

## 372 Million Meals Per Year with SB 1383

The pandemic has upended our daily lives and has shone a spotlight on the lack of resiliency in our communities to deal with natural disasters. The coronavirus is everywhere, and so is hunger. Food waste continues to be the number one waste stream in landfills, as up to 40% of the food we grow in America is never eaten. The pandemic and economic downturn have worsened the food chain, exposing the flaws, resulting in a harrowing amount of wasted food and unprecedented demand on food banks.

According to Feeding America, millions of children and families living in America face hunger and food insecurity every day. Due to the effects of the pandemic, more than 54.3 million people may experience food insecurity in 2020, up from 37 million people in 2018. In 2018, more than 11 million children lived in food-insecure households, which has increased to 18 million in 2020. Many households that experience food insecurity do not qualify for federal nutrition programs and rely on their local food banks and other hunger relief organizations for support.

In terms of edible food recovery, the initial shutdowns caused by the shelter-in-place orders created a surge in food donations but challenged distribution of edible food by shutting down volunteer-staffed pantries, churches, and other locations. Further, the need for food exploded while the impacts of coronavirus, in the short-term, caused widespread job losses. In the early days of the pandemic, the lack of coordination between groups resulted in food not being spread evenly among communities in need. For anyone who has worked within edible food recovery, these dilemmas could have been predicted as these programs have always been reactive, grass roots endeavors, driven by goodwill, philanthropy and volunteers with very little cohesive long-range regional planning in mind. Communities and local governments, who benefit from having edible food recovery for its citizens, have never been in the position of truly understanding the benefit of stabilizing food insecurity, as edible food groups have worked in

the background of many social programs and have been largely kept off center stage. For anyone who has been tracking SB 1383, we had a feeling this would change. Shelter in Place has merely thrust the issues forward rapidly to where we are being forced to confront these types of challenges, rooted in a patchwork system, and ask ourselves: "How can we do better for the next, inevitable, natural disaster?"

We are already seeing innovation like food recovery kitchens that can take near end of life and bulk materials and transform them into 'heat and eat' meals, as well as create enhanced logistical platforms which direct prepared food to pantries or other locations, skipping the warehouse-style food banks in the current food recovery ladder. Paying attention to these more innovative ways of thinking, we can start pushing on the next steps of transforming this current patchwork network into something that is flexible, responsive and can deal with the unexpected challenges posed by the next natural disaster. These solutions can be brought to fruition by making intentional steps to increasing public/private/non-profit collaboration on edible food recovery.

SB 1383 has provided guidelines to increasing edible food recovery, in order to combat climate change, and has already changed the tone of food recovery. This will no longer be a goodwill donation program for businesses, where they must provide some level of recovery by January 2022. The CalRecycle 2018 Waste Characterization Study determined that there are 1.1 million tons of potentially donatable food being landfilled (representing 2.8% of the waste stream). With a 20% SB 1383 recovery rate by 2025, the 223,500 recovered tons could be prepped into 372 million meals served. This could feed one million people one meal per day, or all of Berkeley, Emeryville, Albany, Richmond, El Cerrito, and Piedmont three meals a day for the entire year. Today's meals on wheels program is being stuck for hours in your car waiting at the Food Bank, where we hope to transform recoverable food waste into 'heat and eat' meals and more to feed millions and millions.

## **Budget Update**

## \$100 Billion Magic

California Democrats are trying to pull off their proposed joint economic stimulus package that includes a voucher program for prepayment of income taxes, expansion of unemployment insurance, and acceleration of infrastructure projects. Leaders in the Senate and Assembly said they want to enact the \$100 billion plan, as the coronavirus pandemic continues to weigh down the state economy. The plan would accelerate revenue without raising taxes through the tax vouchers, bonds, and borrowing. The plan does not include any new taxes, but would speed up spending from California's gasoline tax, passed as part of a 2017 law designed to raise about \$5 billion a year for road and mass transit programs.

The money will be used to support small businesses, protect working families, and invest in the green economy. These investments include improving the environment, combating climate change, and creating green infrastructure and jobs which explicitly includes improving recycling infrastructure. It will also create a dedicated fund to incentivize heavy duty vehicles, were we hope to include near-zero NOx on RNG. Since the release of the plan on July 27, 2020, the Capitol building has been quiet. It may magically appear during the last days of session to provide economic stimulus with recycling.

Earlier this year, the Governor proposed a 5-year Climate Budget of \$12.5 billion. There were several bond measure attempts that morphed during the pandemic and then stalled out with AB 3256 (Garcia). This bill would have authorized the issuance of bonds in the amount of \$6.98 billion pursuant to the State General Obligation Bond Law to finance projects. Amendments were accepted to place \$300 million going towards CalRecycle for recycling and composting.

# Cap-and-Trade Down

The May 2020 Cap-and-Trade Auction only generated \$25 million in state revenue for the Greenhouse Gas Reduction Fund (GGRF), as we await the quarterly auction next week, which is much less than the \$600 to \$700 million that the state received from recent quarterly auctions. The allowances were purchased at the minimum auction price established by CARB - \$16.68. The May Revision maintained the Governor's Budget Cap-and-Trade Expenditure Plan, and established a 'pay-as-you-go' mechanism to authorize GGRF budget act expenditures based on actual proceeds received at each quarterly auction. In a July 15, 2020 letter, the <u>Department of Finance</u> determined a proportional reduction for the GGRF budget of 86% for select programs that left just \$3.6 million for CalRecycle and \$81 million for CARB's Low-Carbon Transportation program for 2020-21.

CalRecycle continues to lead the way with one of the most costeffective programs at just \$44/ton of GHG reduced for the Organic Grants with 83% of the money located within priority populations. CalRecycle loans are the most cost-effective at \$4 to \$11 per ton. There have been 64 Food Waste Prevention and Rescue Grants. with a cost-effective rating of \$47/ ton of GHG reduced with 96% of the money located within priority populations. So far, \$20.7 million has been allocated to this program.

CalRecycle has agendized for their August 18, 2020 monthly meeting the Reallocation of the Remaining GGRF for 2019-20 and the process for the Food Waste Prevention and Rescue Program using GGRF Funds. CalRecycle intends to request approval for \$4 million to be allocate to the Food Rescue grants with requested grant amounts being \$150,000 to \$300,000.

### Bill Watch

### AB 1567 (Aquiar-Curry)

TOPIC: This bill would require the Strategic Growth Council, on or before Dec. 31, 2021, in consultation with stakeholders and relevant permitting agencies, to prepare and submit to the Legislature a report that provides a scoping plan for the state to meet its organic waste, climate change, and air quality mandates, goals, and targets and would require the scoping plan to include recommendations on policy and funding support for the beneficial reuse of organic waste.

STATUS: Passed Assembly (78-0). Died in Committee.

#### AB 2959 (Calderon)

TOPIC: Solid waste: byproducts from the processing of food or beverages. This bill would reauthorize local governmental entities to exercise authority if those byproducts originate from a retail or commercial establishment such as a supermarket, grocer, restaurant, or other retail food establishment. The bill would additionally prohibit those local governmental entities from exercising authority if those byproducts originate from a winegrower or brandy manufacturer, and other industrial sources. This food fight continues to further define AB 3036 (Cooley, 2018) on what is an industrial source.

According to a flawed Cal Matters commentary, the idea behind this bill is to impose a one-size-fits-all approach to disposing of organic waste generated by households and all types of businesses and that it really would allow that material to be removed only by a designated franchise holder where it would be taken to a composting facility. Californians for Smarter Recycling – an upstart coalition of California restaurateurs, grocers and farmers - announced their opposition to AB 2959, with false claims about greenhouse gas-causing food waste being dumped into landfills.

Generators can 'donate or sell' their food waste to animal feed at any time. There is no 'life-cycle analysis' on cows farting after eating food waste, but we know that composting and AD projects are considered carbon negative by Lawrence Livermore Laboratory.

STATUS: Senate E.Q. on August 14, 20.

## Regs Watch

### Food No. 1 Tons

The 2018 Waste Characterization Study was released on May 15, 2020 and will be used to determine the AB 1826 trigger to provide organic waste collection services to businesses with 2 cubic yards per week of MSW, and to prepare the SB 1383 Progress Report that was due on July 1, 2020. The year 2014 is the baseline for both AB 1826 and SB 1383, where a total of 31.2 million tons of MSW was disposed. Based upon the 2014 Study, a total of 13.664 million tons of food, green waste, wood, compostable paper, and manure were disposed of. In 2018, 39.3 million tons of MSW were disposed of, an increase of 8.1 million tons over 4 years. Based on the 2018 Study, a total of 13.660 million tons of food. green waste, wood, compostable paper and manure were disposed. Whereas there was no decrease or increase in organic waste disposal, commercial organic waste increased from 5.4 million tons to 6.9 million tons, or a 27% increase demonstrating a lack of progress on AB 1826. With regards to all types of food waste, 5.44 million tons were disposed of in 2014, and 5.86 million tons were landfilled in 2018, an increase of 7.8%, or 423,100 tons. Food waste remains at No. 1 on top of the disposal charts.

The 2018 Study recognizes the need to address edible food recovery and packaging reform, where the 82 waste types analyzed grew to 94. There are 1.1 million tons of potentially donatable food, representing 2.8% of the disposed waste steam. Monica White's Edible Food Recovery in an SB 1383 World will be presented at CRRA on August 17, 2020, showing that we could feed 1 million people one meal per day, or all of Berkeley, Emeryville, Albany, Richmond, El Cerrito, and Piedmont for the entire year. With a 20% recovery rate by 2025, the 223,500 tons (est.) could be prepped into 372 million meals.

### SB 1335 Regulations

The Sustainable Packaging for the State of California Act of 2018 requires food service facilities located in a state-owned facility, operating on or acting as a concessionaire on stateowned property, or under contract to provide food service to a state agency to dispense prepared food using food service packaging that is reusable, recyclable, or compostable. CalRecycle must adopt regulations by January 1, 2021 to clarify terms, specify criteria, and outline a process for determining the types of food service packaging that are reusable, recyclable, or compostable. CalRecycle will publish a list of approved food service packaging on its website within 90 days of the regulations being adopted. This will set the platform for private operations later. CCC has been actively commenting during the Recycling Commission meetings on the need to define compostability with the actual compost operators. Notice was given on March 13, 2020 to publish the regulations, with a hearing on May 21, 2020. CCC filed comments on behalf of the industry.

### **AB 827 Guidance**

AB 827 (McCarty, 2019) require a business subject to AB 341 and AB 1826 to provide customers with a recycling bin or container for the waste stream that is visible, easily accessible, adjacent to each bin or container for trash and for the recyclable and compostable waste stream, except in restrooms, and clearly marked with educational signage. The bill would exempt full-service restaurants from its requirements. It would also require CalRecycle to, on or before July 1, 2020, develop model signage that commercial and organic waste generators may utilize to mark the recycling bins provided to customers.

These collection containers at the frontof-house locations provide the visual information of the acceptable recyclables and prohibited items for the recycling container. Vertical signs are 8.5"x11". CalRecycle has provided downloadable individual signs in multiple languages. CalRecycle will not adopt regulations for AB 827 such as they did for AB 341 (but not AB 1826) but updated AB 341 FAQs on how to implement AB 827.

#### **SB 1383 Regulations**

SB 1383 regulations may finally be approved by November 2020, as staff had to respond to 250 comments which took some time. With all of the delays, Cal-Recycle should release a series of SB 1383 implementation tools 'soon' with the SB 1383 Progress Report. These tools could provide motivational planning strategies for the ZOOMED-out, sheltered-in place stakeholders. These SB 1383 tools have been shelf-ready for months and include a model ordinance. model franchise agreement, model procurement policy, and model edible food recovery agreement, which would greatly help the regulated community prepare for implementation in advance of January 1, 2022.

CalRecycle will be providing the annual recovered organic waste product procurement requirement on or before January 1, 2022, but should not wait. If a jurisdiction wants to know the amount sooner (with cute graphics) click here. Each jurisdiction will have the flexibility to purchase or broker any of the four products (compost, mulch, bioenergy, or RNG) to implement their local circular economy. A balanced and possible procurement portfolio would fuel 2,000 to 5,100 RNG trucks, produce 87 MW to 237 MW of renewable energy, amend 100,000 acres to 185,000 acres of parklands and croplands, and mulch 15,000 to 32,000 acres of highway in California right away.

### **DTSC on PFAS**

California's Department of Toxic Substances Control (DTSC) is weighing a broad plan that could eventually bar the use of a wide range of per- or polyfluoroalkyl substances (PFAS) from use in food packaging while requiring safer alternatives. This is the latest state action to clamp down on use of the class of chemicals in food and other packaging materials. DTSC announced last week that it has scheduled an Aug. 31 virtual public workshop to discuss its proposal to list paper, or "fiber-based," food packaging containing PFAS as a priority product under the state's green chemistry program.



#### 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.

#### **CCC Members**

Agromin American Refuse **BLT Enterprises Burrtec Waste Industries** Caglia Environmental California Waste Recovery Systems Cold Canyon Landfill Inc. Marin Sanitary Service Monterey Regional WMD Mt. Diablo Recycling Napa Recycling and Waste Services Peña's Disposal Service Pleasanton Garbage Service Quackenbush Mt. Compost Recology ReFuel Energy Partners Soiland Inc. Tracy Material Recovery Trillium CNG Vision Recycling Zero Waste Energy LLC

#### **CCC Partners**

Atlas Disposal
California Wood Recycling
Clover Flat Compost
GreenWaste Recovery
Northern Recycling Compost
Resource Recovery Coalition of CA
Sonoma Compost
Synagro - South Kern
Upper Valley Recycling
Zanker Road Resource Management
Z-Best Compost Facility
Zero Waste Energy Development

#### **CCC Technology Partners**

CleanFleets.net
Compost Manufacturing Alliance
Engineered Compost Systems
Filtrexx / Phoenix Energy
Yorke Engineering LLC

### **CCC Governmental Affairs**

Justin Malan, EcoConsult Neil Edgar, Edgar & Associates, Inc. Evan Edgar, Edgar & Associates, Inc. Sean Edgar, Clean Fleets Advocates

# **CCC Compost Operators**

### Food Serviceware Compostability Standards

CalRecycle is moving forward with SB 1335 Regulations to implement the Sustainable Packaging for the State of California Act of 2018, which requires public-sector food service facilities to dispense prepared food using food service packaging that is reusable, recyclable, or compostable. With the dynamic process of SB 54/AB 1080 underway for privatesector facilities, CalReycle will need to adopt SB 1335 regulations by Jan. 1, 2021 and publish a list within 90 days that hopes to add some clarity. Meanwhile, the Recycling Commission created the Labeling Committee to make further recommendations on these issues.

Businesses, government entities, and individuals in California and across the country are seeking to conserve resources and reduce the environmental impacts associated with the landfilling of food scraps. To that end, many of them have begun to utilize compostable food service packaging - often in conjunction with policies and ordinances mandating their purchase and use. Most often the implementation of policies and practices, which endorse compostable packaging, have not been established in consultation with the commercial compost manufacturers who receive these materials, or may have begun with no available composting capacity at all. Packaging and products made from compostable materials are not welcome at a majority of compost manufacturing facilities, especially those products that are not directly associated with food scrap recovery. While many facilities have continued to receive and process a mix of food scraps and compostable packaging, an increasing number of compost manufacturers are excluding the packaging as an acceptable feedstock for their operations: the vast majority of compostable packaging collected is sorted out and landfilled. Compostable packaging has issues which have negatively impacted compost manufacturers in the following areas:

- 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 most facilities that pre-process feedstocks, compostable packaging is sorted out and disposed of with other contaminants.
- Performance: Compostable packaging may or may not degrade properly

- during the composting process, due to variability in the material composition or the type of composting technology employed, despite meeting ASTM standards (D6400 or D6868) for compostability, causing contamination of the compost products, often with a multitude of microfragments typically remaining from heavier gauge containers and utensils.
- Organic Status and Chemical Contamination: Compostable packaging is typically composed of synthetic materials, particularly compostable plastics, like PLA, which are not approved for use as organic inputs, meaning compost manufacturers are sacrificing the marketability of their compost product. Numerous compostable fiber foodservice products have been identified as containing significant amounts of fluorine compounds (PFOS, PFAS, or others used as a grease barrier) which persist through the composting process. Biodegradable Products Institute (BPI) has implemented a policy, whereby they will no longer certify these compostable fiber products if they contain excessive fluorine levels, beginning in January 2020. BPI, however, does not certify all products in the market.

Until the above issues are resolved to a significant degree, the value promise of compostable packaging as a significant contributor to food scrap recovery efforts will be impaired and the ability to expand programs that include packaging - and to develop infrastructure which can produce clean, high-value compost products - will be impacted. To be clear, compostable packaging that is not directly related to food scrap recovery has little to no value to compost manufacturers; recycling options for those materials need to be developed as a preferred option for truly sustainable recovery from landfill. Washington State has recently enacted HB 1569, which has established compostable products labeling requirements: any recommendations by CalRecycle should be an attempt to harmonize with those requirements and with the work of the US Composting Council's Legislative and Environmental Affairs Committee, who are pushing to establish national guidelines and avoid a piecemeal approach by states that will lead to confusion and make implementation difficult, if not impossible.