

California regulators delay 'compostable' labeling rules

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California is granting packaging manufacturers an extension to figure out what products are truly compostable. | Getty Images

SACRAMENTO, California — California’s recycling regulator agreed to delay its rule on which products can be labeled as “compostable” following a request by businesses.

What happened: CalRecycle is pushing back its rule that all packaging labeled “compostable” match federal biodegradable criteria from Jan. 1, 2026 to June 30, 2027, according to a [letter from agency director Zoe Heller](#) to the Biodegradable Products Institute on Wednesday.

The Biodegradable Products Institute, a nonprofit that certifies and labels compostable products, had asked for the extension because the federal Agriculture Department is currently reviewing its criteria for biodegradable products.

Heller wrote that she was granting the extension because those “fluid” federal definitions would “present a significant risk of market disruption and exacerbate consumers’ confusion over what types of products are compostable.”

The state law setting up the rule, 2021's [AB 1201](#) by then-Assemblymember Phil Ting,, was meant to separate harmful chemicals and non-biodegradable products destined for landfills from truly biodegradable products destined for the compost.

Rachel Michelin, the president and CEO of the California Retailers Association, thanked Gov. Gavin Newsom and Heller for the compostable labeling extension in a statement on Thursday.

“Their action ensures consumers and retailers can continue using compostable bags for produce and meat — avoiding unnecessary costs, supply chain disruptions and limited options at checkout,” she said.

More context: The extension adds to the success of manufacturers in pushing back on California’s nation-leading recycling rules in the name of costs and market confusion.

Most notably, CalRecycle loosened its [draft rules on plastic waste reduction](#) last month after Newsom ordered a redo to limit costs to businesses, angering state lawmakers and environmental advocates who had negotiated the landmark overhaul under 2022's [SB 54](#), by Sen. Ben Allen.

What’s next: CalRecycle will decide whether to further extend the deadline or exempt certain products based on the federal government’s status in updating its criteria, Heller said in her letter. The Biodegradable Products Institute, meanwhile, said it would pursue legislation to remove the federal criteria from the rule altogether.