





June 28, 2022

The Honorable Chris Holden Chair, Assembly Appropriations Committee 1021 O Street, Suite 5650 Sacramento, CA 95814

RE: SB 54 (Allen) Solid Waste. Reporting, Packaging, and Food Service Ware Notice of SUPPORT (As Amended on June 26, 2022)

Dear Assembly Member Holden,

On behalf of the League of California Cities (Cal Cities), the California State Association of Counties (CSAC), and the Rural County Representatives of California (RCRC), we are pleased to **SUPPORT** SB 54 (Allen), as amended on June 17, which would require manufactures of single-use, disposable packaging and food service ware to ensure that products sold into the state are either recyclable or compostable by 2032.

California's local governments are the backbone of solid waste management and recycling efforts. Local governments are also charged with diverting 50 percent of solid waste from landfill disposal through source reduction, recycling, and composting and are subject to significant financial penalties for failure to make progress toward those goals. A broader state goal seeks to source, reduce, recycle, or compost 75 percent of solid waste statewide. To achieve these objectives, California has adopted a wideranging program that builds upon substantial private and ratepayer investments. Despite substantial financial investments and programmatic changes, there remain significant challenges to recycling, especially for plastics.

For many years, roughly one-third of the materials annually collected for recycling in California were exported overseas for processing and manufacturing into new products. In 2017, China accounted for 55 percent of the recyclable exports California shipped overseas. Over the last several years, new restrictions on the import and export of mixed plastics have removed much of the global market for those materials. These restrictions are having a significant impact on California's solid waste and recycling systems. Products that Californians long assumed were easily recyclable are now piling up with nowhere to go. Furthermore, physical similarities between resin types make it difficult to properly sort some high-value plastic products that are otherwise recyclable, thereby increasing the risk of feedstock contamination and making it harder and more expensive to recycle.

Another major challenge is often the lack of reliable end markets for those materials. In some respects, local plastic recycling is like sitting on a two-legged stool: we collect the material and sort it, but then there is often no place to send it for recycling.

Local governments and the solid waste industry have no control over which products will be introduced into the marketplace, while ultimately being responsible for their management and disposal. As such, it is vital for manufacturers to focus on designing products that are readily recyclable (not just theoretically recyclable) and for which there are end markets. Given that the costs of solid waste management are borne by the residents and businesses in our communities, upfront manufacturer investments in improved product design could significantly reduce cost impacts for those groups.

Beginning January 1, 2032, SB 54 would require manufactures of single-use packaging and plastic single-use food service ware to ensure that those products sold, distributed, or imported into the state are either recyclable or compostable. In order to meet these rates and dates, SB 54 also would require plastic manufacturers to join a product responsibility organization (PRO) to meet the bill's requirements. We believe that SB 54's focus on requiring manufacturers to design single-use disposable packaging and food service ware to be recyclable or compostable will help address these challenges and facilitate achievement of the state's solid waste management objectives.

Additionally, one of the main tenets of SB 54 is to shift the cost of recycling away from local governments and ratepayers and onto the manufacturers. SB 54 reiterates several times that local governments would not be burdened with the costs associated with implementing the bill and any other costs incurred by local governments will be paid for by the PRO. Our local government associations support this paradigm shift as historically the local governments and ultimately ratepayers, not the plastic manufacturers, have had to pay for the environmental and logistical costs associated with single-use plastic products and packaging. This shift will now make the manufacturers of plastic products work alongside local governments to now play a large part in the end of life and recycling of their products.

Given the recent years of deadlock on this issue, the current version of SB 54 represents a strong opportunity to make significant strides in addressing plastic pollution, recyclability, and recycling costs to ratepayers and local governments.

For these reasons and given the historic opportunity to effect change on this important issue, we are pleased to **SUPPORT** SB 54. If you should have any questions, please do not hesitate to contact Derek Dolfie of Cal Cities at ddolfie@calcities.org, or Catherine Freeman of CSAC at cfreeman@counties.org, or John Kennedy of RCRC at ikennedy@rcrcnet.org.

Sincerely,

Derek Dolfié Legislative Affairs,

Lobbyist Cal Cities Catherine Freeman Senior Legislative Representative California State

Association of Counties

(CSAC)

John Kennedy Policy Advocate Rural County Representatives of

California (RCRC)

cc: The Honorable Ben Allen

Members and Consultant, Assembly Appropriations Committee Kirstin Kolpitcke, Consultant, Assembly Republican Caucus Members, Senate Environmental Quality Committee Genevieve Wong, Consultant, Senate Environmental Quality Committee Scott Seekatz, Policy Consultant, Senate Republican Caucus