Date of Hearing: June 28, 2022

ASSEMBLY COMMITTEE ON NATURAL RESOURCES Luz Rivas, Chair

SB 54 (Allen) – As Amended June 26, 2022

SENATE VOTE: Not relevant

SUBJECT: Solid waste: reporting, packaging, and food service ware

SUMMARY: Establishes the Plastic Pollution Prevention and Packaging Producer Responsibility Act (Act), which imposes minimum content requirements for single-use packaging and food ware and source reduction requirements for plastic single-use packaging and food ware, to be achieved through an expanded producer responsibility (EPR) program.

EXISTING LAW:

- 1) Establishes the California Integrated Waste Management Act of 1989 (IWMA), administered by the Department of Resources Recycling and Recovery (CalRecycle), to generally regulate the disposal, management, and recycling of solid waste.
- 2) Requires each city, county, and regional agency, if any, to develop a source reduction and recycling element of an integrated waste management plan containing specified components, including a source reduction component, a recycling component, and a composting component, and is required to divert 50% of all solid waste from landfill disposal or transformation by January 1, 2000, through source reduction, recycling, and composting activities.
- 3) Declares that it is the policy goal of the state that, annually, not less than 75% of solid waste generated be source reduced, recycled, or composted.
- 4) Requires, pursuant to California's Rigid Plastic Packaging Container law, certain product manufacturers that sell products held in rigid plastic packaging to meet one of the specified compliance options to reduce the amount of plastic waste disposed in California landfills and to increase the use of recycled postconsumer plastic.
- 5) Prohibits placing the resin code within a chasing arrows symbol on a plastic product unless the rigid plastic bottle or rigid plastic container meets the requirements for statewide recyclability.
- 6) Requires, pursuant to the Beverage Container Recycling and Litter Reduction Act (Bottle Bill), which requires beverage containers, as defined, sold in-state to have a California redemption value (CRV) of 5 cents for containers that hold fewer than 24 ounces and 10 cents for containers that hold 24 ounces or more. Requires beverage distributors to pay a redemption payment to CalRecycle for every beverage container sold in the state. Requires that plastic beverage containers subject to the CRV must include at least 15% recycled

content. The amount of recycled content increases to 25% in 2025, and to 50% in 2030.

7) Prohibits, pursuant to the Sustainable Packaging for the State of California Act of 2018, a food service facility located in a state-owned facility, operating on or acting as a concessionaire on state property or under contract to provide food service to a state agency, from dispensing prepared food using a type of food service packaging unless the type of food service packaging is on a list that CalRecycle publishes and maintains on its internet website that contains types of approved food service packaging that are reusable, recyclable, or compostable.

THIS BILL establishes the Act, which:

- 1) Defines terms used in the bill, including:
 - a) "Covered material" as:
 - i) Single-use packaging that is routinely recycled, disposed of, or discarded after its contents have been used or unpackaged, and typically not refilled or otherwise reused by the producer; and,
 - ii) Plastic single-use food service ware, including, but not limited to, plastic-coated paper or plastic-coated paperboard, paper or paperboard with plastic intentionally added during the manufacturing process, and multilayer flexible material.
 - iii) Excludes packaging used for medical products, devices, and prescription drugs, animal medicines and drugs, infant formula, medical food, fortified nutritional supplements, insecticides, rodenticides, fungicides, hazardous materials, hazardous or flammable products, beverage containers subject to the Bottle Bill, long-term protection or storage, paint covered by the paint recovery program, as specified.
 - iv) Excludes covered material that meets the following criteria:
 - (1) Does not undergo separation from other materials at a comingled processing facility;
 - (2) Is recycled at a responsible end market;
 - (3) Has demonstrated a recycling rate of 65% for three consecutive years prior to 2027 and 70% thereafter, as specified.
 - b) "Packaging" as any separable and distinct material component used for the containment, protection, handling, delivery, or presentation of goods by the producer for the user or consumer, ranging from raw materials to processed goods, as specified.
 - c) "Producer" as one of the following:
 - i) The person who manufactures a product that uses covered material and who owns or is the licensee of the brand or trademark under which the product is used in commercial enterprise, sold, offered for sale, or distributed in the state.
 - ii) If there is no person who meets the above definition, the producer is the owner or, if the owner is not in the state, the exclusive licensee of a brand or trademark under which the covered product is used in commercial enterprise, sold, offered for sale, or distributed in the state.
 - iii) If there is no person who meets the above definitions, the producer is the person who sells, offers for sale, or distributes covered material in or into the state.

- d) "Recycle" or "recycling" as the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise ultimately be disposed of onto land or into water or the atmosphere, and returning them to, or maintaining them within, the economic mainstream in the form of recovered material for use in new, reused, or reconstitutes products, including compost, that meet the quality standards necessary to be used in the marketplace. "Recycling" does not include combustion, incineration, energy generation, fuels production (as specified), or other forms of disposal.
 - i) Recycled material must be sent to a responsible end market to be considered recycled.
 - ii) Authorizes CalRecycle to adopt regulations to define guidelines and verification requirements for covered material shipped out of state or exported, including processing requirement and contamination standards.
 - iii) Requires CalRecycle's regulations to encourage recycling that minimizes hazardous waste generation, greenhouse gas (GHG) emissions, environmental justice impacts, and public health impacts. Requires the regulations to exclude plastic recycling technologies that generate significant amounts of hazardous waste.
- e) "Recycling rate" as the percentage, overall and by category, of covered material sold, offered for sale, distributed, or imported in the state that is ultimately recycled. Specifies that the recycling rate shall be calculated as the amount of covered material that is recycled in a given year divided by the total amount of covered material disposed of, as defined in subdivision (b) of Section 40192, and the amount of covered material recycled, unless and until CalRecycle adopts a method for calculating the recycling rate by regulation.
- f) "Source reduction" as the reduction in the amount of covered material created by a producer relative to a baseline established pursuant to the bill, and includes, but is not limited to, shifting covered material to reusable or refillable packaging, or eliminating unnecessary packaging. Source reduction does not include replacing a recyclable or compostable covered material with a nonrecylcable or noncompostable material or switching from virgin covered material to postconsumer recycled content (except as specified).
- 2) By January 1, 2024, requires producers of covered material to form and join a producer responsibility organization (PRO), subject to specified requirements and CalRecycle approval, to carry out the requirements of the Act. Prohibits a producer of covered material from selling, offering for sale, importing, or distributing covered materials in the state unless the producer is approved to participate in the PRO. Authorizes a producer to comply with the Act individually if it meets certain requirements. Establishes requirements and duties for the PRO and member producers.
- 3) Requires that all covered material offered for sale, distributed, or imported into the state on and after January 1, 2032, is recyclable in the state or eligible to be labeled "compostable," as specified.
- 4) Requires that all plastic covered material offered for sale, distributed, or imported into the state to meet the following recycling rates:

- a) Not less than 30% of covered material on and after January 1, 2028;
- b) Not less than 40% of covered material on and after January 1, 2030; and,
- c) Not less than 65% of covered material on and after January 1, 2032.

Requires CalRecycle to review and assess whether to adjust the recycling rates commencing with the 2026 calendar year, as specified.

- 5) By January 1, 2032, requires the PRO to develop and implement a plan to achieve 25% reduction by weight and 25% reduction by plastic component for covered material sold, offered for sale, or distributed in the state, as prescribed, including interim targets of 10% by January 1, 2027, and 20% by January 1, 2030.
- 6) Requires the PRO to develop and submit to CalRecycle for approval a plan that describes how the PRO will comply with the requirements of the Act, including:
 - a) Actions and investments that the PRO will implement in order to meet the requirements of the Act and address the needs and investments associated with implementing the Act.
 - b) How the PRO will meet the requirements of the Act and, in an economic and efficient way, provide for the infrastructure and viable responsible end markets.
 - c) How the PRO will support and achieve, and how the budget will fund, the collection, processing, recycling, or composting of covered material.
 - d) Except as specified, how the plan will be implemented in a manner that utilizing solid waste collection programs and solid waste facilities as the designated system for the curbside collection and processing of covered material.
 - e) Arrangements with processors or recyclers to ensure that covered materials that are not collected through curbside collection programs are collected and recycled at a viable responsible end market.
 - f) Arrangements to establish and fund reuse and refill infrastructure, fund facility retrofits, and other needed infrastructure.
 - g) A fee for participants of the PRO, as specified.
 - h) A closure or transfer plan to settle the affairs of the PRO if the PRO is dissolved.
 - i) A process for determining and paying the costs of local jurisdictions, recycling service providers, alternative collection systems, etc. and a process to resolve disputes that arise between the PRO and a local jurisdiction or recycling service provider.
 - j) Consideration of, and recommended investments for, a needs assessment.
 - k) A budget designed to fully fund the costs necessary to implement the Act.
 - l) Specific measures to ensure that member producers comply with the requirements of the plan and the Act, including incentives, fees, and removal from the PRO.
 - m) Ensure that the plan implementation avoids or minimizes negative environmental or public health impacts on disadvantaged, low-income, or rural communities and vulnerable communities outside the state.
- 7) Requires the PRO to submit the plan to the advisory board for comment prior to submitting the plan to CalRecycle for approval, disapproval, or conditional approval. Requires the PRO

- to implement the plan within 90 days of approval or conditional approval.
- 8) Requires the PRO to submit an annual report to CalRecycle that describes how the PRO is implementing the plan and how the PRO has complied with the requirements of the Act. Establishes requirements for the annual report and for CalRecycle's approval or disapproval of the annual report.
- 9) Requires the PRO to register and participate in CalRecycle's disposal reporting system and submit specified information about covered material for each producer in the PRO.
- 10) Requires the PRO to establish a fee for its participants that is sufficient to implement the requirements of the Act, as specified.
- 11) Requires the PRO to pay CalRecycle a quarterly circular economy administrative fee that is sufficient to cover all state agency actual and reasonable costs to implement and enforce the Act.
- 12) Prohibits producers of expanded polystyrene (EPS) food service ware from selling, offering for sale, distributing, or importing EPS food service ware in or into the state unless the producer demonstrates that EPS meets the following recycling rates:
 - a) 25% on and after January 1, 2025;
 - b) 30% on and after January 1, 2028;
 - c) 50% on and after January 1, 2030; and,
 - d) 65% on and after January 1, 2032.
- 13) Requires CalRecycle to adopt regulations necessary to implement and enforce the Act, and to ensure that the requirements of the Act are met, by January 1, 2025.
- 14) Requires local jurisdictions and recycling service providers to include covered material in their collection and recycling programs, except under specified circumstances. Specifies that exemptions or extensions granted to local jurisdictions recycling service provider for the collection and recycling of covered material does not relieve a producer for complying with the Act.
- 15) Requires CalRecycle to establish and post a list of covered material categories by July 1, 2024, as specified.
- 16) Requires CalRecycle to conduct specified material characterization studies, beginning on or before July 1, 2025.
- 17) Requires CalRecycle to begin calculating and posting recycling rates for each covered material category by January 1, 2026.

- 18) Requires CalRecycle to publish a list of covered material categories that are deemed recyclable and covered material categories that are deemed compostable as of January 1, 2024.
- 19) Requires the PRO to pay \$500 million per year from January 1, 2027, through January 1, 2037, to be deposited into the California Plastic Pollution Mitigation Fund (Fund). Authorizes the PRO to collect up to \$150 million from plastic resin manufacturers.
- 20) Subject to appropriation, allocates the Fund as follows:
 - a) 40% of the funding shall be expended by the Department of Fish and Wildlife, the Wildlife Conservation Board, the State Coastal Conservancy, the California Coastal Commission, the Ocean Protection Council, the Department of Parks and Recreation, the Natural Resources Agency (NRA), and the California Environmental Protection Agency (CalEPA) to monitor and reduce the environmental impacts of plastics on terrestrial, aquatic, and marine life and human health, including to restore, recover, and protect the natural environment. These funds may be used to support grants for tribes, nongovernmental organizations, community-based organizations, land trusts, and local jurisdictions. At least 50% of this funding shall provide benefits to residents living in a disadvantaged or low-income community or rural area.
 - b) 60% of the funding shall be expended by the Strategic Growth Council, CalEPA, the NRA, and the Department of Justice to monitor and reduce the historical and current environmental justice and public health impacts of plastics, including to mitigate the historical and current impact of plastics on disadvantaged or low-income communities or rural areas. These funds may be used to support grants to local jurisdictions, tribes, nongovernmental organizations, and community-based organizations. At least 75% shall directly and primarily benefit residents living in disadvantaged or low-income communities.
 - c) Specifies that funds appropriated from the Fund shall be additional to, and not replace or reduce, other funding for these purposes.
- 21) Requires CalRecycle to report to the Legislature every two years regarding its progress in implementing this chapter.
- 22) Requires CalRecycle to develop one or more needs assessments to determine the necessary steps and investments necessary to achieve the requirements of the Act, to be updated every five years. Requires the needs assessment to be developed through a public process, including at least one public meeting.
- 23) Establishes a producer responsibility advisory board, comprised of:
 - a) One representative nominated by a statewide city association;
 - b) One representative nominated by a statewide rural county association;
 - c) One representative from an environmental protection organization;
 - d) One representative from an ocean advocacy organization;

- e) One representative from an environmental justice organization;
- f) One representative from a disadvantaged or low-income community or rural area;
- g) One representative of a materials recovery facility located in California;
- h) One representative of a recycling service provider or an association of recycling service providers;
- i) One representative from the composting industry operating in California;
- j) One representative from each of four manufacturers of covered materials of different material types;
- k) One representative nominated by a statewide association representing the retail sector (nonvoting);
- One representative nominated by statewide association representing the grocery sector (nonvoting); and,
- m) One representative of a producer responsibility organization (nonvoting).
- 24) Requires the advisory board to meet at least once annually and to provide the PRO and CalRecycle with recommendations regarding key barriers and possible solutions to increasing the recovery of covered materials, among other things.
- 25) Specifies that violations of the Act by the PRO, producer, wholesaler, or retailer to penalties for violations of the Act or revocation of a plan. Authorizes CalRecycle to conduct investigations, including inspections and audits, to determine compliance with the Act. Authorizes CalRecycle to issue notices of violation and penalties up to \$50,000 per day per violation, except as specified.
- 26) Before assessing a penalty, authorizes CalRecycle to allow a producer or PRO to submit a corrective action plan. A corrective action plan shall not exceed 24 months, which may be extended an additional 12-months by CalRecycle is the producer or PRO has shown a "substantial effort" to come into compliance.
- 27) If CalRecycle determines that a producer or the PRO has not achieved the recycling rates or source reduction requirements established by the bill, authorizes CalRecycle to require, by regulation, producers or the PRO to achieve the recycling rates and source reduction requirements.

FISCAL EFFECT: Unknown

COMMENTS:

1) Author's statement:

Senate Bill 54 will reduce the amount of waste that burdens taxpayers and local governments, plagues human health, and pollutes our natural environment by decreasing single-use packaging and the most problematic plastic food service ware products sold in California and ensuring the remaining items are effectively composted and recycled.

Roughly two-thirds of all plastic ever produced has been released into the environment and remains there in some form, either in our landfills or polluting our coast and ocean, and our streets, parks, streams, and rivers. These items fragment into smaller particles, known as microplastics, concentrating toxic chemicals and contaminate our food and drinking water sources. Exposure to these plastics and associated toxins has been linked to cancers, birth defects, impaired immunity, endocrine disruption and other serious health problems. Additionally, plastic negatively impacts marine ecosystems and wildlife as seabirds, turtles, marine mammals, whales and dolphins die from ingestion or entanglement.

Though the state and communities in California have been focusing efforts on reducing the burden from single-use packaging since the 1980s, taxpayers and local governments still spend over \$420 million annually in ongoing efforts to clean up and prevent litter in streets, storm drains, parks and waterways. Existing recycling infrastructure cannot keep pace with the continued exponential growth in single use waste. Less than 9% of plastic is recycled, and that number is dropping since the implementation of China's National Sword policy, which severely restricts the amount of foreign waste China accepts. The cost of recycling exceeds the scrap value of the plastic material so the markets for plastic packaging that were previously considered recyclable have been lost. Experts agree that upstream reduction of single use waste upstream is the most effective and least expensive way to protect human, wildlife, and environmental health. SB 54 would be an important step by significantly reducing California's reliance on single-use packaging and products.

- 2) **Solid waste in California**. For more than three decades, CalRecycle has been tasked with reducing disposal of municipal solid waste and promoting recycling in California through the IWMA. Under IWMA, the state has established a statewide 75% source reduction, recycling, and composting goal by 2020 and over the years the Legislature has enacted various laws relating to increasing the amount of waste that is diverted from landfills. According to CalRecycle's *State of Disposal and Recycling in for Calendar Year 2019*, published February 12, 2021, 42.2 million tons of material were disposed into landfills in 2019. According to CalRecycle's report, an estimated 28.9 million tons of waste were recycled or diverted in California in 2019, resulting in a statewide recycling rate of 37%, down from 40% in 2018, and a peak of 50% in 2014. Based on these trends, it is unlikely that the state will meet its diversion goals.
- 3) Market challenges for recyclable materials. The U.S. has not developed significant markets for recyclable content materials, including plastic. However, plastic generated here pollutes oceans across the globe, as bales of plastic collected for recycling are exported for processing and recycling. The plastic with value is collected and recycled, and the rest is discarded or incinerated. In countries with inadequate waste management systems, this plastic enters waterways and flows to the ocean. Approximately 150 million metric tons of plastic is already circulating in the marine environment.

Historically, China was the largest importer of recyclable materials. In California, approximately one third of recyclable material is exported; and, until recently, 85% of the state's recyclable mixed paper has been exported to China. China used to be where the world sent their recyclable material, but beginning in 2017, the county began significantly restricting the types of materials and levels of contamination that would be accepted. However, effective January 1, 2021, China announced that it would no longer be accepting all waste imports. Before last year's blanket waste ban, China accepted 32 types of scraps for recycling and reuse and limited contamination levels of those materials to 0.5%. The initial ban left waste-exporting counties such as the U.S. scrambling to find alternative destinations, including Southeast Asian nations like Thailand, Vietnam, and Indonesia, which quickly became overwhelmed by the volume of refuse received. Soon after, those counties began to impose their own bans and restrictions on waste imports. Without a global market to send these "recyclable" materials, the contents of many blue recycling bins are being diverted to landfills. Further, many types of packaging and products add to the complex recycling issue by being a combination of materials such as aluminum layered with different plastics to make baby and pet-food pouches. These "hybrid" items are difficult to recycle, if at all.

4) **Plastic pollution**. Plastic is everywhere. From the highest mountain on earth to the deepest parts of the sea, plastic pollutes. Production has continued to increase rapidly over the last several decades and far outpaces our capacity to manage it. In 1950, 2.3 million tons of plastic were generated. By 2015, that had ballooned to 448 million metric tons. Half of all plastic ever created was manufactured in the last 15 years. By 2050, production is expected to triple current production and account for one-fifth of global oil production.

Plastic accounts for around 12% of California's disposed waste stream -- more than 4.5 million tons. Three of the four most prevalent types of plastic in California's landfills are forms of plastic film, which includes items like agricultural mulch film, pallet wrapping, grocery bags, and trash bags. Recycling figures are harder to estimate, as California has only recently begun collecting data from recycling facilities, but it appears that less than 15% of the plastic generated in California is recycled.

While the conversation around plastic has focused on its end of life, plastic pollution starts with fossil fuel extraction, and continues through manufacturing, transportation, usage, and finally disposal. Hundreds of petrochemical facilities throughout the United States create the pellets used in the production of plastic products. About 14% of oil is used in petrochemical manufacturing, a precursor to producing plastic. By 2050, it is predicted to account for 50% of oil and fracked gas demand growth.

Plastic production is a significant driver of climate change. The manufacture of four plastic bottles alone releases the equivalent greenhouse gas (GHG) emissions of driving one mile in a car, according to the World Economic Forum. The U.S. burns six times more plastic than it recycles, according to research published by the Plastic Pollution Coalition in April 2019 by Jan Dell, a chemical engineer and former vice chair of the U.S. Federal climate committee. In 2019, the production and incineration of plastic added more than 850 million metric tons of

GHGs into the atmosphere, which is equal to the emissions from 189 five-hundred megawatt coal power plants.

An estimated 8 million metric tons of plastic waste enters the world's oceans annually. By 2040, that number is expected to triple to 24 million metric tons. Ocean plastic pollution is driven by ocean currents and accumulates in certain areas throughout the ocean. The North Pacific Central Gyre is the ultimate destination for much of the marine debris originating from the California coast. However, plastic generated in California pollutes oceans across the globe, as bales of plastic collected for recycling here are exported for processing and recycling. The plastic with value is collected and recycled, and the rest is discarded or incinerated.

As plastic circulates in the environment, it breaks down into smaller particles, known as microplastic. Microplastic refers to plastic particles that are less than 5 millimeters in length (about the size of a sesame seed). They come from a variety of sources, generally from larger plastic debris that degrades into smaller and smaller pieces over time, and microfibers, which are small plastic fibers that are shed from polyester fabrics, such as polyester fleece, and from plastic-based textiles like upholstery and carpet.

Microplastics have become ubiquitous in the environment. They are floating in outdoor and indoor air, even in areas far from any identifiable source. The particles are small enough to be carried by wind currents. Like all plastic in the environment, these particles accumulate toxins like pesticides, heavy metals, and other chemicals. A recent study conducted in 11 national parks found that over 1,000 metric tons (comparable to over 100 million plastic water bottles) fall on the country's western protected lands each year as dust and in rainfall. They make up a measurable portion of household dust. Humans are breathing plastic particles, and the science is lacking about the impact this may have on public health.

Microplastics are also in our water, even making their way into our drinking water, and has been found in both bottled and tap water. Researchers at the State University of New York and the University of Minnesota tested 159 drinking water samples from cities and towns across five continents. Worldwide, 83% of the samples worldwide contained microplastic. In the United States, 94% of the samples contained microplastic, including a sample collected from the United States Environmental Protection Agency headquarters. Microplastics consumed by marine organisms make their way into the animals' tissues and are beginning to show up in the fish that humans eat.

Recycling plastic into new products is helpful, as it keeps the recycled plastic out of the environment and reduces our dependence on virgin resin, but recycling alone is not a solution; we also need less of it. Recycling is currently only feasible for some of the more common, and least toxic, forms of plastic. Many forms of plastic are commonly treated with toxic flame retardants and plasticizers, which make them difficult to recycle. The abundance and variety of the types of plastic in our recycling system make it difficult to sort, and high contamination rates in bales of recycled plastic have caused many countries, as mentioned, to stop accepting recycled plastic from the United States unless it meets stringent contamination rates. The most significant challenge to recycling remains its low scrap value and lack of

market demand.

Plastic is primarily landfilled, recycled, or incinerated – each of which produces varying amounts of GHG emissions. Landfilling emits the least GHG emissions on an absolute level, although it presents significant other risks. Mechanical recycling has a moderate emissions profile but displaces new virgin plastic on the market, making it advantageous from an emissions perspective. Incineration leads to extremely high emissions. Some newer technologies have become known as "chemical recycling" and turn plastic into fuel or chemicals. Chemical recycling technologies have significant environmental impacts, particularly on the surrounding communities, including toxic air emissions, GHG emissions, and hazardous waste generation.

5) The California Recycling and Plastic Pollution Reduction Act of 2020 (Initiative). After years of legislative measures failing to reach the Governor's desk, a coalition of environmental organizations developed the Initiative, which is qualified for the November 8, 2022, General Election. The Initiative requires CalRecycle to adopt regulations to reduce plastic waste.

If the Initiative is approved by voters, it would require CalRecycle to develop regulations that require producers to ensure that single-use plastic packaging and food ware is reusable, refillable, recyclable, or compostable by 2030, and specifies that "combustion, fuel production, and other forms of disposal" do not constitute recycling. The regulations must also require producers to reduce or prohibit single-use plastic packaging and single-use plastic food ware that CalRecycle determines to be unnecessary for the delivery of a product or food item. The Initiative further requires producers to source reduce, by both weight and number of items, single-use plastic packaging and food ware by 25% by 2030, as specified. The regulations would prohibit the distribution of EPS food service ware by food vendors. CalRecycle would be authorized to exempt or provide an extension for any single-use plastic packaging or food ware cannot comply with a regulation due to health and safety reasons, is unsafe to recycle, or presents unique challenges and has no alternative.

The Initiative establishes a Plastic Pollution Reduction Fee, as determined by CalRecycle, but not to exceed 1-cent, per item on single-use plastic packaging and food ware to fund recycling and plastic pollution mitigation programs.

Like SB 54, the Initiative establishes penalties of up to \$50,000 per day for violations. The Initiative could be withdrawn from the ballot by its signatories, no later than June 30, 2022.

6) The Plastic Pollution Prevention and Packaging Producer Responsibility Act. This alliterative measure is intended to reduce the amount of single-use packaging and food ware generated in the state and significantly increase the recycling of covered materials by creating an EPR program that requires producers to take responsibility for the materials they produce. This bill was developed over a long stakeholder process that included environmental organizations, producers, local governments, and recycling service providers.

SB 54 establishes stringent recycling requirements, increasing from 30% to 65%, and requires plastic covered materials to be source reduced by 25%, by 2032. The bill establishes extensive requirements, criteria, guidelines, and procedures on producers and the PRO to achieve these goals, and requires CalRecycle to promulgate regulations to implement and enforce the Act.

This bill is intended to ensure that the material that is collected is actually recycled into new products. The definition of recycling specifically excludes combustion, incineration, energy generation, fuel production, and other forms of disposal. Additionally, CalRecycle is required to develop regulations that exclude plastic recycling technologies that generate significant amounts of hazardous waste. This definition is intended to exclude technologies, such as gasification, pyrolysis, and solvent-based technologies. The bill authorizes CalRecycle to adopt regulations to define guidelines and verification requirements to ensure that covered material that is shipped out of state or exported is recycled in a manner consistent with the requirements of the bill.

Unlike earlier EPR programs in California, which require CalRecycle to revoke an approved plan prior to pursuing other enforcement measures, this bill authorizes CalRecycle to pursue enforcement against a PRO or individual producers who are in violation of the Act with, or without, revoking the plan. Additionally, this bill includes an additional regulatory "backstop" for CalRecycle if the PRO or a producer fails to meet the recycling and source reduction targets established by the bill. This provision would allow CalRecycle to adopt regulations to require producers or the PRO to take the actions necessary to achieve the recycling rates or source reduction requirements.

Finally, this bill requires producers, via the PRO, to pay \$500 million annually for 10 years (of which the PRO may recoup up to \$150 million per year from resin manufacturers), for a total of \$5 billion, which, upon appropriation by the Legislature, will be used to monitor and reduce the impact of plastics in the environment, restoring the natural environment, and monitoring and reducing the historical and current environmental justice and public health impacts of plastics.

REGISTERED SUPPORT / OPPOSITION:

Support

350 Humboldt: Grass Roots Climate Action 350 Sacramento 350 Silicon Valley Active San Gabriel Valley American Sustainable Business Network Amp Robotics Association of Plastic Recyclers Athens Services Atrium 916 Ballona Creek Renaissance Ban SUP

Biodegradable Products Institute

CA Waste & Recycling Association

California Association of Professional Scientists

California Electronic Asset Recovery

California Environmental Voters

California Fish & Game Warden Supervisors and Managers Association

California Fish and Game Wardens Association

California Park & Recreation Society

California Product Stewardship Council

California Public Interest Research Group

California ReLeaf

California State Association of Counties

California State Parks Peace Officer Manager's Association

California Stormwater Quality Association

California Trout

California Waste & Recycling Association

California Waste Haulers Council

CEAR

Chelsea M. Rochman, Ph.D - Assistant Professor, University of Toronto, St. George

Choquiero Chocolate

City of Encinitas

City of Pleasanton

Climate Reality Project, California Coalition

Climate Reality Project, Los Angeles Chapter

Climate Reality Project, Orange County

Climate Reality Project, San Fernando Valley

Climate Reality Project, Silicon Valley

Craig S. Criddle, William and Cloy Codiga Resource Recovery Center, Stanford University

Eastern Sierra Land Trust

Edge City Networks

Elder Productions LLC

Elders Action Network

Encinitas; City of

Endangered Habitats League

Environment California

Friends Committee on Legislation of California

Friends of The LA River

Heirs to Our Oceans

Indivisible Alta Pasadena

Indivisible CA Statestrong

Indivisible Sacramento

Leading Scientists

Leading Scientists (23 Individuals)

League of California Cities

Los Angeles County Solid Waste Management Committee/integrated Waste Management Task

Force

Monterey Bay Aquarium

Monterey Bay Aquarium Foundation

Mountain Lion Foundation

National Stewardship Action Council

Nature Conservancy

New Earth Media

Ocean Conservancy

Ocean Grants

Ocean Science Trust

Oceana

Progressive Democrats of America

Recycling Partnership

Republic Services - Western Region

Resource Recovery Coalition of California

Rural County Representatives of California

Sailors for The Sea

San Gabriel Valley Council of Governments

Santa Barbara Zoo

Save the Albatross Coalition

Shark Stewards

Sierra Business Council

Smart Planet Technologies

South Yuba River Citizens League

The Democrats of Rossmoor

The Nature Conservancy

The River Project

Trust for Public Land

Turn Climate Crisis Awareness & Action

Turtle Island Restoration Network

Unisc International

Weimin Wu, Ph.D, PE

Western Growers Association

Waste Management

Oppose

Algalita

Beyond Plastics

California Safe Schools

California Teamsters

Californians Against Waste

COARE

Environmental Action Committee of West Marin

Environmental Working Group

GAIA

Greenpeace USA

Just Transition Alliance

National Parks Conservation Association

Natural Resources Defense Council

Plastic Pollution Coalition

Safer States

San Francisco Baykeeper Save Our Shores Seventh Generation Advisors Sierra Club California The Last Beach Cleanup The Last Plastic Straw Upstream Valley Improvement Projects Zero Waste USA

Oppose Unless Amended

Allan Company Consumer Healthcare Products Association West Coast Chapter-institute of Scrap Recycling Industries

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. /