

Date of Hearing: April 24, 2024

ASSEMBLY COMMITTEE ON AGRICULTURE
Esmeralda Soria, Chair
AB 2721 (Committee on Agriculture) – As Introduced February 14, 2024

SUBJECT: Transporting kitchen grease: fees in addition to registration fees: extending sunset date

SUMMARY: This bill will extend to 2031 the California Department of Food and Agriculture’s (CDFA) program to license and enforce issues related to inedible kitchen grease (IKG). Specifically, *this bill*:

EXISTING LAW:

- 1) Makes it is unlawful for any person or entity to engage in the transportation of IKG without being registered with the CDFA.
- 2) Requires IKG registration to include, among other requirements, a specified registration fee.
- 3) Authorizes the CDFA, until July 1, 2025, to charge an additional fee to cover the costs of administering these provisions, up to a specified maximum amount per year for each vehicle that is operated to transport kitchen grease and each registered transporter, except as provided.
- 4) Requires fees and penalties collected pursuant to these provisions to be deposited into the CDFA Fund and continuously appropriates those moneys for IKG enforcement.

FISCAL EFFECT: Unknown.

COMMENTS: The hauling of IKG takes little capital investment to enter into, making it an easy potential operation for fly by night operators. The theft of IKG or the unlawful dumping of IKG or interceptor grease occurs depending on the price of the product – the higher the price the more theft and the lower the price the more dumping. The proper disposal of some of these products may require the operator to incur the cost of tipping fees. When product prices are low, some operators improperly dispose of the product in various illicit methods, such as, dumping into sewer lines, open fields, water bodies or even into other commercial food holding tanks, passing the cost onto the public or other operators. When prices are high, more theft occurs and legitimate operators lose revenues.

The IKG Program is funded by fees paid annually by renderers, collection centers and transporters of IKG. Current fees are set at \$7,000 per renderer, \$3,500 per collection center, \$500 per vehicle for commercial transporters, and \$250 per vehicle for personal transporters.

This bill will extend the IKG program until 2031.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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