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STATE CAPITOL – ROOM 5019
SACRAMENTO, CA 95814



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Agenda

April 6, 2016

4:00 p.m. - Room 112

<u>BILL</u>	<u>AUTHOR</u>	<u>SUBJECT</u>
A.B. 118	Santiago	Hazardous Substances: Clean-up: Exide Technologies Facility

INFORMATIONAL HEARING

Subject: Exide Funding Environmental Clean-up

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Mark Leno, Chair
2015 - 2016 Regular

Bill No:	AB 118	Hearing Date:	April 6, 2016
Author:	Santiago		
Version:	April 5, 2016 As amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Catherine Freeman		

Subject: Hazardous Substances: Cleanup: Exide Technologies Facility

Summary: This bill provides policy changes and an appropriation related to Exide cleanup.

Background: Exide Technologies is located in the City of Vernon, about five miles southeast of downtown Los Angeles. The facility occupies 15 acres in a heavily industrial region with surrounding residential areas. Facility operations included recycling lead-bearing scrap materials obtained from spent lead-acid batteries. This facility ceased operations in 2014 and permanently closed after the Department of Toxic Substances Control notified Exide that its application for a new permit would be denied. The department then ordered Exide to test and clean up residential properties and conducted its own testing.

The department's analysis indicates that releases from the facility deposited lead dust across an area of southeast Los Angeles County, resulting in contamination extending 1.7 miles from the facility and impacting up to 10,000 properties, including residences, parks, and schools.

In August 2015, the Legislature and the Governor approved \$7 million of emergency funding to test up to 1,500 residential properties, parks, schools, and daycare centers in the surrounding community; develop a comprehensive cleanup plan; and begin cleanup of the highest priority sites based on the degree of lead contamination and other exposure factors. To date, the department has removed more than 10,000 tons of contaminated soil and analyzed more than 20,000 soil samples from hundreds of properties. The department has also established an Advisory Group of community leaders, local residents, business leaders, scientists, and elected officials to help guide closure and cleanup efforts.

This bill would provide additional funding from the Toxic Substances Control Account to test the remaining properties, schools, daycare centers, and parks in the 1.7 mile radius and remove contaminated soil at the properties that have the highest lead levels and greatest potential exposure to residents. In addition, the department will conduct specialized tests and analyses to conclusively identify the source of the contamination and hold Exide – and any other responsible parties – accountable.

The plan provides resources to expand community engagement in the testing and cleanup process, enhance coordination and job training for community residents, and promote the use of local business and labor for contracting purposes.

Proposed Law: Specifically, this bill:

- 1) Appropriates \$176.6 from the Toxic Substances Control Account.
- 2) Stipulates that funds may be used for any of the following activities: (a) cleanup and investigation of properties contaminated by lead in communities surrounding the Exide Technologies facility in the City of Vernon; (b) provide job training related to the cleanup and investigation activities; (c) take action to pursue all remedies against potential responsible parties including, but not limited to, cost recovery.
- 3) Provides for a public participation process between the Department of Toxic Substances Control (DTSC) and the community.
- 4) Requires DTSC to develop a job and development training program with the goals of providing skills, health and safety training, and support for job placement related to the cleanup for community members living near the Exide Technologies facility.
- 5) Requires the department to report publicly on the progress of the cleanup through public websites and directly to the Legislature.

Fiscal Effect: Appropriates \$176.6 million from the Toxic Substances Control Account for the purposes stated in the bill.

Support: None recorded.

Opposed: None recorded.

Comments: SB 93 (De León) provides for a transfer of \$176.6 million as a loan to the Toxic Substances Control Account to allow for the appropriation in this bill. The \$176.6 million appropriation will enable the department to address the significant public health concerns in the communities surrounding the Exide Technologies facility in an expedited manner. However, cleanup costs initially incurred by the state will ultimately be sought from the parties responsible for the lead contamination.

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