

LEGISLATIVE COUNSEL'S DIGEST

Bill No.

as introduced, \_\_\_\_\_.

General Subject: Greenhouse gases: recycling: organic and other recyclable materials.

Existing law establishes the CalRecycle Greenhouse Gas Reduction Revolving Loan Program, administered by the Department of Resources Recycling and Recovery (CalRecycle), to provide loans to reduce the emissions of greenhouse gases by promoting in-state development of infrastructure to process organic and other recyclable materials into new value-added products. Existing law requires CalRecycle to administer a grant program to provide financial assistance, in the form of grants, incentive payments, contracts, or other funding mechanisms, to reduce the emissions of greenhouse gases by promoting in-state development of infrastructure to process organics and other recyclable materials into new value-added products.

This bill would revise the 2 programs described above to, among other things, expand the projects eligible for financial assistance under those programs to other projects to reduce organic waste.



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



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An act to amend Sections 42997 and 42999 of the Public Resources  
Code, relating to greenhouse gases.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 42997 of the Public Resources Code is amended to read:

42997. (a) The CalRecycle Greenhouse Gas Reduction Revolving Loan Program is hereby established and shall be administered by the department.

(b) (1) The department shall expend the moneys transferred pursuant to subdivision (c) of Section 42996, and any additional moneys appropriated by the Legislature for the purposes of this subdivision, to provide loans to reduce ~~greenhouse gas emissions~~ the emissions of greenhouse gases by promoting in-state development of ~~infrastructure or other projects to reduce organic waste or process organics~~ organic and other recyclable materials into new value-added products. The moneys shall be expended consistent with the requirements of Article 9.7 (commencing with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code and Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code.

(2) For a loan made pursuant to this subdivision, the department shall expend the moneys in the loan fund to provide loans to public and private entities ~~located in the state~~ for in-state infrastructure projects or other projects that reduce the emissions of greenhouse gases by any of the following:

(A) Organics composting.

(B) ~~Anaerobic~~ Organics in-vessel digestion.

(C) Recyclable material ~~manufacturing infrastructure projects or other related activities that reduce greenhouse gas emissions.~~ manufacturing.



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(D) Activities that expand and improve waste diversion and recycling, including, but not limited to, food waste prevention.

(3) For purposes of this subdivision, eligible infrastructure projects that reduce greenhouse gas emissions include, but are not limited to, any of the following:

(A) Capital investments in new facilities and increased throughput at existing facilities for activities, such as converting windrow composting to aerated-static-pile composting to use food waste as feedstock.

~~(B) Designing and constructing anaerobic organics in-vessel digestion facilities to produce biofuels and bioenergy products, such as biofuels, bioenergy, and soil amendments.~~

(C) Designing and constructing facilities for processing recyclable materials.

(4) For a loan made pursuant to this subdivision, both of the following apply:

(A) The terms and conditions of an approved loan shall be specified in a loan agreement and related documents between the borrower and the department. These terms and conditions shall include reporting requirements that include, but are not limited to, reporting the information specified in Section 16428.9 of the Government Code.

(B) The department shall approve only those loan applications that demonstrate the applicant's ability to repay the loan.

(5) The department may establish additional requirements that it determines to be necessary or useful to achieve the revolving loan program's objectives, including, but not limited to, ensuring repayment ability.

SEC. 2. Section 42999 of the Public Resources Code is amended to read:



42999. (a) Any additional funds appropriated by the Legislature from the Greenhouse Gas Reduction Fund, established pursuant to Section 16428.8 of the Government Code, to the department shall be used to administer a grant program to provide financial assistance to ~~reduce greenhouse gas emissions~~ the emissions of greenhouse gases by promoting in-state development of ~~infrastructure to process organics infrastructure, food waste prevention, or other projects to reduce organic waste or process organic~~ and other recyclable materials into new value-added products. The moneys shall be expended consistent with the requirements of Article 9.7 (commencing with Section 16428.8) of Chapter 2 of Part 2 of Division 4 of Title 2 of the Government Code and Chapter 4.1 (commencing with Section 39710) of Part 2 of Division 26 of the Health and Safety Code.

(b) ~~For a grant made pursuant to this section, the~~ The department shall expend the moneys to provide grants, incentive payments, contracts, or other funding mechanisms to public and private entities ~~located in the state for~~ in-state infrastructure projects or other projects that reduce the emissions of greenhouse gases by any of the following:

- (1) Organics composting.
- (2) ~~Anaerobic~~ Organics in-vessel digestion.
- (3) ~~Recyclable material manufacturing infrastructure projects or other related activities that reduce greenhouse gas emissions:~~ manufacturing.
- (4) Activities that expand and improve waste diversion and recycling, including, but not limited to, food waste prevention.



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(c) For purposes of this section, eligible infrastructure projects that reduce greenhouse gas emissions include, but are not limited to, any of the following:

(1) Capital investments in new facilities and increased throughput at existing facilities for activities, such as converting windrow composting to aerated-static-pile composting to use food waste as feedstock.

(2) Designing and constructing anaerobic organics in-vessel digestion facilities to produce biofuels and bioenergy products, such as biofuels, bioenergy, and soil amendments.

(3) Designing and constructing facilities for processing recyclable materials.

