Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Environment & Energy Committee

HB 1569

Brief Description: Concerning marketing the degradability of products.

Sponsors: Representatives Ramos, Chapman, Callan, Peterson, Fitzgibbon and Slatter.

Brief Summary of Bill

- Restricts the labeling and marketing of the degradability of certain products, including plastic products, film bags, food packaging and food service ware, and film products.
- Empowers the Attorney General, cities, and counties to enforce marketing and labeling requirements.
- Establishes penalties for violations and a revolving account in the custody of the state treasurer for state receipts of penalties, for use in enforcement of marketing and labeling requirements.

Hearing Date: 2/5/19

Staff: Jacob Lipson (786-7196).

Background:

Under the state's solid waste management laws, local governments are the primary government entity responsible for implementing state solid waste management requirements. County and city comprehensive solid waste management plans must contain certain elements, including a waste reduction and recycling element, and must consider source separation of recyclable materials and organic materials from other solid wastes. Cities and counties determine which materials may be accepted for curbside recycling in each jurisdiction, and whether organic materials are collected separately from other solid wastes.

The American Society of Testing and Materials (ASTM) is an international organization that adopts technical standards applicable to a variety consumer products.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The United States Federal Trade Commission (FTC) is a federal agency with responsibility for addressing marketplace competitiveness and consumer protection. The FTC has issued federal regulations known as "green guides" that include general principles that apply to environmental marketing claims and guidance on how marketers can qualify their claims to avoid deceiving consumers.

Summary of Bill:

Restrictions are established for the labeling and marketing of the degradability of products, plastic products, film bags, food packaging and service ware, and film products. A number of defined terms are provided, including:

- "film products," which include sheet film bags, sacks, and wraps;
- "food packaging and food serviceware," which includes products intended for one-time use and used for food or drink, including plates, bowls, containers, cups, utensils, lids, and other items:
- "readily and easily identifiable," which refers to products that meet industry standards for being distinguishable at sorting areas and processing facilities, and when compostable use distinctive and distinguishing brown or green color schemes, striping, or other symbols, marks, and designs; and
- "supplier," which does not include entities that sell products to end users as retailers.

Products.

Products that are labeled as compostable and sold, offered for sale, or distributed for use in Washington by a manufacturer or supplier, must:

- either be comprised of only wood or fiber-based substrate, or must meet the American Society of Testing and Materials (ASTM) standards for products designed to be composted in municipal or industrial facilities that are made of plastic or that incorporate plastic coatings onto paper or another substrate;
- meet Federal Trade Commission (FTC) green guide labeling requirements; and
- feature labeling that uses a logo indicating that the product has been third-party certified as meeting ASTM standard specification, displays the word "compostable" and indicates that the product is documented to be compostable in the commercial composting facility that accepts it, and is readily and easily identifiable.

Plastic Products.

Manufacturers or suppliers may not sell, offer for sale, or distribute plastic products that are labeled in a way that will imply the product will break down, biodegrade, or decompose. As part of this restriction, plastic products may not be labeled with the terms "biodegradable," "degradable," "decomposable," or "oxo-degradable."

Film Bags.

Manufacturers or suppliers of film bags that meet ASTM composting standards for plastics and that are distributed or sold by retailers must ensure that the bag is readily and easily identifiable in a manner consistent with the FTC green guides. Readily and easily identifiable film bags must be of a uniform green or brown color or meet certain other specified requirements regarding the size, location and color of the word "compostable" on the bag. Film bags that meet ASTM composting standards may not display recycling symbols, such as the "chasing arrow"

symbol. To the extent that film bag labeling requirements conflict with the FTC guides, manufacturers or suppliers are not required to comply.

Film Products and Food Packaging and Food Service Ware.

Manufacturers or suppliers of food packaging and food service ware and film products, other than film bags, that meet ASTM composting standards for plastics or plastic-coated substrates must ensure that the items are readily and easily identifiable. Readily and easily identifiable film wrap and food packaging and service ware must be labeled with a logo indicating the product has meet ASTM standards, and labeled with the word "compostable," where possible. Specified additional characteristics, such as color and graphic elements, are encouraged for compostable film wrap and food packaging and food service ware. To the extent that these product labeling requirements conflict with the FTC guides, manufacturers or suppliers are not required to comply.

Food packaging and food service ware and film products, including film bags, that do not meet ASTM standards are:

- prohibited from using tinting, labeling and terms that are required of products that meet ASTM standards;
- discouraged from using coloration, labeling, images, and terms that confuse customers into mistakenly identifying noncompostable products as compostable; and
- encouraged to use identifying features that indicate whether a product is recyclable or must be disposed of as waste.

Enforcement and Administration.

Manufacturers and suppliers, upon request, must submit non-confidential business information to persons demonstrating their compliance with labeling and marketing requirements.

The Attorney General, cities, and counties have concurrent authority to enforce labeling and marketing requirements. Violations occur upon the sale of a noncompliant product by stock-keeping number or unique item number, but repeated sales of the same product constitute a single violation. Prior to assessing a violation, a city, county, or the state, on behalf of the Attorney General, must send written notice to a manufacturer or supplier of an alleged violation, providing 90 days to come into compliance. Civil penalties of up to \$1,000 are authorized for an initial violation, followed by \$5,000 for a second violation, and \$10,000 for a third violation. Second, third, and subsequent penalties may be imposed for each month of noncompliance. Penalty amounts are reduced by the amount of any penalty paid for the same violation to a different enforcing government entity. Penalties collected by local governments are retained by the local government office that brought the action, while state-collected penalties are deposited into a revolving account that is created for use by the Attorney General in bringing enforcement actions.

A severability clause is included.

Appropriation: None.

Fiscal Note: Requested on January 28, 2019.

Effective Date: The bill takes effect on July 1, 2020.