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THIRD READING

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Bill No: AB 899  
Author: Ransom (D)  
Amended: 8/18/25 in Senate  
Vote: 21

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SENATE ENVIRONMENTAL QUALITY COMMITTEE: 8-0, 7/16/25  
AYES: Blakespear, Valladares, Dahle, Gonzalez, Hurtado, Menjivar, Padilla,  
Pérez

SENATE APPROPRIATIONS COMMITTEE: 7-0, 8/29/25  
AYES: Caballero, Seyarto, Cabaldon, Dahle, Grayson, Richardson, Wahab

ASSEMBLY FLOOR: 79-0, 6/3/25 - See last page for vote

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**SUBJECT:** Beverage containers: recycled glass: market development

**SOURCE:** Author

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**DIGEST:** This bill authorizes the Department of Resources Recycling and Recovery (CalRecycle) to increase the cap on market development payments for glass beverage container manufacturers from \$50 to \$150 per ton and to expend \$20 million per year from the bottle bill fund for these payments.

**ANALYSIS:**

Existing law:

- 1) Establishes the Bottle bill administered by the Department of Resources Recycling and Recovery (CalRecycle). The bottle bill requires beverage containers sold in-state to have a California redemption value (CRV) of 5 cents for containers that hold fewer than 24 ounces and 10 cents for containers that hold 24 ounces or more. The Bottle bill further sets a CRV of 25 cents for boxes, bladders, or pouches containing wine, distilled spirits, wine coolers, or distilled spirit coolers. (Public Resources Code (PRC) § 14500 et seq.)

- 2) Establishes the California Beverage Container Recycling Fund (BCRF) and continuously appropriates moneys in the BCRF to CalRecycle for specified purposes for the Bottle bill, including paying operation costs, paying grants, and paying handling fees. (PRC § 14580)
- 3) Defines “beverage container” as the individual, separate bottle, can, jar, carton, or other receptacle in which a beverage is sold, and which is constructed of metal, glass, plastic, or any other material, or any combination of these materials, and beginning January 1, 2024, includes wine and distilled spirits beverage containers. (PRC § 14505)
- 4) Establishes market development payments for glass beverage container manufacturers who purchase recycled glass collected within the state for use in manufacturing new beverage containers in the state, as specified. (PRC § 14549.7)
- 5) Establishes a market development payment of up to \$50 per ton for glass beverage container manufacturers who purchase recycled glass collected within the state to use in the manufacturing of glass beverage containers in the state and appropriated \$60 million annually through January 1, 2028. (PRC § 14581)

This bill:

- 1) Increases the cap that CalRecycle can allocate for market development payments that go to glass beverage container manufacturers from \$50 to \$150 per ton.
- 2) Specifies that between January 1, 2028 – January 1, 2030, CalRecycle can spend twenty million dollars annually for glass market development payments from the BCRF if allocated by the Legislature.

## Background

- 1) *Bottle bill Background.* The bottle bill was established by the Legislature in 1986, with the twin goals of reducing litter and achieving a recycling rate of 80% for containers in the program. In 2023, the recycling rate for bottles in the program was 70%. This rate of recycling is only slightly higher than it was during the COVID-19 pandemic, where it dipped from higher than 75% in 2016-2019 down to 68% in 2021. In broad strokes, the program operates by adding a small CRV (between 5-25 cents per container) on beverages which consumers pay at check out, and can then be redeemed when the bottles are

brought to a collection site or recycling center in the program. The CRV incentivizes consumers and businesses to bring bottles back into the recycling system, reducing the likelihood of bottles ending up as litter or in a landfill.

- 2) *Funding in the bottle bill.* The CRV is paid up-front by distributors who pay the CRV to CalRecycle for every beverage container sold in the state. Next, retailers pay the CRV to distributors, and consumers pay the CRV to retailers. CRV is paid into the California Beverage Container Recycling Fund (BCRF) and CalRecycle pays out of this Fund for CRV redemption (CRV-out). If beverages are not redeemed, however, that money stays in the BCRF as surplus. This surplus is used to operate the bottle bill program: unredeemed CRV is the primary funding source for the bottle bill, and is used to fund the administration of the program, grants that advance recycling, and various incentive payments that keep the program running. As the recycling rate increases, less funding is available to make all the budgeted payments prescribed in statute, including CRV-out, BCRP administration, local conservation corps grants, and other payments. A structural deficit occurs when program payments exceed program revenue for a given timeline. The structural deficit can exist even if there are still funds left over in the BCRF pot. When recycling rates were at their peak for the bottle bill program, the BCRF was running at a structural deficit. Because the number of beverage containers in the bottle bill in a given year is very large, small changes to the rate of CRV-in vs. CRV-out translate to large changes (and large sums of money) in the BCRF.
- 3) *New-ish additions to the bottle bill.* The bottle bill has historically included most glass, aluminum, and plastic beverage containers for water, beer, soda, sports drinks, fruit juice, tea, and coffee. Recent legislation expanded the bottle bill to include wine and distilled spirits, including alcoholic beverages in boxes, pouches, or bladders (SB 1013, Atkins, Chapter 610, Statutes of 2022). These containers were added to the program January 1, 2024. Fruit juice containers of 46 ounces or more and vegetable juice containers over 16 ounces were also added to the program beginning January 1, 2024 (SB 353 Dodd, Chapter 868, Statutes of 2023). SB 1013 set a high CRV for wine in boxes, bladders, and pouches at 25 cents (before this, containers in the program had a maximum CRV of 10 cents).
- 4) *Money into and out of BCRF with new additions.* CalRecycle estimates adding wine and spirits to the bottle bill program will add approximately \$17.6 million annually in revenue to the BCRF. To support management of the influx of

glass bottles that will be added to the program as a result of the expansion, SB 1013 also created a market development payment for glass and various grant programs focused on addressing glass contamination and glass recycling. These include expanding glass cullet processing in the state, supporting pilot programs to collect glass bottles from restaurants and other retailers, and facilitating the transportation of empty glass bottles to glass processing facilities through rail. Specifically, SB 1013 required CalRecycle to create the following grant programs:

- a) The Recycled Glass Processing Incentive Grant Program to stimulate the increased use of glass cullet in making new glass beverage containers in the state. Authorizes CalRecycle to expend up to \$4 million annually for these grants.
  - b) The Increased Recycling of Empty Glass Beverage Containers Grant Program to assist in funding regional pilot programs furnishing bins for collection of empty glass beverage containers from restaurants and on-sale retail establishments licensed pursuant to the Alcoholic Beverage Control Act. Authorizes CalRecycle to expend up to \$4 million annually for these grants.
  - c) The Empty Glass Beverage Transportation Grant Program to facilitate the use of rail transportation of empty glass beverage containers to glass processing facilities within the state. Authorizes CalRecycle to expend up to \$1 million annually for these grants.
- 5) *Glass recycling is expensive.* According CalRecycle's most recent semi-annual BCRF report, the recycling rate (based on CRV) for glass was lower than that of aluminum or PET plastic (the most recyclable form of plastic), but slightly better than for HDPE or other plastics. The recycling rate for aluminum was 77.80%, 71.70% for PET, and only 63.20% for glass.

While glass is very recyclable, it is also expensive to recycle due to a number of characteristics of glass in the recycling stream. For instance, glass can be easily broken, especially when it lands in curbside bins, and can be broken up and contaminated with other materials. Glass is also heavy to transport, making its CRV value per pound lower than for aluminum and plastic. According to CalRecycle's 2025 Recycling Program Rates report as of January 1, 2025, the Refund Value Per Segregated Pound of glass was just a fraction (at \$0.102 per pound) of the value for aluminum (\$1.65 per pound) or PET (\$1.47 per pound). Likewise, the scrap value per ton for aluminum is currently \$1,245.48, PET is \$211.62, whereas glass is just \$3.82 per ton.

## Comments

- 1) *Purpose of Bill.* According to the author “AB 899 (Ransom) is a timely and critical measure to strengthen California's economy, environment, and public health by promoting domestically produced glass bottles. Unfairly subsidized imports, particularly from China, threaten local manufacturers, and recent tariffs on Chinese glass imports underscore the need for a resilient, sustainable supply chain. Many of California’s glass plants face closure due to this unfair competition, putting local jobs and the state’s glass production industry at risk. This bill incentivizes local glass production, creating jobs, reducing reliance on foreign imports, and supporting California’s environmental goals through increased recycling and waste reduction. AB 899 would restore industry balance, ensure long-term economic sustainability, and puts California businesses and workers first.”
- 2) *Supporting glass recycling.* Adding more glass to the bottle bill by including wine and distilled spirits drives increased rate of recycling for glass with the added CRV incentive. It is also intended to increase the amount of glass that can be used as feedstock for recycled glass containers, since the bottle bill creates a relatively clean stream of source-separated glass that can be recycled.

Recycling glass is more expensive than recycling PET or aluminum, and while creating a better clean source of glass material and adding the CRV to more glass bottles can help even out the cost differences, some factors, such as the weight of glass, its breakability in curbside, and even market demands, may be unaccounted for. Market development payments can supplement the glass recycling industry to make glass recycling pencil out: AB 899 does this by increasing the cap on market development payments for glass beverage container manufacturers from \$50 to \$150 per ton and increasing the amount that can be expended from the BCRF for these payments to \$20 million per year. These payments will help further support the glass recycling markets.

## Related/Prior Legislation

SB 674 (Cabaldon, 2025) reduces the CRV for small box, bladder, or pouched wine or distilled spirits in the bottle bill from 25 cents to 10 cents, and authorizes small beverage container distributors, as defined, to make a single annual payment of redemption payments. This bill is pending hearing in the Assembly Natural Resources Committee.

SB 1013 (Atkins, Chapter 610, Statutes of 2022) brings wine and distilled spirits into the California Beverage Container Recycling Program, introduces new grant programs, expands the convenience zones, and creates dealer cooperatives to serve unserved areas.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee, the bill will have “Ongoing cost pressures of \$20 million each year for two years (Beverage Container Recycling Fund [BCRF]), from January 1, 2028 to January 1, 2030, for glass market development payments. CalRecycle anticipates its costs to administer glass market development payments for an additional two years would be minor and absorbable.”

**SUPPORT:** (Verified 8/29/25)

Californians Against Waste  
Glass Packaging Institute  
Owens-illinois, INC

**OPPOSITION:** (Verified 8/29/25)

None received

**ASSEMBLY FLOOR:** 79-0, 6/3/25

**AYES:** 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, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wicks, Wilson, Zbur, Rivas

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