



LOS ANGELES COUNTY
SOLID WASTE MANAGEMENT COMMITTEE/
INTEGRATED WASTE MANAGEMENT TASK FORCE
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DEAN D. EFSTATHIOU
CHAIRMAN

May 27, 2008

The Honorable Kevin De Leon
State Capitol, Room 4140
Sacramento, CA 94249-0045

Dear Assembly Member De Leon:

**ASSEMBLY BILL 2866 (AMENDED MAY 23, 2008)
SOLID WASTE DISPOSAL FEE AND LANDFILL CLOSURE LIABILITY**

The Los Angeles County Solid Waste Management Committee/Integrated Waste Management Task Force (Task Force) is amending its previous position to **oppose** Assembly Bill 2866 (AB 2866). AB 2866, among other things, would increase the State's solid waste disposal fee from \$1.40 to \$2 per ton of solid waste disposed, beginning July 1, 2009. The additional revenue would be earmarked on a limited time basis towards commercialization of hybrid refuse trucks, projects which do not utilize thermal technologies that divert compostable organics from land disposal, and a State Solid Waste Closure Trust Subaccount (maintained at \$50 million) to pay for any future liability of the State resulting from the failure of a landfill operator to meet its responsibilities for landfill closure and postclosure care.

Pursuant to Chapter 3.67 of the Los Angeles County Code and the California Integrated Waste Management Act of 1989 (AB 939, as amended), the Task Force is responsible for coordinating the development of all major solid waste planning documents prepared for the County of Los Angeles and its 88 cities in Los Angeles County with a combined population in excess of ten million. Consistent with these responsibilities, and to ensure a coordinated, 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, the County of

Los Angeles Board of Supervisors, the City of Los Angeles, the waste management industry, environmental groups, the public, and a number of other governmental agencies.

At present, the Waste Board's annual budget of \$210 million per year is derived from a variety of State surcharges, including imposition of the \$1.40 per ton tipping fee. The Waste Board uses this revenue to fund various waste reduction and recycling programs, regulate solid waste facilities, and oversee the cleanup of abandoned solid waste sites. Collectively, residents of the 88 cities in Los Angeles County and the County unincorporated communities pay approximately 1/3 of this amount (approximately \$70 million). AB 2866, if enacted, would increase the tipping fee from \$1.40 to \$2 per ton, resulting in a financial impact on residents Countywide of **approximately seven million per year**.

A portion of the revenues generated from the increased tipping fee from \$1.40 to \$2 per ton of solid disposed would be used to provide funding for landfill closure and postclosure maintenance costs, and development of projects that would divert 50 percent of "compostable organics" from land disposal by the year 2020. The bill would also fund the commercialization of hybrid refuse trucks as well as the development of "clean energy" derived from solid waste. However, the bill would exclude funding for projects utilizing "thermal technologies."

1. Despite a strong need identified to advance the development of alternatives to landfill disposal, funds collected from the per ton tipping fee are currently not being utilized adequately to research and develop technically, environmentally and economically sound alternatives. Most egregiously, the April 23, 2008, amendments to the bill specifically deny funding to any project that utilizes "thermal technologies" to process municipal solid waste, denying funding to some of the most promising technologies that can significantly reduce the amount of waste landfilled. This is bad public policy that has no rational or scientific basis and is contrary to the State's own life cycle analyses.

The Task Force has been a strong supporter of conversion technologies and played a major role in promoting their development. In part as a result of the County of Los Angeles' leadership in evaluating and promoting the development of these advanced alternatives to landfill disposal, AB 2770 was adopted in 2002, which in part required the Waste Board to conduct a study of conversion technologies, including life-cycle analysis. This three year, \$1.5 million study to verify the viability of these technologies as an element of our integrated solid waste management system was conducted in concert with campuses of the

University of California at Davis and Riverside. The findings of this report as well as independent reports conducted by the County of Los Angeles and the Task Force's Alternative Technology Advisory Subcommittee has substantiated the viability of conversion technologies (**including thermal technologies**) as an alternative to landfilling while producing renewable energy to reduce our dependence on fossil fuel and significantly reducing GHG emissions. The State must develop and promulgate criteria based on performance and compliance with required rules and regulations, rather than developing prescriptive policies that pick a technology/feedstock winner.

2. Additionally, AB 2866 directs a portion of the revenues generated from the increased in landfill tipping fees to assist operators of garbage and recycling trucks with diesel or natural gas engines to accelerate the commercialization of hybrid hydraulic or hybrid electric engines. This proposal has no relation to landfill activities and the related tipping fees. Additionally, solid waste and recycled materials haulers can and have been charging their customers for upgrading their trucks to meet air quality standards. Therefore, the Task force does not see any justification for the use of the landfill tipping fee to support solid waste haulers for the listed purposes.
3. AB 2866 also directs funds for reduction of land disposal of "compostable organics" by 50 percent by 2020. Unfortunately, the bill fails to define the term "compostable organics."
4. Furthermore, additional revenue generated from the tipping fee increase would be used to establish a "State Solid Waste Closure Trust" and to maintain a minimum of \$50 million in funds in this Trust. AB 2866 directs the State to expend the funds from this account to pay for any future liability of the State resulting from the failure of a landfill operator to meet its responsibilities for landfill closure and postclosure care.

The development of this Trust account short-circuits the current stakeholder driven development of closure, post-closure, and long-term maintenance regulations currently being developed by the California Integrated Waste Management Board. In addition, it sends the wrong signal to private solid waste landfill operators, essentially acknowledging that their long-term liability will be insured by the State thus allowing these private companies to avoid their financial responsibility for proper maintenance of their facilities.

The Honorable Kevin De Leon
May 27, 2008
Page 4

Therefore, the Task Force **opposes** AB 2866. If you have any questions, please contact Mr. Mike Mohajer of the Task Force at (909) 592-1147.

Sincerely,

Margaret Clark

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 Speaker Karen Bass
Each Member of the Assembly
Each Member of the Los Angeles County Legislative Delegation
Each Member of the County of Los Angeles' Board of Supervisors
Each City Mayor in Los Angeles County
California State Association of Counties
League of California Cities
League of California Cities, Los Angeles County Division
South Bay Cities Council of Governments
San Gabriel Valley Council of Governments
Gateway Cities Council of Governments
Southern California Association of Governments
Each Member of the Los Angeles County Integrated Waste Management Task Force
Each Member of the Los Angeles County Alternative Technology Advisory Subcommittee
Each City Recycling Coordinator in Los Angeles County