

ASSEMBLY BILL

No. 1258

Introduced by Assembly Member Knight

February 18, 2011

An act to amend Section 14581 of the Public Resources Code, relating to beverage containers.

LEGISLATIVE COUNSEL'S DIGEST

AB 1258, as introduced, Knight. Beverage containers: recycling and litter reduction: funds.

Existing law, the California Beverage Container Recycling and Litter Reduction Act, requires a distributor to pay a redemption payment of \$0.04 for every beverage container sold or offered for sale in the state to the Department of Resources Recycling and Recovery for deposit in the California Beverage Container Recycling Fund. After setting aside funds for the payment of refund values and administrative fees, and for a reserve for contingencies, the remaining moneys in the fund are continuously appropriated to the division for expenditure for designated programs, grants, and fee payments.

This bill would make technical, nonsubstantive changes to that provision of the act.

Vote: majority. Appropriation: no. Fiscal committee: no.
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:

1 14581. (a) Subject to the availability of funds; and ~~pursuant~~
 2 ~~to~~ *in accordance with* subdivision (c), the department shall expend
 3 the moneys set aside in the fund, pursuant to subdivision (c) of
 4 Section 14580, for the purposes of this section in the following
 5 manner:

6 (1) For each fiscal year ~~commencing July 1, 2008~~, the
 7 department may expend the amount necessary to make the required
 8 handling fee payment pursuant to Section 14585.

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

12 (3) (A) Fifteen million dollars (\$15,000,000), plus the
 13 proportional share of the cost-of-living adjustment, as provided in
 14 subdivision (b), shall be expended annually in the form of grants
 15 for beverage container litter reduction programs and recycling
 16 programs issued to either of the following:

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

23 (ii) Community conservation corps that are designated by a
 24 county to perform litter abatement, recycling, and related activities,
 25 and are certified by the California Conservation Corps as having
 26 operated for a minimum of two years and as meeting all other
 27 criteria of Section 14507.5.

28 (B) ~~Any~~ *The* grants provided pursuant to this paragraph shall
 29 not comprise more than 75 percent of the annual budget of a
 30 community conservation corps.

31 (C) For the 2009–10 fiscal year only, the eight million two
 32 hundred fifty thousand dollars (\$8,250,000) appropriated to the
 33 California Conservation Corps for certified local conservation
 34 corps by Item 3340-101-0133 of Sec. 2.00 of the 2009–10 Budget
 35 Act, as added by Section 166 of Chapter 1 of the Fourth
 36 Extraordinary Session of the Statutes of 2009, shall be in addition
 37 to the amounts expended pursuant to *this* paragraph ~~(3)~~.

38 (4) (A) Ten million five hundred thousand dollars (\$10,500,000)
 39 may be expended annually for payments of five thousand dollars
 40 (\$5,000) to cities and ten thousand dollars (\$10,000) for payments

1 to counties for beverage container recycling and litter cleanup
2 activities, or the department may calculate the payments to counties
3 and cities on a per capita basis, and may pay whichever amount
4 is greater, for those activities.

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

12 (C) These funds shall not be used for activities unrelated to
13 beverage container recycling or litter reduction.

14 (D) To receive these funds, a city, county, or city and county
15 shall fill out and return a funding request form to the department.
16 The form shall specify the beverage container recycling or litter
17 reduction activities for which the funds will be used.

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

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

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

38 (B) Notwithstanding subdivision (f), the department shall not
39 expend funds pursuant to this paragraph for the 2010 and 2011
40 calendar years.

1 (6) (A) The department shall expend the amount necessary to
2 pay the processing payment established pursuant to Section 14575.
3 The department shall establish separate processing fee accounts
4 in the fund for each beverage container material type for which a
5 processing payment and processing fee are calculated pursuant to
6 Section 14575, or for which a processing payment is calculated
7 pursuant to Section 14575 and a voluntary artificial scrap value is
8 calculated pursuant to Section 14575.1, into which account shall
9 be deposited both of the following:

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

12 (ii) Funds equal to the difference between the amount in clause
13 (i) and the amount of the processing payments established in
14 subdivision (b) of Section 14575, and adjusted pursuant to
15 paragraph (2) of subdivision (c) of, and subdivision (f) of, Section
16 14575, to reduce the processing fee to the level provided in
17 subdivision (e) of Section 14575, or to reflect the agreement by a
18 willing purchaser to pay a voluntary artificial scrap value pursuant
19 to Section 14575.1.

20 (B) Notwithstanding Section 13340 of the Government Code,
21 the moneys in each processing fee account are hereby continuously
22 appropriated to the department for expenditure without regard to
23 fiscal years, for purposes of making processing payments pursuant
24 to Section 14575.

25 (C) Notwithstanding the other provisions of this section and
26 Section 14575, for the 2010 and 2011 calendar years, the total
27 amount that the department may expend to reduce the amount of
28 processing fees for each container type shall not exceed the total
29 amount expended to reduce processing fees in the 2008 calendar
30 year.

31 (7) (A) Up to five million dollars (\$5,000,000) may be annually
32 expended by the department for the purposes of undertaking a
33 statewide public education and information campaign aimed at
34 promoting increased recycling of beverage containers.

35 (B) Notwithstanding subdivision (f), the department shall not
36 expend funds pursuant to this paragraph for the 2010 and 2011
37 calendar years.

38 (8) Up to ten million dollars (\$10,000,000) may be expended
39 annually by the department for quality incentive payments for
40 empty glass beverage containers pursuant to Section 14549.1.

1 (9) Up to twenty million dollars (\$20,000,000) may be expended
2 annually by the department, until January 1, 2012, to issue grants
3 for recycling market development and expansion-related activities
4 aimed at increasing the recycling of beverage containers.
5 Notwithstanding subdivision (f), the department shall not expend
6 any funds pursuant to this paragraph for the 2010 and 2011
7 calendar years. The activities that may be funded include, but are
8 not limited to, the following:

9 (A) Research and development of collecting, sorting, processing,
10 cleaning, or otherwise upgrading the market value of recycled
11 beverage containers.

12 (B) Identification, development, and expansion of markets for
13 recycled beverage containers.

14 (C) Research and development for products manufactured using
15 recycled beverage containers.

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

18 (E) Payments to California manufacturers who recycle beverage
19 containers that are marked by resin type identification code “3,”
20 “4,” “5,” “6,” or “7,” pursuant to Section 18015.

21 (10) Up to ten million dollars (\$10,000,000) may be expended
22 annually by the department for market development payments for
23 empty plastic beverage containers pursuant to Section 14549.2,
24 until January 1, 2012.

25 (11) (A) Up to twenty million dollars (\$20,000,000) may be
26 expended from July 1, 2009, to January 1, 2012, inclusive, for
27 either of the following:

28 (i) Grants for beverage container recycling and litter reduction
29 programs that emphasize the greatest and most effective collection
30 of beverage containers per dollar spent to ensure the program’s
31 performance and accountability.

32 (ii) Focused, regional community beverage container recycling
33 and litter reduction programs that enable the department to more
34 effectively organize the amount and type of resources needed for
35 regional and statewide efforts to increase recycling.

36 (B) The department shall require, as a condition of receiving
37 grant funds pursuant to subparagraph (A), each grant recipient to
38 submit a final report including, but not limited to, the grant
39 recipient’s reported volumes of beverage containers recycled,
40 where applicable.

1 (C) On or before July 1, 2014, the department shall publish an
 2 evaluation of all grants made pursuant to subparagraph (A). At a
 3 minimum, the evaluation shall summarize each final report
 4 submitted by each grantee pursuant to subparagraph (B) and assess
 5 whether the grantee adequately met the scope and objectives
 6 outlined in the grant agreement.

7 (D) Notwithstanding subdivision (f), the department shall not
 8 expend funds pursuant to this paragraph for the 2010 and 2011
 9 calendar years.

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

15 (c) (1) If the department determines, pursuant to a review made
 16 pursuant to Section 14556, that there may be inadequate funds to
 17 pay the payments required by this division, the department shall
 18 immediately notify the appropriate policy and fiscal committees
 19 of the Legislature regarding the inadequacy.

20 (2) On or before 180 days, but not less than 80 days, after the
 21 notice is sent pursuant to paragraph (1), the department may reduce
 22 or eliminate expenditures, or both, from the funds as necessary,
 23 according to the procedure set forth in subdivision (d).

24 (d) If the department determines that there are insufficient funds
 25 to make the payments specified pursuant to this section and Section
 26 14575, the department shall reduce all payments proportionally.

27 (e) Prior to making an expenditure pursuant to paragraph (7) of
 28 subdivision (a), the department shall convene an advisory
 29 committee consisting of representatives of the beverage industry,
 30 beverage container manufacturers, environmental organizations,
 31 the recycling industry, nonprofit organizations, and retailers to
 32 advise the department on the most cost-effective and efficient
 33 method of the expenditure of the funds for that education and
 34 information campaign.

35 (f) Subject to the availability of funds, the department shall
 36 retroactively pay in full any payments provided in this section that
 37 have been proportionally reduced during the period of January 1,
 38 2010, through June 30, 2010.

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