



October 18, 2010

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Comments regarding proposed mandatory commercial recycling regulation workshop to seek stakeholder input on supporting emission factors and cost data for the draft ab 32 mandatory commercial recycling regulations

The Solid Waste Association of North America (SWANA), the leading association of solid waste professionals in North America with over 8,000 members, is committed to advancing the practices of environmentally and economically sound management of municipal solid waste. On behalf of their California Chapters, I thank you for the opportunity to comment on the Draft AB 32 Mandatory Commercial Recycling Regulations.

The proposed regulations will financially impact businesses and local governments across California at a time when the current recession has caused significant budget shortfalls, unemployment, and many programs have been cut or eliminated. It is unlikely that the economy will recover by 2012 when the regulations will take effect. Because these types of unfunded mandates have significant financial implications, the Legislative Task Force for the California Chapters of SWANA developed a "white paper" (attached) to help decision makers appreciate the impacts of higher diversion mandates and to delineate the tools that local governments need in order to implement such mandates.

In addition to the comments provided by the Legislative Task Force on June 30, 2010, we would like to offer the following comments:

1. **Unfunded Mandate on Local Governments**

If the proposed mandatory commercial recycling regulations are adopted, they would impose significant financial and resource costs on local governments, residents of multi-family dwellings of five units or more, and businesses. Such an action would be especially burdensome on local governments (as well as affected residents and businesses) considering the current economic downturn and the severe economic/financial impact this downturn has had on everyone including local governments.

2. **Lack of Markets for Recyclables**

The Economic Study Presentation, which was an overview of HF&H's foreword to *Draft Cost Study on Commercial Recycling Regulations*, acknowledges the expected influx of recyclables to recycling markets if the proposed mandatory commercial recycling regulations were adopted. However, the report states that *several* interviewed parties indicated that they *believe* recyclable commodities markets could absorb the volume of tonnage that would be added to these markets as a result of the proposed regulation, and that most *felt* the impact of the recovered tonnage on pricing would be minimal. Prior to mandating additional recycling, it is imperative that the State take a lead role in the development of markets and infrastructure within the State for the recovered materials. The State can help create strong statewide and regional markets by providing economic incentives and assistance for innovative businesses. Just as California strives to be the largest producer of recyclable materials; it should equally strive to "use/remanufacture" those materials in California thus creating "green" jobs and stimulating the State's economy.

3. Greenhouse Gas Reduction Estimate is Unsubstantiated

Implementation of a commercial recycling mandate hopes to achieve a stated reduction of 5 million metric tons of CO₂ equivalent (MMTCO₂e). However, this emission reduction estimate has not been adequately substantiated. The Legislative Task Force has consistently raised concerns regarding the methodologies (i.e. assumptions and omissions) utilized when calculating the green house gas (GHG) emission reductions that will be achieved from this mandate.


According to the *Draft Cost Study on Commercial Recycling*:

“California’s significant lack of domestic recycling infrastructure for some recyclable commodities and the State’s import/export relationships result in Pacific Rim countries, and particularly China, being the primary destination for recyclable commodities generated in California.”

Consequently, California’s recyclables are shipped overseas for processing in facilities that admittedly do not operate under the same environmental standards we have in California. Not only do these foreign facilities produce large, unknown amounts of GHG and toxic emissions, but the emissions associated with the trans- Pacific ship voyage are not fully accounted for.

We appreciate the continued opportunity to comment on these regulations and express our concerns to you. We look forward to working with you on these regulations in the future. If you have any questions regarding our comments or positions, please feel free to contact me at 916-446-4656.

Thank you,



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Legislative Advocate

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