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SOLID WASTE MANAGEMENT COMMITTEE/
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***** FLOOR ALERT *****

To: Members, California State Senate

From: Los Angeles County Solid Waste Management Committee/
Integrated Waste Management Task Force

Re: **OPPOSE AB 480 (AMENDED MAY 29, 2012) - INSURANCE: SOLID WASTE FACILITIES**

The Los Angeles County Integrated Waste Management Task Force OPPOSES Assembly Bill 480, which would greatly weaken California's existing insurance requirements regarding private landfill owners/operators' financial assurance obligations toward proper closure, post-closure, and corrective actions. The Bill would allow landfill operators to rely on captive insurance (self-insured) and no longer require the owner/operator's insurance carrier to be a California admitted (licensed) insurer or provide the insurance through a surplus line broker.

The Bill would pose an environmental and financial risk to the State as well as local governments. It is imperative to recognize that a landfill's potential environmental impacts or contamination may exist in perpetuity, or long after trash ceases to be accepted, in other words, in perpetuity. For this reason, AB 2296 (Montanez, chapter 504 of 2006 statues) was enacted to require a landfill's financial assurance to be kept in place until CalRecycle determines the landfill is no longer a threat to the environment based on field studies and analyses. Under AB 480, if a private landfill owner/operator owning the affected captive insurance company files for bankruptcy or walks away from its fiduciary responsibility, cities and counties that have sent waste to the landfill would be liable for the costs of the landfill's closure, post-closure maintenance, corrective actions, and related environmental impairments.

The Task Force is responsible for coordinating the development of major solid waste planning documents for Los Angeles County and the 88 cities in the County with a population of over ten million (pursuant to Chapter 3.67 of the Los Angeles County Code and the California Integrated Waste Management Act of 1989). Consistent with these responsibilities and to ensure a coordinated solid waste management system in Los Angeles County, the Task Force addresses issues impacting the system on a countywide basis. Task Force membership includes 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 other governmental agencies.

For these reasons, the **Task Force opposes AB 480**. If you have any questions, please contact Mr. Mike Mohajer of the Task Force at (909) 592-1147.