

Date of Hearing: April 29, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS  
Buffy Wicks, Chair  
AB 1812 (Aguiar-Curry) – As Amended March 23, 2026

Policy Committee: Natural Resources

Vote: 11 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

**SUMMARY:**

This bill prohibits a person from selling or offering for sale a product labeled with the term “compostable” or “home compostable” that is made wholly or partially of plastic and updates and revises requirements for labeling products “compostable” or “home compostable.”

Specifically, this bill, among other things:

- 1) Repeals the requirement that a precheckout compostable bag must comply with certain standards outlined in existing law (specifically Public Resources Code (PRC) section 42357.5).
- 2) Repeals PRC 42356.1, which requires CalRecycle to review revisions to ASTM standards and authorizes it to adopt revised standards, as specified.
- 3) Revises the requirement for CalRecycle to adopt a standard other than the prescribed ASTM standard if the standard is adopted or developed by a standard-setting organization recognized by CalRecycle and authorizes CalRecycle to adopt a standard for compostable fiber products.
- 4) Revises the requirements for labeling products with the terms “compostable” or “home compostable” to remove references to the ASTM specifications and instead limits those labels to products that meet the “OK compost HOME” certification or a different standard adopted by CalRecycle.
- 5) Specifies that a fiber product that is demonstrated to not incorporate any plastics or polymers, including, but not limited to, through lamination, extrusion, or mixing, is not required to comply with specified labeling requirements, unless CalRecycle has adopted or approved a standard relevant to compostable fiber products.
- 6) Prohibits, on and after January 1, 2027, a person from selling or offering for sale a product that is labeled with the term “compostable” or “home compostable” that is made wholly or partially of plastic.
- 7) Repeals PRC 42357.5, which establishes labeling requirements for compostable plastic bags.
- 8) Requires CalRecycle to consider whether food service packaging meets the requirements for compostable products that meet the ASTM standard for “End Items that Incorporate Plastics

and Polymers as Coatings or Additives with Paper and Other Substrates Designed Aerobically Composted in Municipal or Industrial Facilities,” as specified.

#### **FISCAL EFFECT:**

- 1) CalRecycle estimates ongoing annual costs of approximately \$195,000 for one position and a one-time contract cost of \$200,000 beginning in fiscal year (FY) 2027-28 (Integrated Waste Management Account). Tasks for the new position include, among other things, conducting stakeholder outreach and engagement, researching existing labeling standards, and conducting rulemaking. Contract costs are associated with evaluating existing standards and consulting with subject matter experts, standard-setting bodies, and producers.
- 2) Existing law authorizes a city, a county, or the state to impose specified civil penalties for violations of Chapter 5.7 of the PRC (which this bill amends). Current law authorizes the Attorney General to expend, upon appropriation by the Legislature, any civil penalties it collects to enforce existing law. The prohibitions in and requirements of this bill are subject to the same civil liability and enforcement mechanism.

Therefore, this bill may result in cost pressures (Trial Court Trust Fund) of an unknown amount to the courts to adjudicate enforcement actions. Actual costs will depend on the number of cases filed and the amount of court time needed to resolve each case. It generally costs approximately \$1,000 to operate a courtroom for one hour. Although courts are not funded on the basis of workload, increased pressure on the Trial Court Trust Fund may create a demand for increased funding for courts from the General Fund. The state budget provides annual General Fund backfills to the Trial Court Trust Fund to offset revenue reductions, totaling approximately \$117.3 million in 2025-26. The Legislative Analyst’s Office recently warned of General Fund structural deficits of around \$35 billion per year in the 2027-28 fiscal year and ongoing.

#### **COMMENTS:**

- 1) **Purpose.** According to the author:

Farmers purchase two-thirds of California’s compost, making them critical to a viable compost market. Many farmers and growers undergo lengthy and expensive processes to attain and keep their certification as organic farming operations. This certification relies on the federal National Organics Program (NOP) standard, which prohibits any plastic materials or residues in compost feedstocks. Composters adhering to this standard are prohibited from accepting bioplastics. Even without this standard, breaking down the best-performing compostable plastics would require extending processing timelines, lowering temperatures below food safety thresholds, and producing lower-quality compost that few farmers can use. Removing contaminants accounts for over 20% of composting costs—expenses ultimately passed on to ratepayers and local governments.

This bill will keep California’s compost stream clean to reduce costs for communities, produce compost that works for farmers, and help California meet its organic waste diversion goals.

- 2) **Background. *Determining Compostability.*** Compostable plastics are plastics designed to decompose under certain conditions. Prior to the state adopting standards in 2004, plastic with misleading claims of biodegradability and compostability were widely marketed to consumers, even though the material did not break down as claimed. Compostable materials are generally not recyclable and are instead a contaminant when mixed with recyclable plastic waste. Since 2004, the Legislature has enacted numerous bills that attempt to prevent misleading environmental marketing claims and ensure that the materials we use can be properly managed, including banning the use of terms like “biodegradable” for plastic products and requiring plastics labeled “compostable” to meet widely accepted standards for compostability.

ASTM is an international standards organization that develops and publishes consensus-based technical standards, including two standards for compostable plastics that are intended to provide consistency and clarity for consumers and producers who want to ensure their products are compostable; however, according to the Assembly Natural Resources Committee, the standards are imperfect. Composting technology has advanced significantly since the adoption of these standards, and material is processed more quickly, so many compostable items, like utensils, often must be removed from the finished compost and landfilled. Composting is designed to manage organic waste, like yard clippings and leaves, and is not an ideal management option for plastic waste.

In recognition of the issues with the current ASTM standards, SB 1335 (Allen), Chapter 610, Statutes of 2018, which establishes reuse, recycling, and compost requirements for food packaging used in state facilities, also required CalRecycle to adopt regulations to create standards for those terms. For compostability, CalRecycle regulations require that the packaging must meet ASTM standards D6400-19 or D6868-19, demonstrate 90% biodegradation within 60 days, and comply with related statutory requirements to be labeled “compostable” in the state.

Pursuant to AB 1201 (Ting), Chapter 504, Statutes of 2021, the sale or offering for sale of any product in the state labeled “compostable” or “home compostable” is prohibited unless it meets specified requirements, including that, beginning January 1, 2026, the product is an allowable organic input under the NOP. This law additionally granted the director of CalRecycle the authority to issue an extension on this requirement for up to five years if the director determines the product or substance is, or will soon be, an allowable organic input for compost. Last year, industry groups representing the compostable plastics industry requested that CalRecycle issue such an extension, which the director granted until June 30, 2027.

***Federal Standards.*** Unfair or deceptive acts or practices in or affecting commerce are illegal under federal law. The Federal Trade Commission publishes the Green Guides to explain how the law applies to environmental labeling, advertising, and marketing, including the use of labels such as “degradable,” “biodegradable,” or “compostable.” The USDA’s NOP requirements prohibit compostable plastic as a feedstock for compost that can be used on organic crops. In 2023, the Biodegradable Products Institute petitioned to revise the regulations to allow their use under the NOP. After a multi-year review of the petition and the associated science, the National Organics Standards Board unanimously rejected the petition in January of this year, finding that “synthetic compostable materials” do not meet necessity, environmental and human health, and sustainable agriculture criteria for the

inclusion. However, the action did leave open the possibility for future consideration of individual materials for narrowly defined uses (like collection bags and produce stickers.)

Writing in support of this bill, a coalition of organizations notes that because compostable plastics are indistinguishable from conventional plastics in a high-volume setting, they cannot be reliably sorted by hand or mechanically. Instead, all plastics are removed to protect the quality of the end-product – compost. The coalition notes that any increased costs for contamination removal are passed on to everyday trash ratepayers as well as municipalities. They further note that if California composters cannot produce a high-quality product (safe and healthy compost free of contamination and pathogens), growers will have to decide whether to procure from out-of-state or not use compost at all.

Organizations opposed to the bill argue this bill removes well-established and credible scientific standards used in California for well over a decade to demonstrate a product's compostability, while doubling down on problematic requirements established under AB 1201 that products only be claimed "compostable" if federal rules are amended to allow said products in compost marketed for use in the NOP. The coalition argues this bill undermines state goals established in landmark packaging and organic waste diversion laws and requests amendments as follows:

Remove the NOP requirement that AB 1201 got wrong. Reinstate the globally recognized, science-backed performance criteria such as ASTM D6400 that protect compost. Reinstate and strengthen labeling requirements for certified compostable products so that consumers and haulers can identify them with confidence, while prohibiting misleading claims on lookalike conventional plastics that are the true source of contamination in organic waste streams. Taken together, these three amendments would allow AB 1812 to accomplish its stated goals (cleaner compost streams, higher-quality soil amendments, and less plastic contamination) without banning the certified compostable products California needs to meet its own climate and packaging mandates.

**Analysis Prepared by:** Nikita Koraddi / APPR. / (916) 319-2081