

Economic Incentives Workshop

Introduction

June 15, 2009

Why are we holding this Workshop?

- ◆ **S.D. 6.1 – reduce organics in waste stream by 50% by 2020**
- ◆ **Stakeholder input at Biofuels Forum and Organics Summit**
- ◆ **2008 Organics Policy Roadmap**
- ◆ **The BOARD has no dedicated funding for vast majority of waste stream**
- ◆ **ARRA and other funding programs provide opportunities**

Workshop Paper

- ◆ **Several Categories of Economic Incentives**
 - **Funding**
 - **Tax Credits**
 - **Tradable Permits and Tariff Contracts**
 - **Taxes and Fees**

Funding

- ◆ **Grants – money given by a government agency for a specific purpose (does not have to be repaid)**
- ◆ **Loans - money borrowed from a government agency, generally below the market rate**
- ◆ **Bonds - a certificate, generally an Industrial Development Bond, issued by a government or public company that promises to repay money at a fixed rate of interest and at a specified time**

Tax Credits

- ◆ **A credit that reduces a business' tax liability**
- ◆ **Example – Federal Renewable Energy Production Tax Credit (PTC)**

Tradable Permits and Tariff Contracts

- ◆ **Tradable Permit**
 - **Cap-and-Trade system**

- ◆ **Tariff Contracts**
 - **PUC feed-in tariffs**

Taxes and Fees

- ◆ **Payment for discharges of pollutants to the environment**
- ◆ **May be based on quality or quantity of the pollutant**
- ◆ **Examples – solid waste disposal fees, air emission permit fees, fertilizer taxes**

Agenda

- ◆ **Introduction**
- ◆ **Presentations**
- ◆ **Panel Q&A Session**
- ◆ **Open Discussion**
- ◆ **Next Steps**



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