2SHB 1131 - H AMD 339 By Representative Fey

NOT CONSIDERED 01/02/2024

1 Strike everything after the enacting clause and insert the 2 following:

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"PART 1

TRUTH IN LABELING, RATES STUDY, AND NEEDS ASSESSMENT

5 <u>NEW SECTION.</u> Sec. 101. TRUTH IN LABELING. (1) Beginning January 6 1, 2027, a producer may not offer for sale, sell, or distribute in or 7 into Washington, including by means of remote sale, any covered 8 product that makes a deceptive or misleading claim about its 9 recyclability.

(a) A product or packaging that displays a chasing arrows symbol, 10 11 a chasing arrows symbol surrounding a resin identification code, or 12 any other symbol or statement indicating that it is recyclable or 13 otherwise directing the consumer to recycle the product or packaging, is deemed to be a deceptive or misleading claim under this section 14 15 unless the product or packaging is considered recyclable in the state 16 under section 103 of this act and is of a material type and form that 17 routinely becomes feedstock used in the production of new products or packaging or is exempt under (b) of this subsection. 18

19 (b) (a) of this subsection does not apply to products or 20 packaging:

(i) For which a symbol or statement described in (a) of this
 subsection is required by another state or by a federal law or agency
 in the United States at the time that the claim is made;

(ii) For which a symbol or statement described in (a) of this
 subsection is part of a widely adopted and standardized third-party
 labeling system;

(iii) For which a chasing arrows symbol is used in combination with a clearly visible line placed at a 45-degree angle over the chasing arrows symbol to convey that an item is not recyclable;

30 (iv) Manufactured up to 18 months after the date the department 31 publishes the first material characterization study required under

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1 section 102 of this act, or before January 1, 2027, whichever is
2 later; or

3 (v) Any product or packaging manufactured up to 18 months after 4 the date the department updates the material characterization study 5 under section 102 of this act, if the product or packaging satisfied 6 or, for a new product or packaging, would have satisfied, the 7 requirements to be considered recyclable in the state under section 8 103 of this act before the publication of the updated study.

9 (c) For a product or packaging that is not considered to be 10 recyclable in the state under section 103 of this act, all the 11 following apply:

(i) Displaying a chasing arrows symbol or any other statement indicating the product is recyclable directly on the product is deemed to be deceptive or misleading under this section;

(ii) If a product or packaging has multiple material types, a chasing arrows symbol or statement indicating recyclability may be displayed on the external packaging that is considered to be recyclable in the state under section 103 of this act if the chasing arrows symbol or statement makes clear in the same or greater font, font size, or symbol size which other components of the product or packaging are not recyclable; and

(iii) Displaying a chasing arrows symbol or any other statement indicating recyclability on packaging containing a consumable product shall, for purposes of this section, be deemed to refer only to the packaging.

(2) At such time as an enforceable federal statutory or regulatory standard is implemented for labeling packaging related to recyclability, within 180 days the department shall review criteria under this chapter with federal standards or requirements. Upon completing its review, the department may adopt the federal criteria in lieu of the requirements of this section.

32 (3) As of the effective date of this section, a city, town, or 33 county may not enact an ordinance restricting the distribution or 34 sale of covered products due to displaying a chasing arrows symbol, a 35 chasing arrows symbol surrounding a resin identification code, or any 36 other symbol or statement indicating that it is recyclable if the 37 covered product is, at the time that the claim is made:

38 (a) Required to display the symbol or statement by another state39 or by a federal law or agency;

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1 (b) Part of a widely adopted and standardized third-party 2 labeling system:

3 (i) For which a symbol or statement described in subsection (1) 4 (a) of this section is in compliance with the federal trade 5 commission green guides; or

6 (ii) For which a symbol or statement described in subsection 7 (1)(a) of this section incorporates by reference the ASTM standards 8 for coding resin; or

9 (c) Using a chasing arrows symbol in combination with a clearly 10 visible line placed at a 45-degree angle over the chasing arrows 11 symbol to convey that an item is not recyclable.

12 (4) The definitions in this subsection apply throughout this13 section unless the context clearly requires otherwise.

(a) (i) "Chasing arrows symbol" means an equilateral triangle, formed by three arrows curved at their midpoints, depicting a clockwise path, with a short gap separating the apex of each arrow from the base of the adjacent arrow.

(ii) "Chasing arrows symbol" also includes variants of that symbol that are likely to be interpreted by a consumer as an implication of recyclability including, but not limited to, one or more arrows arranged in a circular pattern or around a globe.

(b) "Consumable product" means a commodity that is intended to be used and not disposed of.

(c) "Packaging" is to be broadly construed and includes secondaryand tertiary packaging and may be comprised of any material type.

<u>NEW SECTION.</u> Sec. 102. MATERIAL CHARACTERIZATION STUDY. (1) By 26 27 January 1, 2026, the department shall produce a material characterization study to provide information to the public 28 sufficient for evaluating whether a product or packaging 29 is 30 recyclable in the state according to the criteria set forth in section 103 of this act and are of material types and forms that 31 routinely become feedstock used in the production of new products or 32 33 packaging.

(a) The department shall conduct and publish on its website a characterization study of material types and forms that are collected, sorted, sold, or transferred by facilities that process recyclable materials from curbside recycling programs and other solid waste facilities deemed appropriate by the department for inclusion in the study.

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(b) The material characterization study must:

(i) Use data from statistically valid and representative samples
of materials collected from curbside recycling programs in the state
analyzed using industry standard methodologies;

5 (ii) Identify what material types and forms are actively sorted 6 for recycling, and not considered contaminants, by included 7 operations or facilities;

8 (iii) Identify what material types and forms are not sorted for 9 recycling, and are considered contaminants, by included operations or 10 facilities; and

11 (iv) Identify how the material collected or processed by the 12 operations and facilities was collected.

13 (2) The department shall update the material characterization 14 study required under this section no less often than every five 15 years, with the first update being issued by the department in 2029.

16 (3) For each material characterization study conducted under this 17 section, the department shall publish on its website the preliminary findings of the study and conduct a public meeting to present the 18 preliminary findings and receive public comments. The public meeting 19 must occur at least 30 days after the department publishes the 20 21 preliminary findings. After receiving and considering public comments, and within 90 days of the public meeting, the department 22 shall finalize and publish on its website the findings of the study. 23

(4) The department may publish additional information that was not available at the time of the most recent periodic material characterization study regarding the appropriate characterization of material types and forms.

NEW SECTION. Sec. 103. RECYCLABILITY DETERMINATIONS. (1)(a) A product or packaging is considered recyclable in the state if, based on information published by the department under section 102 of this act, the product or packaging is of a material type and form that meets both of the following requirements:

(i) The material type and form is collected for recycling by recycling programs for jurisdictions that collectively encompass at least 60 percent of the population of the state; and

(ii) The material type and form are sorted into defined streams
 for recycling processes by large volume transfer or processing
 facilities, as provided in chapter 70A.205 RCW, that process
 materials and collectively serve at least 60 percent of recycling
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1 programs statewide, with the defined streams sent to and reclaimed at 2 a reclaiming facility consistent with the requirements of chapter 3 70A.205 RCW.

4 (b) The department may adopt rules modifying the requirement to 5 encompass transfer or processing facilities other than large volume 6 transfer or processing facilities as the department deems appropriate 7 for achieving the purposes of this section.

8 (2) A product or packaging is not considered recyclable in the 9 state unless the product or packaging meets all the following 10 criteria, as applicable:

(a) For plastic packaging, the plastic packaging is designed to not include any components, inks, adhesives, or labels that prevent the recyclability of the packaging according to the association of plastic recyclers design guide published by the association of plastic recyclers; and

(b) For plastic products and nonplastic products and packaging, the product or packaging is designed to ensure recyclability and does not include any components, inks, adhesives, or labels that prevent the recyclability of the product or packaging.

20 (3) A product or packaging is recyclable in the state if the 21 product or packaging has a demonstrated recycling rate of at least 75 22 percent, meaning that not less than 75 percent of the product or 23 packaging sorted and aggregated in the state is reprocessed into new 24 products or packaging.

25 (4) Before January 1, 2032, a product or packaging not collected 26 under a curbside collection program is recyclable in the state if the noncurbside collection program recovers at least 60 percent of the 27 product or packaging in the program and the material has sufficient 28 29 commercial value to be marketed for recycling and be transported at the end of its useful life to a transfer, processing, or recycling 30 31 facility to be sorted and aggregated into defined streams by material type and form. 32

(5) After January 1, 2032, a product or packaging not collected 33 under a curbside collection program is recyclable in the state if the 34 noncurbside collection program recovers at least 75 percent of the 35 36 product or packaging in the program and the material has sufficient commercial value to be marketed for recycling and be transported at 37 the end of its useful life to a transfer, processing, or recycling 38 facility to be sorted and aggregated into defined streams by material 39 type and form. 40

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1 (6) A product or packaging is recyclable in the state if the product or packaging is part of, and in compliance with, a program 2 established under state or federal law on or after January 1, 2025, 3 governing the recyclability or disposal of that product or packaging 4 if the director of the department determines that the product or 5 6 packaging will not increase contamination of curbside recycling or 7 deceive consumers as to the recyclability of the product or 8 packaging.

9 (7) The information published by the department under section 102 10 of this act does not limit the discretion of a local government under 11 existing law to decide whether, and to what extent, a material type 12 or form is accepted by a local recycling program.

13 <u>NEW SECTION.</u> Sec. 104. (1) To inform the future development of 14 strategies to increase recovery rates, the department must conduct a 15 performance rates study and a statewide needs assessment that must be 16 carried out by a third-party consultant selected by the department.

17 (2) (a) The performance rates study must be completed by September 18 1, 2024, and must:

(i) Use the recycling rates from the study submitted to thelegislature pursuant to section 302(59), chapter 297, Laws of 2022;

(ii) Review the performance rates set and achieved in other jurisdictions and evaluate whether those rates are applicable in the state;

24 (iii) Recommend performance rates, including:

(A) A rate for the overall combined reuse and recycling ofcovered products;

(B) A separate specific minimum reuse rate, that must be countedwithin the overall combined reuse and recycling rate;

(C) A source reduction rate to be achieved solely by eliminatingplastic components; and

31 (D) Performance rates for specific material categories of covered 32 products including, but not limited to, beverage containers, mixed 33 paper, plastic packaging, glass, and cardboard.

34 (b) Recommendations under (a) of this subsection must consider 35 the feasibility of achieving recommended rates based on current rates 36 achieved as well as current infrastructure in the state, rates 37 achieved in other jurisdictions, and additional relevant data. The 38 recommended performance rates must be designed to be achieved for 39 covered products statewide by 2032.

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1 (c) Stakeholders must have the opportunity to review and comment 2 on a draft performance rates study at least 30 days prior to its 3 completion.

4 (3) The statewide needs assessment must be completed by July 1, 5 2025, and must be consistent with the following requirements:

6 (a) The final scope of the statewide needs assessment must be 7 determined after considering comments and recommendations from 8 stakeholders; and

9 (b) Stakeholders must have the opportunity to review and comment 10 on the draft statewide needs assessment at least 30 days prior to its 11 completion.

12 (4) The statewide needs assessment must be:

13 (a) Informed by the findings and recommendations of the 14 performance rates study established in this section and rates and 15 other comments suggested by stakeholders; and

16 (b) Accepted from the selected consultant as complete by the 17 department.

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(5) The statewide needs assessment must:

(a) Evaluate the capacity, costs, gaps, and needs for the
 following factors necessary to achieve performance rate
 recommendations developed under subsection (1) of this section:

(i) Availability and types of recycling services for coveredproducts;

24 (ii) Education and outreach activities;

(iii) Availability and performance of collection, transport, and processing capacity and infrastructure, including consideration of material quality and contamination;

(iv) Availability and performance of collection, transport, and processing capacity and infrastructure to manage compostable covered products, including consideration of the material quality and contamination;

32 (v) Necessary capital investments to existing reuse and recycling 33 infrastructure; and

(vi) Infrastructure or other factors necessary to enable reuse of covered products or the recycling of covered products not currently recycled in the residential recycling system;

(b) Compile information related to actual costs incurred by
 government entities for curbside collection services, drop-off
 collection services, and other information relevant to the funding
 requirements to achieve performance rates, including costs for
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various service methods recommended by stakeholders during the study scoping process;

3 (c) Identify cost factors and other variables to be considered in 4 the development of base cost formulas for establishing per unit 5 funding needs for government entities for curbside collection 6 services needed to achieve performance rates developed under 7 subsection (1) of this section. Cost factors and variables to be 8 considered in the base cost formulas include:

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(i) Population size and density of a local jurisdiction;

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(ii) Types of households serviced and collection method used;

11 (iii) Distance from a local jurisdiction to the nearest recycling 12 facility;

(iv) Whether a jurisdiction pays for transportation and sorting of collected materials and whether it receives a commodity value from processed materials;

16 (v) Geographic location or other variables contributing to 17 regional differences in costs;

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(vi) Cost increases over time; and

19 (vii) Any other factors as determined to be necessary by the 20 department, with input from stakeholders;

(d) Identify cost factors and other variables to be considered in the development of funding estimates for government entities for any services other than curbside collection to be carried out by government entities that may be needed to achieve performance rates developed under subsection (1) of this section;

(e) Compile relevant information to be considered in the development of criteria by the department to determine whether a covered product is recyclable, reusable, or compostable through Washington's curbside recycling collection system. The relevant information to be compiled may include whether covered product materials are:

32 (i) Or may be, collected, separated, and processed in sufficient 33 quantity and quality into a marketable feedstock that can be used in 34 the production of new products; or

35 (ii) Designed in a way that is problematic for reuse, recycling, 36 or composting;

37 (f) Evaluate how the state's recycling system can be managed in a 38 socially just manner as it relates to activities required under this 39 chapter. The assessment must:

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(i) Include meaningful consultation with overburdened communities
 and vulnerable populations;

3 (ii) Determine conditions and make recommendations including, at 4 minimum:

5 (A) The availability of opportunities in the recycling system for 6 women and minority individuals;

7 (B) The sufficiency of local government requirements related to
8 multifamily recycling services and their implementation;

9 (C) Identification of activities that disproportionately impact 10 any community and in particular overburdened communities and 11 vulnerable populations;

(D) The sufficiency of recycling education and outreach programsrelative to desired socially just management outcomes;

14 (E) Recommendations for improving socially just management 15 practices and outcomes in the state's recycling system; and

16 (F) Evaluate the extent to which covered products contribute to 17 litter and marine debris. The assessment should draw on available 18 data, assess gaps, and identify strategies for improving prevention 19 and cleanup of litter and marine debris from covered products; and

(g) Compile information from available data sources on the presence of toxic substances in covered products and their potential impacts on reuse, recycling, and composting systems. The information compiled is intended to inform the development of ecomodulation factors that incentivize the reduction of toxic substances that have potentially negative impacts when covered products are managed through reuse, recycling, and composting systems.

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ESTABLISHING POSTCONSUMER RECYCLED CONTENT REQUIREMENTS

PART 2

30 <u>NEW SECTION.</u> Sec. 201. DE MINIMIS PRODUCERS. (1) For purposes 31 of determining whether a producer is a de minimis producer, the 32 weight and revenue definitional thresholds must be calculated at the 33 level of the entity associated with the covered product.

34 (2) The exemptions under this chapter for de minimis producers do 35 not apply to an entity that has agreed to accept responsibility for 36 compliance with the requirements of this chapter for a covered 37 product on the behalf of another producer.

1 (3)(a) De minimis producers are not required to meet annual 2 registration, reporting, postconsumer recycled content, or fee 3 requirements of covered products under this chapter.

4 (b) De minimis producers must annually notify the department, in 5 a form and manner specified by the department, to demonstrate that 6 the producer is a de minimis producer.

7 (4) The department may require that a producer submit information 8 necessary to verify whether a producer qualifies for de minimis 9 status, including:

10 (a) Annual global gross revenue dollar amount less than or equal 11 to \$5,000,000;

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(b) Annual total resin weight less than or equal to one ton; and

13 (c) Any additional information requested by the department.

202. 14 NEW SECTION. Sec. POSTCONSUMER RECYCLED CONTENT 15 REQUIREMENTS FOR PLASTIC BEVERAGE CONTAINERS. A producer of a beverage in a plastic beverage container must meet the following 16 17 annual minimum postconsumer recycled content percentage on average for the total quantity of plastic beverage containers, by weight, 18 that are sold, offered for sale, or distributed in or into Washington 19 20 by the producer effective:

(1) For beverages except wine in 187 milliliter plastic beverage containers and dairy milk:

(a) January 1, 2023, through December 31, 2025: No less than 15
 percent postconsumer recycled content plastic by weight;

(b) January 1, 2026, through December 31, 2030: No less than 25
 percent postconsumer recycled content plastic by weight; and

27 (c) On and after January 1, 2031: No less than 50 percent 28 postconsumer recycled content plastic by weight;

(2) For wine in 187 milliliter plastic beverage containers anddairy milk:

(a) January 1, 2028, through December 31, 2030: No less than 15
 percent postconsumer recycled content plastic by weight;

(b) January 1, 2031, through December 31, 2035: No less than 25
 percent postconsumer recycled content plastic by weight; and

35 (c) On and after January 1, 2036: No less than 50 percent 36 postconsumer recycled content plastic by weight.

37NEW SECTION.Sec.203.POSTCONSUMERRECYCLEDCONTENT38REQUIREMENTSFORHOUSEHOLDCLEANINGPRODUCTSANDPERSONALCARECode Rev/ML:jlb10H-1616.2/232nddraft

1 PRODUCTS. A producer of household cleaning products in plastic 2 containers or a producer of personal care products in plastic 3 containers must meet the following annual minimum postconsumer 4 recycled content percentage on average for the total quantity of 5 plastic containers, by weight, that are sold, offered for sale, or 6 distributed in or into Washington by the producer effective:

7 (1) January 1, 2025, through December 31, 2027: No less than 15 8 percent postconsumer recycled content plastic by weight;

9 (2) January 1, 2028, through December 31, 2030: No less than 25 10 percent postconsumer recycled content plastic by weight; and

11 (3) On and after January 1, 2031: No less than 50 percent 12 postconsumer recycled content plastic by weight.

13 <u>NEW SECTION.</u> Sec. 204. POSTCONSUMER RECYCLED CONTENT FOR 14 PLASTIC TRASH BAGS. A producer of plastic trash bags must meet the 15 following annual minimum postconsumer recycled content percentage on 16 average for the total quantity of plastic trash bags, by weight, that 17 are sold, offered for sale, or distributed in or into Washington by 18 the producer effective:

(1) January 1, 2023, through December 31, 2024: No less than 10
 percent postconsumer recycled content plastic by weight;

(2) January 1, 2025, through December 31, 2026: No less than 15
 percent postconsumer recycled content plastic by weight; and

(3) On and after January 1, 2027: No less than 20 percent
 postconsumer recycled content plastic by weight.

25 NEW SECTION. Sec. 205. POSTCONSUMER RECYCLED CONTENT FOR PLASTIC TUBS USED FOR FOOD PRODUCTS. A producer of plastic tubs used 26 for food products must meet the following annual minimum postconsumer 27 recycled content percentage on average for the total quantity of 28 29 plastic tubs used for food products, by weight, that are sold, offered for sale, or distributed in or into Washington by the 30 producer effective: 31

(1) January 1, 2031, through December 31, 2035: No less than 10
 percent postconsumer recycled content plastic by weight; and

34 (2) On and after January 1, 2036: No less than 30 percent
 35 postconsumer recycled content plastic by weight.

36 <u>NEW SECTION.</u> Sec. 206. POSTCONSUMER RECYCLED CONTENT FOR
 37 SINGLE-USE PLASTIC CUPS. A producer of single-use plastic cups must
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1 meet the following annual minimum postconsumer recycled content 2 percentage on average for the total quantity of single-use plastic 3 cups, by weight, that are sold, offered for sale, or distributed in 4 or into Washington by the producer effective:

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(1) For polypropylene single-use plastic cups:

6 (a) January 1, 2031, through December 31, 2035: No less than 15 7 percent postconsumer recycled content plastic by weight; and

8 (b) On and after January 1, 2036: No less than 25 percent 9 postconsumer recycled content plastic by weight;

10 (2) For polyethylene terephthalate, polystyrene, and other types 11 of single-use plastic cups:

(a) January 1, 2031, through December 31, 2035: No less than 20
 percent postconsumer recycled content plastic by weight; and

14 (b) On and after January 1, 2036: No less than 30 percent 15 postconsumer recycled content plastic by weight.

16 <u>NEW SECTION.</u> Sec. 207. POSTCONSUMER RECYCLED CONTENT FOR 17 THERMOFORM PLASTIC CONTAINERS. A producer of a thermoform plastic 18 container must meet the following annual minimum postconsumer 19 recycled content percentage on average for the total quantity of 20 thermoform plastic containers, by weight, that are sold, offered for 21 sale, or distributed in or into Washington by the producer effective:

22 (1) For packaging for consumable goods:

(a) January 1, 2031, through December 31, 2035: No less than 10
 percent postconsumer recycled content plastic by weight; and

(b) On and after January 1, 2036: No less than 30 percent postconsumer recycled content plastic by weight;

(2) (a) Except as provided in (b) of this subsection, for
packaging used for durable goods: On and after January 1, 2036, no
less than 30 percent postconsumer recycled content plastic by weight;

30 (b) Packaging designed to accompany a durable good where that 31 durable good model is designed prior to the effective date of the 32 requirement in (a) of this subsection is exempt.

33 <u>NEW SECTION.</u> Sec. 208. (1) The department must ensure that any 34 rules adopted pursuant to this chapter consider guidelines, and do 35 not conflict with regulations, issued by the United States food and 36 drug administration and the United States department of agriculture, 37 and consider requirements imposed by other Washington state agencies 38 including, but not limited to, the department of agriculture.

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1 (2) The department may not impose any requirement including, but not limited to, a postconsumer recycled content requirement, in 2 direct conflict with a federal law or regulation or the requirements 3 necessary to comply with a federal law or regulation including, but 4 not limited to: (a) Laws or regulations covering tamper-evident 5 6 packaging pursuant to 21 C.F.R. Sec. 211.132; (b) laws or regulations covering child-resistant packaging pursuant to 16 C.F.R. Sec. 1700.1, 7 et seq.; (c) regulations, rules, or guidelines issued by the United 8 States department of agriculture or the United States food and drug 9 administration related to packaging agricultural commodities; and (d) 10 requirements for microbial contamination, structural integrity, or 11 12 safety of packaging where no viable recyclable or compostable packaging that can meet the requirements exists, pursuant to: (i) The 13 14 federal food, drug, and cosmetic act (21 U.S.C. Sec. 301, et seq.); (ii) 21 U.S.C. Sec. 2101, et seq.; (iii) The federal food and drug 15 16 administration food safety modernization act (21 U.S.C. Sec. 2201, et seq.); (iv) the federal poultry products inspection act (21 U.S.C. 17 18 Sec. 451, et seq.); (v) the federal meat inspection act (21 U.S.C. Sec. 601, et seq.); or (vi) the federal egg products inspection act 19 20 (21 U.S.C. Sec. 1031, et seq.).

PART 3 AMENDMENTS TO EXISTING POSTCONSUMER RECYCLED CONTENT REQUIREMENTS

24 Sec. 301. RCW 70A.245.010 and 2021 c 313 s 2 are each amended to 25 read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) (a) "Beverage" means ((beverages identified in (a) through (f) of this subsection,)) liquid products intended for human or animal consumption, and in a quantity more than or equal to two fluid ounces and less than or equal to one gallon:

- 32 (((a))) <u>(i)</u> Water and flavored water;
- 33 ((((b)))) (ii) Beer or other malt beverages;
- 34 (((c))) <u>(iii)</u> Wine;

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35 (((d))) <u>(iv)</u> Distilled spirits;

36 (((-))) <u>(v)</u> Mineral water, soda water, and similar carbonated 37 soft drinks; ((and

1 (f) Any beverage other than those specified in (a) through (e) of 2 this subsection, except)) (vi) Dairy milk; and

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(vii) Any other beverage identified by the department by rule.

4 (b) Beverage does not include infant formula as defined in 21 5 U.S.C. Sec. 321(z), medical food as defined in 21 U.S.C. Sec. 6 360ee(b)(3), or fortified oral nutritional supplements used for 7 persons who require supplemental or sole source nutritional needs due 8 to special dietary needs directly related to cancer, chronic kidney 9 disease, diabetes, or other medical conditions as determined by the 10 department.

11 (2) "Beverage manufacturing industry" means an association that 12 represents beverage producers.

(3) "Condiment packaging" means packaging used to deliver singleserving condiments to customers. Condiment packaging includes, but is not limited to, single-serving packaging for ketchup, mustard, relish, mayonnaise, hot sauce, coffee creamer, salad dressing, jelly, jam, and soy sauce.

18 (4)(a) "Covered product" means an item in one of the following 19 categories subject to minimum postconsumer recycled content 20 requirements:

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(i) Plastic trash bags;

(ii) Household cleaning ((and personal care products that use
 plastic household cleaning and personal care product containers; and

24 (iii) Beverages that use plastic beverage containers)) products
25 that use plastic household cleaning product containers;

26 <u>(iii) Personal care products that use personal care product</u> 27 <u>containers;</u>

28 <u>(iv) Beverages that use plastic beverage containers;</u>

29 <u>(v) Plastic tubs used for food products;</u>

30 <u>(vi) Thermoform plastic containers; and</u>

31 <u>(vii) Single-use plastic cups</u>.

32 (b) "Covered product" does not include any type of container or 33 bag for which the state is preempted from regulating content of the 34 container material or bag material under federal law.

35 (5) "Dairy milk" means a beverage that designates milk as the 36 predominant (first) ingredient in the ingredient list on the 37 container's label.

38 (6) "Department" means the department of ecology.

39 (7) "Expanded polystyrene" means blown polystyrene and expanded 40 and extruded foams that are thermoplastic petrochemical materials Code Rev/ML:jlb 14 H-1616.2/23 2nd draft utilizing a styrene monomer and processed by any number of techniques including, but not limited to, fusion of polymer spheres (expandable bead polystyrene), injection molding, foam molding, and extrusionblow molding (extruded foam polystyrene).

5 (8) "Food service business" means a business selling or providing 6 food for consumption on or off the premises, and includes full-7 service restaurants, fast food restaurants, cafes, delicatessens, 8 coffee shops, grocery stores, vending trucks or carts, home delivery 9 services, delivery services provided through an online application, 10 and business or institutional cafeterias.

(9) "Food service product" means a product intended for one-time use and used for food or drink offered for sale or use. Food service products include, but are not limited to, containers, plates, bowls, cups, lids, beverage containers, meat trays, deli rounds, utensils, sachets, straws, condiment packaging, clamshells and other hinged or lidded containers, wrap, and portion cups.

17 (10) "Household cleaning ((and personal care product" means any 18 of the following:

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(a) Laundry detergents, softeners, and stain removers;

20 (b) Household cleaning products;

21 (c) Liquid soap;

22 (d) Shampoo, conditioner, styling sprays and gels, and other hair 23 care products; or

(e) Lotion, moisturizer, facial toner, and other skin care)) products" means products labeled, marketed, or otherwise indicating that the purpose of the product is to clean, freshen, or remove unwanted substances, such as dirt, stains, and other impurities from objects, interior or exterior structures, vehicles, possessions, and environments associated with a household. These items include:

30 <u>(a) Liquid soaps, laundry soaps, detergents, softeners, surface</u> 31 <u>polishes, and stain removers;</u>

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(b) Textile cleaners, carpet and pet cleaners, and treatments; or

33 (c) Other products used to clean or freshen areas associated with 34 a household.

35 (11) "Household cleaning and personal care product manufacturing 36 industry" means an association that represents companies that 37 manufacture household cleaning <u>products</u> and personal care products.

38 (12) "Licensee" means a manufacturer <u>of a covered product</u> or 39 entity who licenses a brand and manufactures a covered product under 40 that brand.

1 (13) "Oral nutritional supplement" means a manufactured liquid, 2 powder capable of being reconstituted, or solid product that contains 3 a combination of carbohydrates, proteins, fats, fiber, vitamins, and 4 minerals intended to supplement a portion of a patient's nutrition 5 intake.

6 (14)<u>(a)</u> "Plastic beverage container" means a bottle or other 7 rigid container that is capable of maintaining its shape when empty, 8 comprised solely of one or multiple plastic resins designed to 9 contain a beverage. <u>"Plastic beverage container" includes a</u> 10 <u>container's cap or lid, beginning January 1, 2025.</u>

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(b) Plastic beverage container does not include:

12 (((a))) (i) Refillable beverage containers, such as containers 13 that are sufficiently durable for multiple rotations of their 14 original or similar purpose and are intended to function in a system 15 of reuse;

16 (((b))) <u>(ii)</u> Rigid plastic containers or plastic bottles that are 17 or are used for medical devices, medical products that are required 18 to be sterile, nonprescription and prescription drugs, or dietary 19 supplements as defined in RCW 82.08.0293;

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(((c))) <u>(iii)</u> Bladders or pouches that contain wine; or

21 (((d))) <u>(iv)</u> Liners, caps, corks, closures, labels, and other 22 items added externally or internally but otherwise separate from the 23 structure of the bottle or container, other than a cap or lids; and

24 (c) Other products subject to minimum postconsumer recycled 25 content requirements.

(15) (a) "Plastic household cleaning ((and)) <u>container or</u> personal care product container" means a bottle, jug, or other rigid container ((with a neck or mouth narrower than the base, and)):

(i) ((A)) <u>With a</u> minimum capacity of eight fluid ounces or its equivalent volume;

31 (ii) ((A)) <u>With a</u> maximum capacity of five fluid gallons or its 32 equivalent volume;

33

3 (iii) That is capable of maintaining its shape when empty;

34

(iv) Comprised solely of one or multiple plastic resins; and(v) Containing a household cleaning or personal care product.

35 (v) Containing a household cleaning or personal care product.
 36 (b) "Plastic household cleaning ((and)) product container or

37 personal care product container" does not include:

38 (i) Refillable household cleaning ((and)) product containers or
 39 personal care product containers, such as containers that are
 40 sufficiently durable for multiple rotations of their original or
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similar purpose and are intended to function in a system of reuse; ((and))

3 (ii) Rigid plastic containers or plastic bottles that are medical 4 devices, medical products that are required to be sterile, and 5 nonprescription and prescription drugs, dietary supplements as 6 defined in RCW 82.08.0293, and packaging used for those products<u>; or</u>

7 <u>(iii) Other covered products subject to minimum postconsumer</u> 8 <u>recycled content requirements</u>.

"Plastic trash bag" means 9 (16)a baq that is made of noncompostable plastic, is at least 0.70 mils thick, and is designed 10 11 and manufactured for use as a container to hold, store, or transport 12 materials to be discarded or recycled, and includes, but is not limited to, a garbage bag, recycling bag, lawn or leaf bag, can liner 13 bag, kitchen bag, or compactor bag. "Plastic trash bag" does not 14 include any compostable bags meeting the requirements of chapter 15 70A.455 RCW. "Plastic trash bag" does not include any reusable 16 plastic carryout bag meeting the requirements of RCW 17 70A.530.020(6)(b). 18

19 (17) "Plastic trash bag manufacturing industry" means an 20 association that represents companies that manufacture plastic trash 21 bags.

(18) "Postconsumer recycled content" means the content of a covered product made of recycled materials derived specifically from recycled material generated by households or by commercial, industrial, and institutional facilities in their role as end users of a product that can no longer be used for its intended purpose. "Postconsumer recycled content" includes returns of material from the distribution chain.

(19) (a) "Producer" means the following person responsible for compliance with minimum postconsumer recycled content requirements under this chapter for a covered product sold, offered for sale, or distributed in or into this state:

(i) If the covered product is sold under the manufacturer's own brand or lacks identification of a brand, the producer is the person who manufactures the covered product;

36 (ii) If the covered product is manufactured by a person other 37 than the brand owner, the producer is the person who is the licensee 38 of a brand or trademark under which a covered product is sold, 39 offered for sale, or distributed in or into this state, whether or 40 not the trademark is registered in this state, unless the Code Rev/ML:jlb 17 H-1616.2/23 2nd draft 1 manufacturer or brand owner of the covered product has agreed to 2 accept responsibility under this chapter; or

3 (iii) If there is no person described in (a)(i) and (ii) of this 4 subsection over whom the state can constitutionally exercise 5 jurisdiction, the producer is the person who imports or distributes 6 the covered product in or into the state.

7

(b) "Producer" does not include:

8 (i) Government agencies, municipalities, or other political 9 subdivisions of the state; <u>or</u>

10 (ii) Registered 501(c)(3) charitable organizations and 501(c)(4)
11 social welfare organizations((; or

12 (iii) De minimis producers that annually sell, offer for sale, 13 distribute, or import in or into the country for sale in Washington:

14 (A) Less than one ton of a single category of plastic beverage 15 containers, plastic household cleaning and personal care containers, 16 or plastic trash bags each year; or

17 (B) A single category of a covered product that in aggregate 18 generates less than \$1,000,000 each year in revenue)).

19 (20)(a) "Retail establishment" means any person, corporation, 20 partnership, business, facility, vendor, organization, or individual 21 that sells or provides merchandise, goods, or materials directly to a 22 customer.

(b) "Retail establishment" includes, but is not limited to, food service businesses, grocery stores, department stores, hardware stores, home delivery services, pharmacies, liquor stores, restaurants, catering trucks, convenience stores, or other retail stores or vendors, including temporary stores or vendors at farmers markets, street fairs, and festivals.

(21) (a) "Utensil" means a product designed to be used by a consumer to facilitate the consumption of food or beverages, including knives, forks, spoons, cocktail picks, chopsticks, splash sticks, and stirrers.

33 (b) "Utensil" does not include plates, bowls, cups, and other 34 products used to contain food or beverages.

35 (22) "Brand" means a name, symbol, word, logo, or mark that 36 identifies a product and attributes the product and its components, 37 including packaging, to the brand owner of the product as the 38 producer.

39 <u>(23) "De minimis producer" means an entity that annually sells,</u>
40 <u>offers for sale, distributes, or imports:</u>

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1	(a) In or into the country for sale in Washington state less than
2	one ton of covered products; or
3	(b) A global gross revenue of less than \$5,000,000 for the most
4	recent fiscal year of the organization.
5	(24) "Durable good" means a product that provides utility over an
6	extended period of time.
7	(25) "Entity" means an individual and any form of business
8	enterprise. For purposes of calculating the de minimis producer
9	thresholds under this chapter, a producer entity includes all legal
10	entities that are affiliated by common ownership of 50 percent or
11	greater, including parents, subsidiaries, and commonly owned
12	<u>affiliates.</u>
13	(26) "Household" means all of the people who occupy a residential
14	property regardless of their relationship to one another.
15	(27) "Personal care product" means a product intended or marketed
16	for use to be rubbed, poured, sprinkled, or sprayed on, introduced
17	into, or otherwise applied to the human body for cleansing,
18	beautifying, promoting attractiveness, or altering the appearance
19	including:
20	(a) Shampoo, conditioner, styling sprays and gels, and other hair
21	care products;
22	(b) Lotion, moisturizer, facial toner, and other skin care
23	products;
24	(c) Liquid soap and other body care products; or
25	(d) Other products used to maintain, improve, or enhance personal
26	care or appearance.
27	(28)(a) "Plastic tub" means a wide mouth, rigid container used to
28	package consumable or durable goods that reach consumers, with a
29	maximum capacity of 50 ounces, that is:
30	(i) Capable of maintaining its shape when empty;
31	(ii) Comprised solely of one or multiple plastic resins and
32	designed to contain a product; and
33	(iii) Sealed with tamper-proof film or a detachable lid capable
34	of multiple openings and closures.
35	(b) "Plastic tub" does not include:
36	(i) Household cleaning and personal care products;
37	(ii) Plastic containers that are or are used for medical devices,
38	medical products that are required to be sterile, nonprescription and
39	prescription drugs, or dietary supplements as defined in RCW
40	<u>82.08.0293;</u>

1	(iii) Thermoform plastic containers;
2	(iv) Single-use plastic cups; and
3	(v) Other covered products subject to minimum postconsumer
4	recycled content requirements.
5	(29)(a) "Single-use plastic cup" means all beverage cups that are
6	nonsealed or sealed at point-of-sale.
7	(b) Single-use plastic cups do not include: (i) Commercially or
8	home compostable cups; (ii) expanded polystyrene cups; (iii)
9	composite plastic-lined fiber cups; or (iv) other covered products
10	subject to minimum postconsumer recycled content requirements.
11	(30)(a) "Thermoform plastic container" means a clear or colored
12	plastic container, such as a clamshell, lid, tray, egg carton,
13	trifold, or similar rigid, nonbottle packaging, formed from sheets of
14	extruded plastic resin and used to package consumable or durable
15	goods that reach consumers, including:
16	(i) Branded and prepackaged containers that have been filled with
17	products and sealed prior to receipt by the retail establishment,
18	such as fresh produce, baked goods, nuts, toys, electronics, and
19	tools;
20	(ii) Containers that may be filled at the point-of-sale at a
21	retail establishment;
22	(iii) Unfilled containers that are sold directly;
23	(iv) Hinged plastic containers, commonly known as "clamshells" or
24	"blister packaging";
25	(v) Two-piece unhinged containers;
26	(vi) One-piece containers without lids, such as trays; and
27	(vii) Trifold or tent containers with one or more hinges and a
28	flat bottom.
29	(b) "Thermoform plastic container" does not include:
30	(i) Household cleaning products or personal care products;
31	(ii) Plastic tubs;
32	(iii) Refillable containers, such as containers that are
33	sufficiently durable for multiple rotations of their original or
34	similar purpose and are intended to function in a system of reuse;
35	(iv) A lid or seal of a different material type from plastic;
36	(v) A refillable thermoform plastic container that ordinarily
37	would be returned to the manufacturer to be refilled and resold;
38	(vi) Plastic containers that are or are used for medical devices,
39	medical products that are required to be sterile, prescription drugs,
40	or dietary supplements as defined in RCW 82.08.0293;

1 (vii) Other covered products subject to minimum postconsumer 2 recycled content requirements under this chapter; and

3 (viii) Thermoform plastic containers accompanying a durable good
4 when the durable good model, and the associated packaging, was
5 designed prior to January 1, 2028.

6 Sec. 302. RCW 70A.245.020 and 2021 c 313 s 3 are each amended to 7 read as follows:

8 (1)(a) Beginning January 1, 2023, producers that offer for sale, 9 sell, or distribute in or into Washington:

(i) Beverages other than wine in 187 milliliter plastic beverage containers and dairy milk in plastic beverage containers must meet minimum postconsumer recycled content requirements established under ((subsection (4) of this)) section 202 of this act; and

(ii) Plastic trash bags must meet minimum postconsumer recycled content requirements established under ((subsection (6) of this)) section 204 of this act.

(b) Beginning January 1, 2025, producers that offer for sale, sell, or distribute in or into Washington household cleaning ((and)) products or personal care products in plastic household cleaning product containers and personal care product containers must meet minimum postconsumer recycled content as required under ((subsection (5) of this)) section 203 of this act.

(c) Beginning January 1, 2028, producers that offer for sale, sell, or distribute in or into Washington wine in 187 milliliter plastic beverage containers or dairy milk in plastic beverage containers must meet minimum postconsumer recycled content as required under ((subsection (4) of this)) section 202 of this act.

28 (d) Beginning January 1, 2026, producers that offer for sale, 29 sell, or distribute in or into Washington plastic tubs used for food 30 products must meet minimum postconsumer recycled content requirements 31 established under section 205 of this act.

32 <u>(e) Beginning January 1, 2029, producers that offer for sale,</u> 33 <u>sell, or distribute in or into Washington single-use plastic cups</u> 34 <u>must meet minimum postconsumer recycled content requirements</u> 35 <u>established under section 206 of this act.</u>

36 <u>(f) Beginning January 1, 2031, producers that offer for sale,</u> 37 <u>sell, or distribute in or into Washington thermoform plastic</u> 38 <u>containers except those containing durable goods must meet minimum</u>

1 postconsumer recycled content requirements established under section

2 <u>207 of this act.</u>

(g) Beginning January 1, 2036, producers that offer for sale,
 sell, or distribute in or into Washington durable goods in thermoform
 plastic containers must meet minimum postconsumer recycled content
 requirements established under section 207 of this act.

7 (2) (a) On or before April 1, 2022, and annually thereafter, a producer that offers for sale, sells, or distributes in or into 8 Washington covered products must register with the department 9 individually or through a third-party representative registering on 10 behalf of a group of producers. <u>A producer of products newly added to</u> 11 12 the list of covered products under this act must register with the department individually or through a third-party representative 13 registering on behalf of a group of producers on or before April 1, 14 15 2024.

16 (b) The registration information submitted to the department 17 under this section must include a list of the producers of covered products and the brand names of the covered products represented in 18 the registration submittal. Beginning ((April 1, 2024, for plastic 19 trash bags and plastic beverage containers other than wine in 187 20 21 milliliter plastic beverage containers and dairy milk in plastic beverage containers, April 1, 2026, for plastic household and 22 personal care product containers, and April 1, 2029, for wine in 187 23 milliliter plastic beverage containers and dairy milk)) in the year 24 25 in which an annual report must be submitted by a producer under RCW 70A.245.030, a producer may submit registration information at the 26 27 same time as the information submitted through the annual reporting 28 ((required under RCW 70A.245.030)).

(3) (a) By January 31, 2022, and every January 31st thereafter,
 the department must:

(i) Prepare an annual workload analysis for public comment that identifies the annual costs it expects to incur to implement, administer, and enforce ((this section and RCW 70A.245.030 through 70A.245.060 and 70A.245.090 (1), (2), and (4))) the requirements related to postconsumer recycled content under this chapter, including rule making, in the next fiscal year for each category of covered products;

38 (ii) Determine a total annual fee payment by producers or their 39 third-party representatives for each category of covered products

1 that is adequate to cover, but not exceed, the workload identified in
2 (a) (i) of this subsection;

3 (iii) Until rules are adopted under (a)(iv) of this subsection, 4 issue a general order to all entities falling within the definition 5 of producer. The department must equitably determine fee amounts for 6 an individual producer or third-party representatives within each 7 category of covered product;

8 (iv) By 2024, adopt rules to equitably determine annual fee 9 payments by producers or their third-party representatives within 10 each category of covered product. Once such rules are adopted, the 11 general order issued under (a)(iii) of this subsection is no longer 12 effective; and

(v) Send notice to producers or their third-party representatives of fee amounts due consistent with either the general order issued under (a)(iii) of this subsection or rules adopted under (a)(iv) of this subsection.

17

(b) The department must:

(i) Apply any remaining annual payment funds from the current
year to the annual payment for the coming year, if the collected
annual payment exceeds the department's costs for a given year; and

(ii) Increase annual payments for the coming year to cover the department's costs, if the collected annual payment was less than the department's costs for a given year.

(c) By April 1, 2022, and every April 1st thereafter, producers or their third-party representative must submit a fee payment as determined by the department under (a) of this subsection. <u>Producers</u> of products newly included as covered products by this act must submit a fee payment as determined by the department under (a) of this subsection by April 1, 2024, and each April 1st thereafter.

30 (4) ((A producer of a beverage in a plastic beverage container 31 must meet the following annual minimum postconsumer recycled content 32 percentage on average for the total quantity of plastic beverage 33 containers, by weight, that are sold, offered for sale, or 34 distributed in or into Washington by the producer effective:

35 (a) For beverages except wine in 187 milliliter plastic beverage 36 containers and dairy milk:

37 (i) January 1, 2023, through December 31, 2025: No less than 15 38 percent postconsumer recycled content plastic by weight;

39 (ii) January 1, 2026, through December 31, 2030: No less than 25 40 percent postconsumer recycled content plastic by weight; and

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1 (iii) On and after January 1, 2031: No less than 50 percent
2 postconsumer recycled content plastic by weight.

3 (b) For wine in 187 milliliter plastic beverage containers and 4 dairy milk:

5 (i) January 1, 2028, through December 31, 2030: No less than 15 6 percent postconsumer recycled content plastic by weight;

7 (ii) January 1, 2031, through December 31, 2035: No less than 25
8 percent postconsumer recycled content plastic by weight; and

9 (iii) On and after January 1, 2036: No less than 50 percent 10 postconsumer recycled content plastic by weight.

11 (5) A producer of household cleaning and personal care products 12 in plastic containers must meet the following annual minimum 13 postconsumer recycled content percentage on average for the total 14 quantity of plastic containers, by weight, that are sold, offered for 15 sale, or distributed in or into Washington by the producer effective:

16 (a) January 1, 2025, through December 31, 2027: No less than 15 17 percent postconsumer recycled content plastic by weight;

18 (b) January 1, 2028, through December 31, 2030: No less than 25 19 percent postconsumer recycled content plastic by weight; and

20 (c) On and after January 1, 2031: No less than 50 percent 21 postconsumer recycled content plastic by weight.

22 (6) A producer of plastic trash bags must meet the following 23 annual minimum postconsumer recycled content percentage on average 24 for the total quantity of plastic trash bags, by weight, that are 25 sold, offered for sale, or distributed in or into Washington by the 26 producer effective:

27 (a) January 1, 2023, through December 31, 2024: No less than 10 28 percent postconsumer recycled content plastic by weight;

29 (b) January 1, 2025, through December 31, 2026: No less than 15 30 percent postconsumer recycled content plastic by weight; and

31 (c) On and after January 1, 2027: No less than 20 percent 32 postconsumer recycled content plastic by weight.

(7))(a) ((Beginning January 1, 2024, or when rule making is 33 34 complete, whichever is sooner, the department may, on an annual basis on January 1st,)) By October 31st of each year, the department may 35 review and determine for the following year whether to adjust the 36 minimum postconsumer recycled content percentage required for a type 37 of container or product or category of covered products pursuant to 38 39 ((subsection (4), (5), or (6) of this section)) this chapter. The 40 department's review may be initiated by the department or at the Code Rev/ML:jlb 24 H-1616.2/23 2nd draft

petition of a producer or a covered product manufacturing industry 1 not more than once annually. Petitions for review and adjustment must 2 be made to the department in the annual report submitted under RCW 3 70A.245.030 by June 30th of the year prior to the year in which the 4 adjustment would apply. When submitting a petition, producers or a 5 6 producer manufacturing industry must provide necessary information 7 that will allow the department to make a determination under (b) of this subsection. 8

9 (b) In making a determination pursuant to this subsection, the 10 department must consider, at a minimum, all of the following factors:

(i) Changes in market conditions, including supply and demand for postconsumer recycled content plastics, collection rates, and bale availability both domestically and globally;

14 (ii) Recycling rates;

(iii) The availability of recycled plastic suitable to meet the minimum postconsumer recycled content requirements pursuant to ((subsection (4), (5), or (6) of this section)) this chapter, including the availability of high quality recycled plastic, and food-grade recycled plastic from recycling programs;

20

(iv) The capacity of recycling or processing infrastructure;

(v) The technical feasibility of achieving the minimum
postconsumer recycled content requirements in covered products that
are regulated under 21 C.F.R., chapter I, subchapter G, 7 U.S.C. Sec.
136, 15 U.S.C. Sec. 1471-1477, 49 C.F.R. Sec. 178.33b, 49 C.F.R. Sec.
173, 40 C.F.R. Sec. 152.10, 15 U.S.C. Sec. 1261-1278, 49 U.S.C. 5101
et seq., 49 C.F.R. Sec. 178.509, 49 C.F.R. Sec. 179.522, 49 C.F.R.
Sec. 178.600-609, and other federal laws; and

(vi) The progress made by producers in achieving the <u>postconsumer</u> <u>recycled content</u> goals of this ((section)) <u>chapter</u>.

30

(c) Under (a) of this subsection:

31 (i) The department may not adjust the minimum postconsumer 32 recycled content requirements above the minimum postconsumer recycled 33 content percentages for the year under review required pursuant to 34 ((subsection (4), (5), or (6) of this section)) sections 202 through 35 207 of this act.

36 (ii) For plastic household cleaning <u>product containers</u> and 37 personal care product containers, the department may not adjust the 38 minimum postconsumer recycled content requirements above the minimum 39 postconsumer recycled content percentages for the year under review 1 required pursuant to ((subsection (5) of this)) section 203 of this
2 act or below a minimum of 10 percent.

3 (iii) For plastic trash bags, the department may not adjust the 4 minimum postconsumer recycled content requirements above the minimum 5 postconsumer recycled content percentages for the year under review 6 required pursuant to ((subsection (6) of this)) section 204 of this 7 act or below the minimum percentage required in ((subsection (6)(a) 8 of this)) section 204(1) of this act.

(d) A producer or the manufacturing industry for a covered 9 product may appeal a decision by the department to 10 adjust 11 postconsumer recycled content percentages under (a) of this 12 subsection or to temporarily exclude covered products from minimum postconsumer recycled content requirements under subsection (((8))) 13 (5) of this section to the pollution control hearings board within 30 14 days of the department's determination. 15

16 ((-(8))) (5) The department must temporarily exclude from minimum 17 postconsumer recycled content requirements for the upcoming year any 18 types of covered products in plastic containers for which a producer 19 annually demonstrates to the department by ((December 31st)) June 1st of a given year that the achievement of postconsumer recycled content 20 21 requirements in the container material is not technically feasible in order to comply with health or safety requirements of federal law, 22 23 including the federal laws specified in subsection $\left(\frac{(+7)}{(+7)}\right)$ (4) (b) (v) of this section. A producer must continue to register and report 24 25 consistent with the requirements of this chapter for covered products 26 temporarily excluded from minimum postconsumer recycled content requirements under this subsection. 27

28 (((9))) <u>(6)(a) A producer or group of producers may evaluate the</u> postconsumer recycled content requirements in sections 202 (1) (c) and 29 (2) (c), 203(3), 204(2), 205 (1) and (2), and 206 (1) (b) and (2) (a) of 30 this act and assess the market conditions, postconsumer recycled 31 content availability, and technological feasibility of these 32 requirements, no later than six months prior to the dates identified 33 in those sections. The producer or group of producers may request an 34 extension of these requirements and must present data, from the 35 evaluation performed under this subsection, to the department. The 36 department may grant the extension of the implementation of one or 37 more of these requirements for up to one year. 38

39 (b) The department shall review the extension request from the 40 producer or group of producers within 30 days of the request and 1 <u>approve</u>, <u>partially</u> <u>approve</u>, <u>deny</u>, <u>or</u> <u>request</u> <u>additional</u> <u>information</u> 2 <u>to evaluate the extension request</u>.

3 (c) The department may renew an approved extension annually, upon 4 request of a producer or group of producers, and submission of data 5 demonstrating that the conditions justifying the current extension 6 remain in place.

7 (d) If an extension is granted, the department may report to the 8 legislature any potential need to revise these requirements, prior to 9 the expiration of a one-year extension period.

10 <u>(7)</u> A producer that does not achieve the postconsumer recycled 11 content requirements established under this ((section)) chapter is 12 subject to penalties established in RCW 70A.245.040.

13 (((10))) <u>(8)</u>(a) A city, town, county, or municipal corporation 14 may not implement local recycled content requirements for a covered 15 product that is subject to minimum postconsumer recycled content 16 requirements established in this section.

17 (b) A city, town, county, or municipal corporation may establish 18 local purchasing requirements that include recycled content standards 19 that exceed the minimum recycled content requirements established by 20 this chapter for plastic household cleaning <u>product containers</u> and 21 personal care product containers or plastic trash bags purchased by a 22 city, town, or municipal corporation, or its contractor.

23 (((11))) <u>(9)</u> The department may enter into contracts for the 24 services required to implement this chapter and related duties of the 25 department.

26 (((12))) <u>(10)</u> In-state distributors, wholesalers, and retailers 27 in possession of covered products manufactured before the date that 28 postconsumer recycled content requirements become effective may 29 exhaust their existing stock through sales to the public.

30 Sec. 303. RCW 70A.245.030 and 2021 c 313 s 4 are each amended to 31 read as follows:

32 (1) (a) Except as provided in (b) ((and (c))) through (f) of this subsection, beginning ((April 1)) June 30, 2024, each producer of 33 covered products, individually or through a third party representing 34 35 a group of producers, must provide an annual report to the department that includes the amount in pounds of virgin plastic and the amount 36 in pounds of postconsumer recycled content by resin type used for 37 each category of covered products that are sold, offered for sale, or 38 distributed in or into Washington state, including the total 39 Code Rev/ML:jlb 27 H-1616.2/23 2nd draft

postconsumer recycled content resins as a percentage of total weight.
The report must be submitted in a format and manner prescribed by the
department. A ((manufacturer)) producer may submit national data
allocated on a per capita basis for Washington to approximate the
information required in this subsection if the producer or thirdparty representative demonstrates to the department that state level
data are not available or feasible to generate.

8 (b) The report required in (a) of this subsection must include a 9 certificate of compliance or similar proof of certification conducted 10 by a nationally recognized, independent third party that has achieved 11 ISO/IEC 17065 accreditation, as it existed as of January 1, 2023, or 12 a similar certification identified by the department. The proof of 13 certification must include all of the following:

14 (i) The names, locations, and contact information of all sources 15 of postconsumer recycled content material and suppliers of 16 postconsumer recycled content material;

17 (ii) The quantity and dates of postconsumer recycled content 18 material purchases by the producer; and

19 <u>(iii) How postconsumer recycled content material was obtained.</u>

20 <u>(c)</u> The requirements of (a) of this subsection apply to household 21 cleaning products in plastic containers and personal care products in 22 plastic containers beginning ((April 1)) June 30, 2026.

(((c))) <u>(d)</u> The requirements of (a) of this subsection apply to wine in 187 milliliter plastic beverage containers and dairy milk in plastic beverage containers beginning ((April 1, 2029)) <u>June 30,</u> 26 <u>2026</u>.

27 (((d))) <u>(e) The requirements of (a) of this subsection apply to</u>
28 plastic tubs used for food products beginning June 30, 2027.

(f) The requirements of (a) of this subsection apply to
 thermoform plastic containers beginning June 30, 2027.

31 (g) The requirements of (a) of this subsection apply to single-32 use plastic cups beginning June 30, 2030.

33 (h) The requirements of (a) of this subsection apply to plastic 34 <u>nursery pots and trays beginning June 30, 2027.</u>

35 <u>(i)</u> The department must post the information reported under this 36 subsection on its website, except as provided in subsection (2) of 37 this section.

38 (2) A producer that submits information or records to the 39 department under this chapter may request that the information or 40 records be made available only for the confidential use of the Code Rev/ML:jlb 28 H-1616.2/23 2nd draft department, the director, or the appropriate division of the department. The director of the department must give consideration to the request and if this action is not detrimental to the public interest and is otherwise in accordance with the policies and purposes of chapter 43.21A RCW, the director must grant the request for the information to remain confidential as authorized in RCW 43.21A.160.

8 (3) The department must review and may approve reports submitted
 9 under this section. The department must:

10 <u>(a) Make reports submitted under this section, including</u> 11 petitions for exclusions or rate adjustments under this chapter, 12 available for public review and comment for at least 30 days upon the 13 receipt of the annual report by the department;

14 (b) Make a determination as to whether or not an annual report 15 meets the requirements of this section and notify the producer of 16 the:

17

(i) Determination of approval of the report; or

18 (ii) Reasons for not approving the report. The producer must 19 submit a revised report within 60 days after receipt of the letter of 20 disapproval.

21 (4) The department must post approved annual reports submitted by 22 each producer under this section on its website. The department must 23 also post on its website all resin suppliers meeting postconsumer 24 recycled content certification requirements.

25 Sec. 304. RCW 70A.245.040 and 2021 c 313 s 5 are each amended to 26 read as follows:

27 (1) (a) A producer that does not meet the minimum postconsumer recycled content requirements pursuant to ((RCW 70A.245.020)) this 28 chapter is subject to a penalty pursuant to this section. Beginning 29 30 June 1st of the year following the first year that minimum 31 postconsumer recycled product content requirements apply to a 32 category of covered product, the penalty must be calculated consistent with subsection (2) of this section unless a penalty 33 reduction or corrective action plan has been approved pursuant to 34 35 subsection (3) of this section.

(b) A producer that is assessed a penalty pursuant to this
 section may pay the penalty to the department in one payment, in
 quarterly installments, or arrange an alternative payment schedule
 subject to the approval of the department, not to exceed a 12-month
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1 payment schedule unless the department determines an extension is 2 needed due to unforeseen circumstances, such as a public health 3 emergency, state of emergency, or natural disaster.

(2) Beginning ((June)) October 1st of the year following the 4 first year that minimum postconsumer recycled product content 5 6 requirements apply to a category of covered product, and annually thereafter, the department shall determine the penalty for the 7 previous calendar year based on the postconsumer recycled content 8 requirement of the previous calendar year. The department shall 9 calculate the amount of the penalty based upon the amounts in pounds 10 in the aggregate of virgin plastic, postconsumer recycled content 11 plastic, and any other plastic per category used by the producer to 12 produce covered products sold or offered for sale in or into 13 14 Washington state, in accordance with the following:

(a) (i) The annual penalty amount assessed to a producer must equal the product of both of the following: The total pounds of plastic used per category multiplied by the relevant minimum postconsumer recycled plastic target percentage, less the pounds of total plastic multiplied by the percent of postconsumer recycled plastic used; multiplied by 20 cents.

(ii) Example: [(Total pounds of plastic used x minimum postconsumer recycled plastic target percentage) - (Total pounds of plastic used x postconsumer recycled plastic percentage used)] x 20 cents.

25 (b) For the purposes of (a) of this subsection, both of the 26 following apply:

(i) The total pounds of plastic used must equal the sum of the amount of virgin plastic, postconsumer recycled content plastic, and any other plastic used by the producer, as reported pursuant to RCW 70A.245.030.

(ii) If the product calculated pursuant to (a) of this subsection sequal to or less than zero, the department may not assess a penalty.

34 (3)(a)(i) The department shall consider granting a reduction of 35 penalties assessed pursuant to this section for the purpose of 36 meeting the minimum postconsumer recycled content requirements 37 required pursuant to RCW 70A.245.020.

(ii) In determining whether to grant the reduction pursuant to (a)(i) of this subsection, the department shall consider, at a minimum, all of the following factors:

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1 (A) Anomalous market conditions;

2 (B) Disruption in, or lack of supply of, recycled plastics; and

3 (C) Other factors that have prevented a producer from meeting the 4 requirements.

5 (b) In lieu of or in addition to assessing a penalty under this 6 section, the department may require a producer to submit a corrective 7 action plan detailing how the producer plans to come into compliance 8 with ((RCW 70A.245.020)) the minimum postconsumer recycled content 9 requirements of this chapter.

10 (4) For the purposes of determining compliance with the 11 postconsumer recycled content requirements of this chapter, the 12 department may consider the date of manufacture of a covered product 13 or the container of a covered product.

14 (5) A producer shall pay the penalty assessed pursuant to this 15 section, as applicable, based on the information reported to the 16 department as required under RCW 70A.245.030 in the form and manner 17 prescribed by the department.

(6) A producer may appeal the penalty assessed under this sectionto the pollution control hearings board within 30 days of assessment.

(7) Penalties collected under this section must be deposited inthe recycling enhancement account created in RCW 70A.245.100.

22 Sec. 305. RCW 70A.245.060 and 2021 c 313 s 7 are each amended to 23 read as follows:

(1) Beginning January 1, 2023, producers shall label each package
 containing plastic trash bags sold, offered for sale, or distributed
 in or into Washington with:

(a) The name of the producer and the city, state, and country
where the producer is located, which may be designated as the
location of the producer's corporate headquarters <u>and, beginning</u>
January 1, 2025, with the percentage of postconsumer recycled content
that the plastic trash bag contains in accordance with 16 C.F.R. Part
260, as it existed as of the effective date of this section; or

33 (b) A uniform resource locator or quick response code to an 34 internet website that contains the information required pursuant to 35 (a) of this subsection.

36 (2)(a) The provisions of subsection (1) of this section do not
 37 apply to a plastic bag that is designed and manufactured to hold,
 38 store, or transport dangerous waste or biomedical waste.

39 (b) For the purposes of this subsection:

(i) "Biomedical waste" means any waste defined as that term under
 RCW 70A.228.010; and

3 (ii) "Dangerous waste" means any waste defined as dangerous 4 wastes under RCW 70A.300.010.

5 Sec. 306. RCW 70A.245.090 and 2021 c 313 s 12 are each amended 6 to read as follows:

7 (1) The department may conduct audits and investigations for the
8 purpose of ensuring compliance with ((RCW 70A.245.020 and
9 70A.245.040)) the postconsumer recycled content requirements of this
10 <u>chapter</u> based on the information reported under RCW 70A.245.030.

11 (2) The department shall annually publish a list of registered 12 producers of covered products <u>subject to minimum postconsumer</u> 13 <u>recycled content requirements</u> and associated brand names, their 14 compliance status, and other information the department deems 15 appropriate on the department's website.

16 (3) To assist regulated parties with the requirements specified 17 under RCW 70A.245.070 and 70A.245.080, the department:

(a) Must prepare and post on its website information regarding
 the prohibitions on the sale and distribution of expanded polystyrene
 products as specified under RCW 70A.245.070 and restrictions on the
 provision of optional serviceware under RCW 70A.245.080;

(b) For education and outreach to help implement RCW 70A.245.070 and 70A.245.080, may develop culturally appropriate and translated educational materials and resources for the state's diverse ethnic populations from existing materials used by local jurisdictions and other states.

(4) The department may adopt rules as necessary to administer,implement, and enforce this chapter.

29 Sec. 307. RCW 70A.245.110 and 2021 c 313 s 14 are each amended 30 to read as follows:

The recycled content account is created in the custody of the 31 state treasurer. All receipts received by the department under RCW 32 70A.245.020 must be deposited in the account. Only the director of 33 the department or the director's designee may authorize expenditures 34 from the account. The account is subject to the allotment procedures 35 under chapter 43.88 RCW, but an appropriation is not required for 36 37 expenditures. Expenditures from the account may be used by the 38 department only for implementing, administering, and enforcing ((the Code Rev/ML:jlb 32 H-1616.2/23 2nd draft 1 requirements of RCW 70A.245.020 through 70A.245.060 and 70A.245.090
2 (1), (2), and (4)) the provisions of this chapter related to minimum

3 postconsumer recycled content of products.

4 Sec. 308. RCW 70A.245.120 and 2021 c 313 s 15 are each amended 5 to read as follows:

6 (1) Subject to the availability of amounts appropriated for this 7 specific purpose prior to January 1, 2028, the department shall 8 contract with a research university or an independent third-party 9 consultant to study the plastic resin markets for all of the 10 following:

(a) Analyzing market conditions and opportunities in the state's recycling industry for meeting the minimum postconsumer recycled content requirements for covered products pursuant to ((RCW 70A.245.020 and 70A.245.030)) this chapter; and

(b) Determining the data needs and tracking opportunities to increase the transparency and support of a more effective, fact-based public understanding of the recycling industry.

18 (2) If funding is provided pursuant to subsection (1) of this 19 section and the department undertakes the study, the study must be 20 completed by May 1, 2029.

21 (3) This section expires July 1, 2029.

PART 4

MISCELLANEOUS PROVISIONS

24 <u>NEW SECTION.</u> Sec. 401. Sections 101 through 104 and 201 through 25 208 of this act are each added to chapter 70A.245 RCW.

26 <u>NEW SECTION.</u> Sec. 402. If any provision of this act or its 27 application to any person or circumstance is held invalid, the 28 remainder of the act or the application of the provision to other 29 persons or circumstances is not affected."

30 Correct the title.

22

23

EFFECT: Strikes producer responsibility organization and distributor responsibility organization participation requirements, eliminates postconsumer recycled content requirements for plastic plant pots and trays and collection bins, and eliminates the option for the department of ecology to use a clearinghouse for packaging registration and reporting requirements. Retains provisions related to: (1) The truth-in-labeling of recyclability claims, which are newly based on recyclability determinations made after a waste characterization study is to be carried out; (2) postconsumer recycled content requirements applicable to plastic tubs, plastic cups, and thermoform plastic containers, with new limitations on postconsumer recycled content requirements applying in instances of overlap with specified federal laws; and (3) providing for a performance rates study and needs assessment to be carried out by a third-party consultant selected by the department of ecology. Provides for the performance rates study and needs assessments to be carried out in a manner similar to the rates study and needs assessment contained in the underlying bill, except that the striking amendment removes references to producer responsibility programs in other states and removes references to eliminated components of the underlying bill.

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