

## **Refuse Collection and Disposal\***

**Digest** by the Ballot Simplification Committee

**Status:** Draft for Consideration  
**On:** Wednesday, March 2, 2022  
**Members:** Packard, Anderson, Merrill, Patterson

**Deadline to Request Reconsideration:** TBD

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**The Way It Is Now:** In 1932, the voters adopted an ordinance regulating the collection, transport, and disposal of refuse in San Francisco. Refuse includes trash, recyclables, and compostable materials. Under the ordinance, each company that collects refuse must have a City permit. Recology San Francisco, through its subsidiaries, currently holds all of the permits for refuse collection in the City.

In 1954, the voters amended this ordinance to create a Rate Board that has the authority to set and change refuse rates. The Rate Board sets the rates for residential refuse collection and the rates for all refuse disposal. The Rate Board does not set the collection rates for commercial customers, and they are instead set by private contract between the customer and the refuse collector. The Rate Board has three members: the City Administrator, the City Controller, and the General Manager of the Public Utilities Commission.

When the Rate Board receives an application to change refuse rates, it first refers the application to the Director of Public Works ("Director"). The Director must hold a public hearing on the application and then provide a recommendation to the Rate Board. If nobody objects to the Director's recommendation, it becomes final. If someone objects, then the Rate Board holds a public hearing and can modify the Director's recommendation.

**The Proposal:** Proposition \_\_ would remove the Controller from the Rate Board and replace the Controller with a Ratepayer Representative. The Ratepayer Representative would be recommended by an organization dedicated to protecting ratepayers. The Mayor would appoint the Ratepayer Representative, subject to rejection by the Board of Supervisors (Board).

Instead of serving on the Rate Board, the Controller would serve as the Refuse Rate Administrator. As the Refuse Rate Administrator, the Controller would take over the role currently held by the Director, and would be responsible for monitoring rates and proposing new rates to the Rate Board. Before proposing any new rates to the Rate Board, the Refuse Rate Administrator would be required to present its proposals at public hearings before the Commission on the Environment and Commission on Streets and Sanitation. The Rate Board could also set refuse collection rates for commercial customers.

The Rate Board would then hold a public hearing on the Refuse Rate Administrator's proposed rates and would publish its final decision. Any new rates would be in effect for at least two years, but no longer than five years.

Only the voters may later change the Rate Board's membership or its authority over rate-setting. But if recommended by the Mayor, Rate Board, and Controller, and with approval by at least eight votes, the Board may change other parts of the ordinance. Among other possible changes, the Board could establish processes for terminating refuse collection permits and issuing future permits subject to competitive bidding.

**A "YES" Vote Means:** If you vote "yes," you want to change the membership of the Rate Board that sets refuse collection rates to include a Ratepayer Representative, and to have the Controller recommend any rate changes instead of the Director of Public Works.

**A "NO" Vote Means:** If you vote "no," you do not want to make these changes.

*\*Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.*