CALIFORNIA COMPOST COALITION

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The Package Deal

The Wishful Recycling of single-stream mentality has re-routed contaminated mixed paper and mixed plastics back to the landfill, where the statewide recycling rate may plummet to 33% by 2020. California has failed to develop remanufacturing plants for paper and plastics due to environmental permitting, siting costs, and labor costs, leaving this material stranded. Ocean pollution proliferation coupled with the China Sword is finally causing governments to consider banning single-use containers and other packaging that isn't recyclable or compostable. Mandates for organic waste collection are requiring programs and facilities to compost an array of organic waste beyond just clean green waste. As the packaging industry mounts a campaign in the name of sustainability for compostable and biodegradable packaging, the composting industry is letting you know that we don't want just any compostable packaging and serviceware. A message from Composters serving Oregon is setting the tone.

There are many good reasons why composters don't want 'compostable' packaging: (1) Don't always compost; (2) Contamination; (3) Hurt resale quality; (4) Can't sell to organic farmers; (5) May threaten human health and environmental health; and (6) Increase costs and permits. The packaging industry is banking on Wishful Composting and dumping single-use, singe-stream organics on a compost industry that is skeptical and many do not want to be complacent in their greenwashing. The Untied States Composting Council responded and believe that over the long haul we can work together across the "value chain" to develop creative solutions to every obstacle limiting the growth of the compost industry that would include this packaging.

CalRecycle has had a start on this with the Sustainable Packaging for the State of California Act of 2018, which prohibits foodservice facilities located in a state-owned facility from dispensing prepared food using food service packaging, unless it is either recyclable, reusable, or compostable. CalRecycle will not publish a list of approved food service packaging types on their website until March 2021, which is too late with SB 54 and AB 1080 moving together quickly this year as companion bills, and AB 1228 pushing tax cuts for compostable cutlery.

Most often the implementation of policies and practices that endorse compostable packaging have not been established in consultation with the commercial compost manufacturers who receive these materials. While many facilities have continued to receive and process a mix of food scraps and compostable packaging, an increasing number of compost operators are excluding this material for the following reasons:

• **Identification**: Compostable packaging acts as a Trojan horse for contamination – it is difficult or impossible to identify compostable packaging and discern it from conventional materials. At many facilities that pre-process feedstocks, compostable packaging is sorted out and disposed of with contaminants.

• **Performance**: Compostable packaging may or may not compost properly during the composting process due to variability in the material composition or the type of composting technology employed, despite meeting ASTM standards for compostability, causing contamination of the compost products, often with a multitude of microfragments typically remaining from heavier gauge containers and utensils.

• **Organic Status**: Compostable packaging is typically composed of synthetic materials, which are not approved for use as organic inputs, meaning compost manufacturers are sacrificing the marketability of their compost product.

Until these issues are resolved to a significant degree, the valued promise of compostable packaging as a contributor to food scrap recovery efforts will be minimal and the ability to expand programs and develop infrastructure will be impacted.

The California Compost Coalition stated these concerns on AB 1228 about compostable cutlery and is ready to make a move on SB 54 and SB 1080 to have all stakeholders be fully aware of the compost industry's key issues. We are not the panacea to accommodate the greenwashing attempts of the packaging industry. It's International Compost Awareness Week from May 5-11, 2019, and it's time to make a Package Deal.

Bill Watch

Packaging

These bills require CalRecycle to develop criteria to determine which types of single-use packaging or products are reusable, recyclable, or compostable. These bills would require a manufacturer of single-use plastic packaging or products sold or distributed in California to demonstrate a recycling rate of not less than 20% on and after January 1, 2022, and not less than 40% on and after January 1, 2026, as a condition of sale, and would authorize the department to impose a higher recycling rate as a condition of sale. CalRecycle is ready for statutory authority after having published their 2017 Packaging Reform Background Documents.

SB 54 (Allen, Skinner, & Wiener)

TOPIC: Recycling: Would establish the California Circular Economy and Plastic Pollution Reduction Act, which would require the department, in consultation with the State Water Resources Control Board and the Ocean Protection Council, to adopt regulations to source reduce and recycle 75% of single-use packaging and products sold or distributed in California by 2030.

STATUS: May 6 set for first hearing canceled at the request of author.

AB 1080 (Gonzalez)

TOPIC: Companion bill with SB 54.

STATUS: Re-refer to Appropriation Committee

AB 1228 (Calderon)

TOPIC: Compostable Cutlery. This bill would allow a credit against those taxes on January 1, 2020, and before January 1, 2025, in an amount equal to 20% of the costs paid or incurred during the taxable year by the qualified taxpayer for the purchase of compostable cutlery.

STATUS: May 1 – Re-refer to Committee of Revenue and Tax

Planning

The AB 32 Scoping Plan Update was adopted in 2017 and placed organic waste, biomass energy, and compost use in all sectors and provided cross-sector relationships with example interactions. AB 144 would integrate the policies and programs of AB 32 into an Action Plan with the Strategic Growth Council, which ties smart growth with smart funding. SB 667 drills down on CalRecycle with a five-year funding strategy to respond to the China Sword and meet SB 1383 mandates. The policies and mandates are in place and many studies have been published. Now is the time to have action plans to fund and develop infrastructure.

AB 144 (Aguiar-Curry)

TOPIC: Organic waste: Requires the Strategic Growth Council to develop a scoping plan for the state to meet its organic waste management mandates, goals, and targets and would require the scoping plan to include among other things, recommendations on policy and funding support for closing the loop on carbon-neural or carbon-negative organic waste management practices.

STATUS: Referred to Appropriations – suspense file

SB 667 (Hueso)

TOPIC: Greenhouse Gases: Requires CalRecycle by January 1, 2020, to develop a five-year strategy to meet the state's organic waste and diversion goals by supporting organic waste infrastructure development, and by June 1, 2021, to coordinate with the Treasurer's Office on developing financial incentives for instate recycling infrastructure. Also, requires the Treasurer to coordinate with Nevada, Oregon, and Washington on infrastructure financing to support regional recycling needs and infrastructure.

STATUS: Amended and re-refer to the Appropriations Committee on April 29, 2019.

Funding

Funding and incentives are needed to implement California's dreams of getting off landfills and diesel. Tip fee reform has been stuck at $1.40/ton since 1993 and money is needed for the heavy-duty near-zero NOX fleets.

AB 1583 (Eggman)

TOPIC: Requires the department, upon appropriation by the Legislature, to establish a Paper Recycling Incentive Program that makes incentive payments to in-state processors of waste paper and to establish an Organic Waste Recycling Incentive Program that makes incentive payments to in-state organic waste recycling facilities that process organic waste collected from municipal sources. The bill would require the department to convene a Statewide Commission on Recycling Markets and Curbside Recycling.

STATUS: Re-referred to Committee on April 23, 2019

SB 44 Skinner

TOPIC: Medium-duty and heavy-duty vehicles: comprehensive strategy. The California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program, upon appropriation from the Greenhouse Gas Reduction Fund, funds zero- and near-zero-emission truck, bus, and off-road vehicle and equipment technologies and related projects. This bill would require CARB no later than January 1, 2021, to develop a comprehensive strategy for the deployment of medium-duty and heavy-duty vehicles in the state that results in bringing the state into compliance with federal ambient air quality standards, a reduction of motor vehicle greenhouse gas emissions by 40% by 2030, and reduction of motor vehicle greenhouse gas emissions by 80% by 2050, as specified. The bill would authorize the state board to establish a process to identify medium-duty and heavy-duty vehicle segments that can more quickly reduce motor vehicle emissions, consistent with the California Clean Truck, Bus, and Off-Road Vehicle and Equipment Technology Program.

STATUS: May 1 – Re-referred to Appropriations Committee

Packaging Reform

CalRecycle staff and external stakeholders have identified a range of policy tools in their 2017 Packaging Reform Background Document that could be considered to improve the management of packaging at end of life including the following:

Labeling Requirements: Labeling requirements would specify that certain information must appear on the labels of all packaging sold in California. This labeling would provide information to consumers on the recyclability or proper end-of-life handling for a given material. Depending on the packaging, this could for example include "not recyclable in California," or "generally accepted for recycling in California."

Recyclable or Compostable Design: A recyclable or compostable design would require packaging sold or distributed in California to meet certain standards to ensure recyclability or compostability in the state. One resource for recyclable design is the Association of Plastic Recyclers' design guide for plastics recyclability. For composting, packaging products could be required to be certified by the Biodegradable Products Institute. It is important to note, however, that current composting practices screen out all plastic packaging, even if it is labeled as compostable.

Statewide Standard List of Recyclable and Compostable Packaging: Establishing a standard list of recyclable and compostable packaging across California would require all residential collection programs to accept and process the same types of recyclable materials. Individual jurisdictions could elect to accept other materials beyond the standard list if they have sufficient process infrastructure for recycling or composting.

CalRecycle Packaging

CalRecycle's Packaging Reform policy model development process was last discussed on March 22, 2017 and builds upon 7 Workshops held from 2013 to 2017. Given that there is not a one-size-fits-all policy solution for all packaging, CalRecycle evaluated which mandatory policy models and instruments might be best suited to increasing collection and recovery of specific packaging types. Under this comprehensive statewide framework approach for managing packaging, which will require legislation, oversight authority would be granted to CalRecycle. CalRecycle would have statutory authority to implement a consistent process to manage packaging that includes flexibility to incorporate appropriate policy tools that reflect and address the unique opportunities and challenges posed by different packaging. The framework would also include flexibility to address priorities for timing (what materials should be addressed first?) and for implementation (what tools should be deployed before others?), in addition to strengthening CalRecycle's existing authority under existing packaging-related programs. In other words, CalRecycle would have the authority to regulate all packaging through the regulatory process.

Waste Characterization Study

The 2018 Waste Characterization Study will not be posted until next fall, so we have to use the 2014 Waste Characterization Study of record to make policy, which is the base year for the SB 1383 regulations. The new Study recognizes the need to address packaging reform and SB 1383, where the 82 waste types will grow to 100. Expanded polystyrene has several properties that warrant specification as its own category but not in this round. Food waste will be divided into seven categories including edible food. Remainder/composite paper will be divided into packaging and non-packaging. Compostable paper is 6.6% of the waste stream with over 2 million tons disposed of in 2014. Even before mixed paper lost the Asian markets, it has been assumed that the compost industry will need to take care of compostable paper.

SB 1383 Regulations

CalRecycle's proposed regulations were officially noticed by the Office of Administrative Law (OAL) on January 18, 2019. The proposed regulations implement the department's responsibilities established by SB 1383 (Lara, Chapter 395, Statutes of 2016) Public Resources Code (PRC) Sections 42652-42654, and 41780.01, and Health and Safety Code (HSC) Sections 39730.5 - 39730.6. This rulemaking implements regulatory requirements to reduce landfill disposal of organic waste in order to achieve the greenhouse gas emissions reductions required by SB 1383. This action initiated the formal 45-day comment period. There was a 45-Day Formal Comment Period on January 18, 2019 – March 4, 2019. A Formal Hearing was held on March 12, 2019. CalRecycle hopes to adopt SB 1383 regulations by December 2019.

AB 901 Regulations

The AB 901 Recycling and Disposal Reporting System (DRS) was approved by the Office of Administrative Law on March 5, 2019. It has come to CalRecycle's attention that there has been confusion over the effect of the requirement for reporting entities to register in RDRS. CalRecycle is in the process of answering questions and providing clarification within the next month. Given the number of new reporting entities and questions related to the new requirements, CalRecycle will not be taking any action against reporting entities who have not registered by the April 30th deadline, but will expect all reporting entities that are required to register to do so by May 31st.

SB 1335 Regulations

This law prohibits foodservice facilities located in a state-owned facility, operating on or acting as a concessionaire on state-owned property, or under contract to provide food service to a state agency from dispensing prepared food using food service packaging unless it is either recyclable, reusable, or compostable. CalRecycle must adopt regulations by January 1, 2021 that clarify terms, specify criteria, and outline a process for determining the types of food service packaging that are reusable, recyclable, or compostable. Workshops are underway with more being planned.

CALIFORNIA COMPOST COALITION

CCC Member News

The Depackage Deal

Napa Recycling & Waste Services received a $541,700 CalRecycle Grant to install a Scott's THOR Turbo Separator at the Napa Materials Diversion Facility, where food waste from commercial sources, and food residuals from industrial food processors will be recovered, blended with green materials, and composted. CalRecycle staff conducted a site visit last month and were impressed with the production and the on-site systems approach to use the slurry as compost feedstock. This project also included $80,000 to support programs at the Emergency Food Bank in Stockton to satisfy the disadvantaged community requirement of the grant. The 2019 California Climate Investment Annual Report on your Cap-and-Trade dollars at work has shown this to be one of the most cost-effective programs, at $47 per ton of greenhouse gases reduced.

The depackaging machine is a Scott's THOR Turbo Separator and serves to remove plastics, glass, metal, and other residuals from the incoming food waste feedstock, which can handle the AB 1826 commercial organic waste stream and removes that compostable paper. With nearly 200 Turbo Separator systems sold worldwide since 1995, Scott's have experience in depackaging organic food products and conveying the separated products to holding containers via drag conveyors, screw conveyors, and/or liquid organic. The machine macerates, spins, and screens the material as it separates the food from the contaminants. The resulting outputs are a discarded residual, and a wet slurry rich in food waste content. The slurry itself has very low contamination. A waste characterization performed on the slurry, from the Blue Line MRF, revealed that the contamination present in the slurry is 0.92% by dry weight. The slurry is expelled from the machine and is typically deposited into an impermeable container, stored in a tank, or pumped into a tanker truck. The slurry may be used for composted feedstock, anaerobic digestion feedstock, or even be used for animal feed.

Scotts' have three machine sizes that offer from 5 to 20 tons per hour in true processing speed and power. The Turbo Separator has been marveled at by operators at Napa and at Blue Line Material Recovery Facility customers as one of the most rugged pieces of equipment. Scotts only use the best materials and ensure high uptime and years of use, is available in both carbon and stainless steel, and is made in America. Their engineering, drafting, manufacturing, and test lab facilities are located just outside Minneapolis, Minnesota. Scotts has built and shipped more than 7,000 pieces of equipment for industrial processing of powders, slurries, pastes, and liquids.

The California Compost Coalition

is a registered Lobbying Coalition with the Fair Political Practices Commission (FPPC), created in 2002 by a group of compost operators in response to demands for increased recycling of organic materials & production of clean compost, bioenergy, anaerobic digestion, renewable natural gas, and biochar.

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