

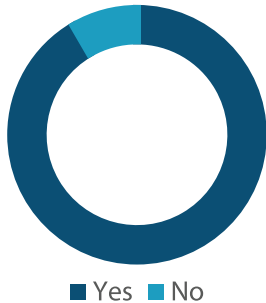
# Trash Talk **Solid waste and recycling costs on the rise in California**

The cost of solid waste disposal and recycling is going up. Cities anticipate rates will increase in the next three years due to new organic waste regulations and the overall cost of recycling. The deadline for local governments to implement new regulatory requirements is quickly approaching. Failure to comply could result in hefty daily penalties.

Cities budgets are still reeling from the economic effects of fighting COVID-19 and the extended pandemic. Without a source of statewide funding and additional time and flexibility to help local governments implement the new organic waste regulations, the costs will be passed on to ratepayers.

**California cities of every size** anticipate solid waste and recycling rate increases in the next three years.

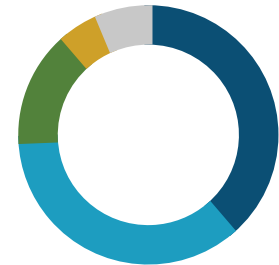
Nearly all cities anticipate a rate increase



**More than 7 out of 10** cities anticipate a **1-20% rate increase**

**SB 1383 implementation costs** and **lack of associated infrastructure** are top rate increase drivers

Anticipated rate increase by cities



Factors for rate increases



- SB 1383 (Lara, 2016) implementation costs
- Lack of recycling and/or organic waste infrastructure
- Lack of recycling markets
- Franchise fee negotiations
- Other

- 1-10%
- 11-20%
- 21-30%
- 31-40%
- 41-100%

**SB 1383** New state organic waste regulations go into effect Jan. 1, 2022, and will add additional cost pressures to solid waste and disposal rates. CalRecycle finalized the SB 1383 regulations in November 2020, leaving cities only about a year to fully implement the ambitious regulations before they take effect.

92 percent of cities indicate that rates will go up in next three years in order to implement SB 1383 regulations and successfully get the program up and running. Cities need additional time, flexibility, and a source of stable statewide funding.

More time and flexibility to implement the new organic waste regulations will help cities realistically achieve shared climate and emission reduction goals, without forcing a one-size-fits-all approach. State funding is also critical so that this \$20 billion program does not fall on ratepayers in a time when California residents' budgets are tight.

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**\*Data and Assumptions:** 194 cities, encompassing all of California's diverse geographies and city sizes, participated in a Cal Cities' solid waste and recycling rate survey [Dec. 2020]. Respondents provided primary source data on anticipated percentage increases to waste rates in the next three years. Real percentage changes to rates are expected to differ, either higher or lower as reported, as cities go through their formal rate making process. Real dollar amounts of anticipated waste rate increases were not collected.