

Background and Overview

In October of 2014 Governor Brown signed [AB 1826 Chesbro \(Chapter 727, Statutes of 2014\)](#), requiring businesses to recycle their organic waste on and after April 1, 2016, depending on the amount of waste they generate per week. This law also requires that on and after January 1, 2016, local jurisdictions across the state implement an organic waste recycling program to divert organic waste generated by businesses, including multifamily residential dwellings that consist of five or more units (please note, however, that, multifamily dwellings are not required to have a food waste diversion program). Organic waste (also referred to as organics throughout this resource) means food waste, green waste, landscape and pruning waste, nonhazardous wood waste, and food-soiled paper waste that is mixed in with food waste. This law phases in the mandatory recycling of commercial organics over time, while also offering an exemption process for rural counties. In particular, the minimum threshold of organic waste generation by businesses decreases over time, which means that an increasingly greater proportion of the commercial sector will be required to comply.

Why Organics? Mandatory recycling of organic waste is the next step toward achieving California's aggressive recycling and greenhouse gas (GHG) emission goals. California disposes approximately 30 million tons of waste in landfills each year, of which more than 30 percent could be used for compost or mulch (see the [2008 Waste Characterization Study](#)). Organic waste such as green materials and food materials are recyclable through composting and mulching, and through anaerobic digestion, which can produce renewable energy and fuel. Greenhouse gas (GHG) emissions resulting from the decomposition of organic wastes in landfills have been identified as a significant source of emissions contributing to global climate change. Reducing the amount of organic materials sent to landfills and increasing the production of compost and mulch are part of the [AB 32 \(California Global Warming Solutions Act of 2006\) Scoping Plan](#). For more information on the connection between the waste sector and California's GHG emission reduction goals, please see [CalRecycle's Climate Change page](#).

Key Elements of the Law

The pages below address the specific requirements of businesses, jurisdictions, and CalRecycle.

- [Business Requirements and Resources](#)
- [Local Government Requirements and Resources](#)
- [CalRecycle Requirements](#)

Implementation Dates and Thresholds

The law phases in the requirements on businesses, including multifamily residential dwellings that consist of five or more units,* over time based on the amount and type of waste the business produces on a weekly basis, with full implementation realized in 2019. Additionally, the law contains a 2020 trigger that will increase the scope of affected businesses, if waste reduction targets are not met. The implementation schedule is as follows:

- **January 1, 2016:** Local jurisdictions shall have an organic waste recycling program in place. Jurisdictions shall conduct outreach,

education to inform businesses how to recycle organic waste in the jurisdiction, and monitoring to identify those not recycling and inform them of the law and how to recycle organic waste.

- **April 1, 2016:** Businesses that generate eight cubic yards of organic waste per week shall arrange for organic waste recycling services.
- **January 1, 2017:** Businesses that generate four cubic yards of organic waste per week shall arrange for organic waste recycling services.
- **August 1, 2017 and Ongoing:** Jurisdictions shall provide information about their organic waste recycling program implementation in the annual report submitted to CalRecycle. (See above for description of information to be provided.)
- **Fall 2018:** After receipt of the 2016 annual reports submitted on August 1, 2017, CalRecycle shall conduct its [formal review of those jurisdictions that are on a two-year review cycle](#).
- **January 1, 2019:** Businesses that generate four cubic yards or more of commercial solid waste per week shall arrange for organic waste recycling services.
- **Fall 2020:** After receipt of the 2019 annual reports submitted on August 1, 2020, CalRecycle shall conduct its formal review of all jurisdictions.
- **Summer/Fall 2021:** If CalRecycle determines that the statewide disposal of organic waste in 2020 has not been reduced by 50 percent of the level of disposal during 2014, the organic recycling requirements on businesses will expand to cover businesses that generate two cubic yards or more of commercial solid waste per week. Additionally certain exemptions, previously discussed, may no longer be available if this target is not met.

*Note: Multifamily dwellings are not required to have a food waste diversion program.

The mandatory organics recycling law defines a business as a commercial or public entity (such as a school or hospital) including multifamily residential dwellings (5 units or more), that generates a specified amount of organic waste after April 2016 (see [Implementation Dates and Thresholds](#) for detailed phase-in information below). A business is a commercial or public entity, including, but not limited to, a firm, partnership, proprietorship, joint stock company, corporation, or association that is organized as a for-profit or nonprofit entity, or a multifamily residential dwelling. A business that meets the waste generation threshold shall engage in one of the following organic recycling activities:

- Source separate organic waste from other waste and participate in a waste recycling service that includes collection and recycling of organic waste.
- Recycle its organic waste on site, or self-haul its organic waste off site for recycling.
- Subscribe to an organic waste recycling service that may include mixed waste processing that specifically recycles organic waste.

Note: A business generating organic waste shall arrange for the recycling services in a manner that is consistent with state and local laws and requirements, including a local ordinance or local jurisdiction's franchise agreement, applicable to the collection, handling, or recycling of solid and organic waste. However, if separate organic waste collection and recycling services are not offered through a local ordinance or local jurisdiction's franchise agreement, a business generating organic waste may arrange for separate organic waste collection and recycling services, until the local ordinance or local jurisdiction's franchise agreement includes organic waste recycling services.

Additional points related to businesses:

1. A business that is a property owner may require a lessee or tenant of that property to source separate their organic waste to aid in compliance.
2. Additionally, all businesses that contract for gardening or landscaping services must stipulate that the contractor recycle the resulting gardening or landscaping waste.
3. A multifamily complex is not required to arrange for recycling services for food waste.
4. Businesses located in a rural county that is exempted from the law do not have to arrange for recycling services for their organic waste.

Additional Resources for Business

- [Business Assistance](#). CalRecycle has a number of financial assistance programs for recycling manufacturers such as the RMDZ

loan program and GHG Reduction Grants and Loans. Each of these have specific project eligibility requirements with respect to siting in a Recycling Market development Zone, diverting from California landfills, creating a product and/or in the case of the GHG Reduction grants and loans, associated GHG reductions. CalRecycle also coordinates with a number of other agencies to offer a broader range of funding and market development services.

- [Greening Your Business](#). Don't throw profits out with the trash! Green your business to save money and reduce greenhouse gas emissions with help from CalRecycle.

Local jurisdictions shall implement an organic waste recycling program (program) on and after January 1, 2016, to divert organic waste generated by businesses. Each jurisdiction is unique and shall adopt a program that suits its specific local needs, e.g., depends on type of organic materials that businesses generate, etc. If a jurisdiction, on and after January 1, 2016, has in place an organic waste recycling program that meets the requirements of this section, it is not required to implement a new or expanded organic waste recycling program.

A jurisdiction's organic waste recycling program targeted to commercial organic waste generators may include, but is not limited to, one or more of the following key elements:

- Implementing a mandatory commercial organic waste recycling policy or ordinance.
- Enforcement provisions, including a structure for fines and penalties.
- Requiring a mandatory organic recycling program through a franchise contract or agreement.
- A requirement that organic waste go through a source separated or mixed processing system that diverts organic waste from disposal.
- Certification requirements for self-haulers.
- Charging and collecting a fee from an organic waste generators to recover the jurisdictions' cost complying with the law.
- Implementation or enforcement of organic waste recycling requirements that are more stringent or comprehensive than the minimum requirements outlined here.

The law also requires that each jurisdiction's program contain certain common elements. These requirements are applicable whether or not the jurisdiction meets its [50 percent per capita disposal target](#):

- Identifying the businesses that meet the applicable thresholds.
- Conducting annual education and outreach to inform businesses about the law and how to recycle organics in the jurisdiction. Jurisdictions can build on their education, outreach and monitoring activities into the activities that they are doing to implement the [Mandatory Commercial Recycling](#) law. A jurisdiction could incorporate information about how to recycle organics into its existing education/outreach activities via using electronic tools, e.g., the jurisdiction's and the hauler's websites; providing written materials, e.g., a brochure; and making direct contact with businesses, e.g., on waste assessments or presentations to business organizations.

- Implementing annual monitoring activities to identify those not recycling and to inform them of the law and how to recycle organics in the jurisdiction. Jurisdictions can build on their monitoring activities for Mandatory Commercial Recycling. For example, the hauler may be responsible for identifying those not recycling organics and the jurisdiction may contact those not recycling organics via a letter, phone call, and/or site visit.

Note: The authority of a local governmental agency to adopt, implement, or enforce a local organic waste recycling requirement, or impose a condition upon a self-hauler, that is more stringent or comprehensive than the requirements of this law is not limited. Additionally, the following are not modified, limited, or abrogated in any manner by this law:

- A franchise granted or extended by a city, county, city and county, or other local governmental agency.
- A contract, license, or permit to collect solid waste previously granted or extended by a city, county, city or county, or other local governmental agency.
- The existing right of a business to sell or donate its recyclable organic waste materials.
- The authority of a local jurisdiction with respect to land use, zoning, or facility siting decisions by or within that local jurisdiction.

Exemptions. On a case-by-case basis, a jurisdiction may exempt individual businesses from the organic waste recycling requirements. Jurisdictions must include their rationale for allowing exemptions in the [electronic annual report](#) (EAR) they submit to CalRecycle. Certain exemptions (denoted below with an asterisk) will not be allowed on and after January 1, 2020, if CalRecycle determines that statewide disposal of organic waste has not been reduced to 50 percent of the level of disposal during the 2014 calendar year. Exemptions may include, but are not limited to the following:

- Lack of sufficient space in multifamily complexes or businesses to provide additional organic material recycling bins.
- The current implementation by a business of actions that result in the recycling of a significant portion of its organic waste.
- The business or group of businesses does not generate at least one-half of a cubic yard of organic waste per week.
- Limited-term exemptions for extraordinary and unforeseen events.
- *The business or group of businesses does not generate at least one cubic yard of organic waste per week (if the local jurisdiction provides

CalRecycle with information that explains the need for this higher exemption).

Reporting. Beginning with the submission of the 2016 [Electronic Annual Report](#) (EAR), which is due August 2017, to CalRecycle (and covers calendar year 2016 recycling activities and programs), jurisdictions will be required to report on progress on the implementation of the organic waste recycling program. Each jurisdiction's annual report must include the following information in the 2016 EAR and subsequent EARs:

- Existing local organic waste recycling facilities and the respective capacities available for materials to be accepted.
- Existing solid waste and organic waste recycling facilities within the jurisdiction that may be suitable for potential expansion or colocation of organic waste processing or recycling facilities.
- Efforts underway to develop new private or public regional organic waste recycling facilities that may serve some or all of the organic waste recycling needs of the commercial waste generators within the jurisdiction, and the anticipated timeframe for completion of those facilities.
 - Closed or abandoned sites that might be available for new organic waste recycling facilities.
 - Other nondisposal opportunities and markets.
 - Appropriate zoning and permit requirements to site new organic waste recycling facilities.
 - Incentives available, if any, for developing new organic waste recycling facilities within the jurisdiction.
 - Barriers to siting new or expanded composting, anaerobic digestion and chip and grind facilities and a plan to remedy those barriers that are within the control of the local jurisdiction.
- Report on the identification, education, outreach and monitoring activities, including the number of businesses that are not recycling organics and what was done to inform them of the law. Providing tonnage on the amount of material that is recycled is optional.
- Rationale for allowing exemptions, and, if applicable, report on enforcement efforts.

Additional Resources for Local Jurisdictions

- [Draft Generator ID Tool](#) (PDF, 394 KB). The purpose of this tool is for estimating how many employees it takes to generate 8 cubic yards or 4 cubic yards of organics/week for different business types.

- [Program Needs Assessment Tool](#) (PDF, 378 KB). A simple analytical tool to assist jurisdictions in assessing business and programmatic needs and determining appropriate programs if needed. This tool incorporates the types of questions that CalRecycle staff will ask during annual site visits, annual report reviews, and the formal Jurisdiction Review period to assess the adequacy of program implementation and to make a recommendation regarding a jurisdiction's compliance with pertinent requirements.
- **Public Relations Toolkit** coming soon.
- [Draft Electronic Annual Report Questions to Address AB 1826](#) (PDF, 210 KB). Starting with 2016 Annual Report (due August 2017) the specific questions that would need to be addressed in the Electronic Annual Report for each jurisdiction.
- [The Institute for Local Government's \(ILG\) Recycling Resource Center](#) offers useful resources and tools related to the funding & financing and planning & siting local recycling infrastructure. This resource center also features a section devoted to commercial recycling.