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CALIFORNIANS ALLIED AGAINST REGRESSIVE TAXATION ANNOUNCES UNIFIED OPPOSITION TO PROPOSED DIAPER RECYCLING TAX

Senate Bill 204 Would Create a New Tax Targeting Seniors and Young Families to Expand State Bureaucracy and Fund an Unproven Technology

SACRAMENTO April 15, 2003 – Californians Allied Against Regressive Taxation (CAART), a broad-based coalition of California advocacy organizations, today announced its opposition to legislation pending in the state Senate that seeks to impose a statewide tax on disposable baby diapers and adult incontinence products. Funds generated by the new tax would be earmarked to pay for diaper recycling facilities throughout California, although there is no proven, economically feasible diaper recycling technology in existence today.

Introduced by Senator Don Perata (D-Oakland), SB 204 would tax seniors and young families approximately $6.5 million per year while creating a multi-million dollar expansion of state bureaucracy.

CAART's opposition to the bill is based on the inequity of the proposed tax and the government subsidy it would create for the benefit of a single company – Knowaste LLC, the principal driver and behind-the-scenes proponent of this legislation.

According to CAART spokesperson Greg Turner: "This is a bad bill, plain and simple. It taxes the people who are least able to afford it for an unproven benefit, and it creates a waste welfare program that subsidizes a single company with a track record of failure."

Turner, who is general counsel and legislative director for the California Taxpayers' Association, commented, "Given the current budget crisis in California, now is not the time to seek additional tax dollars only to hand them over to a private company that, so far, has not demonstrated it can fulfill its stated goals. Furthermore, this tax targets directly the very people who can least afford it: working class families with young children and seniors living on fixed incomes.

"CAART members support research and new technologies aimed at improving the waste management of consumer products provided they demonstrate real environmental benefit and are economically viable. In our view, the Knowaste process does not meet either criterion," said Turner.

Last year, Gov. Gray Davis vetoed a similar bill, SB 1882, noting in his veto message that "diapers represent only a tiny fraction of the waste stream and do not merit this specialized attention."

According to the federal Environmental Protection Agency, diapers make up about 2% of discarded municipal solid waste. By comparison, newspapers, magazines, mail and other printed papers are 16% of discarded municipal solid waste.

CAART membership is comprised of the following organizations: California Chamber of Commerce; California Manufacturers and Technology Association; California Taxpayers' Association; Howard Jarvis Taxpayers Association; California Association of Health Facilities; Congress of Racial Equality of California; Adopt an Elder Foundation, and the California Alliance for Consumer Protection.

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