

Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 1180 (Allen) – As Amended June 15, 2026

Policy Committee: Natural Resources

Vote: 10 - 4

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill establishes new spending requirements and guidelines for the California Plastic Pollution Mitigation Fund (PPMF) and expands the list of entities that are eligible for those funds.

Specifically, this bill, among other things:

- 1) Subjects each expenditure from the PPMF, upon appropriation, to numerous specified requirements, including improving public or environmental health; incorporating outreach efforts that inform the public of the purpose and scope of the funded program, project, or initiative; and prioritizing programs, projects, and initiatives that, among other things, benefit communities most burdened by the impacts of plastic pollution.
- 2) Requires each expenditure from the PPMF, upon appropriation, to achieve one or more of numerous specified objectives, such as sustained mitigation of the potential adverse health impacts of plastics and the cleanup or restoration of lands or waterways negatively impacted by plastic pollution.
- 3) Requires each department, agency, or entity implementing a grant program funded in whole or in part by the PPMF to undertake numerous specified actions in implementing the grant program, including providing technical assistance to eligible applicants; using a single standardized, simplified application; providing advanced payments; reimbursing the grantee's and any subgrantee's indirect costs, as specified; and requiring applicants to demonstrate a nexus between the proposed programs, projects, and initiatives and the mitigation of environmental or public health impacts associated with plastic.
- 4) Limits state administrative and program support costs, exclusive of technical assistance, to 10% of the funds allocated in any fiscal year.
- 5) Prohibits PPMF funds from being used for any obligations of a producer responsibility organization (PRO) or to fulfill any environmental mitigation requirements or compliance obligations imposed by any law, except as specified and allows moneys from the PPMF to be expended, upon appropriation, to implement this section, as specified.
- 6) In addition to the entities listed in the Plastic Pollution Prevention and Packaging Producer Responsibility Act (Act), makes the following entities eligible for PPMF grants if the programs, projects, or initiatives have the primary and direct purpose of mitigation,

prevention, or remediation of plastic pollution: public agencies, nonprofit organizations, special districts, joint powers authorities, public utilities, local publicly owned utilities, and mutual water companies.

- 7) Requires the Secretary for Environmental Protection (CalEPA) to publish, not less than annually, a list of all program, project, and initiative expenditures pursuant to both this bill and the Act and to post the list as a downloadable spreadsheet on CalEPA's website and specifies various requirements for what information must be included in the spreadsheet.

FISCAL EFFECT:

- 1) Likely ongoing costs of an unknown amount (PPMF, other funds) to the Strategic Growth Council (SGC), Department of Justice (DOJ), and several boards, departments, conservancies, and commissions under CalEPA and the California Natural Resources Agency (CNRA) to comply with the requirements of this bill in their expenditure of funds from the PPMF. The bill limits state administrative and program support costs, exclusive of technical assistance, to 10% of the PPMF funds allocated in any fiscal year.
- 2) Unknown, potentially significant ongoing cost pressures (PPMF) due to expanded eligibility for entities able to receive PPMF funds as a result of this bill.
- 3) For its part, CalEPA estimates ongoing annual General Fund costs of about \$2.3 million for nine positions to implement the additional guidance and grant expenditure parameters for the PPMF, including workload associated with the expansion of eligible entities, technical assistance, execution of agreements, and ensuring compliance with administration of funds. CalEPA additionally estimates a one-time contracting cost of \$700,000, a one-time cost of \$600,000 to build a mapping tool, and ongoing annual information technology costs of an unknown amount to maintain the tool and associated software to annually publish information related to PPMF expenditures, as required by the bill.

As discussed in the background, SB 54 (Allen), Chapter 75, Statutes of 2022 – which established the Act and the PPMF – requires the PRO, commencing in the 2027 calendar year, and annually thereafter until 2037, to pay an environmental mitigation surcharge of \$500 million each year (to be deposited in the PPMF), for a total of \$5 billion over ten years. It is likely CalEPA and the other agencies charged with managing and granting PPMF dollars would incur costs and additional workload related to SB 54 and PPMF implementation. Therefore, it is likely that at least a portion of CalEPA's resource needs outlined above would exist regardless of this bill. According to CalEPA, due to a lack of dedicated staffing and budget to fund PPMF-related outreach and engagement, it and its sister agencies have largely relied on community non-profit partnerships and tribal co-hosts to undertake outreach and engagement events to date (discussed more below).

- 4) The Department of Resources Recycling and Recovery, OPC, DOJ, and SGC anticipate minor and absorbable costs.

COMMENTS:

- 1) **Purpose.** According to the author:

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) **Background.** SB 54 imposes minimum content requirements for single-use packaging and single-use plastic food service ware, to be achieved through an extended producer responsibility program. The Act requires producers to ensure that by 2032, 100% of single-use packaging and single-use plastic food service ware sold in the state are recyclable or compostable; 65% of single-use plastic packaging and single-use food service ware are recycled; and a 25% reduction, compared to 2023, in the sale or distribution of single-use plastic packaging and single-use food service ware. The SB 54 regulations became effective on May 1, 2026. Numerous states, environmental organizations, and industry groups have filed lawsuits challenging the regulations.

The Act also requires producers, via the PRO, to pay \$500 million annually for 10 years, for a total of \$5 billion, which, upon appropriation by the Legislature, will be available to address the environmental impacts of plastic pollution and aid affected environmental justice communities most impacted by the damaging effects of single-use plastic waste.

Under SB 54, 40% of the moneys in the PPMF, upon appropriation, are to be expended by the Department of Fish and Wildlife, the Wildlife Conservation Board, the State Coastal Conservancy, the California Coastal Commission, OPC, the Department of Parks and Recreation, CNRA, and CalEPA to monitor and reduce the environmental impacts of plastics on terrestrial, aquatic, and marine life and human health. And 60% of the moneys, upon appropriation, are to be expended by SGC, DOJ, CNRA, and CalEPA to monitor and reduce the historical and current environmental justice and public health impacts of plastics.

CalEPA reports it has, in coordination with other agencies charged by SB 54 to administer the PPMF, hosted or co-hosted two regional tribal roundtables and one Northern California community roundtable as part of its outreach and engagement efforts to solicit public feedback to inform program design. Prior to the publication of a draft investment plan, CalEPA, CNRA, SGC, and DOJ are planning to co-host at least two more roundtables with tribes and at least one more community roundtable in Southern California. In addition, since the start of 2026, the interagency team has attended more than a dozen community-led or tribal events to participate in discussions about the PPMF.

Writing in support, a broad coalition of environmental, environmental justice, public health, and other organizations argues this bill ensures the PPMF fulfills its intended purpose by clarifying how funds should be used and by establishing guardrails for expenditures and directing funds toward projects “that mitigate the adverse public health and environmental impacts of plastics while accelerating a broader transition away from unnecessary plastic production and single-use plastic systems.”