

*Californians Against Waste  
California Refuse Recycling Council, South  
Inland Empire Disposal Association  
Los Angeles County Waste Management Association  
Recology  
Republic Services, Inc.  
Rural County Representatives of California  
Solid Waste Association of North America  
Waste Management*

June 1, 2015

Assembly Member Shirley N. Weber, Chair  
Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814  
Fax: (916) 319-2179

Senator Mark Leno, Chair  
Senate Committee on Budget and Fiscal Review  
State Capitol, Room 5100  
Sacramento, CA 95814  
Fax: (916) 651-4911

**RE: Budget Change Proposal, Department of Food and Agriculture, Program 6570, Budget Request Name: 8570-006-BCP-DP-2015-GB, Description: Organic Waste (Chapter 727, Statutes of 2014)**

Dear Assembly Member Weber and Senator Leno,

We would like to express our concerns regarding the Budget Change Proposal (BCP) described above. This BCP proposes a General Fund increase of \$440,000 and 3.5 permanent positions to increase enforcement and licensing activities for the Rendering Program in order to implement Chapter 727, Statutes of 2014 (AB 1826). These positions, as stated in the BCP, are apparently required to "...provide outreach and training to local jurisdictional authorities, to investigate unlicensed and uninspected businesses recycling inedible animal material and inedible kitchen grease (IKG), and to facilitate licensing and inauguration of inspection of these businesses."

Briefly, our concerns are that this BCP will result in unnecessary and duplicative regulatory activity over solid waste operations and facilities currently regulated by CalRecycle. We believe that this BCP is intended to require CDFA inspections and licensing of solid waste collection operations, compost facilities and anaerobic digestion operations that have safely handled waste meat, poultry and fish materials under the permitting and inspection authority of CalRecycle for multiple decades. This expansion of regulatory scope for the CDFA's Rendering Program is premature given the ongoing regulatory process around these materials.

We also believe that the BCP contains a number of factual errors as described below.

**Regulatory Overlap – The BCP does not enhance regulatory oversight.** The BCP states, and we do not disagree, that CDFA has licensing and regulatory authority over transporters of IKG and Dead Animal Haulers. We also do not dispute their authority over the handling and transport of uninspected meat. We are *not* raising any objections concerning USDA or CDFA Meat Inspection Program (MIP) facilities such as slaughterhouses and meat/poultry processors. We are concerned with the BCP's apparent intent to impose CDFA regulatory authority over solid waste operations and facilities that are already effectively regulated by CalRecycle and local enforcement authorities.

Under the Public Resource Code Division 30 (Sections 40000 et seq.), CalRecycle adopts regulations establishing standards for solid waste handling, transfer, composting, anaerobic digestion, transformation and disposal. To protect public health, safety and the environment, enforcement agencies permit solid waste facilities and inspect them at least once every 30 days and take enforcement action as required.

We are raising concerns that this BCP will create a regulatory overlap with CalRecycle's regulatory authority over waste meat, poultry and fish material that has been inspected, but is generated as waste by *retail establishments* that handle waste meat, poultry, and fish products, including butcher shops, delicatessens, grocery stores, supermarkets, and other retail stores that also sell fresh or frozen meat. We are additionally concerned that this BCP justifies the need for additional staffing based upon human health and safety concerns over these same waste meat, poultry and fish products that the solid waste industry currently collects from households, restaurants and hotels/motels and that have been effectively regulated by CalRecycle for years.

**Public Health, Safety and the Environment – The solid waste industry already effectively handles meat, poultry and fish waste materials generated by households, restaurants and other retail establishments.**

What are the public health and safety reasons requiring meat, poultry and fish waste materials generated by *retail establishments* to be regulated solely under the rendering regulatory framework? All the meat wastes generated by these facilities and operations are either USDA or CDFA inspected materials. These waste streams bear a much closer resemblance to the meat, poultry, and fish material waste that the solid waste industry already collects from households, restaurants, and hotels/motels. These solid waste operations are tightly regulated and inspected pursuant to a very robust regulatory framework comprised of CalRecycle and a network of Local Enforcement Agencies (LEAs) that cover the entire state at the local, county and city level. This regulatory framework currently effectively oversees the management of meat, poultry and fish waste materials generated by households, restaurants and other retail establishments and has done so for many years.

CDFA has had an ongoing regulatory process to discuss the proper regulatory role for CalRecycle and CDFA, and this BCP presupposes the outcome of that process. We do not object to these meat, poultry, and fish waste materials being collected by licensed renderers. Nor do we believe that CalRecycle should regulate renderers. We simply believe that the generators of these wastes should be free to choose either from rendering industry service providers; or from solid waste and recycling industry service providers in accordance with the rules, standards and regulations of CalRecycle.

**Mandatory Commercial Organics Recycling – CalRecycle regulates AB 1826.**

The BCP is essentially supported by CDFA's contention that "AB 1826 adds significantly to the Rendering Program's workload." Ironically, AB 1826 creates a mandatory commercial organics recycling program specifically under the purview of CalRecycle. At no time during the debate and development of this legislation did CDFA provide adequate justification that somehow they would be required to enhance their staffing in order to extend their regulatory authority over solid waste operations and facilities.

**Solid Waste Franchise Agreements – Why does CDFA need resources to monitor solid waste franchise agreements?**

Solid waste enterprises have always been authorized to handle certain food and meat wastes, particularly those which are generated by retail establishments. Solid waste franchises and contracts have a long history and established legal framework in California. They exist for the same reason that renderers are regulated: to safeguard public health by assuring a reliable and efficient program for the removal and safe handling of solid wastes. Franchises have helped-ensure the success of AB 939 and the development of California's effective recycling infrastructure.

This BCP would specifically authorize the CDFA staff to engage in municipal franchise agreement review to ensure that “licensed renderers and collection centers are not excluded...” Using state resources to “protect” private rendering operations from the threat of legal competition due to the fear that franchise agreements might “...divert inedible animal material and/or IKG from existing renderers to operations unknown to CDFA is completely improper.” Franchise agreements cannot institute policies that are contrary to state law. The CDFA has no more cause to monitor local solid waste franchises than does CalRecycle have reason to monitor renderers to ensure they do not run afoul of local waste collection franchises.

The undersigned parties, in the absence of any clear overriding public safety, human health, or environmental concerns believe that the handling of meat, poultry and fish waste materials generated by *retail establishments* by the solid waste industry should not be subjected to the redundant regulatory authority proposed in this BCP. We believe that the regulatory framework and oversight provided by CalRecycle is sufficient to protect human health, public safety, and the environment -- however, both overlapping programs as proposed in this BCP is clearly not necessary.

For these reasons, we oppose this BCP.

Sincerely,

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cc: Conference Committee Conferees  
Karen Ross, Secretary, California Department of Food and Agriculture  
Graciela Castillo-Krings, Office of the Governor  
Dr. Douglas Hepper, Branch Chief, CDFA