



CALIFORNIA ALTERNATIVE ENERGY AND ADVANCED  
TRANSPORTATION FINANCING AUTHORITY

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**EXECUTIVE DIRECTOR**  
Deana J. Carrillo

**Date:** November 23, 2015

**To:** All Interested Participants

**From:** Deana Carrillo  
Executive Director, California Alternative Energy and Advanced  
Transportation Financing Authority (CAEATFA)

**Subject:** Request for Information – Expanded State Program  
Sales and Use Tax Exclusion (STE) for California Recycled Feedstock

**Overview/Background**

California recently established a new law to expand CAEATFA's existing sales and use tax exclusion program to include approved projects that process or utilize recycled feedstock.<sup>1</sup> CAEATFA is soliciting input from the end-users of this program to assist in developing the program's structure and requirements.

The authorizing statute (Chapter 768 of the Statutes 2015 (SB 199 Eggman)) provides the legal authority and specific parameters to establish the recycled feedstock portion of the STE program.<sup>2</sup> When the CAEATFA Board of Directors discussed the issue of potential oversubscription to the STE program at its November 17<sup>th</sup>, 2015 meeting, the establishment of a set-aside of a portion of STE funds specifically for AB 199 participants was determined to be necessary in order to ensure that funds will be available to these participants. CAEATFA is collecting information from potential program participants in order to assist in the implementation of AB 199.

CAEATFA is requesting that comments be submitted by **COB December 2, 2015** and welcomes any ideas that may contribute to the successful implementation of the recycled feedstock portion of the program.

<sup>1</sup> The California Alternative Energy and Advanced Transportation Financing Authority is housed within the State Treasurer's Office.

<sup>2</sup> The full text of the statute can be found at [http://leginfo.ca.gov/pub/15-16/bill/asm/ab\\_0151-0200/ab\\_199\\_bill\\_20151011\\_chaptered.pdf](http://leginfo.ca.gov/pub/15-16/bill/asm/ab_0151-0200/ab_199_bill_20151011_chaptered.pdf)

## **Questions**

- 1) Please provide the name of your company and information for the best point of contact for your company (name, telephone and email address).
- 2) In what way do your activities meet the statutory definition of a project that “processes or utilizes recycled feedstock”? (Please specify your industry and type of feedstock)<sup>i</sup>
- 3) How much equipment do you anticipate purchasing during the next four years (from 2016-2019)?
- 4) Approximately when do you anticipate beginning the purchase of equipment?
- 5) Are there any other comments which you wish to make regarding the implementation of AB 199?

## **Responding to this RFI**

Please submit your questions and/or response to:

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You may e-mail your response and/or questions to: [caeatfa@treasurer.ca.gov](mailto:caeatfa@treasurer.ca.gov). For questions or concerns, please contact [Nina.Kapoor@treasurer.ca.gov](mailto:Nina.Kapoor@treasurer.ca.gov).

## **Next Steps**

The input received from this RFI will assist in CAEATFA’s development of the initial program structure/regulations to implement AB 199. CAEATFA anticipates soliciting additional feedback from stakeholders and hosting various public workshops and meetings to solicit further input on program development and implementation. Interested parties are encouraged to sign-up on CAEATFA’s listserv at <http://treasurer.ca.gov/caeatfa/>. Updates, when available, will also be posted on the [AB 199 website](#)

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<sup>i</sup> Public Resources Code Section 26011.8 (b)(1) “Project” means tangible personal property if at least 50 percent of its use is either to process recycled feedstock that is intended to be reused in the production of another product or using recycled feedstock in the production of another product or soil amendment...“Project” does not include tangible personal property that processes or uses recycled feedstock in a manner that would constitute disposal as defined in subdivision (b) of Section 40192.