SENATE COMMITTEE ON ENVIRONMENTAL QUALITY
Senator Blakespear, Chair
2025 - 2026 Regular

Bill No:	SB 1180		
Author:	Allen		
Version:	2/18/2026	**Hearing Date:**	4/8/2026
Urgency:	No	**Fiscal:**	Yes
Consultant:	Brynn Cook		

SUBJECT: Plastic Pollution Prevention and Packaging Producer Responsibility Act: California Plastic Pollution Mitigation Fund

DIGEST: This bill adds further guidance to state agencies in allocating money from the California Plastic Pollution Mitigation Fund (PPMF) and expands the list of entities that are eligible for those funds.

ANALYSIS:

Existing law:

1) Establishes the Plastic Pollution Prevention and Packaging Producer Responsibility Act (SB 54), which imposes minimum recycled content requirements and source reduction requirements for single-use packaging and plastic food serviceware, to be achieved through an extended producer responsibility (EPR) program. (Public Resources Code (PRC) § § 42070 et seq).

2) Stipulates, pursuant to SB 54 that:
   a) Producers of covered material form and join a producer responsibility organization (PRO). The PRO, with approval from Department of Resources Recycling and Recovery (CalRecycle), shall carry out the requirements of SB 54 by January 1, 2024.
   b) All covered material offered for sale, distributed, or imported into the state on and after January 1, 2032, is recyclable or "compostable" as specified.
   c) All plastic covered material offered for sale, distributed, or imported into the state shall meet the following recycling rates:
      i) 30% by January 1, 2028;
      ii) 40% by January 1, 2030; and,
      iii) 65% by January 1, 2032.

   d) The PRO will develop and implement a plan to achieve 25% reduction by weight and 25% reduction by plastic component for covered material sold, offered for sale, or distributed in the state, as prescribed by Jan 1, 2032,

including interim targets of 10% by January 1, 2027, and 20% by January 1, 2030.

3) Through SB 54, Establishes the PPMF which consists of all environmental mitigation surcharges, interest, penalties, and other amounts collected under SB 54. This includes an annual (beginning in 2027) environmental mitigation surcharge paid by the PRO of five hundred million dollars ($500,000,000) each year.

4) Specifies how funds from the PPMF will be expended by state agencies after being appropriated by the Legislature, specifically:
   a) 40% of the PPMF shall be expended by the Department of Fish and Wildlife, the Wildlife Conservation Board, the State Coastal Conservancy, the California Coastal Commission, the Ocean Protection Council, the Department of Parks and Recreation, the Natural Resources Agency, and the California Environmental Protection Agency to monitor and reduce the environmental impacts of plastics on terrestrial, aquatic, and marine life and human health, including to restore, recover, and protect the natural environment.
      i) Of this 40%, at least 50% must benefit residents living in a disadvantaged or low-income community or rural areas, and the money can be used to support grants for tribes, nongovernmental organizations (NGO's), community-based organizations, land trusts, and local jurisdictions.

   b) 60% of the money in the PPMF shall be expended by the Strategic Growth Council, the California Environmental Protection Agency, the Natural Resources Agency, and the Department of Justice to monitor and reduce the historical and current environmental justice and public health impacts of plastics, including to mitigate the historical and current impact of plastics on disadvantaged or low-income communities or rural areas.
      i) Of this 60%, 75% must directly and primarily benefit residents living in disadvantaged or low-income communities and the money may be used to support grants to local jurisdictions, tribes, NGOs, and community-based organizations.

This bill:

1) Adds further guidance for all state agencies allocating the PPMF, specifying that grant expenditures shall achieve *at least one* of the following:
   a) Catalyze mitigation of the adverse health impacts of plastics and create or accelerate a transformative shift away from plastic;

b) Durably reduce plastic in the environment; or
c) Restore lands impacted by plastic pollution and protect natural lands from future pollution.

2) Specifies that all expenditures of the PPMF shall do *all* of the following:
   a) Improve public or environmental health;

   b) Include an education component that also addresses the health impacts of plastics; and

   c) Prioritize programs and projects that benefit communities most burdened by plastic pollution, align or implement community solutions, provide multiple benefits and demonstrate engagement with communities and tribes.

3) Requires that agencies implementing a grant program funded (even in part) by the PPMF do all of the following:

   a) Provide technical assistance to grant applicants;

   b) Use a standard simple application across agencies;

   c) Consider creating grant categories;

   d) Provide advanced payments for grants; and

   e) Reimburse the grantee's and any subgrantee's indirect costs using one of the following rates as requested by the grantee and any subgrantee:

      i. The indirect cost rate of the grantee is pursuant to its negotiated indirect cost rate agreement;

      ii. The *de minimis* indirect cost rate specified in Part 200 of Title 2 of the Code of Federal Regulations;

      iii. A rate negotiated by the grantee or subgrantee with another state agency or department within the last five years; or

      iv. A rate proposed by the grantee in the grantee's program application with the administering state agency or department if the grantee does not have an existing state rate.

4) Specifies that the PPMF shall not be used for any obligations of a PRO or to fulfill any environmental mitigation requirements or compliance obligations imposed by any other laws.

5) Expands the list of entities that are eligible or pollution mitigation fund grants to include

    a) Public agencies;
    b) Nonprofit organizations;
    c) Special districts;
    d) Joint powers authorities;
    e) Public utilities;
    f) Local publicly owned utilities; and
    g) Mutual water companies.

6) Tasks the Secretary for Environmental Protection with publishing information on the grant program at least annually, including information such as the money received for each program or project, its footprint, its goals and status, its outreach efforts, the public benefits derived, and evidence of measurable reductions in plastic pollution accomplished by the program or project, among other criteria.

Background

1) *The Problem with Plastic*. In 2021, global plastics production was estimated at 390.7 million metric tons. Only 9% of all plastic ever made has been recycled, according to a United Nations Environment Programme report. Plastics production and pollution have the potential to negatively impact human health, the environment, and ecosystems.
    a) *Plastics burdened communities*. A 2025 report by the UCLA Luskin Center focuses on creating a framework to evaluate which communities are overly burdened by plastic, considering plastic extraction, manufacturing, and pollution and waste. The report finds that plastic manufacturing emits air pollutants, including volatile organic compounds and polycyclic aromatic hydrocarbons (PAH) emissions. Both air pollutants are linked to health risks including increased cancer risk. The report further notes that plastic can also adversely impact communities when crude oil is extracted to make plastic, when plastic substrate leaches from landfills, and when humans are exposed to microplastics that occur during the useable life of the plastic or when the plastic becomes litter in the environment.

    b) *Plastics as a climate pollutant.* Plastic is also a potent contributor to climate change. Ninety-nine percent of plastic is made from fossil fuels. The plastic industry is the fastest-growing source of industrial greenhouse gases in the world: plastic generates 4% of total global greenhouse emissions but could be responsible for as much as 19% of

global greenhouse emissions by 2040, under a business-as-usual scenario (according to the United Nations Development Programme) The plastic industry's greenhouse gas emissions are expected to surpass those of coal-fired power in the United States by 2030.

c) *Plastics as litter.* Each year, roughly 11 million tons of plastic enter the ocean, which has diverse and serious impacts on marine wildlife. If the litter is small, it may be ingested by animals, leading to plasticosis—where the rough edges of plastic cause internal injuries and scarring that reduces the ability of animals to break down nutrients. Seabirds are especially vulnerable to plastic pollution; a recent study found plastic in 90 percent of seabirds. Animals can also become entangled in plastic such as plastic bags or rings: marine mammals, birds, and turtles are commonly affected by entanglement, but terrestrial animals also can suffer entanglement or suffocate from ingesting plastic.

d) *Microplastics*. Plastics also have concerning impacts on the environment and human health when they degrade into microplastics. Microplastics are defined as small plastic particles with a diameter of less than 5 mm. Because microplastics are so small, they can travel in water, air, and the bodies of living organisms. As a result, microplastics are ubiquitous in the environment and are found in some of the most remote areas on earth, including arctic sea ice, the deep ocean, mountain peaks in national parks, and human embryos. Of particular concern for living organisms, microplastic's small size allows them to bioaccumulate up the food chain. Plastics in water, for instance, can be consumed by fish and shellfish and become part of their tissue. The fish and shellfish can in turn be eaten by humans or other animals: with each step up the food web, the concentration of microplastics accumulates.

Microplastics can also act as vectors for pollutants such as pesticides and heavy metals, effectively "piggybacking" these harmful pollutants wherever the microplastics go, including into the living tissues of plants, animals, and humans. Current studies have found microplastics in human lungs, brains, and placentas. A recent study suggests that human brains may contain an amount of microplastics equivalent to a plastic spoon. The study also indicated that microplastic levels in the brain have increased by 50% since 2016[1].

There are few studies on the impacts of microplastics on human health. However, a study from 2024 by the prestigious New England Journal of

[1] Bioaccumulation of microplastics in decedent human brains | Nature Medicine

> Medicine provided the first evidence of a potential link between microplastics and human reporting: "A study of more than 200 people undergoing surgery found that nearly 60% had microplastics or even smaller nanoplastics in a main artery. Those who did were 4.5 times more likely to experience a heart attack, a stroke or death in the approximately 34 months after the surgery than were those whose arteries were plastic-free…The team tracked 257 people undergoing a surgical procedure that reduces stroke risk by removing plaque from an artery in the neck.[2]"
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> While studies on the impacts of microplastics on human health are still emerging, numerous studies have shown that microplastics increase risk of cancer and disrupt hormone pathways in lab rats.

5) *The basics of EPR programs*. One strategy to reduce waste generation is to put responsibility on producers to oversee the safe end-of-life of their products through an EPR program. EPR programs rely on industry, formalized in a PRO, to develop and implement approaches to create a circular economy that makes business sense, with oversight and enforcement provided by the government. EPR programs require producers to factor in costs associated with disposal. In doing so, EPR programs incentivize industry to design products with waste minimization in mind. Currently, there are six statewide EPR programs: paint, carpet, mattresses, pharmaceutical and sharps waste, batteries, and, following the passage of SB 54 (Allen, 2022), packaging and single-use plastic serviceware items.

6) *SB 54*. In 2022, the Legislature passed SB 54 (Allen, Chapter 75, Statutes of 2022). SB 54 uses an EPR approach to reach ambitious targets to reduce single-use serviceware and packaging through source reduction and postconsumer recycled content. These goals include:
   a) Requiring all covered material sold in the state to be recyclable or compostable by January 1, 2032;
   b) Requiring that all plastic-covered material sold in the state meet a recycling rate of 65% by Jan 1, 2032, with interim goals beginning in 2028; and
   c) Prohibiting producers of expanded polystyrene (EPS) from selling EPS food serviceware unless they meet a 65% recycling rate by January 1, 2032.

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[2] Marfella, R., Prattichizzo, F., Sardu, C., Fulgenzi, G., Graciotti, L., Spadoni, T., ... & Paolisso, G. (2024). Microplastics and nanoplastics in atheromas and cardiovascular events. *New England Journal of Medicine*, *390*(10), 900-910.

SB 54 also requires the PRO to pay $500 million per year from January 1, 2027, through January 1, 2037 to fund the program, and authorizes the PRO to collect up to $150 million from plastic manufacturers.

7) *The PPMF*. SB 54 establishes the PPMF and provides some structure for how the Legislature will appropriate funding. In broad strokes, the money is awarded by state agencies to grant projects that (1) reduce environmental impacts of plastics pollution, and (2) reduce the public health impacts of plastics and disadvantaged communities. The funding will be allocated into two main buckets:

   a) 40% of the money in the PPMF will be allocated by agencies that oversee natural resources in order to reduce environmental impacts of plastic on the environment. Agencies include the Department of Fish and Wildlife, the Wildlife Conservation Board, the State Coastal Conservancy, the California Coastal Commission, the Ocean Protection Council, the Department of Parks and Recreation, the Natural Resources Agency, and the California Environmental Protection Agency. 50% of the money shall provide benefits to residents living in a disadvantaged or low-income community or rural area.

   b) 60% of the money in the PPMF will be spent to reduce the public health impacts of plastics and mitigate the disproportional impacts of plastics on low-income communities or rural areas. This money will be awarded by the Strategic Growth Council, the California Environmental Protection Agency, the Natural Resources Agency, and the Department of Justic. 75% of this money will directly and primarily benefit residents living in disadvantaged or low-income communities.

   Eligible grant awardees include tribes, nongovernmental organizations, community-based organizations, local jurisdictions, and in the case of grants for natural resource protections, land trusts.

Comments

1) *Purpose of Bill.* According to the author, "SB 54 (Allen, 2022) was landmark legislation to require producers of single use packaging and food service ware to address the growing waste crisis and plastic pollution through a producer funded and implemented program to source reduce and recycle material, and ensure material on the market was truly recyclable or compostable. As part of

this legislation, the California Plastic Pollution Mitigation Fund (PPMF) was created to address environmental and public health impacts of plastic pollution. The fund consists of at least $5 billion over the next 10 years, funded by producers. However, while existing statute establishes general goals for the PPMF, additional operational specificity is crucial for successful implementation. SB 1180 provides the detailed framework necessary to effectively administer the PPMF, including defining the required purposes achieved by expenditures, providing guidelines for implementing agencies, and establishing reporting and transparency measures for fund operations."

2) *Guiding principles for allocating the PPMF.* SB 1180 provides more guidance for agencies on how to award PPMF money to grantees. These include naming big-picture policy goals such as requiring that the money be spent to create transformative shifts away from plastics, to reduce the impacts of plastic on human health, to get plastics out of the environment for the long haul, and to restore and protect natural lands from plastics pollution. It also includes some good best-principals for how to expend the money, requiring agencies to prioritize programs and projects that implement community solutions, engage with communities and tribes, and fund grants that provide multiple benefits, among other criteria.

   Overall, these new requirements for spending PPMF money will prioritize communities' input and help address historic inequities facing plastics burdened communities in ways that will have far reaching or long-term impacts.

3) *More seats at the table, same sized pie.* SB 1180 expands the list of entities that are eligible for the half a million dollars a year from the PPMF to include special districts, joint power authorities, public utilities, and mutual water companies. Opening up PPMF money to these large-scale entities can open up large-scale opportunities (for example, engaging mutual water companies could be essential to getting microplastics out of water systems). However, these large scale entities could also be more prepared to apply for grant funding than smaller organizations, and could be eligible for larger grants proportional to larger projects. As such, it is worth contemplating how the addition of these new entities may affect funding to the existing eligible grantees: tribes, NGO's, community-based organizations, local jurisdictions, and in some cases, land trusts.

   To ensure that CBOs NGOs, and other already-eligible entities are still competitive for PPMF grants, the author and committee may wish to specify that newly added agencies (utilities, JPAs, etc.) are eligible for PPMF grants

only if they collaborate with a tribes, NGO, CBO, local jurisdiction, or land trust, and the newly added agencies (utilities, JPAs, etc.)

4) *What exactly is a transformative shift away from plastic?* SB 1180 adds the guiding principle that PPMF money be spent to drive 'transformative shift away from plastic shift away from plastic production, use, and tendency to be disposed of after limited use". That north star seems to align well with the goals of SB 54, and lays out the clear intent that PPMF funding is not restricted merely to plastic cleanups, but to more innovative approaches to reduce the burdens of plastic on communities and the environment *before* they become burdens. A simple example of this may be projects that promote reuse and refill, like water bottle filling stations. Alternatively, promoting a transformative shift away from plastic could create an avenue where PPMF money is funneled into anti-plastics education campaigns, which could be seen as going beyond the scope of SB 54's focus on single use plastic packaging and foodware.

   As the bill continues to move through the process, the author may wish to further clarify what is meant by a transformative shift away from plastics.

5) *Committee amendments.* ***Staff recommends the committee adopt the bolded amendments contained in comments 3 above.***

Related/Prior Legislation
SB 54 (Allen Chapter 75, Statutes of 2022) establishes the Plastic Pollution Prevention and Packaging Producer Responsibility Act, which imposes minimum content and source reduction requirements for plastic single-use packaging and food service ware through an EPR program

SOURCE: Author

SUPPORT:

1000 Grandmothers for Future Generation
A Voice for Choice Advocacy
Access to Thrive, INC
Azul
Beyond Plastics
Black Fiber & Textile Network
Black Women for Wellness
California Environmental Justice Alliance (CEJA)
California Environmental Justice Coalition
California Nurses for Environmental Health & Justice

California State Association of Counties (CSAC)
Californians Against Waste
Ceja
Center for Coalfield Justice
Central California Environmental Justic Network (CCEJN)
Cherokee Concerned Citizens
Clean Water Action
Climate Health Now Action Fund
Communities for a Better Environment
Contra Costa County
Ecology Center
Environmental Justice Communities Against Plastics
Environmental Justice Ministry of Emerson Uu Church
Esperanza Community Housing
Extinction Rebellion Los Angeles
Food and Water Watch
Gaia (global Alliance for Incinerator Alternatives)
Greenaction for Health and Environmental Justice
Greenlatinos
Greenpeace USA
Heal the Bay
Just Transition Alliance
League of California Cities
Los Angeles Neighborhood Land Trust
Monterey Bay Aquarium
Ocean Conservancy
Oceana
Pacoima Beautiful
Parents Against Santa Susana Field Lab
Physicians for Social Responsibility - Los Angeles
Physicians for Social Responsibility - San Francisco Bay
Plastic Free Future
Port Arthur Community Action Network (PACAN)
Protect Playa Now
Richmond Shoreline Alliance
Sacramento Environmental Justice Coalition
San Antonio Bay Waterkeeper
Sierra Club of California
Socal 350 Climate Action
Sunflower Alliance
Surfrider Foundation
The 5 Gyres Institute

The Nature Conservancy
The Watershed Project
Valley Improvement Projects (VIP)
West Berkeley Alliance for Clean Air and Safe Jobs
West Oakland Environmental Indicators Project
Zero Waste USA

OPPOSITION:

None received

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