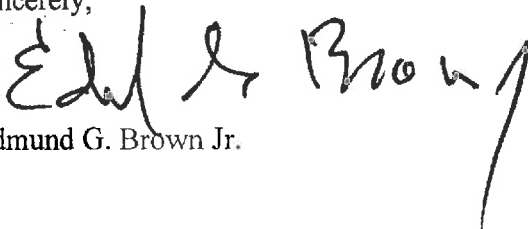
To the Members of the California State Senate:

I am signing Senate Bill 212 which establishes a program for the collection and disposal of home-generated pharmaceutical drugs and sharps waste.

While this bill is an important step forward towards managing household generated medical waste, last minute amendments created ambiguity that might impact the effectiveness of this program.

Therefore, I urge the Legislature to provide continuous oversight to ensure that the Department of Resources, Recycling and Recovery has the appropriate enforcement tools to ensure compliance and that the program offers the level of collection the author envisioned.

Sincerely,



Edmund G. Brown Jr.

Senate Bill No. 452

Passed the Senate August 31, 2018

Secretary of the Senate

Passed the Assembly August 29, 2018

Chief Clerk of the Assembly

This bill was received by the Governor this _____ day
of _____, 2018, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to amend Sections 14536, 14549.2, 14571.6, 14571.8, 14581, and 14585 of, and to add and repeal Sections 14572.3 and 14575.2 of, the Public Resources Code, relating to beverage containers, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 452, Glazer. The California Beverage Container Recycling and Litter Reduction Act.

(1) Existing law, the California Beverage Container Recycling and Litter Reduction Act, requires the Department of Resources Recycling and Recovery to annually designate convenience zones and requires that at least one certified recycling center that meets certain requirements be located within every convenience zone. Existing law authorizes the department to grant a convenience zone an exemption from certain redemption requirements, including certain dealer and recycling center redemption requirements, based on certain factors. Existing law limits the total number of exemptions that may be granted to 35% of the total number of convenience zones identified as having one or more of those factors applicable.

This bill, if there is a certified recycling center located within one mile of an unserved convenience zone, would require the department to grant that convenience zone an exemption from the redemption requirements and would increase the total number of exemptions that may be granted otherwise to 50% of the number identified as eligible. The bill would require the department to review exemptions every 5 years to determine if each exemption still meets the prescribed exemption criteria.

(2) The act requires dealers within a convenience zone where no recycling location has been established, or within a convenience zone that is unserved for 60 days and not exempt from convenience zone requirements, to submit an affidavit to the department stating that the dealer has met specified standards for redemption, including, among others, that the dealer is redeeming all empty beverage container types at all open cash registers or at one

designated location on the dealer's premises, during all hours that the dealer is open for business. If the dealer does not submit that affidavit, existing law requires the dealer to pay \$100 per day to the department, for deposit in the California Beverage Container Recycling Fund, a continuously appropriated fund described in (3), until a recycling location is established or until the dealer meets the standards for redemption specified in the affidavit provision.

This bill would revise these convenience zone redemption duties and exempt from those duties dealers with gross annual sales of less than \$2,000,000 and dealers that are not supermarkets and that have less than 5,000 square feet of interior retail space. The bill, until January 1, 2021, would also exempt certain other dealers from these requirements.

(3) The act establishes the California Beverage Container Recycling Fund and, except for administrative costs, continuously appropriates moneys in the fund to the department for specified purposes, including the amount necessary to pay handling fees to certain types of recyclers to provide an incentive for the redemption of empty beverage containers in convenience zones. The act also continuously appropriates from the fund \$15,000,000 annually for payments for curbside programs and neighborhood dropoff programs and \$10,500,000 annually for payments to cities and counties for beverage container recycling and litter cleanup activities. The act authorizes the department to withhold beverage container recycling and litter cleanup activities payments to any city, county, or city and county that has restricted or prohibited the siting of a supermarket site, as provided.

This bill would require the department to offer a handling fee payment from the fund to certain certified recyclers within unserved convenience zones. The bill would make an appropriation by changing the terms and conditions under which the department is authorized to make payments from a continuously appropriated fund. The bill, until July 1, 2021, would require the handling fee to be set at the rate in effect on July 1, 2015. The bill would authorize the department, until July 1, 2021, to annually expend \$3,000,000 from the fund for specified supplemental handling fee payments to low-volume recycling centers. By authorizing the expenditure of a continuously appropriated fund for new purposes, this bill would make an appropriation. The bill would require the department to develop and submit to the Legislature recommended

revisions to the handling fee provisions, as specified. The bill would authorize the department to withhold payments to curbside programs and neighborhood dropoff programs in any city, county, or city and county that has restricted or prohibited the siting of a certified recycling center, as provided. The bill would require the department, on or before July 1, 2019, to convene a public hearing, as specified, for purposes of discussing and receiving public testimony on the development of guidelines for evaluating the circumstances that might prompt the department to withhold beverage container recycling and litter cleanup activities payments to any city, county, or city and county that has restricted or prohibited the siting of a supermarket site.

(4) The act requires the department to pay a market development payment to a reclaimer, as defined, for empty plastic beverage containers that have been collected for recycling in the state, and that the reclaimer washes and processes into flake, pellet, sheet, or any other form that is then usable as input for the manufacture of new plastic products, as defined, by product manufacturers in the state. The act also requires the department to pay a market development payment to a product manufacturer, as defined, for plastic flake, pellet, sheet, or any other form of plastic purchased from a reclaimer and used by that product manufacturer to manufacture a plastic product in the state.

This bill would require the department to pay market development payments to a reclaimer that uses the services of a 3rd party to process the empty plastic beverage containers into a form usable for the manufacture of new plastic products and to a product manufacturer that uses the services of a 3rd party to process the plastic purchased from a reclaimer in manufacturing the plastic product. The bill would clarify that certain moneys are not available for market development payments to these additional product manufacturers. By changing the purposes for which continuously appropriated moneys may be expended, this bill would make an appropriation.

(5) Under the act, the department is required to calculate a processing fee for each beverage container with a specified scrap value, which is required to be paid by beverage manufacturers for each beverage container sold or transferred to a distributor or dealer. The department is required to calculate the processing fee in a specified manner, so that the actual processing fee generally

equals 65% of the processing payment that the department is required to pay to processors if the scrap value of the container having a refund value pursuant to the act is less than the cost of recycling. The department is required to determine the statewide weighted average cost to recycle each beverage container type by conducting a survey, as specified. The department is required to establish a processing fee account in the continuously appropriated California Beverage Container Recycling Fund for each material type and to deposit processing fees and other amounts in the applicable account.

This bill would, for purposes of calculating processing payments, require the department, until January 1, 2021, to use the actual cost of recycling that was in effect on December 30, 2015, adjusted as specified. The bill would make an appropriation by changing the terms and conditions under which the department is authorized to make payments from a continuously appropriated fund. The bill would provide that the processing fees established by the department between the effective date of the bill and December 31, 2018, inclusive, shall not be higher than they would be absent these new provisions. The bill would require the department to suspend usage of surveys and calculations of recycling costs until at least January 1, 2020, and would authorize the department to redirect any contract funds for cost surveys and calculations to provide for a specified assessment and to utilize any contract funds available for the development of amendments to be recommended to the Legislature regarding specified provisions of the act.

(6) This bill would declare that it is to take effect immediately as an urgency statute.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 14536 of the Public Resources Code is amended to read:

14536. (a) Except as provided in subdivision (b), the director shall adopt, amend, or repeal all rules and regulations in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

(b) (1) The director shall adopt regulations, and may adopt emergency regulations, for the purposes of implementing Sections

14538, 14539, 14541, 14549.1, 14549.2, 14550, 14561, 14571.6, 14571.65, 14574, 14575, 14585, 14588.1, 14588.2, and 14591.

(2) Any emergency regulations, if adopted, shall be adopted in accordance with Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, and for the purposes of that chapter, including Section 11349.6 of the Government Code, the adoption of these regulations is an emergency and shall be considered by the Office of Administrative Law as necessary for the immediate preservation of the public peace, health and safety, and general welfare. Notwithstanding Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, including subdivision (e) of Section 11346.1 of the Government Code, any emergency regulations adopted pursuant to this section shall be filed with, but not be repealed by, the Office of Administrative Law and shall remain in effect until revised by the director.

SEC. 2. Section 14549.2 of the Public Resources Code is amended to read:

14549.2. (a) For purposes of this section, the following definitions shall apply:

(1) "Certified entity" means a recycling center, processor, or dropoff or collection program certified pursuant to this division.

(2) "Plastic product" means a finished plastic product that requires no further thermoforming, shaping, or processing before being sold for its specified use. "Plastic product" does not include plastic flake, pellet, sheet, or any other form that is an output from a reclaimer's processing of empty plastic beverage containers.

(3) "Product manufacturer" means a person who manufactures a plastic product in this state.

(4) "Reclaimer" means a certified entity that purchases empty plastic beverage containers that have been collected for recycling in the state, and that washes and processes, in the state, those empty plastic beverage containers into flake, pellet, sheet, or any other form that is then usable as input for the manufacture of new plastic products by product manufacturers in the state.

(b) In order to develop California markets for empty plastic beverage containers collected for recycling in the state, the department may, consistent with Section 14581 and subject to the availability of funds, pay a market development payment to a reclaimer for empty plastic beverage containers collected and

managed pursuant to this section and to a product manufacturer for plastic flake, pellet, sheet, or any other form of plastic purchased from a reclaimer pursuant to this section.

(c) The department shall make a market development payment to a reclaimer or product manufacturer in accordance with this section only if the plastic beverage container is collected, washed, and processed into flake, pellet, sheet, or any other form, and is used in manufacturing, in the state, as follows:

(1) The department shall make a market development payment to a reclaimer for empty plastic beverage containers that are collected, washed, and processed as specified in paragraph (4) of subdivision(a), including to a reclaimer that uses the services of a third party to process the empty plastic beverage containers into a form usable for the manufacture of new plastic products.

(2) The department shall make a market development payment to a product manufacturer for plastic flake, pellet, sheet, or any other form of plastic purchased from a reclaimer and used by that product manufacturer to manufacture a plastic product in the state, including to a product manufacturer that uses the services of a third party to process the plastic purchased from a reclaimer in manufacturing the plastic product.

(3) The department shall determine the amount of the market development payment, which may be set at a different level for a reclaimer and a product manufacturer, but shall not exceed one hundred fifty dollars (\$150) per ton. In setting the amount of the market development payment for both reclaimers and product manufacturers, the department shall consider all of the following:

(A) The minimum funding level needed to encourage in-state washing and processing of empty plastic beverage containers collected for recycling in this state.

(B) The minimum funding level needed to encourage in-state manufacturing that utilizes flake, pellet, sheet, or any other form processed from empty plastic beverage containers collected for recycling in this state.

(C) The total amount of funds projected to be available for plastic market development payments, and the desire to maintain the minimum funding level needed throughout the year.

(4) The department may make a market development payment to both a reclaimer and a product manufacturer for both the empty plastic beverage container and for the flake, pellet, sheet, or any

other form processed by the reclaimer from that same empty plastic beverage container.

(d) This section shall become inoperative on July 1, 2022, and, as of January 1, 2023, is repealed.

SEC. 3. Section 14571.6 of the Public Resources Code is amended to read:

14571.6. (a) Except as provided in Section 14572.3, in any convenience zone where no recycling location has been established that satisfies the requirements of Section 14571, and in any convenience zone that has exceeded the 60-day period for the establishment of a recycling center pursuant to Section 14571.7, all dealers within that zone shall, until a recycling location has been established in that zone, do one of the following:

(1) Submit to the department an affidavit form provided by the department stating that all of the following standards are being met by the dealer:

(A) The dealer redeems all empty beverage container types at a minimum of one designated location on the dealer's premises, during all hours that the dealer is open for business. The dealer is not required to redeem more than 50 beverage containers of any one type per consumer per day.

(B) The dealer has posted signs that meet the size and location requirements specified in subdivision (b) of Section 14570, and that conform to paragraph (2) of that subdivision.

(C) The dealer is delivering, or having delivered, all empty beverage containers received from the public to a certified recycling center or processor for recycling.

(2) Pay to the department for deposit in the fund the sum of one hundred dollars (\$100) per day until a recycling location is established or until the standards for redemption specified in paragraph (1) are met.

(b) This section shall not apply to a dealer that demonstrates to the department either of the following:

(1) The dealer has gross annual sales of less than two million dollars (\$2,000,000).

(2) The dealer is not a supermarket and has less than 5,000 square feet of interior retail space.

SEC. 4. Section 14571.8 of the Public Resources Code is amended to read:

14571.8. (a) A lease entered into by a dealer after January 1, 1987, shall not contain a leasehold restriction that prohibits or results in the prohibition of the establishment of a recycling location.

(b) Except as provided in subdivision (h), the director may grant an exemption from the requirements of Section 14571 for an individual convenience zone only after the department solicits public testimony on whether or not to provide an exemption from Section 14571. The solicitation process shall be designed by the department to ensure that operators of recycling centers, dealers, and members of the public in the jurisdiction affected by the proposed exemption are aware of the proposed exemption. After evaluation of the testimony and any field review conducted, the department shall base a decision to exempt a convenience zone pursuant to this subdivision on any combination of the following factors:

(1) The exemption will not significantly decrease the ability of consumers to conveniently return beverage containers for the refund value to a certified recycling center redeeming all material types.

(2) The nearest certified recycling center is within a reasonable distance of the convenience zone being considered from exemption.

(3) The convenience zone is in the area of a curbside program that meets the criteria specified in Section 14509.5.

(4) The requirements of Section 14571 cannot be met in a particular convenience zone due to local zoning or the dealer's leasehold restrictions for leases in effect on January 1, 1987, and the local zoning or leasehold restrictions are not within the authority of the department and the dealer. However, any lease executed after January 1, 1987, shall meet the requirements specified in subdivision (a).

(5) The convenience zone has redeemed less than 60,000 containers per month for the prior 12 months.

(c) The department shall review each convenience zone in which a certified recycling center was not located on January 1, 1996, to determine the eligibility of the convenience zone under the exemption criteria specified in subdivision (b).

(d) The total number of exemptions granted under this section shall not exceed 50 percent of the total number of convenience zones identified as eligible pursuant to subdivisions (b) and (h).

(e) The department may, on its own motion, or upon petition by any interested person, revoke a convenience zone exemption, including an exemption granted under subdivision (h), if either of the following occurs:

(1) The condition or conditions that caused the convenience zone to be exempt no longer exists, and the department determines that the criteria for an exemption specified in this section are not presently applicable to the convenience zone.

(2) The department determines that the convenience zone exemption was granted due to an administrative error.

(f) If an exemption is revoked and a recycling center is not certified and operational in the convenience zone, the department shall, within 10 days of the date of the decision to revoke, serve all dealers in the convenience zone with the notice specified in subdivision (a) of Section 14571.7.

(g) An exemption shall not be revoked when a recycling center becomes certified and operational within an exempt convenience zone unless either of the events specified in paragraphs (1) and (2) of subdivision (e) occurs.

(h) If there is a certified recycling center located within one mile of an unserved convenience zone, the department shall grant an exemption from the requirements of Section 14571 for that convenience zone.

(i) The department shall review exemptions granted pursuant to this section every five years to determine if each exemption still meets the exemption criteria of this section.

SEC. 5. Section 14572.3 is added to the Public Resources Code, to read:

14572.3. (a) A dealer described in subdivision (c) and who is located in a convenience zone described in subdivision (b) shall be exempt from the dealer requirements of Section 14571.6 from the effective date of this section until December 31, 2020, inclusive.

(b) Subdivision (a) shall apply only to a dealer that is located in a convenience zone that meets one of the following:

(1) The convenience zone was served by, or exempted because of, a recycling center that closed between January 1, 2016, and May 31, 2016, inclusive, at the initiation of the recycler and not at the initiation of the dealer.

(2) The convenience zone was served by a recycling center that closed as a result of an action taken by the department on or after January 1, 2018.

(c) Subdivision (a) shall apply only to a dealer that meets one of the following conditions:

(1) The dealer demonstrates to the department that it has acted in full compliance with the requirements of Section 14571.6.

(2) The department approves the dealer for an exemption described in subdivision (a). The department may approve a dealer that was not in compliance with Section 14571.6 for an exemption only if the dealer pays the department any moneys owed by the dealer under Section 14571.6.

(d) The Legislature finds and declares that the purpose of this section is to temporarily suspend the obligations of dealers described in subdivision (c) to comply with the requirements of Section 14571.6 in order to focus attention and resources on the reestablishment of recycling centers in currently unserved convenience zones. Nothing in this section is intended to reduce the obligation of dealers and the department to site and maintain recycling centers.

(e) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

SEC. 6. Section 14575.2 is added to the Public Resources Code, to read:

14575.2. (a) (1) Notwithstanding Section 14575, for purposes of calculating processing payments, the department shall use the actual costs of recycling that were in effect on December 30, 2015.

(2) Consistent with Section 14575, the department shall adjust the recycling costs described in paragraph (1) to reflect changes in the cost of living from December 30, 2015, as measured by the Bureau of Labor Statistics of the United States Department of Labor or a successor agency of the United States government as of the effective date of this section and at least once annually thereafter.

(3) Notwithstanding Section 2975 of Title 14 of the California Code of Regulations, for the period from the effective date of this section to December 31, 2020, inclusive, the reasonable financial return for recycling centers shall be calculated as follows:

(A) The reasonable financial return shall be equal to 11.5 percent of the actual costs of recycling that were in effect on December 30, 2015, except as specified in subparagraph (B).

(B) The reasonable financial return for recycling centers located in rural regions, as defined by subparagraph (A) of paragraph (2) of subdivision (b) of Section 14571, shall be equal to 16.6 percent of the actual costs of recycling that were in effect on December 30, 2015.

(b) Notwithstanding subdivisions (d) and (e) of Section 14575, for processing fees established by the department between the effective date of this section and December 31, 2018, inclusive, the department shall not impose a processing fee on a beverage manufacturer that is higher than the processing fee that would be imposed without this section.

(c) (1) Notwithstanding subdivision (c) of Section 14575, the department shall suspend usage of surveys and calculations of recycling costs until at least January 1, 2020.

(2) The department may redirect any contract funds already approved for cost surveys and calculations as of the effective date of this section into an updated contract to utilize data collected for the 2015 processing payment to provide the department with an assessment of variations in the average cost of recycling based on, at a minimum, each of the following:

(A) Recycling location monthly average volume.

(B) Recycling location geographic area.

(C) Recycling location distance to end-use market.

(3) The department may utilize any contract funds available as of the effective date of this section for the analysis and development of recommendations to the Legislature of amendments to subdivisions (b) and (c) of Section 14575 to satisfy the legislative intent expressed in subdivision (f) of Section 14501 to create and maintain a marketplace where it is profitable to establish sufficient recycling centers and locations to provide consumers with convenient recycling opportunities through the establishment of minimum refund values and processing fees and, through the proper application of these elements, to enhance the profitability of recycling centers, recycling locations, and other beverage container recycling programs.

(d) This section shall remain in effect only until January 1, 2021, and as of that date is repealed.

SEC. 7. Section 14581 of the Public Resources Code is amended to read:

14581. (a) Subject to the availability of funds and in accordance with subdivision (b), the department shall expend the moneys set aside in the fund, pursuant to subdivision (c) of Section 14580, for the purposes of this section in the following manner:

(1) For each fiscal year, the department may expend the amount necessary to make the required handling fee payment pursuant to Section 14585.

(2) (A) Fifteen million dollars (\$15,000,000) shall be expended annually for payments for curbside programs and neighborhood dropoff programs pursuant to Section 14549.6.

(B) The department may withhold payments to curbside programs and neighborhood dropoff programs in any city, county, or city and county that has prohibited the siting of a certified recycling center, caused a certified recycling center to close its business, or adopted a land use policy that restricts or prohibits the siting of a certified recycling center within its jurisdiction.

(3) (A) Ten million five hundred thousand dollars (\$10,500,000) may be expended annually for payments of five thousand dollars (\$5,000) to cities and ten thousand dollars (\$10,000) for payments to counties for beverage container recycling and litter cleanup activities, or the department may calculate the payments to counties and cities on a per capita basis, and may pay whichever amount is greater, for those activities.

(B) Eligible activities for the use of these funds may include, but are not necessarily limited to, support for new or existing curbside programs, neighborhood dropoff programs, public education promoting beverage container recycling, litter prevention, and cleanup, cooperative regional efforts among two or more cities or counties, or both, or other beverage container recycling programs.

(C) These funds shall not be used for activities unrelated to beverage container recycling or litter reduction.

(D) To receive these funds, a city, county, or city and county shall fill out and return a funding request form to the department. The form shall specify the beverage container recycling or litter reduction activities for which the funds will be used.

(E) The department shall annually prepare and distribute a funding request form to each city, county, or city and county. The

form shall specify the amount of beverage container recycling and litter cleanup funds for which the jurisdiction is eligible. The form shall not exceed one double-sided page in length, and may be submitted electronically. If a city, county, or city and county does not return the funding request form within 90 days of receipt of the form from the department, the city, county, or city and county is not eligible to receive the funds for that funding cycle.

(F) For the purposes of this paragraph, per capita population shall be based on the population of the incorporated area of a city or city and county and the unincorporated area of a county. The department may withhold payment to any city, county, or city and county that has prohibited the siting of a supermarket site, caused a supermarket site to close its business, or adopted a land use policy that restricts or prohibits the siting of a supermarket site within its jurisdiction.

(G) On or before July 1, 2019, the department shall convene a public hearing during one of the department's regularly scheduled monthly public meetings for purposes of discussing and receiving public testimony on the development of guidelines for evaluating the circumstances that might prompt the department to withhold payments pursuant to receiving (F). The department may communicate any guidelines that may result from this public process to appropriate program stakeholders.

(4) One million five hundred thousand dollars (\$1,500,000) may be expended annually in the form of grants for beverage container recycling and litter reduction programs.

(5) (A) The department shall expend the amount necessary to pay the processing payment established pursuant to Section 14575. The department shall establish separate processing fee accounts in the fund for each beverage container material type for which a processing payment and processing fee are calculated pursuant to Section 14575, or for which a processing payment is calculated pursuant to Section 14575 and a voluntary artificial scrap value is calculated pursuant to Section 14575.1, into which account shall be deposited both of the following:

(i) All amounts paid as processing fees for each beverage container material type pursuant to Section 14575.

(ii) Funds equal to the difference between the amount in clause (i) and the amount of the processing payments established in subdivision (b) of Section 14575, and adjusted pursuant to

paragraph (2) of subdivision (c) of, and subdivision (f) of, Section 14575, to reduce the processing fee to the level provided in subdivision (e) of Section 14575, or to reflect the agreement by a willing purchaser to pay a voluntary artificial scrap value pursuant to Section 14575.1.

(B) Notwithstanding Section 13340 of the Government Code, the moneys in each processing fee account are hereby continuously appropriated to the department for expenditure without regard to fiscal years, for purposes of making processing payments pursuant to Section 14575.

(6) Up to five million dollars (\$5,000,000) may be annually expended by the department for the purposes of undertaking a statewide public education and information campaign aimed at promoting increased recycling of beverage containers.

(7) Up to ten million dollars (\$10,000,000) may be expended annually by the department for quality incentive payments for empty glass beverage containers pursuant to Section 14549.1.

(8) (A) (i) For the 2018–19 fiscal year, the department may expend up to fifteen million dollars (\$15,000,000) for market development payments to reclaimers and product manufacturers, pursuant to Section 14549.2.

(ii) Of the total amount authorized for expenditure by this subparagraph, up to five million dollars (\$5,000,000) may be expended for market development payments to reclaimers for the activities described in paragraph (1) of subdivision (c) of Section 14549.2, and to product manufacturers for the activities described in paragraph (2) of subdivision (c) of Section 14549.2, as that section read on June 30, 2018, that occurred during the period from January 1, 2018, to June 30, 2018, inclusive.

(B) For the 2019–20 fiscal year to the 2021–22 fiscal year, inclusive, the department may expend up to ten million dollars (\$10,000,000) each fiscal year for market development payments to reclaimers and product manufacturers, pursuant to Section 14549.2.

(C) For purposes of this paragraph, the definitions in subdivision (a) of Section 14549.2 apply.

(b) (1) If the department determines, pursuant to a review made pursuant to Section 14556, that there may be inadequate funds to pay the payments required by this division, the department shall

immediately notify the appropriate policy and fiscal committees of the Legislature regarding the inadequacy.

(2) On or before 180 days, but not less than 80 days, after the notice is sent pursuant to paragraph (1), the department may reduce or eliminate expenditures, or both, from the funds as necessary, according to the procedure set forth in subdivision (c).

(c) If the department determines that there are insufficient funds to make the payments specified pursuant to this section and Section 14575, the department shall reduce all payments proportionally.

(d) Before making an expenditure pursuant to paragraph (6) of subdivision (a), the department shall convene an advisory committee consisting of representatives of the beverage industry, beverage container manufacturers, environmental organizations, the recycling industry, nonprofit organizations, and retailers to advise the department on the most cost-effective and efficient method of the expenditure of the funds for that education and information campaign.

SEC. 8. Section 14585 of the Public Resources Code is amended to read:

14585. (a) The department shall adopt guidelines and methods for paying handling fees to supermarket sites, nonprofit convenience zone recyclers, or rural region recyclers to provide an incentive for the redemption of empty beverage containers in convenience zones. The guidelines shall include, but not be limited to, all of the following:

(1) Handling fees shall be paid on a monthly basis, in the form and manner adopted by the department. The department shall require that claims for the handling fee be filed with the department not later than the first day of the second month following the month for which the handling fee is claimed as a condition of receiving any handling fee.

(2) The department shall determine the number of eligible containers per site for which a handling fee will be paid in the following manner:

(A) Each eligible site's combined monthly volume of glass and plastic beverage containers shall be divided by the site's total monthly volume of all empty beverage container types.

(B) If the quotient determined pursuant to subparagraph (A) is equal to, or more than, 10 percent, the total monthly volume of

the site shall be the maximum volume which is eligible for a handling fee for that month.

(C) If the quotient determined pursuant to subparagraph (A) is less than 10 percent, the department shall divide the volume of glass and plastic beverage containers by 10 percent. That quotient shall be the maximum volume that is eligible for a handling fee for that month.

(3) The department shall pay a handling fee per eligible container in the amount determined pursuant to subdivision (f).

(4) If the eligible volume in any given month would result in handling fee payments that exceed the allocation of funds for that month, as provided in subdivision (b), sites with higher eligible monthly volumes shall receive handling fees for their entire eligible monthly volume before sites with lower eligible monthly volumes receive any handling fees.

(5) (A) If a dealer where a supermarket site, nonprofit convenience zone recycler, or rural region recycler is located ceases operation for remodeling or for a change of ownership, the operator of that supermarket site, nonprofit convenience zone recycler, or rural region recycler shall be eligible to apply for handling fees for that site for a period of three months following the date of the closure of the dealer.

(B) Every supermarket site operator, nonprofit convenience zone recycler, or rural region recycler shall promptly notify the department of the closure of the dealer where the supermarket site, nonprofit convenience zone recycler, or rural region recycler is located.

(C) Notwithstanding subparagraph (A), any operator who fails to provide notification to the department pursuant to subparagraph (B) shall not be eligible to apply for handling fees.

(b) The department may allocate the amount authorized for expenditure for the payment of handling fees pursuant to paragraph (1) of subdivision (a) of Section 14581 on a monthly basis and may carry over any unexpended monthly allocation to a subsequent month or months. However, unexpended monthly allocations shall not be carried over to a subsequent fiscal year for the purpose of paying handling fees but may be carried over for any other purpose pursuant to Section 14581.

(c) (1) The department shall not make handling fee payments to more than one certified recycling center in a convenience zone.

If a dealer is located in more than one convenience zone, the department shall offer a single handling fee payment to a supermarket site located at that dealer. This handling fee payment shall not be split between the affected zones. The department shall stop making handling fee payments if another recycling center certifies to operate within the convenience zone without receiving payments pursuant to this section, if the department monitors the performance of the other recycling center for 60 days and determines that the recycling center is in compliance with this division. Any recycling center that locates in a convenience zone, thereby causing a preexisting recycling center to become ineligible to receive handling fee payments, is ineligible to receive any handling fee payments in that convenience zone.

(2) The department shall offer a single handling fee payment to a rural region recycler located anywhere inside a convenience zone, if that convenience zone is not served by another certified recycling center and the rural region recycler does either of the following:

(A) Operates a minimum of 30 hours per week in one convenience zone.

(B) Serves two or more convenience zones, and meets all of the following criteria:

(i) Is the only certified recycler within each convenience zone.

(ii) Is open and operating at least eight hours per week in each convenience zone and is certified at each location.

(iii) Operates at least 30 hours per week in total for all convenience zones served.

(3) In a convenience zone that, as of the effective date of the measure that added this paragraph, has been continuously unserved by a certified recycling location for at least six months, the department shall offer a handling fee payment to a recycler located within the convenience zone that operates a minimum of 30 hours per week regardless of physical location within that convenience zone and that is certified and begins operating on or after the effective date of that measure.

(d) The department may require the operator of a supermarket site, or the operator of a rural region recycler, receiving handling fees to maintain records for each location where beverage containers are redeemed, and may require the supermarket site or rural region recycler to take any other action necessary for the

department to determine that the supermarket site or rural region recycler does not receive an excessive handling fee.

(e) The department may determine and utilize a standard container per pound rate, for each material type, for the purpose of calculating volumes and making handling fee payments.

(f) (1) On or before January 1, 2008, and every two years thereafter, the department shall conduct a survey pursuant to this subdivision of a statistically significant sample of certified recycling centers that receive handling fee payments to determine the actual cost incurred for the redemption of empty beverage containers by those certified recycling centers. The department shall conduct these cost surveys in conjunction with the cost surveys performed by the department pursuant to subdivision (b) of Section 14575 to determine processing payments and processing fees. The department shall include, in determining the actual costs, only those allowable costs contained in the regulations adopted pursuant to this division that are used by the department to conduct cost surveys pursuant to subdivision (b) of Section 14575.

(2) Using the information obtained pursuant to paragraph (1), the department shall then determine the statewide weighted average cost incurred for the redemption of empty beverage containers, per empty beverage container, at recycling centers that receive handling fees.

(3) The department shall determine the amount of the handling fee to be paid for each empty beverage container by subtracting the amount of the statewide weighted average cost per container to redeem empty beverage containers by recycling centers that do not receive handling fees from the amount of the statewide weighted average cost per container determined pursuant to paragraph (2).

(4) The department shall adjust the statewide average cost determined pursuant to paragraph (2) for each beverage container annually to reflect changes in the cost of living, as measured by the Bureau of Labor Statistics of the United States Department of Labor or a successor agency of the United States government.

(5) The cost information collected pursuant to this section at recycling centers that receive handling fees shall not be used in the calculation of the processing payments determined pursuant to Section 14575.

(6) Notwithstanding paragraphs (2) and (3), for the period from the effective date of the measure that added this paragraph to July 1, 2021, inclusive, the handling fee shall be set at the rate in effect on July 1, 2015.

(g) The department may update the methodology and scrap values used for calculating the handling fee from the most recent cost survey if it finds that the handling fee resulting from the most recent cost survey does not accurately represent the actual cost incurred for the redemption of empty beverage containers by those certified recycling centers.

(h) Notwithstanding subdivision (f), the department shall suspend usage of surveys and calculations of recycling costs until at least January 1, 2020.

(i) (1) The department may expend up to three million dollars (\$3,000,000) annually from the fund for supplemental handling fee payments to low-volume recycling centers and recyclers willing to open a recycling center in a convenience zone that has recently become unserved. The department shall allocate the amount authorized for these supplemental handling fee payments into 12 equal monthly allotments.

(2) Supplemental handling fee payments shall be distributed once per month in equal amounts to recycling centers that are eligible for handling fees pursuant to subdivision (a), subject to all of the following requirements:

(A) A recycling center receiving a handling fee pursuant to this subdivision shall have no more than 600,000 beverage containers eligible for handling fees per month.

(B) Priority shall be given to recycling centers with the lowest volumes of beverage containers that are located in rural regions.

(C) (i) Payments shall be distributed first to no more than 100 recycling centers with the lowest volumes of beverage containers that are located in rural regions, in order of lowest volume.

(ii) After payments are distributed pursuant to clause (i), payments shall be distributed to other recycling centers with the lowest volumes of beverage containers, in order of lowest volume.

(3) No more than 400 recycling centers shall receive supplemental handling fee payments pursuant to this subdivision.

(4) The department may make the supplemental handling fee payments authorized pursuant to this subdivision by augmenting

handling fee payments received by recyclers pursuant to subdivision (f).

(5) This subdivision shall become inoperative on July 1, 2021.

(j) On or before January 1, 2021, the department shall develop and submit, in compliance with Section 9795 of the Government Code, recommendations to the Legislature for revisions to this section and the department's handling fee guidelines to ensure that handling fee calculations are adequate to maintain the state's recycling center infrastructure.

SEC. 9. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

Because of the unprecedented closures of recycling centers statewide, reduced access to redemption locations for consumers, declining recycling rates, and higher costs associated for grocers and retailers, it is necessary for this act to take effect immediately.



RURAL COUNTY REPRESENTATIVES
OF CALIFORNIA

September 4, 2018

The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol Building, First Floor
Sacramento, CA 95814

RE: Senate Bill 452 (Glazer) – REQUEST FOR SIGNATURE

Dear Governor Brown:

On behalf of the Rural County Representatives of California (RCRC), I am writing to respectfully urge your signature on Senate Bill 452. SB 452, authored by Senator Steven Glazer, relates to the California Beverage Container Recycling and Litter Reduction Act (commonly known as the Bottle Bill). RCRC is an association of thirty-five rural California counties, and the RCRC Board of Directors is comprised of elected supervisors from each of those member counties.

In addition, twenty-four member counties have formed the Rural Counties' Environmental Services Joint Powers Authority (ESJPA) to provide assistance to solid waste managers in rural counties. In many cases, these counties operate or contract for collection services, transfer stations, recycling centers, municipal waste disposal landfills, and household hazardous waste collection programs.

Considering the widespread recycling center closures, RCRC believes it is imperative to enlarge the accessibility of recycling centers to unserved zones. RCRC supports the preservation of handling fees for certified centers, city/county payments, and programs to increase and improve recycling infrastructure in rural counties. With the closure of many certified recycling centers, "convenient" beverage container redemption opportunities for many Californians do not exist in many rural areas. Since these closures, not only do many rural residents not have the opportunity to redeem their refunds, but the beverage container recycling rates have decreased.

SB 452 is a modest reform measure that focuses on several aspects of the Bottle Bill. RCRC appreciates SB 452 as an acknowledgement for a limited, but much-needed fix. RCRC has long supported a long-term fix for a sustainable Bottle Bill program, but we believe a limited-approach is a good start. Specifically, SB 452 addresses a number of reforms that are beneficial to rural areas of the state, including provisions that will

1215 K Street, Suite 1650, Sacramento, CA 95814 | www.rcrcnet.org | 916.447.4806 | Fax: 916.448.3154

ALPINE AMADOR BUTTE CALAVERAS COLUSA DEL NORTE EL DORADO GLENN HUMBOLDT IMPERIAL INYO LAKE LASSEN MADERA MARIPOSA MENDOCINO MERCED
MODOC MONO NAPA NEVADA PLACER PLUMAS SAN BENITO SAN LUIS OBISPO SHASTA SIERRA SISKIYOU SUTTER TEHAMA TRINITY TULARE TUOLUMNE YOLO YUBA

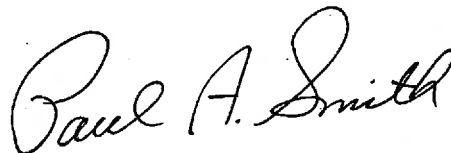
The Honorable Edmund G. Brown, Jr.
Senate Bill 452
September 4, 2018
Page 2

increase handling fees to certified centers to be set at the rate in effect on July 1, 2015 until July 1, 2021 and would authorize the department to annually expend an additional \$3,000,000 from the fund for supplemental handling fee payments to rural and low-volume recycling centers until July 1, 2021.

On a final note, recently Senator Glazer put forth a letter to the Senate Journal indicating it was not the intent that SB 452 authorize CalRecycle to withhold payment to a curbside program run by a private sector solid waste enterprise that has no jurisdiction over the citing or operation of certified recycling centers. This letter is in response to late amendments that were made to the bill. As such, we concur with Senator Glazer's letter, and we look forward to working him next year to address this unintended consequence of SB 452.

For the above reasons, RCRC respectfully requests your signature on SB 452.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Smith". The signature is written in a cursive, flowing style.

PAUL A. SMITH
Vice President Governmental Affairs

cc: The Honorable Steven Glazer, Member of the State Senate
The Honorable Catharine Baker, Member of the State Assembly
The Honorable Jordan Cunningham, Member of the State Assembly
The Honorable Todd Gloria, Member of the State Assembly
The Honorable Ash Kalra, Member of the State Assembly

OFFICE OF THE GOVERNOR

SEP 30 2018

To the Members of the California State Senate:

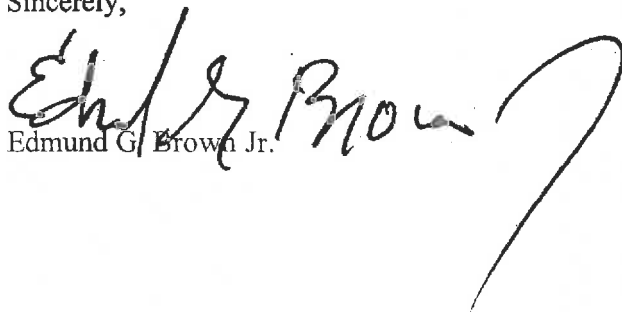
I am returning Senate Bill 452 without my signature.

This bill makes various changes to the Beverage Container Recycling Program, which include adjustments to handling fees, processing payments, and convenience zones.

SB 452 is inconsistent with the Administration's principles for reforming and modernizing this program, which was created in 1986. Any legislation to update these statutes should balance three different components: fiscal sustainability, improved collection and incentives for innovative recycling.

This bill does not accomplish any of these goals.

Sincerely,



Edmund G. Brown Jr.

2018 Legislation

Summary Listing of Selected Solid Waste Related Bills

October 5, 2018

To obtain a copy of the actual bill language, go to: <http://www.leginfo.ca.gov/bilinfo.html>

File name: RCRC

California

1. **CA AB 444**

Author: Ting (D)
Title: Medical Waste: Home-Generated Medical Waste
Last Amend: 04/18/2017
Location: Senate Environmental Quality Committee
Summary: Authorizes the California Environmental Protection Agency to develop a statewide program for the collection, transportation, and disposal of home-generated medical waste.
Status: 06/08/2017 To SENATE Committee on ENVIRONMENTAL QUALITY.

Lobbyist	Position	Subject
Mary	Pending (02/24/2017)	ESJPA
Paul		

2. **CA AB 509**

Author: Frazier (D)
Title: Tire Recycling: Tire Regulatory Fee Program
Last Amend: 06/22/2017
Location: Senate Appropriations Committee
Summary: Requires a waste tire generator that is a retail seller of new tires to pay a tire regulatory fee. Requires the Department of Resources Recycling and Recovery, prior to establishing the fee, to hold a public hearing. Repeals the Rubberized Pavement Market Development Act and instead enacts the Tire Recycling Incentive Program Act. Requires the department to establish an incentive program to make payments to entities that purchase waste tire material for incorporation in a product for sale to end users.
Status: 09/01/2017 In SENATE Committee on APPROPRIATIONS: Held in committee.

Lobbyist	Position	Subject
Mary	Support (08/29/2017)	ESJPA
Paul		

3. **CA AB 958**

Author: Ting (D)
Title: Product Safety: Polyfluoroalkyl Substances
Last Amend: 05/31/2018
Location: Senate Inactive File
Summary: Requires a manufacturer of food packaging or cookware, as defined, that is sold in the state to visibly disclose on an exterior location of the food packaging or cookware packaging a specified statement relating to the presence of perfluoroalkyl and polyfluoroalkyl substances.
Status: 08/21/2018 In SENATE. From third reading. To Inactive File.

Lobbyist	Position	Subject
Mary	Watch (05/09/2017)	ESJPA

4. **CA AB 1036**

Author: McCarty (D)
Title: Organic Waste: Composting
06/20/2017

Last Amend:
Location: Senate Environmental Quality Committee
Summary: Requires California Environmental Protection Agency and the Department of Food and Agriculture, with the Department of Resources Recycling and Recovery, the State Water Resources Control Board, and the State Air Resources Board to assess the state's progress towards developing the organic waste processing and recycling infrastructure necessary to meet the state goals. Requires an air pollution control district or air quality management district to include certain factors in baseline emissions calculations.

Status:
 06/20/2017 From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments.
 06/20/2017 In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY.

Lobbyist	Position	Subject
Mary	Pending (05/09/2017)	ESJPA

5. CA AB 1288

Author: Eggman (D)
Title: Solid Waste: Management: Funding
Last Amend: 05/01/2017
Location: Senate Environmental Quality Committee
Summary: Requires the Department of Resources Recycling and Recovery to conduct a public workshop to discuss funding for organic waste reduction infrastructure. Requires the department and the State Air Resources Board to ensure that fees for solid waste disposal, including, but not limited to, fees on solid waste that is exported for disposal are remitted to the state board of equalization in accordance with the financial provisions of the Integrated Waste Management Act.

Status: 06/01/2017 To SENATE Committee on ENVIRONMENTAL QUALITY.

BOARD.PACKET	Lobbyist	Position	Subject
AUGUST.2017	Mary	Pending (02/24/2017)	ESJPA
DEC.2017	Paul		Solid.Waste

6. CA AB 1441

Author: Assembly Environmental Safety and Toxic Materials Committee
Title: Hazardous Waste: Transportation: Electronic Manifests
Last Amend: 06/15/2017
Location: Senate Inactive File
Summary: Authorizes manifest requirements for transporting hazardous waste, including requirements to give, provide, send, forward, or return to another person a copy of a manifest, to sign a manifest or manifest certification by hand, or to keep or retain a copy of a manifest, to be satisfied through the use of the United States Environmental Protection Agency electronic manifest (e-Manifest) system.

Status: 09/11/2017 In SENATE. From third reading. To Inactive File.

Lobbyist	Position	Subject
Mary	Pending (02/24/2017)	ESJPA
Paul		

7. CA AB 1884

Author: Calderon I (D)
Title: Food Facilities: Single Use Plastic Straws
Last Amend: 08/06/2018

Location: Chaptered
Summary: Prohibits a full-service restaurant from providing single use plastic straws to consumers unless requested by the consumer. Specifies that the first and second violations of these provisions would result in a notice of violation and any subsequent violation would be an infraction punishable by a specified fine for each day the full-service restaurant is in violation.

Status: 09/20/2018 Signed by GOVERNOR.
09/20/2018 Chaptered by Secretary of State. Chapter No. 2018-576

Lobbyist	Position	Subject
Mary	Watch (01/18/2018)	ESJPA

8. CA AB 1933

Author: Maienschein (R)
Title: Greenhouse Gas Reduction Fund: Recycling Projects

Last Amend: 06/25/2018

Location: Chaptered

Summary: Amends existing law relating to the design and construction of facilities for processing recyclable materials. Specifies as an eligible use for in state infrastructure projects, or other projects that reduce emissions of greenhouse gases, activities that expand and improve waste diversion and recycling, including the recovery of food for human consumption and food waste prevention, and the processing of recyclable materials and projects to improve quality of recycled materials.

Status: 09/27/2018 Chaptered by Secretary of State. Chapter No. 2018-808

BOARD.PACKET	Lobbyist	Position	Staff	Subject
AUGUST2018	Mary	Support (04/25/2018)	Staci	Climate.Change ESJPA

9. CA AB 1970

Author: Garcia.E (D)
Title: Low-carbon Fuels: Electric Trucks and Charging Station

Last Amend: 05/25/2018

Location: Senate Energy, Utilities and Communications Committee

Summary: Requires the commission to develop a pilot program for a certain number of pilot projects for the development of innovative low-carbon fuel. Requires the commission to develop a pilot program to reduce emissions of greenhouse gases and improve air quality at a marine terminal located in a disadvantaged community located in the County of San Diego through the purchase of electric yard trucks and charging stations.

Status: 06/13/2018 To SENATE Committees on ENERGY, UTILITIES AND COMMUNICATIONS and ENVIRONMENTAL QUALITY.

Lobbyist	Position	Subject
Mary	Watch (05/01/2018)	ESJPA
Paul		

10. CA AB 1975

Author: Chu (D)
Title: Nuisance: Odors

Last Amend: 05/01/2018

Location: Assembly Inactive File

Summary: Requires the Department of Resources Recycling and Recovery to establish the South Bay Interagency Odor Taskforce, with a specified membership, to identify sources of odor emissions and nuisance complaints based on odor emissions received by the Bay

Area Air Quality Management District and the Cities of Milpitas, Fremont, Santa Clara and San Jose.

Status: 06/04/2018 In ASSEMBLY. Reconsideration granted.
06/04/2018 In ASSEMBLY. From third reading. To Inactive File.

BOARD.PACKET	Lobbyist	Position	Subject
JUNE2018	Mary	Oppose (04/02/2018)	ESJPA
	Paul		

11. CA AB 1981

Author: Limon (D)
Title: Organic Waste: Composting
Last Amend: 08/21/2018
Location: Chaptered
Summary: Imposes additional duties on various state agencies relating to promoting the application of compost. Includes the Department of Forestry and Fire Protection in the state agencies in coordination with which the state Environmental Protection Agency is required to develop and implement policies to aid in diverting organic waste from landfills by promoting composting. Requires agencies to work toward greenhouse gas reduction goals.

Status: 09/21/2018 Signed by GOVERNOR.
09/21/2018 Chaptered by Secretary of State. Chapter No. 2018-633

Lobbyist	Position	Staff	Subject
Staci	Support (05/01/2018)	Mary	ESJPA

12. CA AB 2094

Author: Kalra (D)
Title: Hazardous Waste Facilities: Inspections
Location: Senate Appropriations Committee
Summary: Requires the Department of Toxic Substances Control to adopt regulations establishing inspection frequencies for permitted hazardous waste treatment, storage, and disposal facilities, hazardous waste generators, and hazardous waste transporters. Requires the inspection frequency for a hazardous waste land disposal facility to be no less than 2 times per calendar year.

Status: 08/16/2018 In SENATE Committee on APPROPRIATIONS: Held in committee.

Lobbyist	Position	Subject
Mary	Pending (02/15/2018)	ESJPA
Paul		

13. CA AB 2097

Author: Acosta (R)
Title: Carpet Recycling: Annual Reports
Location: Chaptered
Summary: Relates to existing law which requires a manufacturer of carpet sold in this state to submit to the Department of Resources Recycling and Recovery a report describing its activities to achieve the purposes of the carpet stewardship laws. Changes the date by which the annual demonstration concerning recycling and the annual report are required to be completed from a specified date of each year to a specified date of each year.

Status: 09/11/2018 Signed by GOVERNOR.
09/11/2018 Chaptered by Secretary of State. Chapter No. 2018-340

Lobbyist	Position	Subject
Mary	Pending (02/15/2018)	ESJPA
Paul		

14. CA AB 2115

Author: Santiago (D)
Title: Vehicles: Passing and Overtaking: Waste Vehicles
Last Amend: 08/09/2018
Location: Chaptered
Summary: Requires the driver of a vehicle on a public street or highway approaching or overtaking a stopped waste service vehicle to make a lane change into an adjacent and available lane, and pass at a safe distance, subject to exceptions. Requires that, if that maneuver would be unsafe, the driver slow to a reasonable and prudent speed that is safe for existing traffic conditions. Applies if the waste service vehicle is readily identifiable as such based on configuration or markings and has flashing amber lights.
Status: 09/23/2018 Chaptered by Secretary of State. Chapter No. 2018-710

Lobbyist	Position	Subject
Mary	Watch (02/15/2018)	ESJPA
Paul		

15. CA AB 2178

Author: Limon (D)
Title: Limited Service Charitable Feeding Operation
Last Amend: 08/24/2018
Location: Chaptered
Summary: Exempts a limited service charitable feeding operation from the definition of food facility. Defines that operation as an operation for food service to a consumer solely for providing charity, that is conducted by a nonprofit charitable organization, as defined, and whose food service is limited to any of specified functions. Specifies that the operation would not include a temporary food facility or a nonprofit charitable temporary food facility. Requires the operation to submit certain information.
Status: 09/18/2018 Signed by GOVERNOR.
09/18/2018 Chaptered by Secretary of State. Chapter No. 2018-489

Lobbyist	Position	Subject
Mary	Pending (02/23/2018)	ESJPA
Paul		

16. CA AB 2189

Author: Santiago (D)
Title: Hazardous Substances: Lead: Cleanup: Exide Technologies
Last Amend: 05/25/2018
Location: Senate Appropriations Committee
Summary: Amends the Lead Acid Battery Recycling Act. Creates the Lead Acid Battery Cleanup Fund. Requires that the fees collected under the Act be deposited into the Fund. Requires that moneys in the Fund be expended for the investigation, site evaluation, cleanup, remedial actions, removal, monitoring, or other response actions at any area of the state that is reasonably suspected to have been contaminated by the operation of a lead acid battery recycling facility.
Status: 08/16/2018 In SENATE Committee on APPROPRIATIONS: Held in committee.

Lobbyist	Position	Subject
Mary	Watch (04/02/2018)	ESJPA
Paul		

17. CA AB 2277

Author: Mathis (R)
Title: Solid Waste Facilities: Pharmaceutical Waste
Location: Assembly Environmental Safety and Toxic Materials Committee
Summary: Vests the Department of Resources Recycling and Recovery with the primary responsibility for the disposal of home-generated pharmaceutical waste and would require the Department of Resources Recycling and Recovery, in collaboration with the State Department of Public Health, the Department of Toxic Substances control, and the California State Board of Pharmacy, to adopt regulations authorizing the incineration of home-generated pharmaceutical waste by solid waste facilities.
Status: 03/01/2018 To ASSEMBLY Committee on ENVIRONMENTAL SAFETY AND TOXIC MATERIALS.

Lobbyist	Position	Subject
Mary	Pending (02/15/2018)	ESJPA
Paul		Solid.Waste

18. CA AB 2308

Author: Stone (D)
Title: Cigarettes: Single-Use Filters
Location: ASSEMBLY
Summary: Relates to state findings and declarations of the Legislature regarding the health and public safety hazards to residents of the state relating to cigarettes utilizing single-use filters. Prohibits a person or entity from selling, giving, or in any way furnishing to another person of any age in this state a cigarette utilizing a single-use filter made of any material, including cellulose acetate, any other fibrous plastic material, or any organic or biodegradable material.
Status: 06/12/2018 From ASSEMBLY Committee on GOVERNMENTAL ORGANIZATION without further action pursuant to JR 62(a).

Lobbyist	Position	Subject
Mary	Pending (05/01/2018)	ESJPA
Paul		

19. CA AB 2321

Author: McCarty (D)
Title: Solid Waste: Integrated Waste Management
Location: ASSEMBLY
Summary: Makes nonsubstantive changes to legislative findings regarding solid waste management in the state.
Status: 02/13/2018 INTRODUCED.

Lobbyist	Position	Subject
Mary	Pending (02/15/2018)	ESJPA
Paul		

20. CA AB 2345

Author: Reyes (D)
Title: Renewable Energy: Shared Renewable Energy Tariffs
Last Amend: 08/06/2018
Location: Senate Rules Committee
Summary: Amends the Green Tariff Shared Renewables Program. Requires the Public Utilities Commission to require each large electrical corporation to establish a tariff or tariffs that provide for bill credits for electricity generated by eligible renewable generating facilities and exported to the electrical grid to be credited to electrical accounts of nonresidential customers of the corporations.
Status: 08/10/2018 Withdrawn from SENATE Committee on APPROPRIATIONS.

08/10/2018 Re-referred to SENATE Committee on RULES.

Lobbyist	Position	Subject
Mary	Pending (02/15/2018)	ESJPA
Paul		

21. CA AB 2379

Author: Bloom (D)
Title: Waste Management: Plastic Microfiber
Last Amend: 04/26/2018
Location: Assembly Inactive File
Summary: Relates to toxic chemical enforcement. Requires that new clothing with a certain material composition bear a conspicuous label that is visible to the consumer in the form of a sticker, or any other label type, with a statement that the garment sheds plastic microfibers when washed. Requires additional information, including that same statement, on the care label of such garments. Prohibits sales of such new clothing without those labels.
Status: 06/04/2018 In ASSEMBLY. To Inactive File.

Lobbyist	Position	Subject
Mary	Watch (02/15/2018)	ESJPA
Paul		

22. CA AB 2407

Author: Ting (D)
Title: Recycling: Lithium-ion Vehicle Batteries
Last Amend: 04/17/2018
Location: Senate Environmental Quality Committee
Summary: Requires the Secretary for Environmental Protection to convene the Lithium-Ion Car Battery Recycling Advisory Group to review policies pertaining to the recovery and recycling of lithium-ion batteries sold with motor vehicles in the state. Requires the advisory group to consult with specified entities and to submit policy recommendations aimed at ensuring that 90% of end-of-life lithium-ion batteries discarded in the state are recycled in a safe and cost-effective manner.
Status: 06/12/2018 In SENATE Committee on ENVIRONMENTAL QUALITY: Not heard.

Lobbyist	Position	Subject
Mary	Support (04/05/2018)	ESJPA
Paul		

23. CA AB 2493

Author: Bloom (D)
Title: Beverage Container Recycling: Recycling Centers
Last Amend: 08/24/2018
Location: Chaptered
Summary: Amends the Beverage Container Recycling and Litter Reduction Act. Provides that a recycling center that meets certain requirements is not required to have an employee present during the hours of operation in order to be open for business. Provides that a recycling center that is a reverse vending machine that accepts all types of empty beverage containers and meets certain requirements is open for business under certain conditions. Authorizes electronic payment of fees, refunds, and other payments.
Status: 09/23/2018 Chaptered by Secretary of State. Chapter No. 2018-715

BOARD.PACKET	Lobbyist	Position	Subject
AUGUST2018	Mary	Pending (04/18/2018)	ESJPA

Paul

24. CA AB 2606

Author: Fong (R)
Title: Hazardous Waste: Facilities: Permits: Renewals
Last Amend: 06/28/2018
Location: Senate Appropriations Committee
Summary: Requires the department to process a hazardous waste facilities permit renewal application in an expedited manner, as provided, if the department determines that certain conditions are met, including that operations at the hazardous waste facility have not changed since the approval of the permit in effect at the time the renewal application is submitted.
Status: 08/16/2018 In SENATE Committee on APPROPRIATIONS: Held in committee.
Lobbyist Position Subject
Mary Pending (02/20/2018) ESJPA
Paul

25. CA AB 2632

Author: Santiago (D)
Title: Packaging and Labeling: Containers: Slack Fill
Last Amend: 08/24/2018
Location: Chaptered
Summary: Relates to the prohibition against nonfunctional slack fill for commodities containers subject to the Sherman Food, Drug, and Cosmetic Law. Specifies a certain number of reasons that a container may contain slack fill without violating the prohibition. Specifies additional reasons containers may contain slack fill without violating the nonfunctional slack fill prohibition.
Status: 09/19/2018 Signed by GOVERNOR.
09/19/2018 Chaptered by Secretary of State. Chapter No. 2018-544
Lobbyist Position Subject
Mary Pending (02/23/2018) ESJPA
Paul

26. CA AB 2660

Author: Quirk (D)
Title: Hazardous Waster: Surplus Household Consumer Products
Last Amend: 05/21/2018
Location: Senate Environmental Quality Committee
Summary: Imposes certain requirements on a retailer or supplier who transfers or ships a surplus household consumer product, as defined by the bill, to a reverse distributor. Authorizes a reverse distributor to receive a surplus household consumer product to evaluate a surplus house consumer product for reuse, donation, transfer for credit, and other specified purposes.
Status: 06/20/2018 In SENATE Committee on ENVIRONMENTAL QUALITY: Not heard.
Lobbyist Position Subject
Mary Support (05/30/2018) ESJPA
Paul

27. CA AB 2766

Author: Berman (D)

Title: California Beverage Container Recycling
Last Amend: 03/19/2018
Location: Senate Appropriations Committee
Summary: Relates to the California Beverage Container Recycling and Litter Reduction Act. Authorizes the Department of Resources Recycling and Recovery to expend specified amounts to make market development payments until a specified date.
Status: 08/16/2018 In SENATE Committee on APPROPRIATIONS: Held in committee.
Lobbyist Position Subject
Mary Support (06/19/2018) ESJPA
Paul

28. CA AB 2779

Author: Stone (D)
Title: Recycling: Single Use Plastic Beverage Container Caps
Last Amend: 05/25/2018
Location: Assembly Inactive File
Summary: Prohibits a retailer from selling or offering for sale a single use plastic beverage container with a cap that is not tethered to or contiguously affixed to the beverage container for those containing water. Provides that these prohibitions do not apply for beverage containers manufactured by small bottlers, as defined.
Status: 06/04/2018 In ASSEMBLY. From third reading. To Inactive File.
Lobbyist Position Subject
Mary Watch (02/20/2018) ESJPA
Paul

29. CA AB 2803

Author: Limon (D)
Title: Public Nuisance: Residential Lead-Based Paint
Last Amend: 04/23/2018
Location: Senate Appropriations Committee
Summary: Provides that residential lead-based paint that affects the health of a considerable number of persons constitutes a public nuisance. Provides that a party may be subject to liability for public nuisance if that party promoted lead-based paint for a particular use with actual or constructive knowledge that such use would cause health hazards sufficiently serious to render that use unreasonable.
Status: 06/20/2018 From SENATE Committee on ENVIRONMENTAL QUALITY: Do pass to Committee on APPROPRIATIONS. (5-2)
Lobbyist Position Subject
Mary Pending (02/20/2018) ESJPA
Paul

30. CA AB 2832

Author: Dahle (R)
Title: Recycling and Reuse: Lithium-Ion Vehicle Batteries
Last Amend: 08/06/2018
Location: Chaptered
Summary: Requires the Secretary for Environmental Protection, on or before April 1, 2019, to convene the Lithium-Ion Car Battery Recycling Advisory Group to review, and advise the Legislature on, policies pertaining to the recovery and recycling of lithium-ion batteries

sold with motor vehicles in the state, and would require the secretary to appoint members to the committee from specified departments, vocations, and organizations.

Status: 09/27/2018 Chaptered by Secretary of State. Chapter No. 2018-822

BOARD.PACKET	Lobbyist	Position	Subject
APRIL2018	Mary	Support (08/30/2018)	ESJPA
AUGUST2018			
JUNE2018			
SEPT2018			

31. CA AB 2902

Author: Assembly Environmental Safety and Toxic Materials Committee
Title: Hazardous Substances

Last Amend: 08/23/2018

Location: Chaptered

Summary: Revises the prohibition on issuing or renewing permits to instead prohibit a local agency from issuing a permit to operate an underground storage tank to, or renewing such a permit of, a person operating an underground storage tank to which a red tag is affixed. Authorizes the State Water Resources Control Board, in consultation with a local agency, to affix a red tag and to issue a notice of significant violation pursuant to these provisions.

Status: 09/23/2018 Chaptered by Secretary of State. Chapter No. 2018-721

Lobbyist	Position	Subject
Mary	Pending (02/20/2018)	ESJPA
Paul		

32. CA AB 2908

Author: Berman (D)
Title: Tire Recycling: California Tire Regulatory Fee

Last Amend: 08/06/2018

Location: Vetoed

Summary: Amends the California Tire Recycling Act. Requires, upon a specified finding by the Department of Resources and Recycling and Recovery, a waste tire generator, that is a retail seller of new tires to end user purchasers, to pay a state tire regulatory fee and to remit that fee to the state on a quarterly schedule for a deposit in the California Tire Recycling Management Fund. Requires the Department to track revenue from the state tire regulatory fee separately. Requires a public hearing.

Status: 09/30/2018 Vetoed by GOVERNOR.

BOARD.PACKET	Barbed.Wire	Lobbyist	Position	Subject
AUGUST2018	Current.Bill.List	Mary	Support (08/28/2018)	ESJPA
JUNE2018		Paul		
SEPT2018				

33. CA AB 2921

Author: Low (D)
Title: Expanded Polystyrene Food Service Packaging Recovery

Last Amend: 04/05/2018

Location: Assembly Natural Resources Committee

Summary: Enacts the Expanded Polystyrene Food Service Packaging Recovery and Recycling Act. Authorizes expanded polystyrene food service packaging manufacturers and polystyrene resin producers to form or designate an organization consisting of PFP manufacturers and resin producers, to be known as the Expanded Polystyrene Food Service Packaging

Recycling Organization. Requires PFP manufacturers or resin producers to pay to the Organization the expanded polystyrene food service packaging assessment fee.

Status: 04/23/2018 In ASSEMBLY Committee on NATURAL RESOURCES: Not heard.

Lobbyist	Position	Subject
Mary	Pending (02/26/2018)	ESJPA
Paul		

34. CA AB 2928

Author: Chen (R)

Title: Hazardous Waste: Used Oil

Last Amend: 06/14/2018

Location: Chaptered

Summary: Provides that the testing of used oil from a generator of highly controlled used oil is required only once per year for the purpose of determining whether the used oil is hazardous waste for purposes of the exemption from regulation. Requires a generator of highly controlled used oil to include a signed certification statement with each shipment of that oil that the generator claims is exempt from regulation.

Status: 09/17/2018 Signed by GOVERNOR.
09/17/2018 Chaptered by Secretary of State. Chapter No. 2018-440

Lobbyist	Position	Subject
Mary	Pending (02/20/2018)	ESJPA
Paul		

35. CA AB 3014

Author: Quirk (D)

Title: Brake Friction Materials: Copper Limits: Exemption

Last Amend: 06/07/2018

Location: Senate Environmental Quality Committee.

Summary: Exempts high performance road and track capable vehicles, and brake friction materials for use on those vehicles, from the prohibition against the sale of motor vehicle brake friction materials containing more than a certain percent of copper by weight, under certain conditions. Requires the Department of Toxic Substances Control to annually exempt a specified number of such vehicles and materials per manufacturer.

Status: 06/07/2018 From SENATE Committee on ENVIRONMENTAL QUALITY with author's amendments.
06/07/2018 In SENATE. Read second time and amended. Re-referred to Committee on ENVIRONMENTAL QUALITY.

Lobbyist	Position	Subject
Mary	Watch (04/03/2018)	ESJPA
Paul		

36. CA AB 3036

Author: Cooley (D)

Title: Solid Waste: Byproducts from Food or Beverages

Last Amend: 08/21/2018

Location: Chaptered

Summary: Amends the State Integrated Waste Management Act. Prohibits a county, city, district, or local governmental agency from subjecting the hauling of certain byproducts from the processing of food or beverages to an exclusive franchise, contract, license, or permit.

Status: 09/27/2018 Chaptered by Secretary of State. Chapter No. 2018-832

BOARD.PACKET	Barbed.Wire	Lobbyist	Position	Subject
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37. CA AB 3138

Author: Muratsuchi (D)
Title: Hazardous Materials: Management: Civil Liability
Last Amend: 05/25/2018
Location: Chaptered
Summary: Increases the lesser maximum amount of civil or administrative liability imposed on a person or stationary source for a violation to a specified amount for each day in which the violation occurs. Authorizes the greater maximum civil or administrative liability to be imposed on a person or stationary source that knowingly violates those provisions regardless of whether the violation was committed after reasonable notice.
Status: 09/07/2018 Signed by GOVERNOR.
09/07/2018 Chaptered by Secretary of State. Chapter No. 2018-308

Lobbyist	Position	Subject
Mary	Pending (02/20/2018)	ESJPA
Paul		

38. CA AB 3178

Author: Rubio (D)
Title: Integrated Waste Management Plans: Source Reduction
Last Amend: 06/27/2018
Location: Vetoed
Summary: Amends the Integrated Waste Management Act. Makes findings, including, among others, that under China's National Sword import policy, many recyclable materials are now banned and may no longer be imported into that country, which has had a profound impact on state efforts to meet state recycling objectives. Requires the Department to consider the extent to which a jurisdiction has made efforts to reduce contamination and improve the quality of recycled materials.
Status: 09/10/2018 Vetoed by GOVERNOR.

BOARD.PACKET	Barbed.Wire	Lobbyist	Position	Subject
APRIL2018	Current.Bill.List	Mary	Support (08/24/2018)	ESJPA
AUGUST2018		Paul		
JUNE2018				
SEPT2018				

39. CA AB 3187

Author: Grayson (D)
Title: Biomethane: Gas Corporations: Rates
Last Amend: 08/21/2018
Location: Chaptered
Summary: Requires the Public Utilities Commission to open a proceeding to consider options to promote the in state production and distribution of biomethane, including consideration of recovery in rates of the costs of investments for specified purposes.
Status: 09/20/2018 Signed by GOVERNOR.
09/20/2018 Chaptered by Secretary of State. Chapter No. 2018-598

Lobbyist	Position	Subject
Mary	Support (04/02/2018)	ESJPA
Paul		

40. CA SB 71

Author: Wiener (D)
Title: Solid Waste: Disposal
Last Amend: 08/06/2018
Location: Assembly Appropriations Committee
Summary: Requires a court to award to a prevailing party reasonable attorney's fees, expert witness fees, and other costs incurred in a civil action brought to enforce a franchise, contract, license, permit, or other authorization for solid waste handling services in an amount the court deems appropriate. Prohibits the court from awarding those fees and costs under specified circumstances. Imposes certain requirements on a plaintiff in order for a court to award those costs and fees. Expands civil enforcement.
Status: 08/16/2018 In ASSEMBLY. Joint Rule 62(a) suspended.
08/16/2018 In ASSEMBLY Committee on APPROPRIATIONS: Held in committee.

BOARD.PACKET	Lobbyist	Position	Subject
AUGUST2018	Mary	Support.If.Amended (07/31/2018)	ESJPA
	Paul		

41. CA SB 168

Author: Wieckowski (D)
Title: Recycling: Beverage Containers
Last Amend: 08/27/2018
Location: ASSEMBLY
Summary: Amends the Beverage Container Recycling and Litter Reduction Act. Requires a beverage container that is a PET plastic container to be constructed with a minimum percentage of postconsumer recycled plastic. Requires the Department of Resources Recycling and Recovery to establish minimum postconsumer recycled content standards for beverage containers that are constructed of plastic, material other than metal, glass or plastic, or any combination of plastic and material other than metal, glass or plastic.
Status: 08/31/2018 In ASSEMBLY. Read third time. Failed to pass ASSEMBLY. (29-30)

BOARD.PACKET	Barbed.Wire	Lobbyist	Position	Subject
AUGUST2018	Current.Bill.List	Mary	Support (08/22/2018)	ESJPA
DEC.2017		Paul		Solid.Waste

42. CA SB 210

Author: Leyva (D)
Title: Heavy Duty Vehicle Inspection and Maintenance Program
Last Amend: 06/19/2018
Location: Assembly Transportation Committee
Summary: Authorizes the State Air Resources Board to develop and implement a Heavy-Duty Vehicle Inspection and Maintenance Program for nongasoline heavy-duty on road motor vehicles. Authorizes the state board to assess a fee and penalty as part of the program. Creates the Truck Emission Check Fund with all the moneys deposited in the fund to be available upon appropriation.
Status: 06/19/2018 From ASSEMBLY Committee on TRANSPORTATION with author's amendments.
06/19/2018 In ASSEMBLY. Read second time and amended. Re-referred to Committee on TRANSPORTATION.

Lobbyist	Position	Subject
Mary	Pending (03/01/2018)	Air.Quality
		ESJPA

43. CA SB 212

Author: Jackson (D)
Title: Solid Waste: Pharmaceutical and Sharps Waste
Last Amend: 08/27/2018
Location: Chaptered
Summary: Establishes a stewardship program, under which a manufacturer or distributor of covered drugs or sharps, distributor, or other entity defined to be covered by the bill, would be required to establish and implement a stewardship program for covered drugs or for sharps. Authorizes an operator of a stewardship program, after the stewardship plan has been approved, to establish a mail back or other collection program for covered products for a county in which it operates.

Status: 09/30/2018 Chaptered by Secretary of State. Chapter No. 2018-1004

BOARD.PACKET	Barbed.Wire	Lobbyist	Position	Subject
AUGUST2018	Current.Bill.List	Mary	Support (09/04/2018)	ESJPA
SEPT2018		Paul		

44. CA SB 452

Author: Glazer (D)
Title: Beverage Container Recycling and Litter Reduction Act
Last Amend: 08/24/2018
Location: Vetoed
Summary: Establishes the State Beverage Container Recycling Fund. Requires the Department of Resources Recycling and Recovery to develop and submit recommended revisions to handling fee provisions. Requires the Department to withhold beverage container recycling and litter cleanup activities payments to any city, county, or city and county that has restricted or prohibited the siting of a supermarket site, as provided. Authorizes the Department to withhold payments to local neighborhood dropoff programs.

Status: 09/30/2018 Vetoed by GOVERNOR.

BOARD.PACKET	Barbed.Wire	Lobbyist	Position	Subject
APRIL2018	Current.Bill.List	Mary	Support (09/04/2018)	ESJPA
AUGUST2018		Paul		Solid.Waste
JUNE2018				
SEPT2018				

45. CA SB 1335

Author: Allen (D)
Title: Solid Waste: Food Service Packaging: State Agencies
Last Amend: 08/24/2018
Location: Chaptered
Summary: Enacts the Sustainable Packaging for the State of California Act. Prohibits a food service facility located in a state owned facility, operating on or acting as a concessionaire on state property, or under contract to provide food service to a state agency, from dispensing prepared food using a type of food service packaging with exception. Requires the Department of Resources Recycling and Recovery to evaluate the list of approved types of food service packaging.

Status: 09/20/2018 Signed by GOVERNOR.
09/20/2018 Chaptered by Secretary of State. Chapter No. 2018-610

Lobbyist	Position	Subject
Mary	Watch (05/10/2018)	ESJPA
Paul		

46. **CA SB 1445**

Author: Stone (R)
Title: Hazardous Waste
Location: Senate Rules Committee
Summary: Requires the department to develop and adopt by regulation criteria and guidelines for the identification of hazardous wastes and extremely hazardous waste, and to manage waste that conforms to one of those criteria in accordance with permits, orders, and regulations issued or adopted by the department and in accordance with state building standards relating to hazardous waste facilities.
Status: 03/08/2018 To SENATE Committee on RULES.

Lobbyist	Position	Subject
Mary	Pending (02/20/2018)	ESJPA
Paul		

