

Date of Hearing: June 16, 2026

ASSEMBLY COMMITTEE ON ENVIRONMENTAL SAFETY AND TOXIC MATERIALS

Damon Connolly, Chair

SB 811 (Caballero) – As Amended January 22, 2026

SENATE VOTE: 40-0

SUBJECT: Hazardous materials: metal shredding facilities

SUMMARY: Requires the owner or operator of a metal shredding facility to obtain a permit from the Department of Toxic Substances Control (DTSC). Prohibits a metal shredding facility from operating in the state without a permit. Includes within the permit: requirements for managing various wastes within and leaving the facility, measures to prevent fires, and measures to reduce impacts to communities near the facility. Provides that local and state regulators retain enforcement authority with respect to metal shredding facilities, as that authority exists under current law. Specifically, **this bill:**

- 1) Defines "chemically treated metal shredder residue" or "CTMSR" as the waste generated from the processing of shredded metallic materials, which may include, but is not limited to, end-of-life vehicles, appliances, and other metal-containing items, by a metal shredding facility where recoverable ferrous or nonferrous metals have been removed and the remaining metal shredder residue has been treated by a waste stabilization process, as described.
- 2) Defines "existing metal shredding facility" as a metal shredding facility that is conducting metal shredding and metal processing operations as of the date that the act adding this bill is signed into law by the Governor.
- 3) Defines "feedstock" as material received by a metal shredding facility before shredding and processing, including, but not limited to, end-of-life vehicles, household appliances, or other forms of light gauge metal suitable for processing in a metal shredder.
- 4) Defines "light fibrous material" as a fibrous mixture of nonmetallic materials, including, but not limited to, synthetic fabric and carpet fibers, and entrained metallic particles, often representing the lightest fraction of metal shredder aggregate produced from the shredding of end-of-life vehicles and other metallic items, which is susceptible to dispersal into the environment.
- 5) Defines "metal processing operations" as the stockpiling and handling of metal shredder aggregate; the operations undertaken to separate, sort, and remove ferrous or nonferrous scrap metal from metal shredder aggregate; and the treatment and storage of metal shredder residue. Metal processing operations do not include shredding, crushing, baling, shearing, cutting, or other metal recycling operations unrelated to the handling of metal shredder aggregate.
- 6) Defines "metal shredder aggregate" as the mixture of shredded metallic and nonmetallic materials that is produced by the shredding of metallic feedstock and that is subsequently processed for the purpose of separating, sorting, and removing ferrous metals, nonferrous metals, or other recyclable commodities from nonrecyclable materials. Metal shredder

aggregate does not include metals that have been removed from metal shredder aggregate, or metal shredder residue.

- 7) Provides that metal shredder aggregate is an in-process material and is not a waste or a hazardous waste.
- 8) Defines "metal shredder residue" as waste comprising shredded plastics, rubber, glass, foam, fabric, carpet, wood, dirt, or other debris that remains after recoverable ferrous and nonferrous metals or other recyclable commodities have been separated and removed from metal shredder aggregate. Metal shredder residue does not include chemically treated metal shredder residue.
- 9) Defines "metal shredding facility" as the entire site under the control of the owner or operator of a facility that uses a stationary or mobile shredder, such as a hammer mill or other shredding technique, to process end-of-life vehicles, appliances, or other metallic feedstock materials in order to facilitate the separation, sorting, or removal of recoverable ferrous or nonferrous metals from nonrecyclable materials. "Metal shredding facility" does not include a feeder yard or other scrap metal recycling facility that operates a metal crusher, a metal shear, or a metal baler if that facility does not conduct metal shredding operations.
- 10) Defines "new metal shredding facility" as a metal shredding facility that had not commenced metal shredding and metal processing operations as of the effective date of this bill.
- 11) Exempts the following facilities from regulation under the requirements of this bill:
 - a) Facilities that shred only electronic waste (e-waste);
 - b) Facilities that shred wood or wood products that may contain ancillary metal components, including, but not limited to, screws, bolts, metal ties, and metal strapping;
 - c) Facilities that shred only automotive tires;
 - d) A feeder yard or other scrap metal recycling facility that operates a metal crusher, metal shear, or metal baler if that facility does not conduct metal shredding operations; and,
 - e) A metal shredding facility that processes exclusively nonferrous metals that do not contain any nonmetallic materials and whose operations do not produce any metal shredder aggregate or result in the generation of metal shredder residue.
- 12) Provides that metal shredding facilities that are subject to regulation and comply with the requirements of this bill are not hazardous waste facilities. However, further provides that this bill does not alter or override the authority of DTSC or a Unified Program Agency, to regulate ancillary hazardous waste generated at a metal shredding facility.
- 13) Provides that this bill does not limit the authority of a local air pollution control district, air quality management district, Unified Program Agency, or local environmental health department that is not a Unified Program Agency.
- 14) Authorizes DTSC to adopt regulations as necessary to implement this bill, and thereafter to update and revise the regulations from time to time, consistent with the requirements of this bill.

- 15) Requires DTSC to adopt regulations relating to the imposition of fees on metal shredding facilities.
- 16) Prohibits, unless otherwise specified, a metal shredding facility from operating in California, unless it has a permit issued by DTSC.
- 17) Authorizes, on and after the effective date, an existing metal shredding facility operating in compliance with the requirements of this bill to continue to operate, pending final action on a permit application, as specified in this bill. Requires, without exception, the facility to have developed and continuously implement a fire prevention, detection, and response plan and comply with the limitations on pile size and duration set forth in this bill. Provides that nothing herein shall prevent DTSC from taking enforcement action before issuance of a final permit.
- 18) Requires any permit approved by DTSC pursuant to this bill to include a reference to all permits issued to the facility by other environmental regulatory agencies. Requires DTSC to evaluate how to apply, to metal shredding facilities, its policies relating to environmental justice and the protection of vulnerable communities or sensitive receptors and other sensitive locations as described in existing law (Health and Safety Code (HSC) § 25200.21(b-c))
- 19) Requires DTSC to determine, on the basis of substantial evidence, that operation of the facility does not pose a significant threat to public health or the environment and will not cause disproportionate and potentially discriminatory impacts on local communities, before taking final action to issue a permit for a metal shredding facility under this bill.
- 20) Requires, within 30 days of the effective date of this bill, the owner or operator of an existing metal shredding facility to submit a notice of intent to apply for a permit. Thereafter, requires the owner or operator of an existing metal shredding facility to apply for a permit pursuant to this bill no later than six months following submittal of the notice of intent and to provide all of the following information to DTSC:
 - a) A description of the metal processing operations conducted at the metal shredding facility, including all equipment used for this purpose;
 - b) A metal shredding facility inspection plan, including, without limitation, inspection of the area surrounding the hammer mill and all downstream metal processing equipment where light fibrous material is likely to accumulate;
 - c) A plan for the prevention, detection, and response to fires;
 - d) A closure plan;
 - e) A metal shredding facility housekeeping plan that includes, but is not limited to, daily cleanup of light fibrous material that is susceptible to dispersal beyond the hammer mill;
 - f) An inventory management plan that includes procedures that will be implemented to ensure compliance with the limitations on pile size and duration set forth in this bill;

- g) Evidence of financial assurance for closure and third-party liability consistent with the requirements of existing regulations;
 - h) A plan describing any offsite or out-of-state transportation and processing of metal shredder aggregate and metal shredder residue, including, but not limited to, the estimated amount of material that is transported, the identity and federal Standard Industrial Classification code of the receiving facility, the estimated amounts of metals that are recovered from the material that is transported offsite, the required insurance, and any other information requested by DTSC to evaluate whether metal recycling operations are being conducted at the receiving facility; and,
 - i) A compliance plan and schedule if required pursuant to the requirements of this bill.
- 21) Requires DTSC to review the permit application as expeditiously as possible and take final action to approve, modify, or deny the application within three years after the application has been determined to be complete. Provides that failure of the owner or operator to provide a complete permit application within one year shall be grounds for DTSC to initiate denial of the application, subject to specified conditions.
- 22) Requires DTSC to impose any additional facility-specific conditions that are necessary to ensure compliance with this bill and for the protection of human health and the environment.
- 23) Requires DTSC, in considering an application for a metal shredding facility permit submitted pursuant to this bill, and the specific terms and conditions to be included in the permit, to consider the site-specific aspects of the metal shredding facility, including, but not limited to:
- a) The nature of the surrounding community and environment;
 - b) The results of any community-specific assessment;
 - c) The facility size, location, and configuration;
 - d) The equipment, enclosures, and infrastructure;
 - e) The specific metal processing operations conducted at the metal shredding facility, including types of feedstock and annual throughput; and,
 - f) Other relevant site-specific characteristics.
- 24) Requires the owner or operator of a new metal shredding facility to submit an application to DTSC for a permit and prohibits the owner or operator from commencing operations at the new metal shredding facility until DTSC has approved a permit.
- 25) Requires DTSC, in reviewing a facility's application for permit renewal, to consider the compliance history of the metal shredding facility, including the requirements of any permit issued by any other agency.
- 26) Requires, before the submission of a permit application or application for permit renewal for a metal shredding facility, the applicant to hold at least one public meeting, or other community engagement activity approved by DTSC, to inform the community of metal

processing activities and any potential impacts to nearby communities and to solicit questions and input from the public.

- 27) Authorizes an owner or operator of a metal shredding facility that has submitted a permit application and is unable to comply with all the requirements of this bill as of the effective date to continue to operate, pending DTSC's review and approval or denial of the permit application, subject to all of the following requirements:
- a) The owner or operator identifies in its application each provision of this bill that the facility is unable to immediately comply with and has developed and implemented a plan and schedule approved by DTSC for achieving compliance with the provisions of this bill;
 - b) On or before the effective date, the owner or operator has developed and implements a written plan for the prevention, detection, and response to fires that meets the requirements of this bill. Requires that a copy of the fire response plan be submitted to DTSC within seven days of the effective date, and subject to review and approval of DTSC after consultation with the facility and the local fire department of the jurisdiction where the facility is located;
 - c) On or before the effective date, the owner or operator complies with the limitations on pile size and duration set forth in this bill;
 - d) The owner or operator initiates, diligently pursues, and implements financial assurance for closure and third-party liability as required pursuant to this bill, including, but not limited to, both of the following:
 - i) The owner or operator initiates and diligently pursues to completion a preliminary endangerment assessment, as required pursuant to this bill, and initiates any required actions identified in the preliminary endangerment assessment; and
 - ii) The owner or operator, at a minimum, maintains all existing practices and controls that are in effect or otherwise required by DTSC, a Unified Program Agency, or a local environmental health department on or before the effective date, that are designed to prevent the possibility of any unplanned sudden or non-sudden release of in-process materials; hazardous waste; metal shredder residue; or, chemically treated metal shredder residue, into air, soil, or surface water that could threaten human health or the environment; and,
 - e) The owner or operator shall be subject to any interim measures or controls established by DTSC during consideration of the permit application that are necessary for the protection of human health and the environment.
- 28) Requires the owner or operator of a metal shredding facility to operate the metal shredding facility in accordance with all of the following requirements:
- a) The metal shredding facility shall be maintained and operated to minimize the possibility of a fire, explosion, or any unplanned sudden or non-sudden release of in-process materials or components thereof, including metal shredder aggregate and light fibrous material, into air, soil, or surface water that could threaten human health or the

environment by implementing all reasonable and feasible operational or engineering methods of control, including, but not limited to, technologies or equipment, taking into consideration the size, configuration, and location of the facility, the characteristics of the materials handled, and other relevant factors;

- b) The owner or operator of the metal shredding facility shall develop and follow an inbound source control policy designed to prevent the shredding of any of the following materials or wastes at the facility:
 - i) Federal Resources Conservation and Recovery Act (RCRA) hazardous waste, and non-RCRA hazardous waste;
 - ii) Asbestos and asbestos-containing materials, except incidental asbestos-containing material that may be contained inside equipment and is not visible upon inspection;
 - iii) Radioactive materials;
 - iv) Petroleum-based wastes, including, but not limited to, used oil, gasoline, and diesel, but not including non-free-flowing residual quantities of such wastes contained in depolluted vehicles or appliances;
 - v) Polychlorinated biphenyls (PCB) materials and wastes, including, but not limited to, capacitors, electrical transformers, and transformer components;
 - vi) Fluorescent light ballasts, fluorescent lamps, neon, and high-intensity or mercury vapor lights;
 - vii) Military ordnance, except ordnance designated specifically as Material Designated as Safe;
 - viii) Explosives, explosive residues, fireworks, and other incendiary materials;
 - ix) Regulated electronic waste;
 - x) Mercury containing devices;
 - xi) Batteries, including, but not limited to, lead-acid batteries and lithium-ion batteries; and,
 - xii) Compressed gas cylinders and propane canisters, unless empty and disabled.
- 29) Requires the owner or operator of the metal shredding facility to develop and implement procedures for any depollution operations that are conducted at the metal shredding facility involving the removal of automotive fuels, lubricating oils, refrigerants, and materials that require special handling, as defined in existing law (Public Resources Code (PRC) § 42167), including procedures for the proper management of those materials or wastes that are removed during depollution operations, pursuant to existing law (HSC § 25212).
- 30) Authorizes the owner or operator of a metal shredding facility to make specified physical or operational changes to the metal shredding facility without seeking prior approval from DTSC.

- 31) Requires the owner or operator of a metal shredding facility to manage all metal shredder aggregate, untreated and treated metal shredder residue during metal processing operations as necessary to achieve the following minimum standards:
- a) All outdoor equipment used for processing or conveyance of metal shredder aggregate shall be enclosed or covered and designed, operated, and maintained to minimize the possibility of the release of light fibrous material into the environment;
 - b) All vehicles used for the outdoor transfer of metal shredder aggregate shall be loaded and unloaded in a manner that minimizes the possibility of the release of metal shredder aggregate, including light fibrous material into the environment; and,
 - c) Metal shredder aggregate shall be stored or accumulated inside a structure that protects the material from exposure to the elements and minimizes the possibility of the release of light fibrous material into the environment. At a minimum, the structure shall meet all of the following requirements:
 - i) The structure shall be enclosed with a floor, roof, and walls sufficient to protect the metal shredder aggregate from exposure to the elements and to contain the metal shredder aggregate and any process residues that are managed in the structure;
 - ii) The roof shall completely cover all areas used for storage or accumulation of metal shredder aggregate; and,
 - iii) The floor shall be constructed of concrete surfacing, steel plate, or other surfacing material approved by the department designed to prevent infiltration and collect and route any water that drains from the metal shredder aggregate to a process water management system.
- 32) Provides that, if managed in accordance with this bill, including any plans approved by DTSC and any additional conditions imposed by DTSC, the following materials are not waste, and shall not be subject to regulation the state Hazardous Waste Control Law (HWCL):
- a) Scrap metal;
 - b) Metal shredder aggregate that is managed according to specified requirements;
 - c) Intermediate metal products that are subject to further processing to improve product quality;
 - d) Finished ferrous and nonferrous metal commodities that are separated or removed from metal shredder aggregate at a metal shredding facility; and,
 - e) Nonmetallic recyclable items recovered from metal shredder aggregate for which a market exists.
- 33) Requires metal shredder aggregate, including light fibrous material, which is either released into the environment during transportation, or released beyond the property boundaries of the metal shredding facility, to be subject to regulation as hazardous waste under the HWCL, if it exhibits a characteristic of hazardous waste.

- 34) Requires untreated metal shredder residue that meets the definition of a non-RCRA hazardous waste to be chemically treated in accordance with the requirements of this bill or managed in accordance with all applicable requirements of the HWCL. Chemically treated metal shredder residue is not hazardous waste if all of the specified conditions are met.
- 35) Provides that the owner or operator of a metal shredding facility is not required to treat metal shredder residue.
- 36) Requires, within one year after the effective date of this bill, the owner or operator of a metal shredding facility to conduct a preliminary endangerment assessment, and to submit it to DTSC. Requires the owner or operator of a metal shredding facility to conduct appropriate corrective action as needed to address releases of hazardous materials or wastes that pose a significant threat to human health or the environment.
- 37) Requires the owner or operator of a metal shredding facility to provide DTSC with immediate notice of a fire or other incident at the metal shredding facility that requires the assistance of a local fire department or other first responder.
- 38) Requires the owner or operator of a metal shredding facility to establish an effective means of providing public notice to members of the surrounding community upon the occurrence of a fire or other incident that poses a threat to human health or the environment outside of the facility.
- 39) Requires the owner or operator of a metal shredding facility to have a written closure plan, subject to approval by DTSC, which covers how to safely close the facility including a closure cost estimate.
- 40) Requires the owner or operator to provide a financial assurance mechanism for closure of the metal shredding facility using one or more of the financial mechanisms described in regulations within the authority of the HWCL. Additionally requires the owner or operator to provide a financial assurance mechanism for bodily injury and property damage to third parties caused by sudden accidental occurrences arising from operations of the metal shredding facility.
- 41) Requires DTSC, via regulations, including emergency regulations, adopted by DTSC, to collect an annual fee on all metal shredding facilities that are subject to the requirements of this bill, to reimburse DTSC's reasonable costs to implement all aspects of this bill, other than costs connected to review of a facility's permit.
- 42) Requires a person who applies for a metal shredding facility permit under this bill to enter into a written agreement with DTSC, such that the person will reimburse DTSC for the direct costs reasonably incurred in processing the application. Requires the facility to reimburse DTSC's costs sufficient to cover review of the permit application, the conduct of public meetings and notices associated with the permit process, and preparation of the permit.
- 43) Provides that the enforcement authority granted to DTSC under the HWCL and its implementing regulations may be used to enforce the provisions of this bill, including, but not limited to, the authority to pursue administrative or judicial enforcement for violations of this bill and any implementing regulations, to suspend the authorization of any metal shredding facility that has been determined based on substantial evidence to pose an

imminent and substantial endangerment to human health or the environment, and to deny an application for a permit for any of the reasons set forth in this bill.

- 44) Authorizes DTSC to order the temporary cessation of shredder operations and may prohibit the receipt of additional shredder feedstock by the facility, under specified conditions.
- 45) Authorizes DTSC to prohibit the receipt of shredder feedstock at a metal shredding facility on a temporary basis if the owner or operator exceeds the limitations relating to pile size and duration set forth in this bill.
- 46) Authorizes DTSC to deny, revoke, or suspend a permit authorizing the operation of a metal shredding facility under this bill. A denial, revocation, or suspension shall be based on at least one of the following:
 - a) Noncompliance with a condition of the applicable permit that results in a significant threat to human health or the environment;
 - b) An owner or operator's failure in the application or during the approval process to disclose fully all relevant facts or a misrepresentation of any relevant fact at any time;
 - c) A determination, supported by substantial evidence, that the permitted activity poses a danger to human health or the environment that can only be addressed by permit denial, modification, suspension, or revocation; or,
 - d) Any cause specified in HSC § 25186 under the HWCL (which allows for denial, revocation, etc., if a person violates one of the state or federal environmental laws or regulations listed within the HWCL).
- 47) Requires DTSC, if DTSC takes an action to deny, revoke, or suspend a permit under this bill, to provide notice of the proposed action to the owner or operator of the metal shredding facility by certified mail, with return receipt requested or by personal service.
- 48) Authorizes an owner or operator who wishes to appeal that action [to deny, revoke or suspend a permit] to appeal by submitting a letter to DTSC, within 10 days of receipt of notice of the action and requesting a hearing.
- 49) Provides that, except for permit decisions, proceedings to appeal any decision made by DTSC under this bill, shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code. Requires, before initiating an appeal, the owner or operator of a facility to meet and confer with DTSC in a good faith effort to resolve the dispute.
- 50) Provides that proceedings to appeal DTSC's decision concerning the denial, revocation, or suspension of a permit to operate a metal shredding facility pursuant to this bill shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code.
- 51) Provides that nothing in this bill, and no action taken by DTSC pursuant to this bill, shall be construed as a limitation on the right of a city attorney, county counsel, district attorney, or

the Attorney General to maintain a civil or criminal prosecution or of any person to maintain any civil action otherwise authorized by law.

52) Exempts from the definition of hazardous waste, under the HWCL:

- a) Chemically treated metal shredder residue (if treated according to the provisions of this bill);
- b) Scrap metal;
- c) Metal shredder aggregate (managed in accordance with the requirements of this bill);
- d) Intermediate metal products that are subject to further processing to improve product quality;
- e) Finished ferrous and nonferrous metal commodities that are separated or removed from metal shredder aggregate at a metal shredding facility; and,
- f) Nonmetallic recyclable items recovered from metal shredder aggregate for which a market exists.

EXISTING LAW:

- 1) Requires DTSC to enforce the standards within the HWCL and the regulations adopted by DTSC pursuant to the HWCL. (HSC § 25180)
- 2) Authorizes DTSC to deny, suspend, or revoke any permit, registration, or certificate applied for, or issued pursuant to, the HWCL. Includes within this authority the ability of DTSC to deny, suspend, or revoke any permit, registration, or certificate applied for any violation of various state and federal environmental laws and regulations further specified. (HSC § 25186)
- 3) Authorizes DTSC to issue permits for the use and operation of one or more hazardous waste management units at a facility that meets the standards adopted pursuant to the HWCL. (HSC § 25200 (a))
- 4) Requires DTSC to impose conditions on each permit specifying the types of hazardous wastes that may be accepted for transfer, storage, treatment, or disposal. (HSC § 25200 (a))
- 5) Requires DTSC, on or before January 1, 2018, to adopt regulations establishing or updating criteria used for the issuance of a new or modified permit or renewal of a permit, which may include criteria for the denial or suspension of a permit; how to address cumulative impacts to nearby populations of a facility; and, minimum setback distances from sensitive receptors. (HSC § 25200.21)
- 6) Creates within DTSC the Board of Environmental Safety (Board), consisting of five voting members; requires the Board to set regulatory fees; hear and decide appeals of hazardous waste facility permit decisions; provide opportunities for public hearings on permitted or remediation sites; review and consider for approval the director of DTSC's annual priorities;

conduct an analysis of DTSC's regulatory fee structure; and conduct an analysis of DTSC's programs. (HSC § 25125)

- 7) Authorizes DTSC, in consultation with the Department of Resources, Recycling and Recovery, the State Water Resources Control Board, and affected local air quality management districts, to adopt regulations establishing management standards for metal shredding facilities for hazardous waste management activities within DTSC's jurisdiction as an alternative to the requirements specified in the HWCL (this authority expired on January 1, 2018). (HSC § 25150.82 (c))
- 8) Authorizes DTSC to collect an annual fee from all metal shredding facilities that are subject to the requirements of the HWCL or to the alternative management standards adopted pursuant to HSC § 25150.82. Requires DTSC to establish and adopt regulations necessary to administer this fee and to establish a fee schedule that is set at a rate sufficient to reimburse DTSC's costs to implement the HWCL as applicable to metal shredder facilities. Authorizes the fee schedule established by DTSC to be updated periodically as necessary and requires the assessment to be no more than the reasonable and necessary cost of DTSC to implement the HWCL, as applicable to metal shredder facilities. (HSC § 25150.84 (a))
- 9) Defines "metal shredding facility" as an operation that uses a shredding technique to process end-of-life vehicles, appliances, and other forms of scrap metal to facilitate the separation and sorting of ferrous metals, nonferrous metals, and other recyclable materials from nonrecyclable materials that are components of the end-of-life vehicles, appliances, and other forms of scrap metal. "Metal shredding facility" does not include a feeder yard, a metal crusher, or a metal baler, if that facility does not otherwise conduct metal shredding operations. (HSC § 25150.82 (b))
- 10) Prohibits materials that require special handling (MRS), contained in major appliances, from being disposed of at a solid waste facility and requires them to be removed from major appliances in which they are contained prior to the appliance being crushed, baled, shredded, sawed or sheared apart, disposed of, or otherwise processed in a manner that could result in the release or prevent the removal of materials that require special handling. Once removed, these MRS shall be managed as a hazardous waste and any violations related to the management of MRS are subject to the violations in the HWCL. (HSC § 25212)
- 11) Requires materials that require special handling to be removed from major appliances and vehicles in which they are contained prior to crushing for transport or transferring to a baler or shredder for recycling. (PRC § 42175)
- 12) Defines "vehicle" as any device used for transportation, including bicycles, airplanes, and other transportation devices not used on highways, and automobiles and other vehicles, as defined in Section 670 of the Vehicle Code. (PRC § 42165)
- 13) Defines "major appliance" as any domestic or commercial device, including, but not limited to, a washing machine, clothes dryer, hot water heater, dehumidifier, conventional oven, microwave oven, stove, refrigerator, freezer, air-conditioner, trash compactor, and residential furnace. (PRC § 42166)

FISCAL EFFECT: Unknown.

COMMENTS:

Need for the bill: According to the author:

"Metal shredding facilities recycle millions of end-of-life vehicles, household appliances, and other metallic items produced, used, and discarded annually in California. Unless recycled, these metal materials would rapidly overwhelm all available landfill capacity, creating a massive accumulation of damaged and abandoned cars, appliances, and other items.

Metal shredding poses environmental concerns to surrounding communities because the shredding process has the potential to release particulate materials and has a risk of causing fire. The current framework for hazardous waste does not include metal shredding facilities and therefore the facilities are not required to obtain a permit and are not regulated by the California Department of Toxics and Substance Control (DTSC). Without a comprehensive regulatory framework, DTSC on their own has begun to regulate the industry on a facility-by-facility basis using a hazardous waste enforcement framework, creating an uncertain and inconsistent legal environment, which has resulted in litigation.

SB 811 will resolve this uncertainty, end the litigation, and ensure comprehensive and robust oversight and enforcement of metal shredding facilities under DTSC's authority. This bill will ensure that California remains a sustainability leader in 'reducing, reusing and recycling' by fostering the recycling of scrap metal into new metal products, while at the same time protecting adjoining communities from environmental pollution.

SB 811 includes provisions to address the governor's veto message on SB 404."

California Hazardous Waste Control Law (HWCL): The HWCL is the state's program that implements and enforces federal hazardous waste law in California and directs DTSC to oversee and implement the state's hazardous waste laws and regulations. Any person who stores, treats, or disposes of hazardous waste must obtain a permit from DTSC. The HWCL covers the entire management of hazardous waste, including hazardous waste generation, management, transportation, and ultimately disposal into a state or federally authorized facility.

DTSC's hazardous waste management permitting program: DTSC is responsible for administering the hazardous waste facility permitting program established under the HWCL and the federal RCRA. The core activities of the permitting program include: review of RCRA and non-RCRA hazardous waste permit applications to ensure safe design and operation; issuance and denial of operating permits; issuance of post-closure permits; approval and denial of permit modifications; issuance and denial of emergency permits; review and approval of closure plans; oversight of approved closure plans; and, ensuring a public process on the permitting of hazardous waste facilities.

DTSC's hazardous waste management enforcement program: DTSC's inspection and enforcement responsibilities include its delegated authority under RCRA, California's HWCL, and state laws pertaining to toxics in packaging, toxic substances in consumer products, and disposal of universal wastes, such as electronic waste. Core activities of DTSC's hazardous waste management program include routine and targeted compliance inspections. Routine compliance inspections involve review of submitted data and reports, as well as physical

observation, testing, and evaluation of regulated facilities. Targeted compliance inspections involve review of specific units or processes in response to focused concerns or to inform permitting decisions, as well as analysis of current and historical compliance.

Metal shredder facilities: California law defines a "metal shredding facility" as an operation that uses a shredding technique to process end-of-life vehicles, appliances, and other forms of scrap metal to facilitate the separation and sorting of ferrous metals, nonferrous metals, and other recyclable materials from non-recyclable materials. A "metal shredding facility" does not include a feeder yard, a metal crusher, or a metal baler, if that facility does not otherwise conduct metal shredding operations. As such, most scrap metal recycling facilities would not be subject to any proposed regulations meant to manage the waste generated from metal shredding facilities.

Currently, there are ten metal shredding facilities operating in California. Seven of these are larger facilities, and 3 of them process a much smaller amount of metal. These facilities are located in the following cities: Anaheim, Bakersfield, Colton, Lancaster, Los Angeles, Oakland, Redwood City, Stockton, Sun Valley, and Vallejo.

Metal shredder waste: The shredding of scrap metal (e.g., end-of-life vehicles) results in a mixture of recyclable materials (e.g., ferrous metals and nonferrous metals) and non-recyclable material (i.e., metal shredder waste). Aggregate is generated after the initial separation of ferrous metals and consists of nonferrous metals that can be further recovered and metal shredder waste. Metal shredder waste consists mainly of glass, fiber, rubber, automobile fluids, dirt, and plastics in automobiles and household appliances that remain after the recyclable metals have been removed. Because scrap metal contains regulated hazardous constituents, it can contaminate and ultimately cause metal shredder waste to exhibit a characteristic of hazardous waste for toxicity. In a 2002 draft report on auto shredder waste, DTSC showed that metal shredder waste often exceeded the soluble threshold limit concentrations (STLCs) for lead, cadmium, and zinc.

Non-hazardous waste classification granted to metal shredding facilities: Based on the hazardous characteristics of metal shredder waste, in many instances, metal shredding facilities are hazardous waste generators and are thus subject to hazardous waste requirements, including permitting, transportation, and disposal. In the late 1980s, in an effort to relieve metal shredding facilities of these requirements, the Department of Health Services (DHS) (*the predecessor of DTSC*) determined that the metal treatment fixation technologies were capable of lowering the soluble concentrations of metal shredder waste such that the treated metal shredder waste was rendered insignificant as a hazard to human health and safety, livestock, and wildlife. Seven metal shredding facilities applied for and were granted nonhazardous waste classification letters by DHS, and later DTSC, if they used the metal treatment fixation technologies. The authority to issue these classifications is found in subdivision (f) of Section 66260.200 of Title 22 of the California Code of Regulations, and these determinations are now known as "f letters." These classifications ultimately allowed treated metal shredder waste to be handled, transported, and disposed of as non-hazardous waste in class III landfills (i.e., solid (nonhazardous) waste landfills).

Legislation to address impacts of metal shredding facilities: In 2014, Senator Jerry Hill introduced SB 1249 (Chapter 756), based in part on concerns about metal shredder safety due to recent fires at metal shredding facilities in his district, but also in response to the historic concerns about metal shredding facilities and their potential impact on the environment. The

intent of the bill was that the conditional nonhazardous waste classifications, as documented through the historical "f letters," be revoked and that metal shredding facilities be thoroughly evaluated and regulated to ensure adequate protection of human health and the environment. SB 1249 was signed by the Governor and authorized DTSC to develop alternative management standards (different from a hazardous waste facility permit) if, after a comprehensive evaluation of metal shredding facilities, DTSC determined that alternative management standards were warranted.

DTSC's implementation of SB 1249: DTSC's implementation of SB 1249 included: conducting a comprehensive evaluation of metal shredding facilities and metal shredder waste; determining if alternative management standards specific to metal shredding facilities could be developed to ensure that the management, treatment, and disposal practices related to metal shredder waste are protective of human health and the environment; preparing an analysis of activities to which the alternative standards will apply, made available to the public before any regulations were adopted; and, adopting emergency regulations establishing a fee schedule to reimburse DTSC's costs for the evaluation, analysis, and regulatory development for metal shredding facilities.

As part of this implementation, in January 2015, DTSC developed a three-year work plan to implement SB 1249. The work plan includes development of a treatability study on metal shredder wastes to demonstrate the highest level of treatment that can be achieved with current technology, and an assessment of the potential for treated or untreated metal shredder waste to migrate off-site and impact residents or business occupants in the areas surrounding metal shredding facilities and landfills that accept metal shredder waste.

As part of the work plan, DTSC approved air monitoring summary reports for metal shredding facilities located in Bakersfield, Redwood City, and Terminal Island. Air sampling was conducted at the facilities during October 2016 to assess the potential for offsite emissions associated with the metal shredding operations.

DTSC's evaluation of metal shredding facilities: As part of SB 1249, DTSC conducted a multi-year evaluation of metal shredding facilities, issuing a draft report in 2018 and then issuing a final report in August of 2021 titled, "Evaluation and Analysis of Metal Shredding Facilities and Metal Shredder Wastes." According the final report:

"The Department of Toxic Substances Control (DTSC) is pleased to present this Evaluation and Analysis of Metal Shredding Facilities and Metal Shredder Wastes (Final Report). This Final Report incorporates feedback received after initial posting of the Draft Report in 2018, summarizes recent enforcement actions taken since 2018, provides an analysis of the DTSC-directed treatability study, incorporates information learned by DTSC during the course of its community workshops and stakeholder consultation group meetings, and revises terminology where appropriate. DTSC reviewed hazardous waste management activities, current regulatory environmental oversight, and the history of releases, contamination, and enforcement actions at metal shredding facilities in California.

Additionally, DTSC coordinated with metal shredding facilities on a treatability study to identify the highest level of treatment that could be achieved to stabilize metals of concern on metal shredder waste with current technology. DTSC also reviewed the current disposal practices of chemically treated metal shredder waste at municipal solid waste landfills to identify the potential for migration of contaminants to groundwater, surface water, and the

air. The study team found numerous examples of accidents, improper storage of hazardous wastes, soil contamination, and releases of hazardous wastes that impacted the environment and surrounding communities at metal shredding facilities.

DTSC and other agencies have taken several enforcement actions against metal shredding facilities in response to these types of incidents. DTSC's efforts have allowed for it to gain a more thorough understanding of metal shredder operations, as well as of the ambiguities within the existing regulatory framework under which metal recyclers, including shredding facilities, have historically operated. *Based on this evaluation, DTSC has determined that the point of generation of hazardous waste is at the shredder itself, meaning that various downstream activities performed at the facilities would be subject to the Hazardous Waste Control Law.* Under the Hazardous Waste Control Law, entities who conduct hazardous waste treatment, storage, or disposal are required to apply for and receive a form of authorization from DTSC in order to operate. *Based on the results of its evaluation and DTSC's updated understanding of these activities, metal shredding facilities would require a form of authorization from DTSC to continue to operate in the same manner.*

DTSC's analysis demonstrates that the disposal of chemically treated metal shredder residue as nonhazardous waste in municipal solid waste landfills, including its use as alternative daily cover, has not resulted in harm to human health or safety or to the environment, based on the limited data available to DTSC. Additionally, the analysis demonstrates that chemically treated metal shredder residue has not contributed to the solubilization and migration of heavy metals from solid waste landfills via leaching into soil or groundwater, surface water contamination, or windborne dispersion. Thus, while various protections and requirements related to the management of chemically treated metal shredder residue (CTMSR) during its transportation to landfills may need to be developed to ensure the safety of human health and the environment, DTSC has concluded that it is not necessary that metal shredder residue that has been appropriately chemically treated, managed, and transported, to be disposed of as a hazardous waste to prevent or mitigate potential hazards to human health or safety or to the environment."

Implementation of SB 673 (Lara, Chapter 611, Statutes of 2015): SB 673 was signed into law in 2015, creating an opportunity for DTSC to improve the permit process for hazardous waste facilities. Implementation of SB 673 provided DTSC with an opportunity to address long standing environmental justice concerns stemming from the location, operation, and expansion of hazardous waste facilities. The provisions of SB 673 provided for stronger permit criteria to further protect communities and consider "the vulnerability of, and existing health risks, to nearby populations" when issuing new or modified permits and permit renewals. DTSC's efforts to implement SB 673 included dividing the regulations into two tracts. One tract has been implemented and it deals with incorporating past violations into permitting decisions. This is also known as the violation scoring procedure. The remaining piece of SB 673 has yet to be implemented and requires DTSC to evaluate community vulnerability, health risks, and setback distances into its permitting processes.

This bill: SB 811 requires DTSC to evaluate how to incorporate the part of SB 673 dealing with community vulnerability and minimum setbacks distances into its permitting of metal shredding facilities. However, SB 811 does not include, and some stakeholders have requested that it include, DTSC's violation scoring procedure in its permitting of metal shredding facilities.

Recent legislation dealing with metal shredding facilities: Two years ago, the legislature enacted and the Governor signed AB 2851 (Bonta, Chapter 743, Statutes of 2024), which requires DTSC, in consultation with local air pollution control districts and air quality management districts, to develop and implement facility-wide fence-line air quality monitoring at metal shredding facilities. It is important to note that the funding for AB 2851 comes from fees from metal shredders detailed under the HWCL. While this bill strikes that section dealing with metal shredder fees in the HWCL, it reenacts the same fee authority in a new section in SB 811. Therefore, there is no impact to the funding of AB 2851 from this bill.

Last year, SB 404 (Caballero), which is nearly identical to SB 811, was vetoed by the Governor. In his veto message the Governor stated:

"I support the author's intent to create a uniform structure for permitting metal shredding facilities in California. These facilities are critical to maintaining supply chain stability, recycling millions of end-of-life vehicles, household appliances, and other metallic items produced, used, and discarded annually in California. Unless recycled, these metal materials would overwhelm available landfill capacity, creating a massive accumulation of damaged and abandoned cars, appliances, and other items.

However, this bill lacks clear definitions regarding the materials processed at these facilities, including what "hazardous waste" requirements are applicable. Without this clarity, this bill is not as protective, places a significant burden on DTSC, and cannot be successfully implemented.

I encourage the author to work closely with DTSC and interested parties to remedy this issue, as well as ensure that any future legislation requires metal shredding facilities operate, and be permitted to operate, in a health-protective manner."

According to the author of SB 811 and the sponsors of the bill, they did have conversations with DTSC and as a result have amended SB 811 to incorporate both technical changes and changes to further clarify that DTSC can exercise its enforcement authority under the HWCL for specific violations of SB 811.

Key details contained in SB 811: This bill creates an entirely new permitting structure for metal shredding facilities. While there are aspects of this bill that are similar to or consistent with the requirements for hazardous waste facilities under the HWCL, the permits under this bill are completely new in the state. Below are some key aspects contained within SB 811:

- 1) Clarifies that this bill does not limit the authority of a local air pollution control district, air quality management district, Unified Program Agency, or a local environmental health department that is not a Unified Program Agency.
- 2) Prohibits, unless otherwise specified, a metal shredding facility from operating in California, unless it has a permit issued by DTSC.
- 3) Requires DTSC to evaluate how to apply, to metal shredding facilities, its policies relating to environmental justice and the protection of vulnerable communities or sensitive receptors and other sensitive locations, as described in existing law (HSC § 25200.21(b-c))

- 4) Requires DTSC to determine, on the basis of substantial evidence, that operation of the facility does not pose a significant threat to public health or the environment and will not cause disproportionate and potentially discriminatory impacts on local communities, before approving or denying a permit under this bill.
- 5) Requires DTSC to impose any additional facility-specific conditions that are necessary to ensure compliance with this bill and for the protection of human health and the environment.
- 6) Requires the metal shredding facility, before they submit a permit application to DTSC, to hold at least one public meeting, approved by DTSC, to inform the community about the metal shredding facility and any potential impacts to nearby communities.
- 7) Authorizes a metal shredding facility to make specified physical or operational changes to the metal shredding facility without seeking prior approval from DTSC.
- 8) Clarifies that metal shredder aggregate, including light fibrous material, that is either released into the environment during transportation, or released beyond the property boundaries of the metal shredding facility, shall be subject to regulation as hazardous waste under the HWCL.
- 9) Requires the metal shredding facility, within one year of the effective date of this bill, to conduct an on-site investigation to determine if there have been any releases to the environment. Requires the facility to conduct cleanup of any releases that pose a significant threat to human health or the environment. Clarifies that DTSC still has its authority under the HWCL to order any investigation and cleanup as necessary.
- 10) Requires the metal shredding facility to establish an effective means of providing public notice to members of the surrounding community upon the occurrence of a fire or other incident that poses a threat to human health or the environment outside of the facility.
- 11) Requires the owner or operator to provide a financial assurance mechanism for closure of the metal shredding facility and for bodily injury and property damage. (note: financial assurance is a mechanism under the HWCL that allows DTSC to access funding, provided by the facility, to safely close the facility or perform other cleanup as necessary, in the event the facility was no longer operating or bankrupt)
- 12) Clarifies that DTSC can use any authority it has under the HWCL to enforce the provisions of this bill.
- 13) Authorizes DTSC to order the temporary shutdown of shredding operations or prohibit the receipt of shredder feedstock under certain circumstances.
- 14) Authorizes DTSC to deny, revoke, or suspend a permit authorizing the operation of a metal shredding facility based on at least one of the following:
 - a) Noncompliance with a condition of the applicable permit that results in a significant threat to human health or the environment;
 - b) An owner or operator's failure in the application or during the approval process to disclose fully all relevant facts or a misrepresentation of any relevant fact at any time;

- c) A determination, supported by substantial evidence, that the permitted activity poses a danger to human health or the environment that can only be addressed by permit denial, modification, suspension, or revocation; or,
- d) Any cause specified in HSC § 25186 under the HWCL. (in short: this means a permit could be denied, suspended, etc., if the facility violates any one of the state and federal environmental laws and regulations listed in this referenced code section).

15) Clarifies that an approval of an application for an existing or new metal shredding facility is subject to the provisions of the California Environmental Quality Act.

Stakeholder engagement and recent amendments to this bill: Over the course of the legislative process, this bill (and SB 404) has undergone significant revisions pursuant to stakeholder conversations and engagement among the Author, sponsors, and opposition. Amendments taken have intended to address the following issues: preservation of authority of local agencies (CUPAs, local health officers, and public attorneys); enhancing permit requirements to reduce impacts to communities; improve public participation in the permitting of metal shredding facilities; issues specific to smaller metal shredders; improvements to the prevention of fires at metal shredding facilities; more specific enforcement options; clarifying that the fees paid by metal shredders under this bill will also be available to implement AB 2851; and provisions to deal with the prevention of off-site releases.

However, even though the bill has been substantially amended as mentioned above, various stakeholders remain opposed to the bill.

SB 811 compared to a hazardous waste facility permit: There have been significant stakeholder discussions regarding the requirements under SB 811 and the requirements for a hazardous waste facility. There are similarities in the requirements under this bill and for a hazardous waste facility permit. At a very high level, both SB 811 and a hazardous waste facility permit require the following:

- 1) A closure plan and a cost estimate for closure;
- 2) Evidence of financial assurance for the closure plan;
- 3) An Inventory management plan;
- 4) A housekeeping plan;
- 5) A training plan;
- 6) Facility security plan;
- 7) An inspection plan;
- 8) A preparedness and prevention plan;
- 9) A contingency plan;
- 10) An authorization to make operational changes without DTSC approval under certain circumstances; and,
- 11) A preliminary endangerment assessment (to assess possible onsite contamination).

In addition, both SB 811 and a hazardous waste facility permit authorize DTSC to make any additional changes necessary to the permit to protect human health and safety and authorize DTSC to deny, suspend, or revoke the permit.

Requirements on metal shredders today versus under SB 811: While there has been significant discussion around how metal shredders would be regulated under the HWCL, it's important to note that there is a significant difference in how these metal shredding facilities are currently regulated versus under SB 811. Currently, metal shredding facilities are not permitted by DTSC and are regulated mainly as a generator of hazardous waste. This means that as a business they generate and manage hazardous waste and are required to manage the hazardous waste under the conditions of the HWCL. In addition, as noted earlier, DTSC issued these facilities "f" letters authorizing them to treat the metal shredder residue. It's safe to say that over the past 30-40 years there hasn't been consistent regulation of metal shredder facilities by the state. SB 811 would eliminate that confusion and would establish a permit for metal shredding facilities (outside of the HWCL). The conditions under SB 811, as noted above, and cited in the earlier part of this analysis are largely not required of these facilities today. Currently these facilities are not required to have a closure plan, cost estimate for closure, financial assurance mechanism to cover the closure cost, training or inspection plan, fire prevention plan, or an assessment of potential onsite contamination. SB 811 changes that and imposes a consistent set of permit requirements, overseen by DTSC, with the goal that these facilities operate safely and do not negatively impact their surrounding community.

This bill: SB 811 creates a regulatory structure in state law for metal shredding facilities. There are currently ten metal shredding facilities in the state, some operating under regulatory authorization from the 1980s and 1990s. These facilities are an important piece of the metal recycling infrastructure in California. However, having one clear regulatory structure for all metal shredding facilities in the state makes sense. Having clear rules will be helpful for state and local regulators and metal shredding facilities, and will help set the regulatory standard for future metal shredding facilities in the state.

Issues for consideration: As the bill moves through the process, the author may wish to consider any or some of the following:

- 1) Shifting the permit appeals authority from the Board of Administration Hearings to the Board of Environmental Safety. Also clarify that the BES can use their existing regulation for permit appeals for permit appeals under this bill.
- 2) Specifically authorize DTSC to include any additional requirements in the fire prevention plan required pursuant to 25095.13 (b), as recommended by a local fire department or CUPA.
- 3) Clarify that the CUPA can enforce the requirements of a metal shredder permit that are under the CUPAs authority, including, but not limited to, ensuring compliance with the inbound source control policy required pursuant to 25095.12 (b).
- 4) Provide further direction to DTSC to take into consideration the size and nature of a small metal shredding facility when processing its permit application and assessing fees.
- 5) Require the BES to, by 2030, at a regularly scheduled public hearing, hear from DTSC, the metal shredding industry and the public on the implementation of the metal shredder permit.

Arguments in support: According to the California Metal Recyclers Coalition:

"Metal shredding facilities provide an essential public service to many sectors of the economy, including state and municipal governments, California businesses and residents by providing a safe, reliable and environmentally responsible means of recycling the vast quantities of recyclable metal-containing materials that are generated in the state every day. These facilities successfully recycle millions of end-of-life vehicles, trucks, busses,

household appliances, steel beams, rebar and other metallic construction materials, and thousands of other items ranging in size from a backyard barbeque to sections of the old San Francisco-Oakland Bay Bridge. More than ever, these facilities provide the only feasible and cost-effective means of dealing with the huge number of burned vehicles, household appliances and other metal items that are damaged or destroyed by the wildfires which are sweeping through our communities with distressing frequency.

SB 811 is virtually identical to SB 404 (Caballero), which was passed by the Legislature last year with only one 'no' vote. Unfortunately, the Governor vetoed the bill due to an implementation issue that could not be resolved prior to passage due to time constraints. However, the Governor's veto message expressed his desire that this issue be resolved so that a new bill could be signed to ensure that these critical facilities may continue to operate in California.

SB 811 accomplishes this goal. SB 811 is identical to SB 404 with the exception of very minor amendments that resolve the implementation issues referred to in the Governor's veto message. These amendments make clear that the requirements of the bill apply to both the metal processing operations and the materials processed by those operations, and that DTSC retains authority under the Hazardous Waste Control Law to pursue enforcement against metal shredding facilities in certain prescribed circumstances. The Metal Recyclers Coalition worked with the Department of Toxic Substances Control (DTSC) to ensure that the proposed amendments are clear and achieve the necessary clarifications of the bill's language.

SB 811 solves a problem that has threatened the economic viability of metal shredding facilities for almost a decade—the lack of clarity around how these critical facilities should be regulated. In the same fashion as SB 404, SB 811 would establish a new regulatory program in the Health and Safety Code devoted specifically to this industry, that would be administered by DTSC. The industry has worked proactively with DTSC to address issues raised by the agency and to ensure the safe operation of these facilities. Significant operational improvements have been achieved at metal shredding facilities over the past few years, and the regulatory framework established by SB 811 will further ensure that these important facilities continue to operate safely and in an environmentally protective manner."

Arguments in opposition: According to a coalition of environmental and environmental justice organizations:

"The undersigned organizations respectfully oppose Senate Bill 811 by Senator Caballero. The bill's effort to exclude metal shredders from California's hazardous waste laws while providing an inadequate replacement puts communities and the environment at risk. Our organizations raised our concerns in opposition to SB 404, which was vetoed last session but has been revived as SB 811. Despite the minor amendments from SB 404, this bill still fails to address significant concerns and should be rejected.

The materials managed at metal shredding facilities are hazardous waste and must be regulated as such under California's hazardous waste laws. Instead of SB 811's overly complicated approach, California should regulate metal shredding facilities under the existing hazardous waste framework, including by promptly requiring the facilities to obtain hazardous waste permits with conditions necessary to protect human health and the

environment. The Department of Toxic Substances Control (DTSC) should then be directed to develop additional requirements, within the existing hazardous waste legal framework, tailored to address the ongoing problems we've seen at metal shredding facilities—including fires and dispersal of heavy metals into surrounding communities.

DTSC already struggles to manage its existing regulatory responsibilities. Carving metal shredding facilities out of the hazardous waste framework to create a separate permitting regime for the metal shredding industry will stretch DTSC even thinner and needlessly tax its capacity to implement the hazardous waste program. The focus instead should be on ensuring DTSC is providing regulatory oversight and ensuring protection of human health and the environment.

We agree with the need to address the threats posed by metal shredding facilities to communities, but this bill as written moves in the wrong direction."

According to Universal Service Recycling, Inc. (Universal), Pacific Auto Recycling Center (PARC), and Kramar's Iron & Metal Co. (Kramar):

"Universal Service Recycling, Inc. (Universal), Pacific Auto Recycling Center (PARC), and Kramar's Iron & Metal Co. (Kramar), three small businesses that have shredded and recycled metals in California for decades, are regrettably opposed to SB 811 unless it is amended to eliminate the duplicative, overly burdensome, and costly requirements it would impose on our businesses.

As the bill correctly observes, metal shredding and recycling is a critical circular economy and environmental protection measure in California. Small metal recyclers like Universal, PARC, and Kramar assist in the statewide recovery of valuable secondary metals, separating and bundling them into compact and transportable bales that can be sold as raw materials for manufacturing new metal products, such as rebar. These companies also play an important role in the cleanup process that follows natural disasters, such as the catastrophic wildfires that impacted Los Angeles communities earlier this year and also support local economies in disadvantaged communities for the many jobbers who collect and sell scrap metal.

Since small metal recyclers do not chemically treat metal shredder residue (MSR), they are already regulated by the Department of Toxic Substances Control (DTSC), and all their generation and handling of MSR must comply with hazardous waste generator requirements found in Title 22 of the California Code of Regulations.

Accordingly, we request that SB 811 be amended to clearly distinguish between the two pathways for proper regulation of metal shredder residue. Under our proposed amendments, the small metal recyclers that do not chemically treat metal shredder residue and that have obtained all necessary permits and authorizations from the myriad agencies with jurisdiction over different facets of metal shredding operations, would continue to be regulated by DTSC under DTSC's own hazardous waste generator regulations. As such, these facilities would not need to obtain the permit contemplated in SB 811. The SB 811 permitting process would be the primary means of authorizing and regulating the chemical treatment of metal shredder residue and would also serve as the backstop for facilities that do not have all the necessary regulatory mechanisms in place."

According to California Association of Environmental Health Administrators (CAEHA), the CUPA Forum Board (CFB), and the Health Officers Association of California, writing in an opposed-unless-amended position:

"SB 811 codifies metal shredder residue and chemically treated metal shredder residue as non-hazardous waste. DTSC's analytical results released in 2021 clearly demonstrate that metal shredder residues remain hazardous waste even after treatment. The public's health is endangered when we ignore the hazardous nature of residue which is produced by locations often located in close proximity to low-income communities.

Emergencies start and end locally. California communities are burdened by fires at metal shredding facilities (including a recent fire at Radius Recycling's Oakland's facility on March 11, 2026) which release hazardous waste constituents into the local community, endangering the public's health. SB 811 creates an exemption that allows the industry to treat hazardous waste without meaningful local oversight.

SB 811 sets an unwise precedent for using code to exempt a specific waste product from the hazardous waste regulatory process. Statutory provisions for the establishment of alternative management standards for metal shredder waste were enacted in 2014 (SB 1249, Chapter 756) and amended in 2025 (AB 2851, chapter 743). The Department of Toxic Substances Control (DTSC) was provided with the opportunity to adopt regulations but chose not to, instead issuing an interpretive letter, which was recently rescinded."

Related legislation:

- 1) SB 404 (Caballero, 2025). Requires the owner or operator of a metal shredding facility to obtain a permit from DTSC. Prohibits a metal shredding facility from operating in the state without a permit. Includes within the permit: requirements for managing various wastes within and leaving the facility, measures to prevent fires; and measures to reduce impacts to communities near the facility. Provides that local and state regulators retain enforcement authority with respect to metal shredding facilities, as that authority exists under current law. This bill was vetoed by Governor Gavin Newsom.
- 2) SB 1234 (Allen, 2024). Would have established permitting requirements for new and existing metal shredding facilities. Would have required an owner or operator of an existing metal shredding facility, within 120 days after the effective date of this bill, to submit to the DTSC, for review and approval, specified information that is required for a metal shredding facility permit. This bill was held on the suspense file in the Assembly Appropriations Committee.
- 3) AB 2851 (Bonta, Chapter 743, Statutes of 2024). Requires DTSC, in consultation with local air pollution control districts and air quality management districts, to develop and implement facility-wide fence-line air quality monitoring at metal shredding facilities.
- 4) SB 158 (Committee on Budget and Fiscal Review, Chapter 73, Statutes of 2021). Enacted several policy reforms to the programs overseen by DTSC, stabilized DTSC's funding, and created the Board.

- 5) SB 673 (Lara, Chapter 611, Statutes of 2015). Revised DTSC's permitting process and public participation requirements for hazardous waste facilities.
- 6) SB 1249 (Hill, Chapter 756, Statutes of 2014). Authorizes DTSC to adopt regulations establishing alternative management standards for hazardous waste management activities at metal shredding facilities until January 1, 2018.
- 7) SB 524 (Correa, Chapter 716, Statutes of 2009). As heard by the Assembly Environmental Safety and Toxic Materials Committee: would have prohibited DTSC from altering the current regulatory status of auto shredder residue without first considering factors considered by an auto shredder residue working group. This bill was subsequently amended into an unrelated subject and signed by the Governor.

REGISTERED SUPPORT / OPPOSITION:

Support

Beacon House Association of San Pedro
Boys & Girls Clubs of the Los Angeles Harbor
California Council for Environmental & Economic Balance
California Hispanic Chambers of Commerce
California Professional Firefighters
California State Association of Electrical Workers
California State Pipe Trades Council
Central City Association of Los Angeles
City of Los Angeles Councilmember Tim Mcosker
Councilmember John Echavarria
Ecology Recycling Services
Garden Grove Chamber of Commerce
Grand Vision Foundation
Harbor Association of Industry and Commerce
Kern County Hispanic Chamber of Commerce
Metal Recycling Coalition
Peace Officers Research Association of California
Port of Los Angeles
Recology
Redondo Beach Chamber of Commerce
Republic Services
Resource Recovery Coalition of California
San Joaquin County District Attorney's Office
San Joaquin County Sheriff - Public Administrator Patrick Withrow
ShareFest Community Development
South Bay Association of Chambers of Commerce
South Colton Diversity Committee
State of California Auto Dismantlers Association,
Strength Based Community Change
Thousand Palms Chamber of Commerce
Western States Council Sheet Metal, Air, Rail and Transportation

Opposition

1000 Grandmothers for Future Generations
350 Bay Area Action
350 Humboldt
Action Now
Active San Gabriel Valley
Alameda County District Attorney's Office
Alameda County Office of Education
Antelope Valley Economic Development and Growth Enterprise
Asian Industry Business to Business
Bay Area System Change Not Climate Change
BizFed Central Valley
Business Council San Joaquin County
California African American Chamber of Commerce
California Association of Environmental Health Administrators
California Coastkeeper Alliance
California Communities Against Toxics
California CUPA Forum
California Environmental Voters
California Safe Schools
California Small Business Association
Center for Race, Poverty, and the Environment
Central Valley Business Federation
Clean Air Coalition of North Whittier and Avocado Heights
Clean Water Action
Cleaneearth4kids.org
Coalition for Clean Air
Comite Civico Del Valle
Comite Pro Uno
Communities for a Better Environment
County of Alameda
County of San Mateo Board of Supervisors
Del Amo Action Committee
Earthjustice
East Yard Communities for Environmental Justice
Facts: Families Advocating for Chemical & Toxics Safety
Fresnans Against Fracking
Greater Stockton Chamber of Commerce
GreenAction for Health and Environmental Justice
Kramar's Iron and Metal Co.
Lincoln Heights Community Coalition
Los Angeles Unified School District
National Federation of Independent Business
National Resources Defense Council
New Genesis Housing Development Corporation
Oakland Athletics
Oakland Unified School District

Pacific Auto Recycling Center
Phillipine Action Group for the Environment
Placer Earth Care Action (PECA)
Resource Renewal Institute
Richmond Shoreline Alliance
San Bernardino County
San Francisco Baykeeper
Services Recycling, INC.
Sierra Club California
Valley Industry & Commerce Association
West Berkeley Alliance for Clean Air and Safe Jobs
West Oakland Environmental Indicators Project

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