

SB 54 – Plastic Pollution Producer Responsibility Act

SENATOR BEN ALLEN

Fact Sheet

SUMMARY

SB 54 will ensure California is on the forefront of tackling plastic pollution and the ratepayer costs associated with single-use, disposable packaging and food service ware. The bill requires producers of plastic packaging and food ware to reduce the amount of disposable material they are putting on the market and to ensure what remains is fully reusable, recyclable, or compostable. SB 54 also creates a framework to transfer the costs of managing this material from our cities and counties – and ultimately local ratepayers – to the producers who are responsible for deciding which material types are sold into California.

BACKGROUND

Every day, single-use packaging and food service ware such as forks, spoons, cups, and lids generate tons of non-recyclable and non-compostable waste with impacts on public health, the natural environment, and city and county budgets.

Eight million tons of plastic pollution enters the ocean each year, much of it coming from Southeast Asian countries that long served as a dumping ground for global waste. Before 2017, the United States was sending 4,000 shipping containers full of waste to China each day, including two-thirds of California's potentially recyclable materials. Bales of mixed plastics and other waste were sent to China with the expectation that the recyclable material would be sorted and processed into new packaging and products.

However, the system was broken. By February 2017, China banned imports of mixed bales of waste. Other countries soon followed. With the collapse of international recycling markets, this material is now either piling up in recycling centers, being landfilled, or being shipped to illegal facilities in Southeast Asia. Exporting material overseas had allowed cities and counties to keep it out of landfills and even generate revenue to help local government budgets, although much of this waste was and still is incinerated or simply dumped in impoverished areas and waterways, including into the ocean.

Since the 1980s, state and local governments in California have tried to reduce the burden of disposable packaging, yet taxpayers still spend more than \$420 million annually in efforts to clear and prevent litter in streets, storm drains, parks, and waterways. Cleanup is not only expensive; it cannot keep pace with global production, which is expected to increase four fold by 2050. A survey released last year by the League of California Cities found more than seven out of 10 cities anticipate having to increase waste collection rates by as much as 20 percent to cover the cost of managing this waste.

The European Union and other major purchasers of consumer goods are implementing comprehensive frameworks for producers to share responsibility for reducing waste and designing products to be reusable, recyclable, and/or compostable. As the world's fifth-largest economy, California must take the lead on finding a solutions to the growing plastic pollution crisis.

SOLUTION

SB 54 establishes the most comprehensive and environmentally ambitious producer responsibility program for single-use, disposable packaging material and plastic food service ware to date. The bill:

- Requires producers of plastic packaging and food service ware to reduce the amount of single-use plastic they put on the market by 27 percent by 2032 with interim targets for 2027 and 2030.
- Includes requirements for these producers to shift a portion of material to reuse or refill and invest in the needed infrastructure to enable consumers to conveniently reuse or refill the package or product.
- Enables CalRecycle to require greater source reduction, including increased reuse and refill requirements, if plastic use continues to grow after 2032.
- Requires producers to use only single-use packaging or food service ware that is actually reusable, recyclable, or compostable. The material would be



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required to meet the definition of recyclable contained in SB 343 from 2021 or the compostable definition in AB 1201 from 2021. These two landmark laws close previous loopholes that allowed producers to claim material was recyclable or compostable when in real world conditions the material was being landfilled.

- To ensure the development of robust end markets for material collected through the recycling or composting systems, the bill sets high recycling and composting rates requiring material to reach a 65 percent rate by 2032.
- Requires producers of all single-use packaging (including glass, paper, and metal) and plastic food service ware to form a Producer Responsibility Organization (PRO), similar to the consortiums formed in the European Union, Canada, and other states, to collectively fund the collection, processing, and remanufacturing of material to meet the requirements of the bill.
- The PRO, jointly with CalRecycle, would conduct a needs assessment to inform the development of strategic investment plan designed to identify opportunities to shift single-use packaging and food service ware to reusable, refillable, and recyclable alternatives, to advance end market development for these materials, and to bolster the state's recycling and composting infrastructure.
- The PRO is also charged with developing an implementation plan, which would require final approval by CalRecycle and be regularly updated, that includes the strategic investment plan, protocols to ensure producers comply with the plan, and an “eco-modulated” fee designed to incentivize more sustainable packaging and product decisions.
- Requires the PRO to cover the full costs borne by local governments and CalRecycle or other state agencies associated with implementing the bill.
- Gives CalRecycle broad authority to oversee and enforce the program. Under this framework, CalRecycle is given discretion to approve or alter the PRO implementation plan, including key elements

such as investments planned for needed recycling or composting infrastructure.

- CalRecycle is also given authority to enforce the Act, including the ability to assess penalties of up to \$50,000 on the PRO or individual producer out of compliance. Steep penalties will ensure no producer views simply paying a penalty as the cost of doing business in California.
- Establishes an advisory board made up of diverse stakeholders to help guide implementation of the program and to advise both the PRO and CalRecycle. This advisory board will also serve as a venue to continue public participation as the program matures and will review and provide comments on the needs assessment and associated investment plan as well as the implementation plan.
- Establishes a California Plastic Pollution Mitigation Fund designed to mitigate the environmental and public health impacts of plastic through a surcharge on producers of plastic single-use packaging and food service ware. The revenue will be appropriated by the Legislature with at least 60 percent focused on low-income, disadvantaged, and rural communities.
- The funding will start at \$600 million a year and can be adjusted by CalRecycle based on the amount of plastic packaging and food ware used and adjusted for inflation.

CONTACT

Tina Andolina
Office of Senator Ben Allen
tina.andolina@sen.ca.gov
(916) 651-4026

