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LOS ANGELES COUNTY
SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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July 28, 2016

The Honorable Ricardo Lara, Chair
Senate Appropriations Committee
State Capitol, Room 2206
Sacramento, California 95814

Dear Senator Lara:

**ASSEMBLY BILL 1239 (AMENDED JUNE 23, 2016) – OPPOSE
CALIFORNIA TIRE REGULATORY FEE AND WASTE TIRE PROGRAM**

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) **opposes** Assembly Bill 1239 (AB 1239), as amended June 23, 2016. If enacted, this legislation would, among other things, repeal the Rubberized Pavement Market Development Act and establish the Tire Incentive Recycling Program (TRIP) Act to provide financial incentives to public and private entities who invest in activity using recycled tires and tire material. The bill would require tire retailers to pay a California tire regulatory fee, on a quarterly basis, at an amount to be determined by the Department of Resources recycling and Recovery (CalRecycle) to generate sufficient revenues for CalRecycle regulatory cost of the program not exceeding \$1.00 per tire.

The Task Force recognizes and acknowledges the worthy goals outlined in AB 1239 to more efficiently manage tire waste and tire waste material for beneficial reuse, as well as the bill's notable stated policy goal for not less than 75 percent of tires generated to be source reduced or recycled by the year 2020, as consistent with AB 341. The Task Force also appreciates the legislation's annual appropriation of \$20 million to TRIP for the purposes of, among other things, financially incentivizing local municipalities and government agencies, as well as school districts, to invest in construction projects using recycled tires and tire material. The legislation would also award payment to private manufacturers who produce and sell products using recycled tires.

However, although the bill would authorize a retail tire seller to retain 1.5 percent of the fees collected by tire retailers as reimbursement for administrative costs, the Task Force is opposed to the arbitrary assignment of State revenue collection duties on small businesses, in this case tire retailers. The Task Forces also takes exception with what it deems an overreach in regulatory authority allowing CalRecycle

to impose these fees on tire retailers for the purpose of recovering its own administrative costs. Regulatory fees are generally implemented with the purpose of assisting the State in the implementation of program objectives and the policies those programs are aimed to advance. The language in AB 1239 is inconsistent with this understanding and does not provide sufficient detail justifying the levy of this fee, particularly as it appears to be solely intended for CalRecycle's own use.

Additionally, Rubberized Pavement Market Development Act has been providing financial assistance to local governments for the use in construction of rubberized pavements as well as the use of rubberized slurry seal to increase the life longevity of existing asphalt pavements. The Task Force would not be supportive of policies which may negatively impact these highly successful programs.

Pursuant to the California Integrated Waste Management Act of 1989 (Assembly Bill 939 [AB 939], as amended) and Chapter 3.67 of the Los Angeles County Code, the Task Force is responsible for coordinating the development of all major solid waste planning documents prepared for the County of Los Angeles and the 88 cities in Los Angeles County with a combined population in excess of ten million. Consistent with these responsibilities and to ensure a coordinated and cost-effective and environmentally sound solid waste management system in Los Angeles County, the Task Force also addresses issues impacting the system on a countywide basis. The Task Force membership includes representatives of the League of California Cities-Los Angeles County Division, County of Los Angeles Board of Supervisors, City of Los Angeles, the waste management industry, environmental groups, the public, and a number of other governmental agencies.

Based on the foregoing, the Task Force **opposes** AB 1239, for the reasons described herewith. If you have any questions, please contact Mr. Mike Mohajer, a Member of the Task Force at MikeMohajer@yahoo.com or (909) 592-1147.

Sincerely,



Margaret Clark, Vice-Chair
Los Angeles County Solid Waste Management Committee/
Integrated Waste management Task Force and
Council Member, City of Rosemead

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cc: Assembly Member Richard Gordon
Each member of the Senate Appropriations Committee
Senate Appropriations Consultant, Narisha Bonakdar
California State Association of Counties
League of California Cities – Los Angeles County Division
Each Member of the County of Los Angeles Board of Supervisors
San Gabriel Valley Council of Governments
South Bay Cities Council of Governments
Gateway Cities Council of Governments
Westside Cities Council of Governments
Each City Mayor and City Manager in the County of Los Angeles
Each Member of the Los Angeles County Integrated Waste Management Task
Force