THIRD READING

Bill No: SB 1031
Author: Blakespear (D)
Amended: 5/14/26
Vote: 21

SENATE ENVIRONMENTAL QUALITY COMMITTEE: 5-2, 4/15/26
AYES: Blakespear, Allen, Gonzalez, Hurtado, Menjivar
NOES: Valladares, Dahle

SENATE APPROPRIATIONS COMMITTEE: 5-2, 5/14/26
AYES: Cervantes, Cabaldon, Grayson, Richardson, Wahab
NOES: Seyarto, Dahle

SUBJECT: Solid waste: compostable products

SOURCE: Author

DIGEST: This bill updates compostable plastic labelling requirements so compostable plastics are distinguishable in the solid waste stream.

ANALYSIS:

Existing law:

1) Establishes a state recycling goal of 75% of solid waste generated to be diverted from landfill disposal through source reduction, recycling, and composting under the Integrated Waste Management Act of 1989 (IWMA; AB 939 (Sher)).

    a) Requires each state agency and each large state facility to divert at least 50% of all solid waste through source reduction, recycling, and composting activities. (Public Resources Code (PRC) §§ 41784, 41786)

2) Requires the state to reduce methane emissions to 40% below 2013 levels by 2030 and reduce landfill disposal of organics to 50% below 2014 levels by

2020 and 75% by 2025. (AB 1383 (Lara, Chapter 395, Statutes of 2016); Health and Safety Code (HSC) §§ 39730.5, 39730.6)

3) Establishes the Plastic Pollution Prevention and Packaging Producer Responsibility Act SB 54 (Allen, Chapter 75, Statutes of 2022) which requires the following of single-use plastic packaging and food service-ware 65% of covered materials be recyclable or compostable by 2032.

    a) To be considered recycled, covered materials must be sent to a responsible end market defined as "a materials market in which the recycling and recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety." (PRC § 42040 et seq.)

4) Requires a product meet the following requirements to be labeled "compostable":

    a) The one of the following American Society for Testing and Materials (ASTM) Standard Specifications:

        i) Labeling of Plastics Designed to be Aerobically Composted in Municipal or Industrial Facilities D6400; or

        ii) Labeling of End Items that Incorporate Plastics and Polymers as Coatings or Additives with Paper and Other Substrates Designed to be Aerobically Composted in Municipal or Industrial Facilities D6868;

    b) On or after January 1st, 2026, the United States Department of Agriculture (USDA) National Organic Program (NOP) requirements; and

    c) Is labeled in a manner that distinguishes the product from a noncompostable product upon reasonable inspection by consumers and solid waste facilities. (PRC § 42357)

5) Requires compostable plastic bags to meet the ASTM D6400 standard and be labeled with an ASTM certification logo, be a uniform color of green, and have the word "compostable" on one side of the bag with letter at least one inch tall. (PRC § 42357.5)

6) Disallows noncompostable products from using misleading terms or tints which might imply a product will decompose in a landfill or other facility. (PRC § 42357(b))

This bill:

1) Requires products which meet the applicable ASTM standard specification and are labeled "compostable" to be reasonably distinguishable from a noncompostable product in solid waste processing facilities. Specifically, requires the product to meet one of the following:

   a) The product is uniformly green with the word "compostable" on one side with the lettering at least one inch tall; or

   b) The word "compostable" is on both sides of the product with either green lettering that is at least one inch tall or at least one-half inch tall in a contrasting green band that is at least one inch tall.

2) Requires the Office of Environmental Health Hazard Assessment to conduct a study on the safety of degraded compostable plastics.

Background

1) *What are compostable plastics?* The terms bioplastic and compostable plastic are sometimes used interchangeably; however, there is an important distinction. Compostable plastics are products which can fully decompose into non-toxic components at a commercial composting facility. Bioplastics are products made from organic feedstocks, such as plant materials, rather than petroleum feedstocks. Bioplastics do not necessarily biodegrade, nor degrade into non-toxic components.[1]

   One industry standard for compostable plastics is the ASTM Standard Specification D6400, a globally recognized biodegradation test standard. ASTM D6400 requires that a product a) breaks down into carbon dioxide, water and biomass through aerobic microbial activity at temperatures between 130 and 160^{o}F within 6 months, b) leaves no visible fragments, and c) the final compost is free from heavy metals and toxins and can support plant growth.[2]

2) *The NOP requirement.* There is no federal standard for the labeling and certification of compostable plastics. California, beginning January 1, 2026 requires that anything labeled compostable meet the USDA National Organic Program (NOP) requirements (in addition to the applicable ASTM specification). In order to be NOP certified, a product must be a) overseen by a

[1] Beyond Plastics (2026) Demystifying 'Compostable' and 'Biodegradable' Plastics. https://www.beyondplastics.org/fact-sheets/bad-news-about-bioplastics
[2] Jacobus, K. ASTM Standards for Compostable Packaging: D6400, D6868 & What They Mean. https://www.goodstartpackaging.com/what-are-astm-standards/

USDA NOP-authorized certifying agent and b) produced without prohibited methods (including genetic engineering or ionizing radiation) and with allowed substances.[3] For example, farmers growing organic crops can use allowed non-organic substances such as isopropyl alcohol but cannot use genetic engineering (Title 7 Code of Federal Regulations (CFR) § 205.600).

Compostable plastic producers must petition the National Organic Standards Board (NOSB) to be added to the National List of Allowed Substances (7 CFR § 205.600). NOSB includes a technical panel which ultimately recommends if/how the National List should change.[4] The Biodegradable Products Institute petitioned NOSB to include compostable plastics in 2023. In January of this year, NOSB held a meeting on compostable plastics and published a technical report indicating the board would not vote in favor of compostable plastics.[5] Without approval from the NOP/NOSB, these "compostable" plastics cannot be labelled "compostable" in the state.

3) *Where's the responsible end market?* SB 54 (Allen) requires 65% of all single-use plastic to be recyclable by 2032. Plastic producers can meet this target through source reduction, plastic recycling, or switching to a compostable alternative. Ideally, plastic producers would first reduce their plastic use as much as possible (source reduction). Next producers would switch to recyclable or compostable alternatives. For example, a producer could use compostable fiber products, such as cardboard packaging, instead of plastic, where possible. If the producer maintains plastic packaging, they could switch to a highly recyclable material (such as PET) or invest in infrastructure for harder-to-recycle plastics.

   Under SB 54, plastic producers are responsible for ensuring there is a "responsible end market" for their recycled plastic products. As in, producers are not off the hook the moment a consumer puts their product into the recycling bin. Instead, producers must ensure the plastic becomes a new raw material which is not taken to a landfill, sold internationally, or downcycled.

   However, plastic producers are *not* responsible for finding an end market for compostable alternatives. Therefore, even if compostable packaging is landfill bound, plastic producers can still reach their SB 54 requirements. If plastic producers switched to compostable fiber packaging, this might not be a

[3] USDA, Labeling Organic Products. https://www.ams.usda.gov/rules-regulations/organic/labeling
[4] USDA, The National List of Allowed and Prohibited Substances. https://www.ams.usda.gov/rules-regulations/organic/national-list
[5] O'Connor, M. (2026) *Compostable Packaging Acceptance Remains Contentious Even as Sector Scales*, Packaging Drive. https://www.packagingdive.com/news/compostable-packaging-organics-revolution-foods/807789/

problem. Fiber products have a responsible end market, either as recycled paper or as organic compost. However, some producers are making the switch to compostable plastic. Compostable plastics do not currently have a responsible end market. This means that compostable plastics could comply with the letter of SB 54 without achieving the spirit of it.

4) *Challenges in California compostable market.* There are three major challenges to finding a responsible end market for compostable plastics in California: 1) Composters cannot distinguish between compostable and noncompostable plastics, 2) there are discrepancies between the realities of California composting with the ASTM requirement, and 3) California farmers do not want compostable plastics in their compost.

   a) *Plastic contamination*. Contamination is inevitable. Someone might accidentally put their plastic fork in the compost bin after a meal, necessitating the removal of plastic from the compost waste stream. California composters currently remove *all* plastic, compostable or not. Without an ability to distinguish compostable plastic from traditional plastic, it is costly if not impossible to remove one and not the other. Less than half of US composting facilities accept compostable plastics at all.[6] Thus, most compostable plastics are landfill bound.

   b) *ASTM requirement vs reality.* The ASTM D6400 specification has a timeline of 6 months. However, California composters are currently strained by high volume of waste from ambitious SB 1383 goals.[7] Therefore, California composters favor lower cost, shorter timelines to deliver a premium, higher margin product (organic compost). To deliver this product, composters use high heat and a short turnover time, usually 4 months or shorter. The Yolo County Central Landfill, for example, only takes 90 days to compost organic waste.[8] A partially decomposed compostable plastic could at best leave visible fragments (e.g. half of a fork) in compost and at worst create microplastics. Neither option is amenable to the California agricultural industry.

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[6] Wicker, A. (2024) *Most 'compostable' bioplastics are anything but, says new report,* Monga Bay. https://news.mongabay.com/2024/07/most-compostable-bioplastics-are-anything-but-says-new-report/

[7] CalRecycle (2019) SB 1383 *Infrastructure and Market Analysis Report*, DRRR-2019-1652 https://www2.calrecycle.ca.gov/Docs/Publications/Details/1652

[8] Secaira, M. (2023) *A year after California's composting mandate, local officials still focusing on education over enforcement*, Cap Radio. https://www.capradio.org/articles/2023/12/13/a-year-after-californias-composting-mandate-local-officials-still-focusing-on-education-over-enforcement/

c) *California farmers are not an end market*. California farmers have concerns about the safety of compost containing compostable plastics.[9] Fragments of compostable plastics left in compost must be removed by farmers and thrown away, since these fragments cannot decompose outside of industrial composting conditions. Fragments of partially decomposed compostable plastics can introduce microplastics into compost. A 2022 Review in the Journal of Applied Soil Ecology found that microplastics in the soil are absorbed into the seeds, the root system, and the vascular system of crops.[10] Therefore, microplastics in compost could travel into and accumulate in a crop, harming plant growth and human health.[11] Microplastics have been found in several fruits and vegetables such as carrots, lettuce, and broccoli, and in the root systems of tomatoes, apples, and onions.[12] Even if compostable plastics were entirely safe, they do not add beneficial nutrients to the compost. For California farmers, compostable plastics are high risk and no reward.

Under the current status quo, California industrial composting facilities are incentivized to create premium compost at low cost: organic compost with a short turn over time. California farmers, whether or not they prefer organic compost, have significant concerns about plastic contamination in their compost. Without an end market, composters have no incentive to increase the composting time for unwanted compostable plastics. Finally, compostable plastics are unlikely to meet the NOP requirement to be labeled organic or compostable in California. Consequently, compost facilities remove all compostable plastics from the waste stream as a contaminant.

Comments

1) *Purpose of Bill.* According to the author, "While compostable materials are often promoted as a sustainable alternative to conventional plastics, in practice they are frequently indistinguishable from traditional plastics, creating confusion for consumers and contamination challenges for composting facilities. As a result, many composters do not process them, undermining California's circular economy goals.

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[9] Rust, S. (2025) *Should bioplastics be counted as compost? Debate pits farmers against manufacturers*, LA Times https://www.latimes.com/environment/story/2025-07-04/does-plastic-waste-in-compost-make-sense
[10] Iqbal, B. et al. (2022) *Impacts of soil microplastics on crops: A review,* Applied Soil Ecology. https://www.sciencedirect.com/science/article/abs/pii/S0929139322002967
[11] Masciarelli, E, et. al. (2024) *Microplastics in Agricultural Crops and Their Possible Impact on Farmers' Health: A Review*. Int J Environ Res Public Health, doi: 10.3390/ijerph22010045
[12] Lazar, N. (2024) *Micro and nano plastics in fruits and vegetables: A review, Heliyon.* https://pmc.ncbi.nlm.nih.gov/articles/PMC10966681/

"To address this problem, SB 1031 establishes labeling requirements to ensure compostable products are clearly identifiable, prohibits misleading claims such as "compostable except in California," and reinforces product safety standards. The bill also directs the Office of Environmental Health Hazard Assessment (OEHHA) to study the breakdown, toxicity, and environmental public health impacts of compostable plastics.

"By improving transparency, reducing contamination, and advancing scientific understanding, SB 1031 helps to better integrate compostable plastics into California's recycling system so the state can achieve its waste reduction goals."

2) *Misleading marketing claims*. Should compostable plastics become ineligible to be labelled in California, but are allowed to be labelled as such in other states (either due to differences in the compost end markets or lack of regulation), how will these plastic products be labelled to be compliant with different state laws?

   a) *Compostable except in California*. Potentially, some compostable plastic products may be labelled "compostable except in California" which could be misleading to the California consumer. The Federal Trade Commission (FTC) Green Guidelines state "it is deceptive to misrepresent, directly or by implication, that a product or package is compostable."[13] The phrase "compostable except" may in and of itself be misleading enough to be in violation of FTC guidelines. California consumers might see "compostable" and erroneously assume the product is compostable in the state. Others may not understand what makes a product more or less compostable across state lines. The statement is also not entirely true. "Compostable except in California" implies that any industrial composting facility in any other state will take these products. In reality, less than half of composting facilities in the US accept compostable plastics.[6] Additionally, the FTC Green Guidelines also state it is misleading to label a product as industrially compostable if such facilities are not "available to a substantial majority of consumers." It is possible that across the US, composting facilities which accept compostable plastics are not available to most consumers.

   b) *Different labels for different states*. Compostable plastic producers may have to develop different packaging with different labels for different

[13]FTC Issues Revised "Green Guides" (2012) https://www.ftc.gov/news-events/news/press-releases/2012/10/ftc-issues-revised-green-guides

states. While potentially more costly, this is not an unprecedented approach.

Related/Prior Legislation

AB 1812 (Aguiar-Curry, 2026) would prohibit a person from selling a product in California labeled "compostable" that is wholly or partially made of plastic. The bill was referred to the Assembly Natural Resources Committee.

SB 1201 (Ting, Chapter 504, Statutes of 2021) prohibits the sale of a product labelled compostable unless it meets the applicable ASTM specification.

SB 567 (DeSaulnier, Chapter 594, Statutes of 2011) prohibits the sale of a compostable plastic bag unless it meets the applicable ASTM specification and follows specific labelling requirements.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- The Office of Environmental Health Hazard Assessment (OEHHA) estimates one-time costs of about $1 million and ongoing costs of at least $625,000 annually (General Fund) to manage and implement the study required by this bill, including study design, contract oversight, interagency coordination, evaluation of findings, and preparation of biennial updates and the final report. OEHHA notes that ongoing contract funding is needed because the health effects of compostable plastics are an emerging issue with a sustained project timeframe. Ongoing contracting dollars would support sampling and assessment as research on compostable plastics evolves.

SUPPORT: (Verified 5/14/2026)

California Compost Coalition
Californians Against Waste

OPPOSITION: (Verified 5/14/2026)

Amy's Kitchen
Atlantic Packaging
Basf Corporation
Biodegradable Products Institute
Bpi
California Manufacturers & Technology Association

California Restaurant Association
California Retailers Association
Cj Biomaterials
Heritage Plastics INC.
Ingevity
Kaneka Americas Holding, INC.
Minima Technology Co.
Nature Works LLC
New Wincup Holdings, INC.
Novamont North America, INC.
Repurpose, INC.
Sinclair

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