

Introduced by Senator Negrete McLeodFebruary 23, 2007

An act to amend Section 14581 of the Public Resources Code, relating to solid waste, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 896, as introduced, Negrete McLeod. Solid waste: beverage container recycling: expenditure of funds.

The California Beverage Container Recycling and Litter Reduction Act requires a distributor of specified beverage containers to pay a redemption payment to the Department of Conservation, for each beverage container, as defined, sold or transferred, for deposit in the California Beverage Container Recycling Fund.

The moneys in the fund are continuously appropriated to the department to pay refund values, administrative fees, and a reserve for contingencies. The department is then authorized to make other specified expenditures from the moneys remaining in the fund after the moneys for those purposes have been set aside.

This bill would authorize certain moneys to be expended by the department annually, in the form of grants for beverage container litter reduction and recycling programs, to be issued to the California Conservation Corps, as a new purpose for a continuously appropriated fund, thereby making an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14581 of the Public Resources Code is
2 amended to read:

3 14581. (a) Subject to the availability of funds, and pursuant
4 to subdivision (c), the department shall expend the moneys set
5 aside in the fund, pursuant to subdivision (c) of Section 14580, for
6 the purposes of this section:

7 (1) (A) On and after July 1, 2005, to June 30, 2006, inclusive,
8 up to thirty-one million dollars (\$31,000,000) may be expended
9 for that fiscal year for the payment of handling fees pursuant to
10 Section 14585.

11 (B) On and after July 1, 2006, to June 30, 2007, inclusive, up
12 to thirty-three million dollars (\$33,000,000) may be expended for
13 that fiscal year for the payment of handling fees pursuant to Section
14 14585.

15 (C) On and after July 1, 2007, to June 30, 2008, inclusive, up
16 to thirty-five million dollars (\$35,000,000) may be expended for
17 that fiscal year for the payment of handling fees pursuant to Section
18 14585.

19 (D) For each fiscal year commencing July 1, 2008, the
20 department may expend the amount necessary to make the required
21 handling fee payment pursuant to Section 14585.

22 (2) Fifteen million dollars (\$15,000,000) shall be expended
23 annually for payments for curbside programs and neighborhood
24 dropoff programs pursuant to Section 14549.6.

25 (3) (A) Fifteen million dollars (\$15,000,000), plus the
26 proportional share of the cost-of-living adjustment, as provided in
27 subdivision (b), shall be expended annually in the form of grants
28 for beverage container litter reduction programs and recycling
29 programs issued to *the California Conservation Corps and to either*
30 of the following:

31 (i) Certified community conservation corps that were in
32 existence on September 30, 1999, or that are formed subsequent
33 to that date, that are designated by a city or a city and county to
34 perform litter abatement, recycling, and related activities, if the
35 city or the city and county has a population, as determined by the
36 most recent census, of more than 250,000 persons.

37 (ii) Community conservation corps that are designated by a
38 county to perform litter abatement, recycling, and related activities,

1 and are certified by the California Conservation Corps as having
2 operated for a minimum of two years and as meeting all other
3 criteria of Section 14507.5.

4 (B) Any grants provided pursuant to this paragraph shall not
5 comprise more than 75 percent of the annual budget of a
6 community conservation corps.

7 (C) The community conservation corps issued grants pursuant
8 to clause (ii) of subparagraph (A) shall also meet the criteria of
9 Section 14507.6, if Assembly Bill 3038 of the Regular Session of
10 the Legislature is enacted and adds Section 14507.6 to the Public
11 Resources Code.

12 (4) (A) On or after July 1, 2007, until June 30, 2008, for only
13 that fiscal year, up to twenty million dollars (\$20,000,000) may
14 be expended in the form of competitive grants issued to community
15 conservation corps that are designated by a city, or county and that
16 meet all of the following criteria:

17 (i) Are certified by the California Conservation Corps as having
18 operated for a minimum of two years.

19 (ii) Meet all other requirements under Section 14507.5.

20 (B) The department shall prepare and adopt criteria and
21 procedures for evaluating grant applications on a competitive basis.
22 Eligible activities for the use of these funds shall include
23 developing new projects, or enhancing or assisting existing
24 projects, to increase beverage container recycling and increasing
25 the quality of recycled material at the following locations:

26 (1) Multi-family dwellings.

27 (2) Schools.

28 (3) Commercial, state, and local government buildings.

29 (4) Bars, restaurants, hotels, and lodging establishments, and
30 entertainment venues.

31 (5) Parks and beaches.

32 (C) Any grants provided pursuant to this paragraph shall not
33 comprise more than 75 percent of the annual budget of a
34 community conservation corps.

35 (D) Any grants provided pursuant to this paragraph shall support
36 one-time capital improvement projects and shall not be used to
37 support ongoing staff activities.

38 (E) Any grant funds appropriated pursuant to this paragraph
39 that have not been awarded to a grantee prior to the end of the
40 2007–08 fiscal year shall revert to the fund.

1 (5) Ten million five hundred thousand dollars (\$10,500,000)
2 may be expended annually for payments of five thousand dollars
3 (\$5,000) to cities and ten thousand dollars (\$10,000) for payments
4 to counties for beverage container recycling and litter cleanup
5 activities, or the department may calculate the payments to counties
6 and cities on a per capita basis, and may pay whichever amount
7 is greater, for those activities.

8 (B) Eligible activities for the use of these funds may include,
9 but are not necessarily limited to, support for new or existing
10 curbside recycling programs, neighborhood dropoff recycling
11 programs, public education-promoting beverage container
12 recycling, litter prevention, and cleanup, cooperative regional
13 efforts among two or more cities or counties, or both, or other
14 beverage container recycling programs.

15 (C) These funds may not be used for activities unrelated to
16 beverage container recycling or litter reduction.

17 (D) To receive these funds, a city, county, or city and county
18 shall fill out and return a funding request form to the Department
19 of Conservation. The form shall specify the beverage container
20 recycling or litter reduction activities for which the funds will be
21 used.

22 (E) The Department of Conservation shall annually prepare and
23 distribute a funding request form to each city, county, or city and
24 county. The form shall specify the amount of beverage container
25 recycling and litter cleanup funds for which the jurisdiction is
26 eligible. The form shall not exceed one double-sided page in length,
27 and may be submitted electronically. If a city, county, or city and
28 county does not return the funding request form within 90 days of
29 receipt of the form from the department, the city, county, or city
30 and county is not eligible to receive the funds for that funding
31 cycle.

32 (F) For the purposes of this paragraph, per capita population
33 shall be based on the population of the incorporated area of a city
34 or city and county and the unincorporated area of a county. The
35 department may withhold payment to any city, county, or city and
36 county that has prohibited the siting of a supermarket site, caused
37 a supermarket site to close its business, or adopted a land use policy
38 that restricts or prohibits the siting of a supermarket site within its
39 jurisdiction.

1 (6) One million five hundred thousand dollars (\$1,500,000) may
2 be expended annually in the form of grants for beverage container
3 recycling and litter reduction programs.

4 (7) (A) The department shall expend the amount necessary to
5 pay the processing payment and supplemental processing payment
6 established pursuant to Sections 14575 and 14575.5 and pay
7 processing fee rebates pursuant to Section 14575.2. The department
8 shall establish separate processing fee accounts in the fund for
9 each beverage container material type for which a processing
10 payment and processing fee are calculated pursuant to Section
11 14575, or for which a processing payment is calculated pursuant
12 to Section 14575 and a voluntary artificial scrap value is calculated
13 pursuant to Section 14575.1, into which account shall be deposited
14 all of the following:

15 (i) All amounts paid as processing fees for each beverage
16 container material type pursuant to Section 14575.

17 (ii) Funds equal to the difference between the amount in clause
18 (i) and the amount of the processing payments established in
19 subdivision (b) of Section 14575, and adjusted pursuant to
20 paragraphs (2) and (3) of subdivision (c) of, and subdivision (f)
21 of, Section 14575, to reduce the processing fee to the level provided
22 in subdivision (f) of Section 14575, or to reflect the agreement by
23 a willing purchaser to pay a voluntary artificial scrap value pursuant
24 to Section 14575.1.

25 (iii) Funds equal to an amount sufficient to pay the total amount
26 of the supplemental processing payments established pursuant to
27 Section 14575.5.

28 (B) Notwithstanding Section 13340 of the Government Code,
29 the money in each processing fee account is hereby continuously
30 appropriated to the department for expenditure without regard to
31 fiscal years, for purposes of making processing payments and
32 supplemental processing payments, and reducing processing fees,
33 pursuant to Sections 14575 and 14575.5 and paying processing
34 fee rebates pursuant to Section 14575.2.

35 (8) Up to five million dollars (\$5,000,000) may be annually
36 expended by the department for the purposes of undertaking a
37 statewide public education and information campaign aimed at
38 promoting increased recycling of beverage containers.

39 (9) Until January 1, 2008, the department may expend up to
40 five million dollars (\$5,000,000) for the purposes of undertaking

1 a statewide public education and information campaign aimed at
2 promoting increased recycling of beverage containers that meets
3 both of the following requirements:

4 (A) The public education and information campaign is
5 multimedia and includes print, radio, and television.

6 (B) The public education and information campaign is
7 multilingual.

8 (10) (A) Until January 1, 2007, up to three million dollars
9 (\$3,000,000) shall be expended annually for the payment of quality
10 glass incentive payments pursuant to Section 14549.1.

11 (B) On and after January 1, 2007, up to fifteen million dollars
12 (\$15,000,000) may be expended annually by the department for
13 quality incentive payments for empty beverage containers pursuant
14 to Section 14549.1.

15 (11) Up to twenty million dollars (\$20,000,000) may be
16 expended annually by the department, until January 1, 2012, to
17 issue grants for recycling market development and
18 expansion-related activities aimed at increasing the recycling of
19 beverage containers, including, but not limited to, the following:

20 (A) Research and development of collecting, sorting, processing,
21 cleaning, or otherwise upgrading the market value of recycled
22 beverage containers.

23 (B) Identification, development, and expansion of markets for
24 recycled beverage containers.

25 (C) Research and development for products manufactured using
26 recycled beverage containers.

27 (D) Research and development to provide high-quality materials
28 that are substantially free of contamination.

29 (E) Payments to California manufacturers who recycle beverage
30 containers that are marked by resin type identification code “3,”
31 “4,” “5,” “6,” or “7,” pursuant to Section 18015.

32 (12) Up to ten million dollars (\$10,000,000) may be transferred
33 on a one-time basis by the department to the Recycling
34 Infrastructure Loan Guarantee Account, for expenditure pursuant
35 to Section 14582.

36 (13) Up to ten million dollars (\$10,000,000) may be expended
37 annually by the department for the payment of recycling incentive
38 payments pursuant to Section 14549.7 until payments for eligible
39 beverage containers redeemed or collected for recycling on or
40 before December 31, 2009, have been paid.

1 (14) Up to five million dollars (\$5,000,000) may be expended
2 annually by the department for market development payments for
3 empty plastic beverage containers pursuant to Section 14549.2,
4 until January 1, 2012.

5 (15) Up to five million dollars (\$5,000,000) may be expended,
6 by the department, on a one-time basis beginning on January 1,
7 2007, in coordination with the Department of Parks and Recreation
8 for the purposes of installing source separated beverage container
9 recycling receptacles at each of the state parks, starting with those
10 parks that have the highest day use.

11 (16) Up to five million dollars (\$5,000,000) may be expended,
12 from January 1, 2007, to January 1, 2008, to provide grants to local
13 governments or nonprofit agencies to place multifamily housing
14 source separated beverage container recycling receptacles in
15 low-income communities.

16 (b) The fifteen million dollars (\$15,000,000) that is set aside
17 pursuant to paragraph (3) of subdivision (a) is a base amount that
18 the department shall adjust annually to reflect any increases or
19 decreases in the cost of living, as measured by the Department of
20 Labor, or a successor agency, of the federal government.

21 (c) (1) The department shall review all funds on a quarterly
22 basis to ensure that there are adequate funds to make the payments
23 specified in this section and the processing fee reductions required
24 pursuant to Section 14575.

25 (2) If the department determines, pursuant to a review made
26 pursuant to paragraph (1), that there may be inadequate funds to
27 pay the payments required by this section and the processing fee
28 reductions required pursuant to Section 14575, the department
29 shall immediately notify the appropriate policy and fiscal
30 committees of the Legislature regarding the inadequacy.

31 (3) On or before 180 days after the notice is sent pursuant to
32 paragraph (2), the department may reduce or eliminate
33 expenditures, or both, from the funds as necessary, according to
34 the procedure set forth in subdivision (d).

35 (d) If the department determines that there are insufficient funds
36 to make the payments specified pursuant to this section and Section
37 14575, the department shall reduce all payments proportionally.

38 (e) Prior to making an expenditure pursuant to paragraph (7) of
39 subdivision (a), the department shall convene an advisory
40 committee consisting of representatives of the beverage industry,

1 beverage container manufacturers, environmental organizations,
2 the recycling industry, nonprofit organizations, and retailers, to
3 advise the department on the most cost-effective and efficient
4 method of the expenditure of the funds for that education and
5 information campaign.

6 (f) After setting aside money for the expenditures required
7 pursuant to subdivisions (a) and (b) and Section 14580, the
8 department may, on and after January 1, 2007, but not after July
9 1, 2007, expend remaining moneys in the fund to pay a refund
10 value in an amount greater than the refund value established
11 pursuant to subdivision (b) of Section 14560.

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