

CalRecycle reboots SB 54 rulemaking to tackle plastic waste

With packaging making up over half of California's landfill waste, CalRecycle has launched a second attempt at rulemaking to implement the state's packaging EPR law, SB 54.

By Christopher Rendall-Jackson

CalRecycle, the agency overseeing California's recycling and waste management programs, reports that packaging accounts for over 50% of what is dumped in California landfills. On Aug. 22, 2025, CalRecycle began a second attempt at formal rulemaking to address this issue by noticing revised regulations to implement California's extended producer responsibility (EPR) law for packaging.

California's EPR law for packaging is the Plastic Pollution Prevention and Packaging Producer Responsibility Act—commonly referred to as SB 54—and it was signed into law by Governor Gavin Newsom on June 30, 2022. SB 54 is one of a number of California EPR laws that generally seek to hold businesses responsible for the end-of-life management of their products or packaging. California's other EPR laws apply to a range of products, including textiles, beverage containers, batteries, pharmaceuticals, mattresses, carpets and paint.

CalRecycle characterizes SB 54 as having a dramatic impact, both on businesses and recycling policy in California. According to the agency, SB 54 establishes California's largest EPR program, potentially regulating over 5,700 producers, whereas other California EPR programs regulate fewer than 1,000 producers. CalRecycle's SB 54 rulemaking webpage also characterizes SB 54 as “the most significant overhaul of California's plastics and packaging recycling policy in history,” and as “go[ing] further than any other state on cutting single-use plastic at the



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source and represents a giant step toward a more circular economy that is essential to combat climate change.”

Compliance with SB 54 may be challenging, and potential penalties for non-compliance are significant, including an administrative civil penalty of up to \$50,000 per day per violation. SB 54 applies to “covered materials,” which are either single-use packaging or plastic single-use food service ware. Among other things, if subject to SB 54, a producer of covered material must join a producer responsibility organization (PRO) or demonstrate that it can comply individually, report certain information and pay fees. SB 54 also requires producers to meet ambi-

tious sustainability targets. For example, by Jan. 1, 2032, producers must ensure that all of their covered material offered for sale, distributed or imported into California is either recyclable in California or eligible to be labeled “compostable” under California law. Notably, although CalRecycle may exempt producers with gross annual sales in California of less than \$1 million, such an exemption would not apply to this recyclability/compostability requirement.

The current rulemaking is CalRecycle's second attempt at formal rulemaking to implement SB 54. The agency's first formal rulemaking began in March 2024; however, despite completing three public-comment

periods, it did not finalize those rules. Just before the one-year deadline under California law for it to finalize those rules, in March 2025, Gov. Newsom directed CalRecycle to restart the process. As reported by the agency in its May 2025 Report to the Legislature, “[t]he Governor is directing CalRecycle to restart these regulations to ensure California's bold recycling law can achieve its goal of cutting plastic pollution and is implemented fairly—minimizing costs for small businesses and working families as much as possible.” The currently proposed regulations are revised versions of the ones CalRecycle first proposed in 2024, and include the following revisions:

Revised deadlines. Revised deadlines include those for producers to register with CalRecycle, and apply to be either a participant in a registered PRO or an Independent Producer, within 30 days of the regulations becoming effective; and, if a PRO has sufficient data to do so, allowing a PRO to start charging eco-modulated annual fees at any time after approval of the PRO plan rather than waiting for two years after approval of the PRO plan to do so.

Revised guidance on identifying the producer. The revised SB 54 regulations clarify that, in SB 54's tiered approach to identifying the producer, the relevant brand for packaging is that of the good that is packaged, whereas the relevant brand for food service ware is that of the food service ware itself.

Revised definitions. Revised definitions include those for "food

service ware," in order to clarify that it is distinct from packaging, as the analysis for identifying the producer for these two types of covered material differs; and for "detachable components," which are to be separately considered and may fall into different covered material categories in terms of recyclability and compostability.

Revised categories of excluded materials. The revisions include the addition of exclusions for packaging necessary for USDA and FDA compliance, refillable and reusable packaging, certain devices and drugs, and certain secondary and tertiary packaging.

Revised approach to chemical (i.e., non-mechanical) recycling. The prior version of the regulations would have limited chemical recycling technologies to those confirmed by an independently peer-reviewed scientific study to

not generate a significant amount of hazardous waste. CalRecycle has replaced those provisions with new provisions allowing chemical recycling technologies where a facility does not produce significant amounts of hazardous waste and operates in compliance with ISO 59014:2024 and all applicable requirements of Article 4 of the revised regulations (addressing end market identification).

Businesses that have concerns with the SB 54 draft regulations, or that wish to propose further revisions, should consider participating in CalRecycle's ongoing rulemaking process. The public comment period on these proposed regulations closes on Oct. 7, 2025, the same date that CalRecycle will be hosting a hybrid public hearing on the proposed regulations. Although CalRecycle has until August 2026 to finalize its revised regulations, it is possible that no further public comment period or public meeting will be held.

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