



California State Treasurer Fiona Ma, CPA

News Release

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State Treasurer Fiona Ma Cheers New Law to Improve Recycling Programs, Extend Sales Tax Exclusion

SACRAMENTO – California State Treasurer Fiona Ma thanked Governor Gavin Newsom for signing the California Recycling Market Development Act, which updates California’s recycling programs to adapt to significant challenges in the marketplace and extends a successful sales tax incentive program administered by the Treasurer’s office.

Assembly Bill 1583, which was authored by Assemblymember Susan Eggman and co-sponsored by Treasurer Ma, Californians Against Waste, and Republic Services, creates critical new programs and the new “The Statewide Commission on Recycling Markets and Curbside Recycling” to bring together local governments and private recyclers to help manufacturers identify uniform product design suggestions that will facilitate a more streamlined and compatible recycling infrastructure.

The Sales Tax Exclusion Program, operated by the California Alternative Energy and Advanced Transportation Financing Authority, which is chaired by Treasurer Ma, was set to expire in 2021. The passage of AB 1583 ensures this significant program will continue for an additional five years – helping grow advanced manufacturing, recycling, and other innovative businesses within California.

In nine years, the program has assisted over 220 recycling and manufacturing projects across 33 counties, aided rural and urban regions by retaining or creating over 66,000 jobs, helped to spur investment in \$9.7 billion in manufacturing equipment, and encouraged recycling. Over

51% of these project are located in high unemployment counties, and over 84% of the awards are small.

“I want to thank Assemblywoman Eggman for her leadership and continued advocacy in this space, as well as the Governor for his support and endorsement of AB 1583. This Act reinvigorates a proven, successful tax incentive program that has spurred billions of dollars in investment in clean energy, recycling, and manufacturing and retained and created thousands of jobs,” said Treasurer Ma. “It promotes innovate solutions to save energy, reduce waste, preserve our environment, and keep California a leader in fighting climate change.”

The California Recycling Market Development Act also addresses problems brought on by China’s decision to significantly limit the amount of recycling materials it buys from California, forcing California to find new ways to meet its goal of diverting 75 percent of solid waste the state produces away from landfills.

“Our current recycling crisis cannot be solved by any single piece of legislation – this bill is a key piece to the puzzle,” said Assemblymember Eggman. “Developing recycling markets in California will provide critical outlets for material that is now being rejected by foreign markets. Our recycling system is on the brink of disaster, and we need to step up and take responsibility for it.”

The Act also extends the Recycling Market Development Zone program, set to expire in 2020, for five more years. The zone program provides technical and financial incentives to attract and retain recycling manufacturers.

The legislation also:

- Creates the Mixed Waste Paper Incentive program to develop an incentive payment program for in-state processing of waste paper for secondary markets.
- Launches the Organic Waste Recycling Infrastructure Program to develop an incentive payment program for building composting and anaerobic digestion infrastructure.

- Eliminates the requirement that the “chasing arrows”/ “recycling symbol” appear on all plastic products. The current requirement causes confusion because the symbols appear on some products that are not recyclable.

Fiona Ma is California’s 34th State Treasurer. She was elected on November 6, 2018 with more votes (7,825,587) than any other candidate for treasurer in the state’s history. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer’s Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is the world’s fifth-largest economy and Treasurer Ma is the state’s primary banker. Her office processes more than \$2 trillion in payments within a typical year. She provides transparency and oversight for the government’s investment portfolio and accounts, as well as for the state’s surplus funds. Treasurer Ma oversees an investment portfolio of more than \$90 billion, more than \$23 billion of which are local government funds. She serves as agent for sale for all State bonds, and is trustee on more than \$90 billion of outstanding debt.

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