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LOS ANGELES COUNTY
SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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September 11, 2017

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

Dear Governor Brown:

CAP AND TRADE PROPOSED EXPENDITURE PLAN FOR 2017-18 – ADDITIONAL ALLOCATION TO WASTE DIVERSION

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) commends the Administration for their continuous efforts to prioritize climate change and appreciates the proposed allocation on the Cap and Trade Expenditure Plan to the Department of Resource Recycling and Recovery (CalRecycle) for waste diversion, specifically organic waste recycling infrastructure. Per the Legislative Analyst's Office, the most cost-effective Cap & Trade investments to date are the investments made by CalRecycle through the grant process for the development of organic waste diversion and bioenergy facilities.

The Task Force has continuously supported efforts to reduce Greenhouse Gas (GHG) emissions, and combat climate change. Unfortunately, the previous Cap and Trade revenue appropriations have lacked an efficient and effective allocation. We recommend a clearer process for determining the proceeds allocation such as prioritizing projects that reduce the largest amount of GHG emissions per dollar invested, considering the potency of each individual GHG, (emphasis added).

Organic waste diversion projects are a clear example of a cost-effective solution to reducing a significant amount of methane, the most potent GHG; yet, out of the total \$3.385 billion in Cap and Trade revenues only 2.1% has been allocated to CalRecycle for waste diversion. Additionally, the State has established numerous methane reduction, waste diversion, and organic waste reduction goals which are not feasible to achieve without a substantial increase in funding. According to the California Air Resources Board (ARB) proposed Short-Lived Climate Pollutant Reduction Strategy (SLCP Strategy), approximately fifty-four new facilities would need to be built in the state by 2020 and approximately seventy-three new facilities

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would need to be built by 2025 in order to achieve the organic diversion targets in Senate Bill 1383 (SB 1383, 2016). The SLCP Strategy estimates that the capital cost to build enough facilities to achieve 75 percent organics diversion is over \$2 billion, (emphasis added). For fiscal year 2016-17 the Cap and Trade revenue appropriations for organic waste diversion projects was only a mere \$24 million. Bioenergy facilities that divert organic waste and develop the critically needed infrastructure require an equitable share of funds in order to meet the State's goals.

The Task Force respectfully requests additional funding on the Cap and Trade Expenditure Plan for the current fiscal year to CalRecycle for waste diversion. We request at least \$100 million to fund grants for the in-state development of infrastructure to process and convert organic waste into renewable energy or fuel, and cost-effectively reduce the greatest amount of GHG emissions. We stress that these projects would also help the State reach its ambitious renewable energy goals and complement existing resources such as solar and wind.

Pursuant to Chapter 3.67 of the Los Angeles County Code and the California Integrated Waste Management Act of 1989 (Assembly Bill 939), 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, waste management industry, environmental groups, the public, and a number of other governmental agencies.

Based on the foregoing, the Task Force urges the Administration to allocate additional funding on the Cap and Trade Expenditure Plan for the current fiscal year to waste diversion. If you have any questions, please contact Mr. Mike Mohajer, a member of the Task Force, at MikeMohajer@yahoo.com or at (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: Director Michael Cohen and Chief Deputy Director Amy Costa, Department of Finance
Honorable Phil Ting, Chair, Assembly Committee on Budget
Honorable Holly Mitchell, Chair, Senate Committee on Budget and Fiscal Review
Honorable Lorena Gonzales Fletcher, Chair, Assembly Committee on Appropriations
Honorable Ricardo Lara, Chair, Senate Committee on Appropriations
Director Scott Smithline and Chief Deputy Director Ken DaRosa, CalRecycle
Each Member of the Assembly Committee on Budget
Each Member of the Senate Committee on Budget and Fiscal Review
Each Member of the Assembly Committee on Appropriations
Each Member of the Senate Committee on Appropriations
California State Association of Counties
League of California Cities
League of California Cities – Los Angeles County Division
Each member of the Los Angeles County Board of Supervisors
Sachi A. Hamai, Los Angeles County Chief Executive Officer
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 City Recycling Coordinator in Los Angeles County
Each Member of the Los Angeles County Integrated Waste Management Task Force