SENATE THIRD READING
SB 633 (Blakespear)
As Amended August 20, 2026
Majority vote

SUMMARY

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.

Major Provisions

1) Makes technical and clarifying changes to the Public Resources Code (PRC) requirements for beverage containers and revises the penalty for failure to meet the PRC requirements.

2) Requires, by March 1, 2028, 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:

   a) 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 CalRecycle to publish a list of beverage manufacturers and their associated brand names, indicating whether they have complied with the PCR requirements.

   b) Proof that the PCR used by the manufacturer for plastic beverage containers has been validated by a third-party, as specified.

COMMENTS

Plastic. Plastics pose a threat to the environment from origin to end-of-life. Plastic production is responsible for 3.5% of all greenhouse gas emissions—more than the entire aviation sector. In 2021, global plastics production was estimated at 390.7 million metric tons, a 4% increase from the previous year. The United Nations Environment Programme reports that only 9% of all plastic ever made has been recycled, 12% has been incinerated, and the remaining 79% has accumulated in landfills or the environment.

Once plastics enter the environment, they remain there for hundreds to thousands of years. Plastics do not break down into their constituent parts, but instead break down into smaller and smaller particles, or microplastics. Because they are so small, microplastics are carried in the air and in water, and are easily ingested or inhaled by living things and accumulate up the food chain. Microplastics have been found in the most pristine natural environments on earth, including in the deep ocean, Antarctic sea ice, and in the sand of remote deserts. Microplastics are found in household dust and drinking water (bottled and tap), and humans are inhaling and consuming them. A March 2024, study published in *Science of the Total Environment* identified microplastics in all human tissues sampled, with the polyvinyl chloride (PVC) being the dominant polymer. In February of this year, a study published in *Nature Medicine* found microplastics in human brains in higher concentrations than other body systems. This plastic accumulation increased 50% over the past eight years. Shockingly little information exists about

the potential health impacts of microplastics exposure. Laboratory studies have found that microplastics increase the risk of cancer and disrupt hormone pathways in lab rats.

Recycled content. The United States has not developed significant markets for recycled content materials, including plastic. Historically, China has been the largest importer of recyclable materials. In an effort to improve the quality of the materials it accepts and to combat the country′s significant environmental challenges, China established Operation National Sword in 2017, which included inspections of imported recyclable materials and a filing with the World Trade Organization indicating its intent to ban the import of 24 types of scrap, including polyethylene terephthalate (PET), high density polyethylene (HDPE), PVC, and polystyrene (PS) beginning January 1, 2018. In November 2017, China announced that imports of recyclable materials that are not banned will be required to include no more than 0.5% contamination.

Following China′s actions, other Southeast Asian countries have enacted policies limiting or banning the importation of recyclable plastic materials. Last year, Malaysia and Vietnam implemented import restrictions. India and Thailand have also banned scrap plastic imports.

These limitations are important to reducing plastic pollution worldwide, as these countries have received low-quality mixed plastic waste that is challenging to recycle and has little to no scrap value. The plastic is sorted to remove the materials that can be easily recycled, and the rest is left to be burned or otherwise disposed. In countries with inadequate waste management systems, this can include being left on beaches or otherwise dumped into the environment, contributing to the ocean plastic pollution crisis.

In order to foster markets for recycled materials and reduce the need for virgin materials, the state has established recycled content requirements for various products.

Bottle Bill. The Bottle Bill was established in 1986 to be a self-funded program to prevent littering and encourages consumers to recycle beverage containers. The program accomplishes this goal by requiring consumers to pay a deposit for each eligible container at the time of purchase and guarantees consumers repayment of that deposit, the California Redemption Value (CRV), for each eligible container returned to a certified recycler. The statute includes two main goals for the program: (1) reducing litter; and, (2) achieving a recycling rate of 80% for eligible containers. Containers recycled through the Bottle Bill′s certified recycling centers also provide a consistent, clean, uncontaminated stream of recycled materials.

The bottles that are collected through the Bottle Bill program are mostly made of PET plastic. PET is highly recyclable plastic, and many markets that include postconsumer recycle content material in their products use recycled PET (rPET) that is sourced from the Bottle Bill program. In 2017, 47% of all available rPET in the United States was used for fiber products (e.g., carpet, clothes, and shoes), according to the Association of Plastic Recyclers and NAPCOR′s ″Report on Postconsumer PET Container Recycling Activity in 2017.″ Food and beverage products were the second-largest users of rPET, at 21%.

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 downcycling (where bottles are recycled once into a non-recyclable product), the Legislature passed AB 793 (Ting), Chapter 115, Statutes of 2020. AB 793 requires plastic beverage containers subject to the Bottle Bill 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 grants the director of CalRecycle the ability

to review and adjust the minimum PCR content percentage, which may be informed by information submitted by producers.

AB 793 also includes annual reporting requirements for plastic reclaimers, manufacturers of PCR plastic, and beverage manufacturers. These reporting requirements are critical to ensure that CalRecycle is able to verify and enforce the recycled content requirements. Plastic material reclaimers must report on the amount and resin type of empty plastic beverage containers in the Bottle Bill that they collect and sell. Manufacturers of PCR plastic report to CalRecycle the amount of food-grade flake, pellet or other PCR material they sell, and their capacity to produce food-grade material. Manufacturers of beverages sold in plastic beverage containers are required to report the amount of new and PCR plastic they use in a year. 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.

Rigid Plastic Packing Container (RPPC). The state′s RPPC Law was established in 1991 to reduce the amount of plastic waste disposed in California′s landfills and to develop markets for recycled content materials. RPPCs include containers that are made from rigid plastic, such as tubs, buckets, bottles, trays, and other rigid plastic containers. The law has seven compliance options: 1) The container must contain at least 25% postconsumer recycled content; 2) The container must be routinely reused at least five times; 3) The container must be recycled at a 45% recycling rate; 4) The product manufacturer or another company under the same corporate ownership uses postconsumer material generated in California equivalent to or exceeding 25% postconsumer material; 5) The RPPC is source reduced by container weight, product concentration, or a combination of the two; 6) The container is routinely returned and refilled by the product manufacturer at least five times; or, 7) The container contains floral preservatives and is reused by the floral industry for at least two years.

SB 54. SB 54 (Allen), Chapter 75, Statutes of 2022, established the Plastic Pollution Prevention and Packaging Producer Responsibility Act, which created sweeping new minimum recycling requirements for single-use plastic packaging and food service ware (covered material), source reduction requirements for plastic covered material, and prohibits the sale or distribution of EPS food service ware unless it meets accelerated recycling rates. SB 54 requires producers to comply with the bill′s requirements through an expanded producer responsibility program. Under SB 54, covered material must meet specified recycling and source reduction requirements by 2027, which ramp up until all covered material must achieve and maintain a 65% recycling rate and a 25% source reduction requirement by 2032. This bill additionally requires producers, through the PRO, to pay $500 million per year for ten years (from 2027 to 2037) to be deposited into the California Plastic Pollution Mitigation Fund, which is established to fund various environmental and public health programs.

Tracking recycled content. The United States imports and exports significant volumes of PCR plastic, including rPET. In 2024, imports increased by 20% from the previous year. Overall, the United States imports far more rPET than it exports, primarily from Southeast Asia. The rPET entering the country is typically in flake form, recovered and processed outside the country, and it is in high demand by US end-users - particularly for the low prices offered by overseas sellers.

Recycled plastic can be indistinguishable from newly synthesized plastic. At the same time, the cost of making rPET is higher than the cost of making virgin plastic; in 2017, the estimated average cost to produce virgin PET was $0.52-0.56 per pound, while the cost to process and

produce rPET was estimated at $0.60-0.65 per pound. Because of the economic incentive to use new plastic over rPET, the legal mandates for rPET production, the amount of rPET that is imported from abroad, and the fact the two products can be indistinguishable, there are legitimate concerns that virgin plastic could be sold as PCR plastic. Additionally, different ways of calculating recycled content can be used that impact how the amount of PCR in a container is reported. It is important to ensure that PCR claims accurately reflect the amount of PCR plastic in the finished product.

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.

Arguments in Support

The Association of Plastic Recyclers writes in support, ″SB 633 levels the playing field for all manufacturers and ensures that California is truly meeting the state′s ambitious goals for recycling and circularity.″

Arguments in Opposition

A coalition of opponents write, ″[SB 633] places manufacturers at risk of legal repercussions for information they do not have firsthand knowledge of while creating redundant bureaucracy. The complexity of tracking and verifying international sources of recycled plastic will result in significant administrative costs, which will ultimately be passed on to consumers.″

FISCAL COMMENTS

CalRecycle estimates ongoing costs of approximately $1 million (Beverage Container Recycling Fund) for staff and a contract to implement this bill.

VOTES

SENATE FLOOR: 27-10-3

YES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Padilla, Pérez, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener

NO: Alvarado-Gil, Choi, Dahle, Grove, Jones, Niello, Ochoa Bogh, Seyarto, Strickland, Valladares

ABS, ABST OR NV: Grayson, Reyes, Richardson

ASM NATURAL RESOURCES: 9-4-1
YES: Bryan, Connolly, Garcia, Haney, Kalra, Muratsuchi, Pellerin, Schultz, Zbur
NO: Alanis, Ellis, Flora, Hoover
ABS, ABST OR NV: Wicks

ASM APPROPRIATIONS: 11-4-0
YES: Wicks, Arambula, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache
NO: Hoover, Dixon, Ta, Tangipa

UPDATED

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