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TO:

CITY OF CUPERTINO

LEGISLATIVE REVIEW COMMITTEE

FROM:

ANTHONY, JASON, AND PAUL GONSALVES

SUBJECT:

CONSIDER ADOPTING A POSITION ON THE CALIFORNIA

PLASTIC WASTE REDUCTION REGULATIONS INITIATIVE

DATE:

May 31, 2022

Initiative Information:

The California Plastic Waste Reduction Regulations Initiative has qualified for the ballot in California as an initiated state statute for November 8, 2022.

Initiative Summary:

The ballot initiative would require the California Department of Resources, Recycling, and Recovery (CalRecycle), in consultation with other agencies, to adopt regulations that reduce the use of single-use plastic packaging and foodware, including:

- requiring producers to ensure that single-use plastic packaging and foodware is recyclable, reusable, refillable, or compostable by 2030;
- requiring producers to reduce or eliminate single-use plastic packaging or foodware that CalRecycle determines is unnecessary for product or food item delivery;
- requiring producers to reduce the amount of single-use plastic packaging and foodware sold in California by at least 25 percent by 2030;
- requiring producers to use recycled content and renewable materials in the production of single-use plastic packaging and foodware;
- establishing "mechanisms for convenient consumer access to recycling," including take-back programs and deposits;
- establishing and enforcing labeling standards to support the sorting of discarded single-use plastic packaging and foodware; and
- prohibiting food vendors from distributing expanded polystyrene food service containers.

The ballot initiative would also enact a fee, called the California Plastic Pollution Reduction Fee, on single-use plastic packaging and foodware. CalRecycle would determine the fee amount with a maximum amount of one-cent per item of packaging or foodware. Beginning in 2030, the fee would be adjusted based on changes in the California Consumer Price Index.

A "yes" vote <u>supports</u> this ballot initiative to require CalRecycle to adopt regulations that reduce the use of single-use plastic packaging and enact a maximum one-cent per item fee on single-use plastic packaging and foodware, with revenue from the fee distributed to CalRecycle, the California Natural Resources Agency, and local governments.

A "no" vote <u>opposes</u> this ballot initiative, thus not requiring CalRecycle to adopt regulations that reduce the use of single-use plastic packaging nor enacting a fee on single-use plastic packaging and foodware.

Fiscal Impact:

State revenue is likely to increase by a few billion dollars annually from new tax on single-use plastic packaging and foodware. Revenues would be used to administer and implement programs intended to reduce waste, increase recycling, and restore habitats. The net effect on local governments is currently unknown. There would likely be increased costs for waste collecting and sorting, which might be partially or fully offset by new tax revenue payments from producers to support recycling, or lower costs associated with a reduction in total plastic waste collected.

Revenue from the fee would be distributed to CalRecycle, the California Natural Resources Agency, and local governments as follows:

- 50% to CalRecycle for implementing and enforcing the measure and providing funds for statewide recycling, reduction, and composting efforts;
- 30% to the California Natural Resources Agency for state and local grants to address the environmental impacts of plastic pollution, such as habitat restoration; and
- 20% to local governments for recycling and composting programs and plastic pollution mitigation.

Registered Supporters Include:

- State Assemblymember Luz Maria Rivas (D)
- Recology, Inc.
- Corn Refiners Association
- Natural Resources Defense Council
- Save The Bay
- Surfrider Foundation
- The Nature Conservancy

Registered Opponents Include:

• American Chemistry Council

Status:

The initiative has qualified for the November 8, 2022 ballot. However, The Legislature is working on a bill to reduce plastic waste, and, if they are able to reach an agreement by June 30, 2022, this initiative will not be on the ballot.

Legislative Platform:

This initiative falls under Cupertino's 2022 Legislative Platform in the Environmental Protection Section, page 5, Item #7, "Support legislation to reduce plastic waste and single-use plastics, such as plastic bags and containers."

Recommended Action:

Adopt a support position on the initiative and authorize the Mayor to send letters to the state legislature.