

### **Summary of the bill SB 54**

- 1) By January 1, 2024, requires producers of covered material to form and join the 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.
- 2) Requires all covered material offered for sale, distributed, or imported into the state on and after January 1, 2032, to be recyclable in the state or eligible to be labeled “compostable.”
- 3) Requires 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.
  - c) Not less than 65% of covered material on and after January 1, 2032.
- 4) 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.
  - d) 65% on and after January 1, 2032.
- 5) Requires the PRO to, among other things:
  - a) By January 1, 2032, develop and implement a plan to achieve a 25% reduction by weight and 25% reduction by plastic component for covered materials 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.
  - b) Develop and submit to CalRecycle for approval a plan that describes how the PRO will comply with the requirements of the Act.
  - c) Submit the plan to the producer responsibility advisory board (advisory board) for comment prior to submitting the plan to CalRecycle for approval, disapproval, or conditional approval, and implement the plan within 90 days of approval or conditional approval.
  - d) 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.
  - e) Register and participate in CalRecycle’s disposal reporting system and submit specified information about covered material for each producer in the PRO.
  - f) Establish a fee for its participants that is sufficient to implement the requirements of the Act.

- g) 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.
- h) 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. Subject to appropriation, specifies how the Fund shall be allocated.

6) Requires CalRecycle to, among other things:

- a) By January 1, 2025, adopt regulations necessary to implement and enforce the Act, and to ensure that the requirements of the Act are met. Requires those regulations to (a) encourage recycling that minimizes hazardous waste generation, greenhouse gas (GHG) emissions, environmental justice impacts, and public health impacts and (b) exclude plastic recycling technologies that generate significant amounts of hazardous waste.
- b) Review and assess whether to adjust the recycling rates commencing with the 2026 calendar year.
- c) Establish and post a list of covered material categories by July 1, 2024; conduct specified material characterization studies, beginning on or before July 1, 2025; begin calculating and posting recycling rates for each covered material category by January 1, 2026; and publish a list of covered material categories that are deemed recyclable and compostable as of January 1, 2024.
- d) Report to the Legislature every two years regarding its progress in implementing this chapter.
- e) 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.

7) Authorizes CalRecycle to, among other things:

- a) Adopt regulations to define guidelines and verification requirements for covered material shipped out of state or exported.
- b) Require, by regulation, producers or the PRO to achieve the recycling rates and source reduction requirements, if CalRecycle determines that a producer or the PRO has not achieved the recycling rates or source reduction requirements established by the bill.

8) 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 and recycling service providers for the collection and recycling of covered material does not relieve a producer of the requirement to comply with the Act.

9) Defines various terms, including “recycle” or “recycling”, and specifies that “recycling” does not include combustion, incineration, energy generation, fuels production (as specified), or other forms of disposal.

10) Specifies that violations of the Act by the PRO, producer, wholesaler, or retailer shall be subject to penalties. 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. Before assessing a penalty, authorizes CalRecycle to allow a producer or PRO to submit a corrective action plan.

View full text here

[https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=202120220SB54](https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202120220SB54)