Legislation to Create Bicycle Libraries in California

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ARCATA LIBRARY BIKES has become California's largest bicycle recycler, with over 2500 bikes checked out to local residents. The program checks out bikes like borrowing a book from a library, program users borrow the bikes for up to six months.

Abstract:

The status of California Legislation to create Bicycle Library - public bicycle reuse centers.

In California legislation to support Bicycle Libraries has progressed, California Assembly Bill 1103 is authored and is currently debated. An effort to install advance disposal logic to the flow of thrown away bicycles has created a movement to embrace bicycle reuse and bicycle library - lending of bicycles.

Arcata Library Bikes, Cycles of Change in Oakland, and Trips For Kids in San Rafael have sponsored the legislation and developed the concept. The Bicycle Kitchen in Los Angeles, the Bicycle Hut of San Francisco, the Bicycle Church of Santa Cruz have contributed content and support.

The creation of centers for bicycle reuse that become centers of bicycle support and infrastructure has inspired much press and dialog around bicycle issues. The bill will help fund bicycle libraries across the state.

Manufactures in Europe have expressed interest in the method of voluntary bike recycling. European manufactures feel their product is quality - long life product - that should have a cradle to grave strategy that does not inspire waste. The concept of a voluntary purchase of an advance reuse- recycle - disposal sticker has been attractive to some manufactures.

The debate on this topic involves bicycle retailers, bicycle manufacturers, nonprofit groups, environmental groups, bike clubs, bike lobbyists, as well as individual maverick internet spammers. The work of this legislation is complicated, as well as entertaining! It involves famous names like Gary Fisher, Joe Breeze, and Arnold Schwarzenegger's office as participants. Arcata Library Bikes director Bill Burton (California's largest bicycle recycler) is the prime sponsor of the bill.

The current legislation is in process of review by many committees of the legislature, and is constantly amended as politically required. The current advance of, and popular dialog about this legislation will be presented in this paper.

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Legislation to Create Bicycle Libraries in California

1. The Legislation

Arcata Library Bikes has sponsored legislation to provide for bicycle libraries and bicycle reuse-recycling centers throughout California. The legislation, AB 1103 is carried by State Assembly member Betty Karnette of Long Beach, a member with a long history of supporting transportation integration of all modes.

The legislation seeks to establish a flow of used bicycles into reuse recycling centers, rather than into the waste stream. The bikes are offered back to the public on the model of a library loan, in which a small deposit secures a bicycle users can check out for as long as six months. During this time, riders can return to the bike library for repair and information, as they learn the bicycle lifestyle, and join the bicycling community. Our research shows that new riders do use their bikes in place of motorized car travel, and become responsible bicycle riders, owners and commuters when they have the convenient support system that a bike library can offer.

The legislation would establish a way of funding these reuse programs. A familiar model for funding of recycling in California has been the recycling of bottles, paid for by a redemption value that is charged at the point of purchase. Following this example we propose the establishment of a redemption value for bicycles at the time of purchase. At the time of purchase, dealers would collect a small $7 redemption charge, and issue a trendy bicycle recycle sticker to the purchaser. The sticker, about the size of a bike license sticker, would designate the bikes that had paid their redemption charge, and would be refunded a redemption amount when the bike is turned in at a bike reuse - bicycle library center.

The legislation is designed to fund one bicycle reuse-recycle center in each county of the state. The amount of income from the program is yet to be verified as the popularity of bike sales and the popularity of displaying the onboard stickers are to be determined. Even at a lower level of funding, this system can be used to establish a method of recycling bikes in many parts of the state.

The insurance industry would need to be included in our legislation, as insuring these programs would be necessary. This is discussed in the Insurance chapter later.

This legislation has gone through many twists of lobbing and modification, weaving an entertaining story in itself.

With this background we advance into the world of politics, with our bicycles and bike stickers in hand, press releases flying, computers networking, and our dedicated supporters make trips to the capitol. (Maya Carson, Chris Gardner, Jill Contreras, Harmony Groves, Jennifer Knight, John Burton, Grey)

2. The Story

Getting the attention of both the bicycle community and legislators on the topic of recycling through bike libraries was daunting. Responses ranged from disparaging outrage to enthusiastic excitement. Many legislators said they would carry this legislation but few have space due to limits on quantity of legislative bills they can introduce. The conservative legislators liked how our system of self-funded bike loans will not cost the state any funds. It would be "bicyclist paying for a bike program" according to one. Others were warmly welcoming of the continuous supportive environment of the community bike centers, and commented about how unbelievable it is that kids participate so well in bike learning.

For years people from our organizations made trips to the capitol in Sacramento, looking to place some form of acceptance of Community Bikes into law. Many meetings with legislators and their staff were sympathetic but unsuccessful to find ways to support Community Bikes. A group in Marin County gave up their plans to start a community bike program because they saw no legal way around the liability issues of free bike programs. This Marin county effort had started legislation to eliminate the liability for groups that provide bikes for the public good. This had been done in Colorado, but in California, where trial lawyers are the largest single political donor group, the lobbyists for trial lawyers quickly informed their legislators they would not support this legislation, and the concept stopped into mud.

To show the depth of interest we engaged two strategies; one was direct contact at the capitol, and two was a flood of post cards sent from cyclist to their legislators. Bill Burton started a postcard campaign in 1997 and 98 which sent over 400 postcards like the one below:

QuickTime™ and a
TIFF (Uncompressed) decompressor
are needed to see this picture.

Figure 1. Support Post Card

It was fun to see our cards on the desks of legislators in Sacramento, who would respond to each card.

These efforts to get a limited liability exception passed for bike programs in the 97 - 98 campaign, didn't make the cut as legislation. But later the same legislators knew we were serious in 2003 when the current campaign took form. Meanwhile, our stickers, activities and programs had started to become a visible presence. Library Bikes were increasing ridership. The price of gas doubled and alternatives to car and gas use were of interest. The Arcata Library Bikes program received recognition from a State Senator

for their kids bike program. Senator Betty Karnette and her staff agreed to author the legislation. Many coauthors were available yet time was short and the bill was authored on the last day of the legislative deadline without the list of 10 coauthors.

The governor had been elected partially based on his stance that there needs to be afterschool programs for kids. In support of this goal we designated that up to 10% of all to program funds could go to afterschool kids programs. We believed this portion of the legislation would excite the governor, as we meet one of his goals, and the additional cost to the state is zero, another of his goals.

A flurry of media attention happened the few days after our legislation was printed at the capitol. Many interviews from newspapers, such as the Sacramento Bee, The San Diego Union, and in depth review by trade publication such as Bicycle Retailer created a blizzard of discussion. At the same time individuals sent opinionated emails all around the internet. At this point many explanations to those not familiar with Library Bikes and bicycle reuse and recycling was dialoged on the internet such as the information about the programs that follows; about early history, popularity, the numbers, insurance, and current status updates.

2.1 Early History

Bicycle reuse was limited to used bike stores and a pocket of reuse and kids after school programs before the millennium shift. The largest known early reuse programs were in San Francisco, run by a few volunteers with no insurance, in San Rafael and Oakland where Trips for Kids and Cycle of Change receptively used bikes for afterschool adventures, the Arcata Community Bikes program and the Santa Cruz Bike Church operated on a volunteer basis. The largest known program in California in the 1990,s was one in Fresno run by a Rotary Club that handled some 800 bikes overall and used prison labor for the repairs.

It is funny that the Fresno Bike reuse program felt they would not ever have a liability issue with the bikes repaired by prisoners and distributed by the Rotary Club. If there were a complaint of a bad bike the issue would be if the prisoner had done a good thing or bad thing by fixing the bike for the community. Who would ever expect to win a complaint against a prisoner who volunteers to make bikes for free use by other free citizens? There was never a complaint. The program was, in fact, recognized by the then Governor of California, Pete Wilson and operated without need for liability insurance.

2.2 Popularity

Used bicycles, and older historic bike restoration are a huge and growing trend in America. Many 1960s and 1970s frames get rebuilt if the equipment is rescued from the waste stream. Used bikes are now marketed individually by online sales such as EBAY, and impound bikes from police departments are sold online. The popularity of “fixies” or rebuilt fixed gear bikes that are simple, light and made from a conglomerate of old parts are like a fashion statement, or style of life.

Even including these channels, 90% of used bikes are discarded and reuse accounts for less than 10%. We have observed across California only a few dozen used bicycle shops handling in the neighborhood of a few hundred bikes each year. Sales of used bikes in California only approach the neighborhood of tens of thousands, not larger. On the other

hand the inventory of used bikes is estimated at a minimum of one for each person in the state, more than 32 million bikes. For the past few years sales of bicycles into California has been above 1.5 million according to industry publications. Even without an official count of the number of bikes thrown away in California, we know it is over 250,000, and probably over 500,000 per year. These bikes end up in the waste stream. Landfill operators in Humboldt County, California say that 1500 bikes are thrown away in their waste operation, down from 2500 bikes a year thrown away before a Library Bikes program existed in this county. This county has about 100,000 people.

New riders usually need help, not only with technical repair, but fitting, educating and confidence building if they want to use bicycles to change to a less car dependent lifestyle. The director of Palo Alto Bike Station has measured more women than men use their bike parking and repair facility, probably as a result of an attended facility, because an unattended facility may not feel safe or facilitating.

The Library Bike center in Arcata has become a location where people learn to interact with their bike. In a community of 16,000 population we have checked out over 3000 used bikes to people in less than 4 years. The bikes have become a fixture in the community that residents and visitors alike depend on instead of cars. We know over 300 riders have promised to never drive a car in our town while they have a Library Bike.

The bike kitchen in Los Angeles, and the Trips For Kids program in San Rafael, and the Cycle Of Change programs in Oakland have all had similar increase of riders use of their used bikes.

The Library Bikes facility provides a structure of support for bicyclists. Social activities unique to the bicycle community take place here. Dialogs about bicycle riding safety and situations with or against cars and trucks converge toward solutions, such as presentations to the town council for repair of facilities. The facility being located in the center of town adds to the prominence of cycling as mainstream transportation. Rallies and concerts have taken place at the center. Participants in local special events such as the Kinetic Sculpture Race use the resources of bike parts and building space to create their wild racing machines. One New Years winter night the power was off for days around town, but the bike shop had a human powered D.J. music and light show party well past midnight, making use of bike power electric generating and dancing energy -- the two go well together. The Library Bikes center is really an indoor urban park.

The Library Bikes Center demonstrates how a bicycle facility can operate as bicycle infrastructure. Just as a train station is needed for people to interact with the train, a bike station provides a place for people to put their bicycle transportation into action. Bicyclists need a few tools and accessories, but more significantly they need up to date communication and the support of fellow riders.

2.3 The numbers

In California over 90% of bicycles are disposed of in the waste stream, a quantity of over 250,000 bikes. Recently the growth of bicycle sales in California has surpassed 1.5 million per year, exceeding the average of the last decade of 800,000 per year. These sales numbers includes kids bikes, bikes with 12”, 16” and 20” wheels, which account for nearly 1/3 of the disposed bikes.

The used bike has few options for disposal at end of service life.

The service life of bicycles is widely varied. It has been our experience at Arcata Library Bikes that modern 1990s and 2000s decade bikes are manufactured of low quality standards and thus highly disposed of. We have seen large quantities of American made and foreign made Schwinns, Huffys, and Sears bikes of low quality being disposed of. We get large amounts of European bikes from the 1960s, 1970s, and Japanese bikes from the 1970s and 1980s that are operable condition but are disposed of because of minor single problems such as flat tires, broken cable, or merely faded paint, rust spots, or broken plastic accessories (see www. Arcata.com/greenbikes).

The dumping of new bicycles into California from Asia is obvious concerning the kids bike products. Arcata Library Bikes are given hundreds of kids bikes that appear to have less than 20 miles use on the tires. Many are manufactured of low quality such that long life is not expected.

1/4 million bikes are thrown away in California each year as we are told by waste processing facilities. Analysis of the flow-of-material points to much higher numbers of bikes being disposed, possibly as high as 3/4 million a year being thrown away. In the long run we know the sold bikes will end up in some waste stream if no modern alternative is implemented. The numbers of bikes disposed per year will exceed 1 million in the future at the current consumption rate in California.

This growing problem has been addressed and challenged by a few maverick programs, mostly donation based systems where the bikes are given to non-profits or charity organizations. Some estimates are made at up to 10% of all California's used bikes ending up in such donation locations. The remaining 90 % of used bikes are disposed of, and go to toward the waste stream.

Arcata Library Bikes has become the largest bicycle reuse and recycling operation in California. We have put over 2500 bikes into reuse in the past 3 years, in a town of 16,000 population, and surrounding community of less than 100,000 population. After 7 years of operation, we feel we reached a ceiling point of donations of used bikes in our population, of about 100 bikes a month being donated (1200/year) for our population size.

2.4 Insurance

In California the liability involved in running a free to use bike program had been difficult to access before Arcata Library Bikes existed. Arcata Library Bikes was the first program to be fully insured for a number of years, and established a loss- risk ratio the insurance industry could use to establish just and reasonable rates. Without this milestone the assumed liability rates would have been to high to even contemplate insuring such programs. The insurance lobby was contacted. After review of the liability issues and the professionalism that these programs can be run under they assured us we will continue to be able to find insurers for these programs.

3. Current Status

As of January 1 2006 the California Bike Library legislation, AB1103, is in the middle of a rewrite. The new bill is expected to allow voluntary participation in bicycle recycling – redemption value fee, rather than a mandatory fee on all bike purchases.

The bill may take a few more years of revision and growth of support before approval of some form. We cyclists may have to wait for a change of government leadership, such as a change of Arnold Schwarzenegger, our current Governor, who did not approve funds for bicycle facilities last year.

Figure 2. Original 2005 Version of California Assembly Bill 1103

california legislature—2005–06 regular session
ASSEMBLY BILL No. 1103
Introduced by Assembly Member Karnette
February22, 2005
An act to add Chapter 20 (commencing with Section 42990) to Part 3 of Division 30 of the Public Resources Code, relating to bicycle recycling and, making an appropriation therefor.

legislative counsel's digest

AB1103, as introduced, Karnette. Bicycle recycling.
The existing California Integrated Waste Management Act of 1989, which is administered by the California Integrated Waste Management Board, establishes an integrated waste management program, including the regulation of solid waste disposal.
The bill would establish the Bicycle Recycling and Disposal Program and would require each person selling a new bicycle in the state to pay a charge of $7 to the board. The bill would exempt a used bicycle from the charge.
The bill would require the board to deposit the revenues collected into the California Bicycle Recycling and Disposal Program Fund, which the bill would create in the State Treasury. The bill would continuously appropriate the money in the fund for specified purposes, including to pay refund values, to make block grants for the implementation of certified reCycling centers, and to cover the cost of insurance.
The bill would require the board to appoint a bicycle program administrator to oversee program operation and to certify reCycling centers. The bill would require a reCycling center to conduct specified activities with regard to bicycle recycling, including accepting bicycles for reuse or recycling at no charge and paying a $3 refund value to each person who submits a California redemption value bicycle to the center for reuse or recycling. The bill would also authorize a reCycling center to take other actions with regard to encouraging recycling of bicycles.
The bill would require the board to adopt regulations, by March 1. 2006, to implement the program.
Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

SECTION 1. Chapter 20 (commencing with Section 42990) is added to Part 3 of Division 30 of the Public Resources Code, to read:

Chapter 20. BICYCLE REUSE, RECYCLING AND DISPOSAL PROGRAM

42990. (a) Bicycles are a low-cost, low-energy, nonpolluting form of transportation. Disposal of used bicycles is wasteful and expensive.

(b) California has an escalating number of bicycles for disposal every year. Currently over 250,000 bicycles are disposed of in California. Less than 3,000 of them are recycled each year.

(c) The scarcity of bicycle reuse, recycling, and disposal centers, and the charges imposed on consumers for landfilling used bicycles create economic disincentives for recycling that could be addressed through a recycling incentive program. Currently the cost to the state through waste disposal operators exceeds three dollars and fifty cents ($3.50) per bicycle handled.

(d) Used bicycles are a valuable state resource that should be reclaimed and recycled wherever possible. There are currently no dedicated resources for the recycling of used bicycles or any comprehensive bicycle reuse programs. Therefore, the levying of a fee for the disposal of used bicycles in the state is needed to support bicycle recycling and reuse activities.

(e) Bicycle recycling education and mitigation efforts regarding proper recycling and reuse of used bicycles is within the purposes of this chapter.

(f) It is the intent of the Legislature to reduce the illegal disposal of used bicycles in both urban and rural settings and reclaim them to the greatest extent possible in order to recover valuable natural resources, to avoid damage to the environment, to prevent threats to public health, and to create opportunities for reuse.

(g) The Legislature declares that the imposition of a seven dollar ($7) fee upon the sale of a new bicycle in this state would not result in the imposition of a tax within the meaning of Article XIIIA of the California Constitution, because the amount and nature of the fee has a fair and reasonable relationship to the adverse environmental burdens imposed by the disposal of bicycles in solid waste landfills and there is a sufficient nexus between the fee imposed and the use of those fees to support programs that encourage and provide for the recycling and reuse of the bicycles.

42991. Unless the context otherwise requires, the following definitions govern the construction of this chapter:

(a) “Administrator” means the Bicycle Program Administrator appointed by the board pursuant to Section 42995.

(b) “Bicycle” means a two- or three-wheeled human-propelled vehicle.

(c) “Fund” means the California Bicycle Recycling and Disposal Fund established pursuant to Section 42998.

(d) “Library bicycle” or “library bike” means a bicycle that is

donated to a bicycle lending program.
(e) "Program" means the funding and establishment of "reCycling centers" pursuant to this chapter.
(f) "ReCycling center" means a certified program that accepts used bicycles for reuse or recycling, pursuant to Section 42996.
(g) "Used bicycle" means a bicycle that is not being sold at retail.
42992. This chapter shall be known, and may be cited as, the "Bicycle Recycling and Disposal Program."
42993. (a) (1) Each person selling a new bicycle in the state shall pay a fee of seven dollars ($7) to the board for every new bicycle sold in the state.
(2) The sale of a used bicycle is exempt from the fee imposed pursuant to paragraph (1).
(b) The board shall deposit the fee revenues collected pursuant to this section into the fund. For purposes of this chapter, the board may collect the fees pursuant to the Fee Collection Procedures Law (Part 30 (commencing with Section 55001) of Division 2 or the Revenue and Taxation Code).
42944. Each bicycle sold in the state that is not a used bicycle shall clearly indicate the message "CA Redemption Value" or "California Redemption Value" by securely affixing a long-lasting sticker with the bicycle recycling logo to the bicycle.
42995. (a)The board shall appoint a bicycle program administrator to oversee program operation, develop eligibility criteria for certifying reCycling centers operating pursuant to this chapter, and administer program funds, including awarding grants. The board shall review the appointment of the administrator at least every three years. The bicycle program administrator may either be an organization or an individual, and shall be an independent contractor.
(b) The bicycle program administrator shall meet all of the following requirements:
(1) At least five years' experience reusing and recycling bicycles.
(2) Participation in national and international bicycle conferences.
(3) Experience with bicycle events and management of bicycle events.
(4) Engineering experience or training.
(c) The bicycle program administrator shall certify a reCycling center, in compliance with the regulations adopted by the board pursuant to this chapter.
42995.5. The administrator shall secure insurance coverage by pooling or aggregating the risk across the state or regions of the state pursuant to the following procedures:
(a) The administrator shall put the pooled risk up for bid to insurers, which shall allow an insurer to bid on supplying general liability insurance for reCycling centers of at least one million dollars ($1,000,000) general liability coverage.
(b) An insurance company bidding on coverage for the reCycling centers shall state the number of reCycling centers it will insure in the state, or which portion of the state, in increments of reCycling centers offering reuse of 500 bicycles, and increments of 250 children participating twice a week in

after school training programs at the centers. An insurance provider may bid on portions of the state or the whole state for coverage bids. The administrator shall delineate, as areas of coverage, northern California, central California, San Francisco Bay area, Los Angeles urban district, and southern California suburban and rural zones.
(c) An insurance company bidding on the coverage for a reCycling center shall be a state emitted carrier, a surplus lines carrier who agrees to join a surplus lines agreement, a carrier who agrees to appear in a state court for all claims, or nonadmitted carrier as approved by the insurance commissioner.
(d) The administrator shall require the insurance coverage to pool risk for reCycling centers so that a reCycling center will not be required to secure individual insurance. The administrator shall provide insurance coverage for reCycling centers using a revolving account. A reCycling center shall reimburse the insurance revolving account as a condition of its contract obligations with the administrator.
(e) The administrator shall provide funds to insurers of reCycling centers in an amount that is less than 20 percent of the amount annually deposited in the fund, or one million dollars ($1,000,000) whichever is less. When providing these funds, the administrator may limit the extent of reuse and bicycle recycling in the state and shall give first priority to first established programs.
42996. (a) A certified reCycling center shall do all of the following:
(1) Accept bicycles for reuse or recycling at no charge.
(2) Pay a three dollar ($3) refund value to each person who submits a California redemption value bicycle to the center for reuse or recycling.
(3) Evaluate each bicycle as to whether it should be recycled or reused.
(4) Make available educational material provided by the administrator.
(5) Place a sticker on each redeemed bicycle indicating the bicycle has been redeemed.
(6) For each bicycle set aside for reuse, perform a safety test including at least one test ride. A bicycle that is redeemed as a library bicycle shall be owned by the reCycling center that redeems the bicycle.
(7) Offer bicycles for lending to the public at least once a week.
(b) A reCycling center may additionally do all of the following:
(1) Charge a deposit to ensure the return of a library bicycle.
(2) Offer educational outreach with regard to the program.
(3) Offer awards and recognition for participants.
(4) Provide any other service consistent with the purposes of this chapter.
42997. On or before March 1, 2006, the board shall adopt regulations to implement this chapter. The regulations shall, at a minimum, do all of the following:
(a) Establish a bicycle program administrator at the board pursuant to Section 42995.

(b) Establish a procedure for regulating the reuse, recycling, and disposal of bicycles and certifying reCycling centers.
(c) Establish a procedure to secure insurance providers for the program.
42998. The board shall deposit all amounts paid pursuant to Section 42993, and all other revenues received pursuant to this chapter, into the California Bicycle Recycling and Disposal Program Fund, which is hereby created in the State Treasury. Notwithstanding Section 13340 of the Government Code, the money in the fund is continuously appropriated for expenditure for the following purposes:
(a) To allocate to certified reCycling centers to pay refund values pursuant to Section 42996.
(b) To make block grants for the implementation of certified reCycling centers based on the criteria adopted pursuant to Section 42997.
(c) To cover the cost of insurance for certified reCycling centers pursuant to Section 42997. This insurance shall not include any additional insurance necessary for after school programs.
(d) To provide a reserve for contingencies, as may be available after making other payments required by this section, in an amount not to exceed one million dollars ($1,000,000).
(e) To pay the administrative costs necessary to administer this chapter, which shall not exceed 22 percent of the amount annually deposited in the fund.
42999. The board shall keep accurate books, records, and accounts of all its dealings, and these may be subject to an annual audit from an auditing firm selected by the board, under normal board operating procedures. The firm or board may also conduct a selective audit of entities making payments to or receiving payments from the board to determine whether grants and refund values are being paid out properly by the board.

End of Figure 2.