

Organics Management to Reduce Methane and Combat Climate Change Workgroup

Meeting #4

August 19, 2021



Housekeeping

- Please mute your lines if not speaking
- If you are having technical difficulties, chat Sam Kwok
- Presentation portion of today's meeting is being recorded
- All our presenters will present and then we will have time for Q&A
- Please raise your hand by clicking on the “participants” button and clicking on the hand by your name if you have a question
 - I will call on people
- You can also put questions in the chat at anytime and we will answer them during the Q&A portion

Meeting #4 Agenda

AGENDA

2:00-2:10	Welcome and Agenda Overview
	Continue Topic #1 Discussion: Food waste source reduction/diversion/ rescue/rescue groups
2:10-2:25	Improve the system (logistics) I: Improve donation transportation (#17) & Increase access to cold chain mgmt (#22) <ul style="list-style-type: none">• Workgroup Member Input: Strengths & Concerns/Issues• Observer Input
2:25-2:40	Improve the system (logistics) II: Value-added food processing and manufacturing (#23) Community food hubs (#24) <ul style="list-style-type: none">• Workgroup Member Input: Strengths & Concerns/Issues• Observer Input
2:40-3:00	Provide Alternative Tax Credits for Food Donation by Farmers and add tax credit for social supermarkets <ul style="list-style-type: none">• Workgroup Member Input: Strengths & Concerns/Issues• Observer Input
3:00-3:50	Presentations: Topic #2 Background: <u>Sectors & Sources</u> <ul style="list-style-type: none">• Andrea Lai and Emily Coleman, King County: King County organic material feedstocks and capacity• Heather Trim, Zero Waste Washington: statewide feedstocks to facilities• Mary Harrington or Dawn Marie Maurer, Ecology: Industrial feedstocks• John Forde, Essex Properties: Multi-family challenges• Q&A (Workgroup Members & Observers)
3:50-4:00	Next Steps and Adjourn

Work Group Structure and Role

Purpose: Improve organics management system in Washington in order to reduce methane and combat climate change.

Role: Using California SB1383 Law as a starting point, gather stakeholder input to inform policy tailored for Washington.

Work Group Structure

- Made up of a diverse set of stakeholder organizations
- Each organization gets one seat at the table
- Others can join as observers (there will be a spot on each agenda for observers to comment or ask a question)
- Two meetings per month through end of year
- Meeting content will include:
 - Presentations of background info
 - Discussion of topics included in possible legislation:
 - If there is agreement on a topic, that will be noted
 - If there is not agreement, issues/concerns will be identified
- Copies of information from each meeting will be posted at: organicsworkgroup.org/

Agenda Committee

- Local Gov't: Andy Smith
- Environmental: Heather Trim
- Waste Management: Brad Lovaas
- Composter: Majken Ryherd
- Any other interested sectors?

Topics (revised per agenda committee input)

1. Food waste source reduction/diversion/rescue/rescue groups (8/5 & 8/19)
 2. Sectors & Sectors (8/19 & 9/16)
 1. Sectors: Business/Commercial/Industrial sources/Multi-family/single family/
 2. Sources: Yard/Food/Wood/Dairies/Ag
 3. Financials/end-markets/purchasing, Soil health/nitrogen cycling, Regenerative agriculture
 4. Energy generation/Credits/Carbon sequestration/Nutrient recovery/Incentives Equity
 - Infrastructure/New technologies
 - Education/Generator behavior change/Source reduction/Technical assistance
 - Contamination/Labeling
 - Local governments/UTC (funding, financing, collection, rates, etc.)
- Collection approaches
 - Permitting/Air/Water/Odors/Monitoring
 - Geographic issues/Apple maggot/Localized/Rail
 - Targets/Performance standards

Topics Discussion

Improve the system (logistics) I: (#17) Improve donation transportation (#17) Increase access to cold chain management (#22)

Improve donation transportation by:

- Developing partnerships between food businesses, logistic companies, and hunger relief organizations.
- Increasing food rescue through efficient transportation and incentives.
- Increase funding for transportation investments.

Increase access and funding for cold chain management across the food supply chain, especially for hunger relief organizations.

Input: Improve the system (logistics) I: Improve donation transportation (#17) & Increase access to cold chain management (#22)

Strengths	Concerns/Issues

Improve the system (logistics) II: Value-added food processing and manufacturing (#23) and Community food hubs (#24)

Support value-added food processors and manufacturers by:

- Increasing incentives for sector development in rural and urban areas.
- Promoting innovations in depackaging and re-packaging technology.
- Increase understanding of regulations and best practices for value-added food processing and manufacturing.

Increase the number of community food hubs across the state to help rescue and recover edible food

Input: Improve the system (logistics) II: Value-added food processing and manufacturing (#23) Community food hubs (#24)

Strengths	Concerns/Issues

Provide Alternative Tax Credits for Food Donation by Farmers and add tax credit for social supermarkets

To incentivize farmers to donate their surplus food and offset some of the costs of donation, WA could provide an **alternative tax credit for farmers** instead of the existing enhanced deduction.

- The existing enhanced tax deduction for food donations is not well-suited to farmers and often is not claimed by them, as many farmers operate at low profit margins and do not make enough income to claim a tax deduction.
- Further, the calculation of the value of the deduction is very onerous for farmers. States can also enact state-level tax credits for food donation, as exist already in about a dozen states.

Expand/create new state-level credits or deductions to cover donations to the ultimate recipient at a deeply reduced price and cover transport services to help overcome one of the most expensive barriers to food recovery.

- Under current law, in order for a donor to claim the federal enhanced deduction for food donation, donations must go to a non-profit organization that *does not charge* the end recipient for the food, thus excluding tax deductions for social supermarkets that sell donated food at an extremely discounted price, or food recovery organizations that charges \$1 to recipients to help offset the costs of home delivery of donated foods.

Input: Provide Alternative Tax Credits for Food Donation by Farmers and add tax credit for social supermarkets

Strengths	Concerns/Issues

Sectors & Sources Presentations