CONCURRENCE IN SENATE AMENDMENTS
AB 2481 (Soria)
As Amended June 22, 2026
2/3 vote

SUMMARY

Authorizes the Department of Resources Recycling and Recovery (CalRecycle), at the end of the calendar year and following the second biannual disbursement of quality incentive payments (QIPs) from the Beverage Container Recycling Fund (BCRF) for color-sorted glass beverage containers and empty glass beverage containers used for the manufacturing of glass beverage containers in the state, to use any remaining funds to make a QIP disbursement for empty glass beverage containers that are substantially free from contamination and used for the manufacturing of glass products in the state that are not beverage containers.

Senate Amendments
1) Specify that the remaining funds may be used after the second biannual disbursement of QIPs for specified glass beverage containers.

2) Specify that the unused funds may be used for the manufacturing of glass products that are not beverage containers.

3) State that the QIP for non-beverage containers is up to $30 per ton, as specified.

4) Make technical and clarifying changes.

COMMENTS

Bottle Bill. The Bottle Bill was established in 1986 to be a self-funded program that encourages consumers to recycle beverage containers and to prevent littering. The program accomplishes this goal by requiring consumers to pay a deposit for each eligible container purchased. Then the program guarantees consumers repayment of that deposit, the California redemption value (CRV), for each eligible container returned to a certified recycler. Statute includes two main goals for the program: 1) reducing litter; and, 2) achieving a recycling rate of 80% for eligible containers. Containers recycled through the Bottle Bill's certified recycling centers also provides a consistent, clean, uncontaminated stream of recycled materials with minimal processing.

Eligible beverage containers. Only certain containers containing certain beverages are part of the CRV program. Most containers made from glass, plastic, aluminum, and bimetal (consisting of one or more metals) are included. Containers for wine, spirits, milk, fruit juices over 46 ounces, vegetable juice over 16 ounces, and soy drinks have historically been excluded from the program. Container types that are cartons, pouches, and any container that holds 64 ounces or more have also historically been exempted. SB 1013 (Atkins), Chapter 610, Statutes of 2022, amended the program to include wine and distilled spirits, including those contained in boxes, bladders, pouches, or similar containers, beginning January 1, 2024. SB 353 (Dodd), Chapter 868, Statutes of 2023, further expands the program to include large juice containers beginning January 1, 2026.

Funding. Recent legislation, SB 1013 (Atkins), Chapter 610, Statutes of 2022, and SB 353 (Dodd), Chapter 868, Statutes of 2023, increased revenues in the BCRF by adding new container types to the Bottle Bill triggering an increase in unredeemed CRV funds. This increase is likely to be temporary and dissipate as consumers increase redemptions of the newer container types. In order to incentivize recycling increased glass containers from the addition of wine and distilled spirits, SB 1013 authorized up to $15 million annually for quality incentive payments for color-sorted glass beverage containers that are substantially free of contamination and that are used for the manufacturing of glass beverage containers in the state and $60 million annually for glass market development payments until January 1, 2028.

The glass quality incentive payments are under-subscribed. Of the $15 million allocated for glass quality incentive payments, CalRecycle expended just under $8.4 million in 2024 and $5.7 million in 2023. According to the most recent report on the status of the BCRF, which was released last October and covers January through June 2024, the fund is operating at a modest surplus. However, as recycling rates for containers that were recently added, such as wine bottles, rise, the fund status may change. Prior Bottle Bill expansions have tended to result in increased revenues initially, and increased expenditures for CRV deposits further out as recycling rates increase.

The Bottle Bill also establishes glass processing incentive grants for expanding glass cullet processing in the state, as specified; $4 million is available annually for this grant program. Another $4 million is available annually for grants to increase the recycling of empty glass beverage containers from restaurants and on-site retail establishments. An additional $1 million is available annually for grants to fund transportation costs for glass beverage containers.

Glass disposal and recycling. CalRecycle's most recent comprehensive waste characterization study was conducted in 2021 and found that glass makes up approximately 2.3% of California's waste stream. According to *What's in California's Landfills: Measuring Single-Use Packaging and Plastic Food Service Ware Disposal (2025)*, approximately 154,000 tons of glass bottles and jars are disposed in California's landfills, making up 0.39% of California's waste stream.

In recent years, California has moved toward funding circular recycling to support the development of a circular economy. For example, SB 1013 limited the glass market development payments to bottle-to-bottle recycling in 2022. This bill would provide funding for "downcycling," or recycling materials into products that won't continue to be recycled in the future. This bill seeks to provide funding for other forms of in-state glass recycling, which could include the manufacture of fiberglass insulation, using the unexpended funds available for glass quality incentive payments.

According to the Author

California has the ambitious goal of achieving an 80% recycling rate for beverage containers sold in the state, and established Quality Incentive Payments (QIP) to help reach this goal. By paying entities that clean and sort recycled glass, the state helps cover the costly processing of recycled glass suitable for manufacturing new products. In 2022, SB 1013 (Atkins) increased the amount allocated for QIP from $10 million to $15 million annually, while at the same time restricting eligibility to only recycled glass used for beverage containers. This change has led to the unintended consequences of lower recycling rates, decreased support to glass processors, and rising costs in producing the fiberglass insulation necessary weatherizing new homes and bringing down heating and air conditioning costs, all while millions of dollars authorized for the QIP go unspent every year.

AB 2481 fixes this problem by authorizing CalRecycle to make QIP payments for glass used for products besides beverage containers, but only using leftover funds after all QIP payments for glass used in beverage containers has been made. This simple, targeted solution maintains priority for the use of recycled glass in glass beverage containers without putting other significant end users of recycled glass in the state at an insurmountable disadvantage. Through this small change, AB 2481 ensures the efficient use of state funds to promote glass recycling and lowers the cost of producing fiberglass insulation for building critically needed new homes and bringing down electric bills in existing houses.

Arguments in Support
According to the North American Insulation Manufacturers Association, "AB 2481 ensures that funding already appropriated for the Quality Incentive Payment program is fully utilized. By allowing payments to support the use of recycled glass beverage containers that are substantially free from contamination and used by other manufacturers, the bill strengthens the economics of glass recycling and helps processors produce high-quality cullet that meets the rigorous cleaning and color-sorting standards required for manufacturing new glass products in California."

Arguments in Opposition
None on file

FISCAL COMMENTS

1) To the extent that QIP funds would have otherwise remained unspent or expended for other purposes absent this bill following the disbursement for glass used in beverage containers, ongoing cost pressure of an unknown amount, likely in the low millions of dollars, for CalRecycle to provide QIPs to manufacturers of glass products in the state that are not beverage containers (BCRF).

2) CalRecycle anticipates minor and absorbable workload costs as a result of this bill (BCRF).

VOTES:

ASM NATURAL RESOURCES: 14-0-0
YES: Bryan, Ellis, Alanis, Connolly, Garcia, Haney, Hoover, Kalra, Macedo, Muratsuchi, Pellerin, Schultz, Hart, Zbur

ASM APPROPRIATIONS: 15-0-0
YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Dixon, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ASSEMBLY FLOOR: 78-0-2
YES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo, Castillo, Chen, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas
ABS, ABST OR NV: Muratsuchi, Celeste Rodriguez

SENATE FLOOR: 39-0-1
YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener
ABS, ABST OR NV: Reyes

UPDATED

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