

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 279 (McNerney) – As Amended June 30, 2025

Policy Committee: Natural Resources

Vote: 14 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill lowers the regulatory requirements for certain composting operations, including agricultural operations.

Specifically, this bill, among other things:

- 1) Excludes the following activities from specified composting regulatory requirements:
 - a) Composting green material, agricultural material, food material, and vegetative food material activities, alone or in combination, if the total amount of feedstock and compost onsite at any one time does not exceed 500 cubic yards (CY).
 - b) Subject to specified requirements, the composting of agricultural materials and residues from a large-scale biomass management event, such as removing a whole orchard or vineyard, at an agricultural facility that does not otherwise operate as a solid waste facility.
- 2) Specifies that materials or residues from a large-scale biomass management event do not include whole or partial animal carcasses or animal byproducts other than manure.
- 3) Provides that the excluded activity described in item b, above, may include acquiring and using agricultural materials, agricultural byproduct materials, and agricultural manure from an agricultural site to blend with the onsite agricultural materials and residues resulting from a large-scale biomass management event. Specifies that this offsite material shall not include whole or partial animal carcasses or animal byproducts other than manure. Requires specified recordkeeping and provides that this exclusion may not be used more than once every 10 years for a period not to exceed 24 months.
- 4) Requires a person handling compostable material under the exclusions provided by this bill, as described above, to obtain all permits, licenses, or other clearances that may be required by other regulatory agencies.
- 5) Authorizes (a) a composting operation to give away or sell up to 5,000 CY of compost product annually, as specified and (b) CalRecycle to increase, by regulation, the amount of material a composting operation may give away or sell when the composting is of agricultural materials and residues from a large-scale biomass management event at an agricultural facility, as specified.

FISCAL EFFECT:

Costs of an unknown amount, likely over \$150,000, for CalRecycle to reopen and amend its composting regulations in accordance with the requirements of this bill, provide ongoing compliance-related assistance to stakeholders, review permitting and inspection reports, and conduct oversight, among other tasks (Integrated Waste Management Account (IWMA)).

For its part, CalRecycle estimates ongoing annual costs beginning in fiscal year 2025-26 of approximately \$327,000 to hire two staff to implement this bill (IWMA). However, it is not clear to this committee that the workload created by this bill alone necessitates two permanent positions.

According to CalRecycle, based on current accounting data through June 2025, the fund balance in IWMA is approximately \$45 million. CalRecycle notes this figure is subject to change once the department closes out its year-end reports in the coming weeks.

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

Now that California has banned nearly all burning of agricultural waste, the state's farmers and winegrape growers need assistance in dealing with large amounts of organic material. Currently, farms and vineyards ship large amounts of agricultural waste to offsite composting facilities, often hundreds of miles away, rather than composting the green waste themselves onsite in a sustainable way. SB 279 will help farmers and winegrape growers by allowing them to compost agricultural waste onsite when they have a large biomass removal event, like the removal of an orchard or vineyard. It will also benefit community composters, urban farms and school farms by allowing them to compost larger amounts of green waste and food scraps onsite.

2) Background. Until this year, organic material from a large biomass event, such as clearing a vineyard, was likely to be burned in an open pile. Since the passage of SB 705 (Flores), Chapter 481, Statutes of 2003, the San Joaquin Valley Air Pollution Control District had been required to phase out agricultural burning by 2010. Since the passage of SB 705, the air district requested, and the Air Resources Board concurred with, postponements of the requirements of SB 705, in 2005, 2007, 2010, 2012, 2015, 2021, and 2024, when the last postponement ended.

The material that may no longer be burned will need alternative management options. According to the Almond Board, an estimated 71,000 acres of orchards will be removed by the end of the crop year. As discussed in the Assembly Natural Resources Committee's analysis of this bill, the most environmentally sound option, generally, is composting. Composting agricultural waste has fewer emissions than open-pile burning, and compost is also one of the highest and best uses for recycling organic material. However, composting, especially large-scale composting, does have environmental impacts, including emissions of air pollutants, odors, and the potential for leaching into groundwater. The potential impacts increase dramatically if compost facilities are not operated properly.

Writing in support, a coalition of organizations contends this bill will “expand composting capacity, divert more food scraps from landfills, and provide California growers with a sustainable, climate-friendly alternative to open burning.” The coalition notes that, according to CalRecycle, the state still needs 50 to 100 new or expanded organic waste processing facilities to meet its organic waste reduction targets; however, permitting and constructing large-scale composting facilities is a long and complex process. The coalition writes: “By allowing growers and community composters to meaningfully participate in the state’s compost market, SB 279 will increase organics diversion and accelerate progress towards the state’s climate goal.”

Further, the organizations note that the ability of community composters to establish sites in places where a larger processing capacity is feasible “is currently limited by an inconsistent and unfounded regulatory cap of 100 cubic yards on-site before triggering costly and complex compost facility permitting requirements.” This bill slightly increases this volume limit for “excluded activities” to 500 cubic yards, aligning it with the Water Board’s de minimis exclusion for on-farm composting and synchronizing air district rule exemptions for small-scale sites, while maintaining local enforcement authority over nuisance and odor complaints.

Writing in an oppose-unless-amended position, the Solid Waste Association of North America’s California Chapters Legislative Task Force argues this bill “goes beyond allowing the onsite composting of agricultural waste to also include offsite organic waste as well.” The organization contends that allowing farms and other locations to accept offsite organic or agricultural waste would divert feedstock away from permitted solid waste facilities and composters in the area – which have “extensive permitting requirements leading to a costly process which can take years.”

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