

SENATE THIRD READING
SB 811 (Caballero)
As Amended August 13, 2026
Majority vote

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.

Major Provisions

- 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) 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.
- 3) 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.
- 4) 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.
- 5) 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 state's Hazardous Waste Control Law (HWCL).
- 6) 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.
- 7) Clarifies that DTSC can use any authority it has under the HWCL to enforce the provisions of this bill.
- 8) Authorizes DTSC to order the temporary shutdown of shredding operations or prohibit the receipt of shredder feedstock under certain circumstances.
- 9) 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 Health and Safety Code Section 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).
- 10) 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.

COMMENTS

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 for lead, cadmium, and zinc.

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 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 completed the evaluation of metal shredding facilities; however DTSC did not develop alternative management standards for metal shredding facilities.

Recent legislation dealing with metal shredding facilities: In 2025, 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. 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.

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.

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."

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."

FISCAL COMMENTS

According to the Assembly Appropriations Committee, if this bill were to be enacted, DTSC estimates ongoing costs of \$1.6 million and six positions to cover its oversight, regulatory, and anticipated litigation costs. SB 811 requires all of DTSC's costs to be reimbursed by an annual fee imposed on metal shredding facilities, as well as via a reimbursement agreement to cover the department's direct costs related to processing permit applications.

VOTES**SENATE FLOOR: 40-0-0**

YES: Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, Limón, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

ASM ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: 4-1-2

YES: Connolly, Lee, McKinnor, Papan

NO: Ellis

ABS, ABST OR NV: Bauer-Kahan, Castillo

ASM APPROPRIATIONS: 10-1-4

YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Solache

NO: Dixon

ABS, ABST OR NV: Hoover, Sharp-Collins, Ta, Tangipa

UPDATED

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