Date of Hearing: August 5, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
SB 955 (Blakespear) – As Amended May 18, 2026

Policy Committee: Natural Resources Vote: 14 - 0

Urgency: Yes State Mandated Local Program: Yes Reimbursable: No

**SUMMARY**:

This bill specifies that a reverse vending machine (RVM) certified to operate as a recycling center does not make an unserved convenience zone (CZ) served and redefines "supermarket" for purposes of the Beverage Container Recycling and Litter Reduction Act (also referred to as the "Bottle Bill").

Specifically, this bill, among other things:

1) Defines a "supermarket" as a store with annual sales of $5 million or more, rather than $2 million or more as under existing law, and expands the list of items sold at a store that meets the legal definition of a supermarket to include alcohol and nonalcoholic beverages, regardless of whether the store operates a bakery or deli.

2) Specifies that all of the following apply if an RVM is certified to operate as a recycling center:

   a) The RVM shall not make an unserved CZ "served", as specified, regardless of the number of hours it operates and specifies that the RVM is still required to operate the minimum hours specified in existing law (in the Bottle Bill, a CZ is considered served when there is at least one certified recycling center operating within its boundaries.)

   b) An RVM located in a CZ shall not preclude a dealer cooperative or a mobile unit from operating or receiving program payments in the same convenience zone, as specified.

   c) The RVM located in a CZ shall not make an existing recycling center certified in that CZ ineligible for handling fees, as specified.

3) Specifies that, except as provided in item 2, above, an RVM that is certified as a recycling center is subject to all laws and regulations applicable to recycling centers.

**FISCAL EFFECT**:

1) The Department of Resources Recycling and Recovery (CalRecycle) estimates ongoing annual costs of about $328,000 for two positions (Beverage Container Recycling Fund (BCRF)) to implement the bill. CalRecycle asserts the proposed changes to the definition of "supermarket" will alter CZs and require the department to (a) redefine the maps associated with CZs and (2) provide ongoing technical assistance to recycling centers and dealer cooperatives related to their monthly handling fees.

The Budget Act of 2026 includes seven permanent positions and about $1 million ongoing (BCRF) for CalRecycle to perform compliance and enforcement tasks associated with the requirements related to dealers and dealer cooperatives enacted by SB 1013 (Atkins), Chapter 610, Statutes of 2023. Given these recently approved resources, it is not clear to the committee that the workload associated with implementing this bill requires two additional positions in an ongoing capacity.

2) CalRecycle does not anticipate an increase in California Redemption Value (CRV) redemption, processing payments, or handling fees, because the department does not expect the volume of CRV containers returned to change significantly because of this bill. Dealers redeeming in-store are not reimbursed for redemption and are not eligible for program payments, such as handling fees, so even if there is a large increase in dealers required to redeem in-store, CalRecycle does not anticipate there will be a corresponding increase in expenditures from the BCRF.

   CalRecycle reports BCRF had an ending balance of about $822 million in fiscal year (FY) 2024-25 and is projected to have an ending balance of about $718 million at the end of this FY – although this figure could change based on actuals provided at the end of the FY.

**COMMENTS**:

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

> Outdated definitions and limited infrastructure have created recycling “dead zones” in some parts of the state where consumers have few or no practical redemption options, thereby undercutting the state’s recycling efforts. Under current law, some high-volume beverage retailers are not required to participate due to antiquated grocery store definitions, and a single reverse vending machine can qualify as “serving” an area even when its limited capacity cannot accommodate the volume of containers sold in that area.
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> SB 955 builds on reforms enacted in SB 1013 by requiring all high-volume beverage retailers to participate in the program and mandating that collection facilities within each community have sufficient capacity to collect all bottles and cans sold there.

2) **Background**. **Background**. ***Bottle Bill and Redemption Options***. The Bottle Bill, established in 1986 to be a self-funded program that encourages consumers to recycle beverage containers and to prevent littering, requires consumers to pay a deposit (CRV) for each eligible container purchased. The program then guarantees consumers repayment of that CRV for each eligible container returned to a certified recycler. CRV is paid into the BCRF, which is used to fund CRV redemption when consumers return beverage containers for recycling. Unredeemed CRV funds are used to fund the administration of the Bottle Bill, grants that advance recycling, and various payments that keep the program running.

   Consumers have a handful of options to redeem their empty beverage containers. They may return the containers to a CZ recycling center located within a one-mile radius of a supermarket (these are generally small centers that only accept beverage containers and receive handling fees from the BCRF); return the containers to a dealer or a dealer cooperative recycling center; return the containers to an “old line” recycling center (a recycler that does not receive handling fees and usually accepts large quantities of materials, frequently by truckload from municipal or commercial waste collection services); or forfeit their CRV and “donate” their containers to residential curbside recycling collection,

There are approximately 1,200 certified recycling centers throughout the state. However, many recycling zones are “unserved,” meaning they do not have a certified recycling center. Though dealers are required to redeem CRV containers if they are in an unserved CZ, they do not always accept containers, and many individuals do not realize they have the option of in-store redemption. If recycling centers are scarce or lack capacity, not only do recycling rates decline, but consumers are left without an opportunity to recover the deposit they paid at the time of purchase.

***Dealers.*** All supermarkets are dealers, but not all dealers are supermarkets. Under the Bottle Bill, a “dealer” is a retail establishment that offers the sale of beverages in beverage containers to consumers in the state. A supermarket is defined as a full-line, self-service retail store with gross annual sales of $2 million or more, and which sells a line of dry grocery, canned goods, or nonfood items and some perishable items, in conjunction with the Progressive Grocers Guidebook. Dealers must redeem CRV containers if they are located in a one-mile radius around a larger supermarket and the one-mile area does not have a CRV recycling center.

***Dealer Cooperatives***. Dealer cooperatives allow beverage dealers in unserved CZs to jointly form an organization to plan and arrange for the redemption of CRV containers in an unserved zone.

***RVMs***. An RVM is a machine that allows a person to insert an empty beverage container and redeem the CRV. While RVMs increase convenience in some cases, they can reduce convenience in other ways. For example, they can only process one beverage container at a time and they generally cannot accept all container types. RVMs have different requirements for hours of operation than traditional recycling centers. RVMs are exempted from staffing requirements and are instead considered "open for business" as long as the equipment is functioning.

Currently, an RVM alone cannot serve a convenience zone. However, RVMs operated by a certified recycling center or dealer cooperative and collocated with a dealer (a host dealer) can serve a CZ. The host dealer is responsible for maintaining the RVM, posting signage, and accepting some CRV containers, including those that the RVM cannot redeem, at the register.

This bill revises the requirements for RVM operations to ensure that consumers continue to have access to recycling for all beverage container types and that the presence of an RVM does not unintentionally defund other recycling centers in a CZ.

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