Impact of SB 270 (Reusable bag law) on Recycling and PCR Demand

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Who is Revolution?
Product Lines
We saw the need to recycle
We developed a Collection System
Background on SB 270

Reusable bag law: Original implementation July 1, 2015
Referendum went into place through Prop 67
Voted on by public November 8, 2016 to uphold
Includes: grocery, convenience food store, foodmart (10,000 square feet of retail space & $2,000,000 in sales annually)
How much PCR is required?

20% - Currently

40% - 2020
What did this mean for demand?

- Current -95% going to reusable bags (SB 270).

- Pre SB270, approximately 10% for reusable bags. The rest to drip irrigation, composite lumber and injection molding
Status of SB 270-Rulemaking Process

- **Summer ‘18**: Revisions and response to comments
- **Fall ‘18**: Revisions and response to comments
- **Early ‘19**: OAL approves or disapproves
- **Fall ‘18**: 15 or 45 day public comment
- **Early ‘19**: Public meeting, file final draft with OAL
- **July ‘19**: Initial certification fee is charged
What is under consideration?

- How is PCR certified?
  - 17025 vs. 17065
- Fee distribution
  - Based on size
- Aesthetic change
  - When do you have to test?
- Type of washing
  - Dry and wet wash
- Completeness Review
  - Documents required by manufacturers
What did CA learn?

- Clarify the Definition of a “Store”
- Clarify How Collection of Reusable Grocery Bags Made from Plastic Film for Recycling Intersects with the At-Store Recycling Program
- Clarify the Term “Recyclable in this State” as It Applies to Reusable Grocery Bags Made from Plastic Film
- Clarify the Number of Bags Specified Customers May Receive Without Charge
- Potential Future Policies: Increase fee, expand to local ordinances, reporting requirement

Overall: Clarity and Enforcement

Coalition to Enforce
SB 270

https://www2.calrecycle.ca.gov/Publications/Details/1647
What was accomplished in recycling?

85% Reduction in Bag Usage
First 6 months
Over a six-month period of time prior to SB 270 going into effect (January 1 – June 30, 2016), nearly 435 million single-use plastic bags and 116 million paper bags were distributed to customers free of charge.

Over a six-month period of time after SB 270 went into effect (January 1 – June 30, 2017), 66 million reusable grocery bags and 45 million recycled paper bags were sold to customers.

85% Reduction in Number of Plastic Bags in first 6 months after SB270 went into affect
Beyond PCR-Positive on Environment

Amount of Bags as a Percent of Littered Items 8-10% vs. 3.87% after SB270 and Local Ordinances

What does all this mean? SB270 is working!

- Potential new law on the horizon:
  - WA SB 5323
    - 40% PCR
    - Across retail establishments
- EFS Plastics:
  - Recycled Content Recommendation in Canada
    - *Recommending a minimum recycled content mandate of 15% post-consumer recycled content in all plastic bags sold in your jurisdiction by 2020 and 25% post-consumer recycled content by 2025.*
How California Supported Recycling
Other California laws - Recycled Content - Trash Bag Program

- Current recycled postconsumer content manufacturer requirements (only one is needed to be compliant):
  - Option 1: 10% PCM in trash bags manufactured in aggregate lbs. Not by product, but by aggregate trash bags intended to be sold in California.
  - Option 2: 30% PCM in trash bags and all other plastic products manufactured in aggregate lbs. Not by product, but by aggregate trash bags and all other plastic products intended to be sold in California.
  - Option 3: 0% PCM for all trash bags 0.7mil and thinner (product specific). Originally included due to difficulty manufacturing thinner gauges with 10% PCM content in the past.

Learnings: Review minimum gauge, Understand PCR usage per bag

https://www.calrecycle.ca.gov/buyrecycled/trashbags
Rigid Plastic Packaging Container Law

- **Postconsumer Material Content:** The RPPC must be made from at least 25 percent postconsumer material. *(14CCR Section 17945.3 (d)(1))*
- **Source Reduction (achieved by):**
  - **Reduced Container Weight:** The RPPC’s weight must be reduced by at least 10 percent. *(14CCR Section 17945.3 (d)(2))*
  - **Product Concentration:** Product held within the RPPC must be concentrated by at least 10 percent. *(14CCR Section 17945.3 (d)(3))*
  - **Product Concentration and Reduced Container Weight Combination:** The RPPC has a combination of increased product concentration and reduced container weight. *(14CCR Section 17945.3 (d)(4))*
  - **Comparison to Similar Products:** The RPPC, when compared to another product manufacturer’s container that is alike in material type, shape and volume, must weigh at least 10 percent less. *(14CCR Section 17945.3 (d)(5))*
- **Reusable RPPC:** The RPPC is routinely reused at least five times where the reuse is to hold a replacement product. This does not refer to a container that is intended to be used or may be used to permanently hold the original product sold in that container. *(14CCR Section 17945.3 (d)(6))*
- **Refillable RPPC:** The RPPC is routinely returned to and refilled by the product manufacturer or its agent at least five times to replenish the contents of the original RPPC. *(14CCR Section 17945.3 (d)(7))*
- **Particular Type, Product Associated, or Single Resin Type RPPC Recycling Rate:** The RPPC must be recycled at a 45 percent recycling rate. *(14CCR Section 17945.3 (d)(8))*
- **Floral Industry:** The RPPC must contain floral preservatives and is subsequently reused by the floral industry for at least two years. *(14CCR Section 17945.3 (d)(9))*
- **Alternative Container Compliance Method:** The product manufacturer, or another company under the same corporate ownership, consumes postconsumer material generated in California in the manufacture of RPPCs or other plastic product or plastic packaging that is equivalent to or exceeds 25 percent postconsumer material. *(14CCR Section 17945.3 (e))*

What is RPPC? Almost entirely made of plastic, inflexible shape or form, minimum 8 ounces-max 5-gallon, at least 1 closure, sold or offered for sale in CA.

https://www.calrecycle.ca.gov/plastics/rppc
Increased Recycling Goals Across the Brands

ALDI, Inc,
Anheuser-Busch InBev
Apple
Barilla America
Beiersdorf AG
Campbell Soup Company
Church & Dwight Co., Inc.
Cisco Systems Inc.
Clorox Company, The
Coca-Cola Company, The
Colgate-Palmolive
Company
Costco Wholesale
Danone North America
Dell
Diageo
Disney Consumer Products
Dunkin’ Brands, Inc.
Eco-Products
Estée Lauder Companies
The
Fabri-Kal Corporation
FedEx
Frontier Co-op
General Mills, Inc.
Grove Collaborative
Hewlett-Packard Company (HP)
Home Depot
IBM
IKEA
Johnson & Johnson
Kao USA, Inc.
Kelllogg Company, The
Keurig Dr Pepper
Kimberly-Clark
Corporation
Kroger Co., The
LG Electronics
Mars, Incorporated
McDonald’s
Microsoft
Nestlé USA
PVH Corp.
PepsiCo
Procter & Gamble
RB
SC Johnson
Scotts Miracle-Gro
Seventh Generation
Staples
Starbucks Coffee Company
Subway Restaurants
Target
Trader Joe’s
Unilever
Verizon Wireless
Walmart
Wegmans Food Markets, Inc.

Welcome to the Sustainable Packaging Coalition’s Goals Database, a curated compendium of industry commitments aimed at improving packaging sustainability. Discover trends, analyze goals, and learn which topics have the most momentum in the world of sustainable packaging. This database is exclusively for SPC members.
Increased Recycling-Goals Across the Brands

- Walmart announcement in February 2019:
  - Seek to achieve 100 percent recyclable, reusable or industrially compostable packaging for its private brand packaging by 2025;
  - Target at least 20 percent post-consumer recycled content in private brand packaging by 2025.
  - Label 100 percent of food and consumable private brand packaging with the How2Recycle® label by 2022.
  - Work with suppliers to eliminate the non-recyclable packaging material PVC in general merchandise packaging by 2020.
  - Reduce private brand plastic packaging when possible, optimizing the use to meet the need.
Increased Recycling-Goals Across the Brands

- By 2025, 100% of McDonald’s guest packaging will come from renewable, recycled or certified sources.
- By 2025, our goal is to recycle guest packaging in 100% of McDonald’s restaurants. We understand that recycling infrastructure, regulations and consumer behaviors vary from city to city and country to country, but we plan to be part of the solution and help influence powerful change.
Thank you for the opportunity

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