

Date of Hearing: August 20, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 633 (Blakespear) – As Amended July 17, 2025

Policy Committee: Natural Resources

Vote: 9 - 4

Urgency: No

State Mandated Local Program: Yes

Reimbursable: No

SUMMARY:

This bill requires a beverage manufacturer to include, as part of their annual reporting to the Department of Resources Recycling and Recovery (CalRecycle) for the Beverage Container Recycling and Litter Reduction Act (Bottle Bill), proof of third-party validation of postconsumer recycled content (PCR) and information on the country-of-origin of that material.

Specifically, this bill, among other things:

Requires, by March 1, 2027, and on or before March 1 annually thereafter, a beverage manufacturer of a beverage sold in a plastic beverage container subject to the California Redemption Value (CRV) to, as part of an existing reporting requirement, report the following additional information to CalRecycle:

- 1) By country-of-origin, the amount in pounds of imported PCR plastic used by the manufacturer for plastic beverage containers for sale in the state in the previous calendar year. Requires this information to be posted on CalRecycle's website in an aggregated form, and provides that un-aggregated information submitted to the department shall be exempt from public disclosure under the California Public Records Act.
- 2) Proof that the PCR used by the manufacturer for plastic beverage containers has been validated by a third-party that adheres to an "APR standard," as defined, or an equivalent standard approved by CalRecycle, and that meets the department's criteria for validating PCR, as specified. Authorizes CalRecycle to review a third-party that provides validation for this purpose to determine whether the third-party adheres to the APR standard or an equivalent standard approved by the department.

FISCAL EFFECT:

CalRecycle will incur ongoing costs of an unknown amount, possibly in the hundreds of thousands of dollars annually, to implement the requirements of this bill (Beverage Container Recycling Fund (BCRF)). The bill requires, in part, proof of third-party validation of PCR, and requires CalRecycle to determine whether the third-party adheres to an APR standard or an equivalent standard approved by the department. It is not clear to this committee the extent to which CalRecycle must then verify the accuracy of the information included in the beverage manufacturer's report.

For its part, CalRecycle estimates ongoing annual costs of approximately \$1.3 million (BCRF) to hire eight staff and one-time contracting costs of \$40,000 to implement this bill. The contract costs are to expand the department's online reporting form and database to add county-of-origin and third-party verification. CalRecycle reports staff will, among other things, collect and verify the new information included as part of its reporting requirements, review and validate third-parties (by conducting scientific analyses and evaluating the APR methodology used, for example), support and educate beverage manufacturers, conduct a greater number of compliance reviews, potentially issue more notices of violation, and perform numerous audit and enforcement-related tasks.

COMMENTS:

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

The state of California set a high bar for recycled content in plastic bottles with AB 793 (Ting, 2020), requiring 15% by 2022, 25% by 2025, and 50% by 2030. Although many popular drinks now proudly advertise the percent of recycled plastic in their bottles, there is currently no robust verification process for these claims. Recycled plastic is indistinguishable from newly synthesized plastic after it is processed by reclaimers and made into pellets or flakes...A third-party certification of plastics recyclers (reclaimers) would ensure that they maintain records and a well-documented method for tracking material through their system...this would provide clarity about the recycled plastic sold in California, including the amount and quality of plastic from out of state, which is currently difficult to determine.

2) **Background.** CalRecycle manages the Bottle Bill program, in which consumers pay a CRV fee when they purchase beverages and receive CRV refunds when they redeem containers at a recycling center or retailer. To promote more closed-loop recycling (where bottles are recycled into bottles that can be returned to the recycling system multiple times) and to avoid down-cycling (where bottles are recycled once into a non-recyclable product), the state passed AB 793 (Ting), Chapter 115, Statutes of 2020. AB 793 requires plastic beverage containers subject to the CRV to contain increasing amounts of PCR plastic. Specifically, bottles must contain 15% PCR plastic by 2022, 25% by 2025, and 50% by 2030.

AB 793 also includes annual reporting requirements for plastic reclaimers, manufacturers of PCR plastic, and beverage manufacturers to ensure CalRecycle is able to verify and enforce the recycled content requirements. CalRecycle has authority to audit and investigate a beverage manufacturer to make sure they are in compliance with the PCR requirements established by AB 793.

This bill is sponsored by the Association of Plastic Recyclers (APR), which argues that sales of imported plastics into the U.S. have surged in the past two years, undermining investments in California and U.S. recycling infrastructure, and raising environmental and social concerns, including the labor conditions and pollution impacts associated with recycled plastics from overseas markets. APR argues that AB 793 and similar laws were to support California and U.S.-based recyclers by using recycled plastics from local community programs to make new products. APR contends that when manufacturers instead buy imported recycled plastics, "this erodes the market demand for US-produced recycled content

and the stability of California's recycling programs. California cannot reach its plastic pollution reduction goals without a robust recycling program.” Rather than restricting manufacturers from purchasing recycled plastics from overseas, which would illegally interfere with global trade laws, APR argues this bill is focused on data collection to better understand how the state may be negatively impacted from imported recycled plastics, to track these trends over time, and to help evaluate whether current policies are meeting their intended goals to reduce plastic pollution and support a stronger recycling system.

APR further argues that recycled plastic looks the same as newly made plastic at the manufacturing stage, so it is impossible to test for the presence of recycled plastic in beverage containers. APR writes: “To ensure that all companies are held to the same standard and equally comply with existing law that requires the use of PCR, SB 633 requires third-party certification of the PCR used in beverage containers.” APR is one of several companies that offers certification.

Writing in opposition, the American Beverage Association and a coalition of other organizations argue the country-of-origin requirement in the bill “is misplaced, as most beverage manufacturers procure bottles from various suppliers, who source rPET from numerous suppliers. Often the beverage manufacturers do not have this information.” The coalition argues this bill “fails to demonstrate how this additional reporting will lead to tangible improvements in recycling efficiency, consumer behavior or environmental outcomes,” and argues more effective solutions include “improving domestic recycling infrastructure, providing incentive payments to in-state producers or manufacturers who use in-state material, and expanding access for consumers to recycle these containers.”

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