



March 29, 2023

The Honorable Gavin Newsom
Governor, State of California
1021 O St., Room 9000
Sacramento, CA 95814

The Honorable Toni Atkins
Senate President pro Tempore
1021 O St., Room 8518
Sacramento, CA 95814

The Honorable Nancy Skinner
Chair, Senate Committee on Budget
Legislative Office Building, Room 502
Sacramento, CA 95814

The Honorable Josh Becker
Chair, Senate Budget Subcommittee #2
Legislative Office Building, Room 502
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker of the Assembly
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Phil Ting
Chair, Assembly Committee on Budget
1021 O St., Room 8230
Sacramento, CA 95814

The Honorable Steve Bennett
Chair, Assembly Budget Subcommittee #3
1021 O St., Room 4710
Sacramento, CA 95814

Re: Support Governor's Proposal to Maintain \$345 Million from FY 21-22 and FY 22-23 for SB 1383 Implementation Grants and the Organic Waste Infrastructure Program

On behalf of the undersigned organizations, we write in support of Governor Newsom's January budget proposal to protect the \$345 million from FY 21-22 and FY 22-23 for SB 1383 Implementation Grants and the Organic Waste Infrastructure Program. This funding is critical to support local governments to comply with SB 1383 and to spur much-needed organic waste recycling infrastructure development.

Organic waste recycling is a key component of California's Short-Lived Climate Pollutant (SLCP) Reduction Strategy and the state's overall climate plan. Under SB 1383 (Lara, 2016), the state must achieve a 75 percent reduction in the amount of organic waste disposed of in landfills by 2025. Implementing these regulations is a massive undertaking which requires significant recycling infrastructure to effectively transform how organic waste is managed. CalRecycle estimates that implementation will cost local governments \$20 billion to implement over ten years.

If implemented with the proper resources, SB 1383 will not only reduce methane emissions, improve air quality, and cut greenhouse gas emission by 4 million tons annually, but is also projected to generate \$17 billion in economic benefits and create 4,500 temporary and 11,700 permanent jobs.

The \$345 million allocation will go a long way to help local governments further develop and implement the organic waste collection and recycling programs that are vital to achieving the SB 1383 organic waste diversion goals. The first compliance obligations for local governments began in early 2022 and many local governments are still working to develop a comprehensive suite of local collection, enforcement, and funding programs.

Local assistance funding must be combined with state investment in infrastructure development. Historically, state-level investment in CalRecycle's organic waste recycling program has been severely underfunded and oversubscribed, despite the program being one of the top ten most cost-effective California Climate Investment programs for reducing GHG emissions (\$52 per MTCO_{2e}). CalRecycle estimated that 50 to 100 new and upgraded organic waste recycling facilities will be needed to manage and recycle the organic waste expected to be collected under the SB 1383 regulations. This funding will also offer economic relief to families across the state by offsetting the dramatic increase in rates for waste collection and processing services that would otherwise be needed to fund SB 1383 infrastructure. Without this funding, local governments and ratepayers will bear the brunt of these costs in the midst of an economic recovery and the state risks losing several projects already in the development pipeline.

We support the Administration's proposal to maintain the \$345 million from FY 21-22 and FY 22-23 for SB 1383 Implementation Grants and the Organic Waste Infrastructure Program. We

respectfully request the Legislature not reduce funds for these programs, which will be critical to the success of SB 1383.

Sincerely,



Joe La Mariana
Executive Director
RethinkWaste



Robert C. Ferrante
Chief Engineer & General Manager
Los Angeles County Sanitation Districts



Nick Romo
Legislative Representative
League of California Cities



Alex Oseguera
Director of Government Affairs (CA, HI)
WM



Jean Kinney Hurst
Legislative Advocate
Urban Counties of California



Nick Lapis (he/him)
Director of Advocacy
Californians Against Waste



John McNamara
VP of Environmental Compliance
CR&R Environmental Services



Jessica Gauger
Director of Leg. Advocacy & Public Affairs
California Association of Sanitation Agencies



Garen Kazanjian
Public Policy & Reg. Affairs Manager
Recology



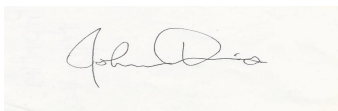
Ada Waelder
Legislative Advocate
California State Association of Counties (CSAC)



Susan Vandelinder
Division Vice President
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Neil Edgar
Executive Director
California Compost Coalition



John Davis
Administrator
Mojave Desert & Mountain Recycling Authority



Leslie Lukacs
Executive Director
Zero Waste Sonoma



Laura J. Ferrante
Government Affairs Advocate
Resource Recovery Coalition of CA



Michael Caprio
Director, Government Affairs
Republic Services



Tyrone Jue
Acting Director
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Authority



Timothy Burroughs
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Christina Hanson
Chair
SWANA CA Chapters Legislative Task Force



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Heidi Hannaman
Legislative Representative
California Special Districts Association



Gary Clifford
Executive Vice President
Athens



M. Michael Mohajer
Commissioner
Los Angeles County Integrated Waste
Management Task Force