1 2 3 4 5 6 7 8 9 10 11 12		EXEMPT FROM FILING FEES UNDER GOV. CODE SEC. 6103  E STATE OF CALIFORNIA  AN FRANCISCO
13		
14	THE PEOPLE OF THE STATE OF	
15	CALIFORNIA,	COMPLAINT FOR CIVIL PENALTIES,
16	Plaintiff,	INJUNCTION, AND DISGORGEMENT
17	v.	(1) UNLAWFUL SALE AND DISTRIBUTION OF PLASTIC
18	REVOLUTION CONSUMER SOLUTIONS (CA), LLC; METRO POLY CORP.;	GROCERY BAGS; (2) MISLEADING ENVIRONMENTAL
19	PREZERO US PACKAGING, LLC; ADVANCE POLYBAG, INC.,	MARKETING; (3) FAILURE TO SUBSTANTIATE
20	Defendants.	ENVIRONMENTAL MARKETING CLAIMS
21		(4) UNTRUE OR MISLEADING
22		ADVERTISING; (5) UNLAWFUL, UNFAIR, OR
23		FRAUDULENT BUSINESS PRACTICES
24		[VERIFIED ANSWER REQUIRED
25		PURSUANT TO CODE OF CIVIL
26		PROCEDURE SECTION 446]
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Plaintiff, the People of the State of California, by and through Rob Bonta, the Attorney General of California (Plaintiff, or the People), alleges as follows:

#### I. INTRODUCTION

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- In August 2014, the California Legislature passed Senate Bill (SB) 270 (Chapter 850 of the Statutes of 2014), which banned single-use plastic bags from being offered at the point of sale at certain stores across California. SB 270 went into effect in November 2016, when voters approved Proposition 67, a statewide referendum to uphold SB 270.
- 2. The Legislature passed SB 270 to address the problem of plastic bag waste and pollution in California. Billions of single-use plastic bags were entering the State's waste stream on an annual basis and polluting and harming the environment. In remarks to the Legislature in 2014, the bill's author, then-State Senator Alex Padilla, said that the "first and foremost objective" of SB 270 was "to reduce the amount of waste going into the waste stream"—in particular, waste attributable to plastic bags. Senator Padilla described the toll that plastic bags were taking on the environment, including polluting waterways and impairing the health of wildlife. He also described the costly attempts by many cities and counties across California "not just to collect and dispose of plastic bags but even [to] try to recycle [the bags]." However, according to the California Department of Resources Recycling and Recovery ("CalRecycle") at the time, less than 5 percent of single-use plastic bags were actually recycled, and plastic bags placed into the recycling stream were jamming machinery and slowing the sortation of waste at recycling centers, costing California more than an estimated \$25 million annually to collect and landfill the plastic bag waste—facts that Senator Padilla also highlighted before the Legislature.<sup>4</sup>

(continued...)

<sup>&</sup>lt;sup>1</sup> Sen. Com. on Environmental Quality, hearing on Sen. Bill No. 270 (2013–2014 Reg. Sess.) Aug. 29, 2014, at <a href="https://www.senate.ca.gov/media/20140829">https://www.senate.ca.gov/media/20140829</a> 0917 STV2Vid> [as of Sept. 29, 2025].

Sen. Floor Sess. (2013–2014 Reg. Sess.) Aug. 29, 2014, at

<sup>&</sup>lt;a href="https://www.senate.ca.gov/media/20140829">https://www.senate.ca.gov/media/20140829</a> 0943 STV1Vid> [as of Sept. 29, 2025]; Sen. Rules Com., Off. of Sen. Floor Analyses, analysis of Sen. Bill No. 270 (2013–2014 Reg. Sess.) Aug. 28, 2014, p. 4; see also Sen. Com. on Environmental Quality, analysis of Sen. Bill No. 270 (2013–2014 Reg. Sess.) Aug. 28, 2014, p. 5;

Sen. Floor Sess. (2013–2014 Reg. Sess.) Aug. 29, 2014, *supra*.

<sup>&</sup>lt;sup>4</sup> *Ibid.*; Sen. Com. on Environmental Quality, analysis of Sen. Bill No. 270 (2013–2014 Reg. Sess.), *supra*; see also Sen. Rules Com., Off. of Sen. Floor Analyses, analysis of Sen. Bill No. 270 (2013–2014 Reg. Sess.) Aug. 28, 2014, p. 4; see also California Integrated Waste

- 3. SB 270, which is codified at Public Resources Code section 42280 et seq., addresses the problem of plastic bag waste and pollution in California by taking a multi-pronged approach. First, SB 270 prohibits covered grocery and retail stores from providing single-use plastic bags to consumers at the point of sale. (Pub. Resources Code, § 42283, subd. (a).) Second, these stores are allowed to provide to consumers at the point of sale only paper bags or plastic bags that meet specified criteria for durability and reusability (id., § 42281, subd. (a))—and in the case of such bags made of plastic film (hereinafter, plastic carryout bags), they must also be "recyclable in this state." (Id., § 42281, subd. (b)(1)(C).) Third, plastic carryout bags must have printed on them the chasing arrows symbol or the term "recyclable" and instructions to consumers to return the bags to an appropriate recycling location. (Id., subd. (a)(4)(D).) Fourth, covered stores must charge consumers at least 10 cents for each paper bag or plastic carryout bag that the stores provide to consumers at the point of sale. (Id., § 42283, subd. (c)(2).) Fifth, SB 270 appropriated funds from the state's Recycling Market Development Revolving Loan Subaccount to make available loans to California companies "for the creation and retention of jobs and economic activity in the state for the manufacture and recycling of plastic reusable grocery bags that use recycled content." (Id., § 42288, subd. (a).)
- 4. SB 270 squarely places responsibility on producers of plastic carryout bags to ensure that the plastic carryout bags sold in California comply with SB 270's requirements. (Pub. Resources Code, § 42281.5.) Further, the statute prohibits producers from selling or distributing plastic carryout bags in California without obtaining certification from third-party certification entities indicating that the plastic carryout bags are compliant with SB 270's requirements. (*Ibid.*) Producers are also required to submit these certifications in proofs of certification to CalRecycle, demonstrating the producers' and their bags' compliance with the statute. (*Ibid.*)
- 5. Producers are thus responsible for ensuring that their plastic carryout bags are recyclable in California before the producers can lawfully sell and/or distribute their bags to California stores covered by SB 270. (Pub. Resources Code, §§ 42281.5, 42281, subd. (b)(1)(C).)

Management Board, Plastic Film Cooperative Recycling Initiative (Plastics Recycling), Problem Statement (Jan. 1, 2006).

- 6. Since the enactment of SB 270, Defendants have profited from the sale of billions of plastic carryout bags in California that Defendants represented as being compliant with the statute. However, the bags do not comply with SB 270, because they are not recyclable in California. Even when consumers attempt to recycle the plastic carryout bags as instructed on the bags themselves, the bags are not recycled but instead generally end up in landfills or incinerators. Defendants knew this, but continued with "business as usual," selling billions of plastic carryout bags in violation of SB 270 and other state laws, as set forth below.
- 7. Despite their awareness that the plastic carryout bags are not recyclable in California, Defendants have continued to mislead and deceive Californians about the recyclability of Defendants' plastic carryout bags. On each plastic carryout bag each Defendant has sold in California, and in media and other marketing materials that have reached California, Defendants have represented that their plastic carryout bags are recyclable, when in truth they are not recyclable. Since SB 270 came into effect in 2016, the vast majority of recycling facilities in California have not recycled plastic carryout bags—indeed they generally reject them because of the difficulty in sorting and cleaning such bags. Most materials recovery facilities (MRFs) in California, where materials collected in curbside recycling commonly go for sorting, specifically and unambiguously advise consumers that they do *not* accept plastic carryout bags and similar plastic film materials in residential recycling bins. The MRFs will not accept plastic carryout bags because the bags get caught up in sorting machinery, requiring that the machinery be shut down so that the bags can be manually removed. As a result, the vast majority of plastic carryout bags are not recyclable in California and end up in landfills, incinerators, and the environment.
- 8. By selling and/or distributing plastic carryout bags in California while claiming that those bags are "recyclable," when the bags are not recyclable, Defendants have violated SB 270 (Pub. Resources Code, § 42280 et seq.) as well as California's Environmental Marketing Claims Act (Bus. & Prof. Code, § 17580 et seq.), False Advertising Law (*id.*, § 17500 et seq.), and Unfair Competition Law (*id.*, § 17200 et seq.).

#### II. PARTIES

#### A. Plaintiff

9. Plaintiff is the People of the State of California. This civil enforcement action is prosecuted on behalf of the People by and through Rob Bonta, Attorney General of California, under the Attorney General's broad independent powers as chief law officer of the state to enforce state laws (Cal. Const., art. V, § 13), and pursuant to Public Resources Code section 42285 and Business and Professions Code sections 17203, 17204, 17206, 17535, and 17536.

#### B. Defendants

## 10. Revolution Consumer Solutions (CA), LLC

a. Defendant Revolution Consumer Solutions (CA), LLC is a privately held limited liability company formed and headquartered in Vernon, California, and is engaged in the business of manufacturing food, beverage, and specialty packaging, including plastic carryout bags.

### 11. **Metro Poly Corp.**

a. Defendant Metro Poly Corp. is a privately held corporation incorporated and headquartered in San Leandro, California, and is engaged in the business of manufacturing food, beverage, and specialty packaging, including plastic carryout bags.

#### 12. PreZero US Packaging, LLC

a. Defendant PreZero US Packaging, LLC is a privately held limited liability company formed in Delaware and headquartered in Jurupa Valley, California and was engaged in the business of selling and/or distributing food, beverage, mailing, and specialty packaging, including plastic carryout bags during the applicable period. PreZero ceased operations in California in or around December 2024.

#### 13. Advance Polybag, Inc.

a. Defendant Advance Polybag, Inc. is a privately held corporation formed in Texas and headquartered in Sugarland, Texas, and is engaged in the business of manufacturing plastic bags, including plastic carryout bags. API has divisions and production facilities across the

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United States, including Nevada and Oklahoma, and in Asia. API has been registered to do business in California since 2023.

- During the relevant period, and in order to sell and/or distribute plastic carryout bags to stores in California under the statutory scheme of SB 270, Defendants, individually and separately, have paid administrative certification fees and submitted proofs of certification to CalRecycle pursuant to Public Resources Code section 42281.5. Plastic carryout bags from the Defendants have appeared on CalRecycle's List of Certified Reusable Grocery Bags and Producers since 2017, pursuant to Public Resources Code section 42282, subdivision (e).
- 15. When this Complaint references an act or omission of Defendants, unless specifically attributed or otherwise stated, such references mean that the officers, directors, agents, employees, or representatives of Defendants committed or authorized such an act or omission, or failed to adequately supervise or properly control or direct their employees while engaged in the management, direction, operation or control of the affairs of Defendants, and did so while acting within the scope of their employment or agency.

#### III. JURISDICTION AND VENUE

- This Court has original jurisdiction over this action pursuant to article VI, section 10, of the California Constitution.
- This Court has personal jurisdiction over Defendants, pursuant to Code of Civil Procedure section 410.10, because each Defendant purposefully availed itself of the California market, and thus of the benefits of the laws of the State (including SB 270's regulatory scheme for the sale of plastic carryout bags), at all times relevant to this Complaint, so as to render California courts' exercise of jurisdiction over each Defendant consistent with traditional notions of fair play and substantial justice. Each Defendant marketed, distributed, released, promoted, and/or otherwise sold its plastic carryout bags in markets around the United States, including within California. Further, each Defendant, in order to sell and/or distribute its plastic carryout bags in California under SB 270, submitted proofs of certification to CalRecycle, pursuant to the statutory scheme of SB 270.

bag, recycled paper bag, or a compostable bag, as long as the store charges at least 10 cents for

"provid[ing] a single-use carryout bag to a customer at the point of sale" (id., § 42283, subd. (a)),

but the statute in turn allows a store to sell and/or distribute at the point of sale a reusable carryout

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- c. "[i]t shall have" printed on the bag "a statement that the bag is made partly or wholly from postconsumer recycled material and stating the postconsumer recycled material content percentage" (id., (b)(1)(D));
- d. "[i]t shall be capable of carrying 22 pounds over a distance of 175 feet for a minimum of 125 uses and be at least 2.25 mil[limeters] thick" (id., (b)(1)(E)).
- 23. SB 270 requires that plastic carryout bags and those who market and sell and/or distribute them in California conform to the FTC Green Guides standards for marketers who claim that an item is recyclable. (*Id.*, § 42281, subds. (a)(4)(D) & (a)(6).) While the FTC Green Guides primarily serve as guidance to marketers at the federal level, SB 270 makes the FTC Green Guides provisions for "recyclable" claims mandatory under California law for plastic carryout bags.
- 24. The FTC Green Guides state that in order for a marketer to avoid making a deceptive or misleading claim that a product or package is recyclable, the product or package should "be collected, separated, or otherwise recovered from the waste stream through an established recycling program for reuse or use in manufacturing or assembling another item." (16 C.F.R. § 260.12(a).)
- 25. The FTC Green Guides specify that recyclable claims without any qualification or limitation are not misleading "[w]hen recycling facilities are available to a substantial majority [i.e. at least 60 percent] of consumers or communities where the item is sold." (16 C.F.R. § 260.12(b)(1).) For an unqualified recyclable claim to not be deceptive, the recycling facilities should "actually recycle, not accept and ultimately discard, the product."
- 26. Under the FTC Green Guides, "[i]f any component significantly limits the ability to recycle the item, any recyclable claim would be deceptive. An item that is made from recyclable material, but, because of its shape, size, or some other attribute, is not accepted in recycling programs, should not be marketed as recyclable." (16 C.F.R. § 260.12(d).)

<sup>&</sup>lt;sup>6</sup> FTC Green Guides, Statement of Basis and Purpose, 2012, pp. 175–176, available at <a href="https://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-issues-revised-greenguides/greenguidesstatement.pdf">https://www.ftc.gov/sites/default/files/attachments/press-releases/ftc-issues-revised-greenguides/greenguidesstatement.pdf</a> (last accessed September 29, 2025).

- 27. Because SB 270 requires compliance with the FTC Green Guides standards, if a producer is unable to make a non-deceptive or non-misleading "recyclable" claim about the producer's plastic carryout bags, then the bags are not eligible for sale in California under SB 270.
- 28. SB 270 also provides that a producer of plastic carryout bags "shall not sell or distribute a [plastic carryout] bag in this state unless the producer is certified by a third-party certification entity pursuant to Section 42282." Producers "shall provide proof of certification to [CalRecycle] demonstrating the bags produced by the producer comply with the provisions of [Article 2 of SB 270, including Section 42281]." (Pub. Resources Code, § 42281.5.) The producer submits the proof of certification to CalRecycle "under penalty of perjury" and must resubmit the proof of certification to CalRecycle every two years. (*Id.*, § 42282, subds. (a) & (b).)
- 29. Thus, under SB 270, a plastic carryout bag must be recyclable in California, display either the chasing arrows symbol or the term "recyclable," and display instructions to the consumer to return the plastic carryout bag to an appropriate recycling location. Because the display of the chasing arrows, the term "recyclable," or instructions to the consumer to recycle the bag are each separate "recyclable" claims under the FTC Green Guides, their display on the plastic carryout bag must be consistent with the FTC Green Guides provisions for "recyclable" claims. Lastly, the producer of the plastic carryout bag must ensure that it is compliant with SB 270's requirements, including the above, and demonstrate that compliance by submitting a complete proof of certification for the plastic carryout bag to CalRecycle, before the producer can sell the bag in California. (Pub. Resources Code, § 42281.5.)
- 30. CalRecycle must accept producers' complete proofs of certification. (Pub. Resources Code, § 42281.5, subd. (a).) SB 270 also requires CalRecycle to establish a certification fee (*id.*, § 42282.1) and set up and maintain a list of certified reusable grocery bags and producers, published on a CalRecycle website (*id.*, § 42282, subd. (e)).
- 31. SB 270 authorizes the Attorney General on behalf of the People of the State of California to "impose civil liability on a person or entity that knowingly violated [SB 270], or reasonably should have known that it violated [SB 270]." (Pub. Resources Code, § 42285, subd.

(a).) Violators of SB 270 are subject to civil penalties "in the amount of one thousand dollars (\$1,000) per day for the first violation of this chapter, two thousand dollars (\$2,000) per day for the second violation, and five thousand dollars (\$5,000) per day for the third and subsequent violations." (*Ibid.*)

### B. Environmental Marketing Claims Act

- 32. The Environmental Marketing Claims Act (EMCA) is codified at Business and Professions Code section 17580 et seq. The EMCA prohibits any person from making "an untruthful, deceptive, or misleading environmental marketing claim, whether explicit or implied." (Bus. & Prof. Code, § 17580.5, subd. (a).) "Environmental marketing claim" is defined to "include any claim contained in the [FTC Green Guides]," including "recyclable" claims. (*Ibid.*; see also FTC Green Guides, 16 C.F.R. § 260.12.)
- 33. In addition to the requirements described above, the FTC Green Guides provide that, in order to avoid misleading consumers, "marketers should qualify all recyclable claims" about an item when the substantial majority threshold is not met for the item. (16 C.F.R. § 260.12(b)(2).)
- 34. The FTC Green Guides provide that when "recycling facilities are available to slightly less than a substantial majority," marketers can use a qualification like "Recycling facilities for this product may not exist in your area." (16 C.F.R. § 260.12(b)(2).) When "recycling facilities are available only to a few consumers, marketers should use stronger clarifications," such as "This product is recyclable only in the few communities that have appropriate recycling facilities." (*Ibid.*) For qualified claims, "[t]he lower the level of [consumer] access to an appropriate recycling facility" for the item, "the more strongly the marketer should emphasize the limited availability of recycling for the [item]." (*Ibid.*)
- 35. Under the EMCA, anyone "who represents in advertising or on the label or container of a consumer good that the consumer good that it manufactures or distributes is not harmful to, or is beneficial to, the natural environment . . . through the use of a chasing arrows symbol or by otherwise directing a consumer to recycle the consumer good, shall maintain in written form in its records . . . information and documentation supporting the validity of the representation." (Bus. & Prof. Code, § 17580, subd. (a).)

- 36. The EMCA requires maintenance of information and documentation regarding whether "the consumer good conforms with the uniform standards contained in the [FTC Green Guides] for the use of the terms 'recycled' [or] 'recyclable." The EMCA requires that this information and documentation supporting the validity of environmental marketing and recyclable claims must be provided to any member of the public upon request. (Bus. & Prof. Code, § 17580, subds. (b) & (d).)
- 37. Violators of the EMCA are subject to injunctive relief and to civil penalties up to \$2,500 per violation. (Bus. & Prof. Code, §§ 17535, 17536.)

#### C. False Advertising Law

- 38. The False Advertising Law (FAL) is codified at Business and Professions Code section 17500 et seq. The FAL prohibits "any person, firm, corporation or association, or any employee thereof with intent directly or indirectly to dispose of . . . property . . . or to induce the public to enter into any obligation relating thereto," from making or disseminating, or causing to be made or disseminated, false or misleading statements about the property or its disposition, when the person, firm, corporation or association, or employee thereof either knew or should have known "by the exercise of reasonable care" that the statements were false or misleading. (Bus. & Prof. Code, § 17500.)
- 39. Violators of the FAL are subject to injunctive relief and to civil penalties up to \$2,500 per violation. (Bus. & Prof. Code, §§ 17535, 17536.) Courts may also award the remedy of disgorgement for violations of the FAL in actions brought by the Attorney General. (Gov. Code, § 12527.6.)

#### D. Unfair Competition Law

40. The Unfair Competition Law (UCL) is codified at Business and Professions Code section 17200 et seq. The UCL prohibits any person from engaging in unfair competition, defined to include "any unlawful, unfair or fraudulent business act or practice and unfair, deceptive, untrue or misleading advertising and any act prohibited by [the FAL]." (Bus. & Prof. Code, § 17200.)

41. Violators of the UCL are subject to injunctive relief and to civil penalties up to \$2,500 per violation. (Bus. & Prof. Code, §§ 17203, 17206.) Courts may also award the remedy of disgorgement for violations of the UCL in actions brought by the Attorney General. (Gov. Code, § 12527.6.)

#### V. FACTUAL BACKGROUND

- A. Defendants' Sale of Plastic Carryout Bags Since the Enactment of SB 270
- 42. Since 2016 and continuing to present, Defendants have sold and/or distributed more than 4.3 billion plastic carryout bags to California stores covered by SB 270, deriving substantial profits—at least \$33.2 million from 2020 to present.
- 43. At all relevant times, Defendants have been required to comply with SB 270 in order to lawfully sell and/or distribute plastic carryout bags to covered stores in California.
- 44. Since at least 2017, to make Defendants' plastic carryout bags eligible for sale to covered stores in California under SB 270, Defendants, individually and separately, have submitted to CalRecycle documentation that has purported to show that Defendants' plastic carryout bags have met the requirements of SB 270, including the requirements that the bags are "recyclable in this state" and claims about the bags' recyclability are consistent with the FTC Green Guides provisions.
- 45. At all relevant times, Defendants have marketed that the plastic carryout bags that they have sold and/or distributed to covered stores in California are recyclable. In particular, since at least 2017, Defendants have sold in California plastic carryout bags that bear various claims that the bags are recyclable. These claims have included printed language stating that the bags are recyclable; symbols, such as the chasing arrows, indicating that the bags are recyclable; and instructions for consumers to recycle the bags.
- 46. The recyclable claims and directions printed on the plastic carryout bags that Defendants have sold and/or distributed in California since 2017 have conveyed that the bags are recyclable. A reasonable consumer would understand the recyclable claims and directions printed on Defendants' plastic carryout bags to mean that the bags are recyclable. A reasonable consumer would further understand from the recyclable claims and instructions printed on Defendants'

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plastic carryout bags that if the consumer were to follow the instructions the bag would typically get recycled. But, as discussed below, the plastic carryout bags are not recyclable in California.

# B. Plastic Carryout Bags Are Not Recyclable in California

- 47. The plastic carryout bags that Defendants have sold in California during the relevant period have not been recyclable in this state, as required under SB 270.
  - 48. The bags are not being recycled at any meaningful rate in California.
- 49. A variety of recent surveys, studies, and reports have similarly found that plastic carryout bags are not actually getting recycled at a substantial rate in California. In 2021, a Statewide Commission on Recycling Markets and Curbside Recycling ("Commission") released a series of reports and policy recommendations. The Commission pointed out that plastic carryout bags are not widely accepted in curbside recycling programs. Further, the Commission observed, "[t]here is not a comprehensive store takeback system for plastic bags or film in California." The Commission further noted that the chasing arrows symbol confused consumers about the recyclability of plastic carryout bags.<sup>8</sup>
- 50. Starting in 2023, CalRecycle has released several reports indicating that the vast majority of plastic carryout bags in California are not being recycled in California. For example, as part of a materials characterization study in 2023, CalRecycle visited MRFs across the state to sample outflows of sorted materials. CalRecycle found that plastic carryout bags were not classifiable as sorted for recycling by MRFs, because plastic carryout bags rarely appeared in the outflow samples, and when CalRecycle observed the bags in the samples, the samples were destined for landfill—not for recycling. In follow-up reports in 2024 and 2025, CalRecycle confirmed that it found insufficient evidence that MRFs sort plastic carryout bags for recycling.

<sup>&</sup>lt;sup>7</sup> California's Statewide Commission on Recycling Markets and Curbside Recycling,

Recommendations Report, Policy 21-34: Request for Enforcement of Labeling Laws (Dec. 20, 2021), p. 5, available at < <a href="https://calrecycle.ca.gov/recyclingcommission/">https://calrecycle.ca.gov/recyclingcommission/</a>> [as of Sept. 29, 2025].

Recommendations Report, Policy 21-34: Request for Enforcement of Labeling Laws (Dec. 20, 2021), p. 5, available at < <a href="https://calrecycle.ca.gov/recyclingcommission/">https://calrecycle.ca.gov/recyclingcommission/</a>> [as of Sept. 29, 2025].

Recommendations Report, Policy 21-34: Request for Enforcement of Labeling Laws (Dec. 20, 2021), p. 5, available at < <a href="https://calrecycle.ca.gov/recyclingcommission/">https://calrecycle.ca.gov/recyclingcommission/</a>> [as of Sept. 29, 2025].

Recommendations, Policy 20-18: Label Restriction to Stop Plastic Bag/Film Contamination in Curbside Recycling (June 25, 2025), p. 105, available at

<sup>&</sup>lt;a href="https://calrecycle.ca.gov/recyclingcommission/">https://calrecycle.ca.gov/recyclingcommission/</a> [as of Sept. 29, 2025].

<sup>&</sup>lt;sup>9</sup> CalRecycle, SB 343 Material Characterization Study Preliminary Findings, DRRR-2023-1728 (Dec. 2023), Appx. 6, pp. 97–98.

<sup>&</sup>lt;sup>10</sup> CalRecycle, SB 343 Material Characterization Study Revised Preliminary Findings, DRRR-2024-1746 (Dec. 2024), pp. 22, 25.

- other postconsumer plastic film for recycling. Instructions printed on and/or around the bins tell consumers that they can recycle plastic carryout bags by depositing the bags in the bins. The chasing arrows symbol is also often displayed on and/or around the bins. Websites, such as how2recycle.info, have directed consumers to these store drop-off bin sites to recycle plastic carryout bags.
- 54. But the vast majority of the plastic carryout bags that consumers deposit in these store drop-off bins for recycling are not recycled, in California or anywhere else. Rather, the bags end up in landfills or incinerators or are shipped to other countries.

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CalRecycle, SB 54 Plastic Pollution Prevention and Packaging Producer Responsibility Act,
 Covered Material Category (CMC) List Material Characterization Study (Dec. 2023), Table 1, pp.
 8–12, available at <<a href="https://www2.calrecycle.ca.gov/Docs/Web/126582">https://www2.calrecycle.ca.gov/Docs/Web/126582</a>> [as of Sept. 29, 2025].
 CalRecycle, SB 54 Plastic Pollution Prevention and Packaging Producer Responsibility Act,
 Covered Material Category (CMC) List Material Characterization Study Revised Preliminary

Findings (Jan. 1, 2025), Table 1, pp. 7–9, available at <a href="https://www2.calrecycle.ca.gov/Docs/Web/129525">https://www2.calrecycle.ca.gov/Docs/Web/129525</a>> [as of Sept. 29, 2025].

- 55. There is no robust market for postconsumer plastic carryout bags anywhere in the United States, and few plastic film recyclers in California can process more than a modicum of plastic carryout bags for recycling. (Trex, a company that uses recycled materials to produce composite decking and lumber at facilities in Nevada and Virginia, sources plastic film from California, but it can process only a nominal amount of the film consumed by Californians.)
- 56. Defendants either knew, or should have known through the exercise of reasonable care, that the plastic carryout bags that Defendants have sold in California during the relevant period are not recyclable in California. Defendants, as active participants in the plastic film industry, knew or should have known that there has not been a viable market for postconsumer plastic carryout bags, in California and elsewhere, that the vast majority of plastic carryout bags deposited in collection bins in California do not reach recycling facilities that actually recycle the bags, in California and elsewhere. Defendants knew or should have known of the publicly available reports and other media, from the time SB 270 was passed to the present, illustrating a lack of recycling for plastic carryout bags, in California and elsewhere.

#### VI. CAUSES OF ACTION

#### FIRST CAUSE OF ACTION

# UNLAWFUL SALE AND DISTRIBUTION OF PLASTIC CARRYOUT BAGS

(Pub. Resources Code, § 42280 et seq.) (Against All Defendants)

- 57. The People re-allege and incorporate by reference the allegations in paragraphs 1 through 56 as though fully set forth herein.
- 58. Defendants, and each of them, are producers of plastic carryout bags, as defined in Public Resources Code section 42280, subdivisions (d) and (e). Defendants have manufactured plastic carryout bags for sale and/or distribution to a store in California, as defined in Public Resources Code section 42280, subdivision (g), imported plastic carryout bags into California for sale or distribution to a store, and/or sold and/or distributed plastic carryout bags to a store in California.

- 59. At all relevant times, Defendants, and each of them, sold and/or distributed their plastic carryout bags to at least one store in California.
- 60. Defendants, and each of them, continue to sell and/or distribute their plastic carryout bags to at least one store in California.
- 61. At all relevant times, Defendants, and each of them, have submitted proofs of certification to CalRecycle to demonstrate that the plastic carryout bags that Defendants sell and/or distribute to stores in California comply with the requirements of Article 2 of SB 270, including Public Resources Code section 42281.
- 62. Throughout the relevant time period, Defendants' plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California have failed to comply with the requirements of Article 2 of SB 270 in the following ways:
- a. Defendants' plastic carryout bags are not "recyclable in this state," as required under Public Resources Code section 42281, subdivision (b)(1)(C);
- b. Defendants' display of the chasing arrows symbol on Defendants' plastic carryout bags is not consistent with the FTC Green Guides provisions for use of the chasing arrows symbol, as required under Public Resources Code section 42281, subdivision (a)(4)(D);
- c. Defendants' display of the term "recyclable" on Defendants' plastic carryout bags is not consistent with the FTC Green Guides provisions for use of the term "recyclable," as required under Public Resources Code section 42281, subdivision (a)(4)(D);
- d. Defendants' claims that Defendants' plastic carryout bags are recyclable—including but not limited to claims made by displaying the chasing arrows symbol, the term "recyclable," and instructions to return the plastic carryout bags to stores for recycling—do not comply with the FTC Green Guides provisions for making "recyclable" claims, as required under Public Resources Code section 42281, subdivision (a)(6).
- 63. During the relevant period, Defendants have also sold and/or distributed and continue to sell and/or distribute in California types of plastic carryout bags that have failed to comply with the requirements of Article 2 of SB 270, because the bags have not included the display of the chasing arrows symbol, the term "recyclable," and/or instructions to return the plastic carryout

bags to stores or other appropriate locations for recycling, as required under Public Resources Code section 42281, subdivision (a)(4)(D).

- 64. At all relevant times, Defendants have been in violation of SB 270 by:
- a. Selling and/or distributing to stores in California plastic carryout bags that do not comply with the requirements of Article 2 of SB 270;
- b. Submitting false proofs of certification to CalRecycle that Defendants' plastic carryout bags comply with the requirements of Article 2 of SB 270, when these bags do not.
  - 65. At all relevant times, Defendants knew, or reasonably should have known:
- a. Of the low level of recycling in California, and elsewhere, for plastic carryout bags;
- b. That Defendants' plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California are not recyclable in this state;
- c. That Defendants' plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California display the chasing arrows symbol and/or the term "recyclable," inconsistent with the FTC Green Guides provisions for the use of the chasing arrows symbol or the term "recyclable";
- d. That Defendants' claims that the plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California are recyclable—including but not limited to claims made by displaying the chasing arrows symbol, the term "recyclable," or instructions to return the plastic carryout bags to stores for recycling—have not complied and do not comply with the FTC Green Guides provisions for making "recyclable" claims;
- e. That types of Defendants' plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California have not included the display of the chasing arrows symbol, the term "recyclable," and/or instructions to return the plastic carryout bags to stores or other appropriate locations for recycling;
- f. That Defendants submitted under penalty of perjury false proofs of certification to CalRecycle, falsely, deceptively, and/or misleadingly representing that Defendants' plastic

### 1 FOURTH CAUSE OF ACTION 2 UNTRUE OR MISLEADING ADVERTISING (Bus. & Prof. Code, § 17500) 3 (Against All Defendants) 4 5 76. Plaintiff re-alleges and incorporates by reference the allegations in paragraphs 1 6 through 75 as though fully set forth herein. 7 Defendants, and each of them, have engaged in and continue to engage in acts or 8 practices that constitute violations of the False Advertising Law, Business and Professions Code 9 section 17500 et seq. 10 Defendants have acted with the intent to induce grocery and retail stores and members of the public to purchase Defendants' plastic carryout bags and made or caused to be 11 made and/or disseminated misleading statements concerning Defendants' plastic carryout bags, 12 13 which Defendants knew, or by the exercise of reasonable care should have known, were untrue or 14 misleading at the time Defendants made them. Such misrepresentations include but are not 15 limited to: 16 Displaying the chasing arrows symbol on Defendants' plastic carryout bags, a. and thus representing that the bags are recyclable, when they are not; 17 Displaying the terms "recyclable," "recycle," "please recycle," or other 18 b. 19 recycling terminology on Defendants' plastic carryout bags, and thus representing that the bags 20 are recyclable, when they are not; 21 Displaying on Defendants' plastic carryout bags instructions to return the bags c. 22 to stores or other locations for recycling, and thus representing that the bags are recyclable, when 23 they are not; 24 25 26 27 28

#### **FIFTH CAUSE OF ACTION**

#### UNLAWFUL, UNFAIR, OR FRAUDULENT BUSINESS PRACTICES

(Bus. & Prof. Code, § 17200) (Against All Defendants)

- 79. Plaintiff re-alleges and incorporates by reference the allegations in paragraphs 1 through 78 as though fully set forth herein.
- 80. Defendants have engaged in and continue to engage in unlawful, unfair, or fraudulent business acts or practices and unfair, deceptive, untrue, or misleading advertising that constitutes unfair competition as defined in the Unfair Competition Law, Business and Professions Code section 17200 et seq.
- 81. Defendants' acts in violation of the Unfair Competition Law include but are not limited to:
- a. Selling and/or distributing plastic carryout bags that do not comply with the requirements of SB 270, and submitting false proofs of certification to CalRecycle to sell and/or distribute Defendants' plastic carryout bags under SB 270, as alleged in the First Cause of Action;
- b. Making the misleading environmental marketing claim that Defendants' plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California are recyclable, in violation of Business and Professions Code section 17580.5, as alleged in the Second Cause of Action;
- c. Failing to furnish to the Attorney General upon request written information and documentation supporting the validity of Defendants' representations that their plastic carryout bags that Defendants have sold and/or distributed and continue to sell and/or distribute in California are recyclable, in violation of Business and Professions Code section 17580, as alleged in the Third Cause of Action;
- d. Making or causing to be made and/or disseminated untrue and/or misleading statements about Defendants' plastic carryout bags to the California public in order to sell and/or distribute the bags in California, in violation of the Business and Professions code section 17500, as alleged in the Fourth Cause of Action;

- e. Representing in submissions to CalRecycle, under penalty of perjury and for the purpose of demonstrating compliance with SB 270 to sell and/or distribute Defendants' plastic carryout bags in California, that:
- Defendants' plastic carryout bags are recyclable and recyclable in
   California, when they are not;
- ii. Defendants' plastic carryout bags display the chasing arrows symbol and/or the term "recyclable" consistent with the FTC Green Guides provisions for use of the chasing arrows symbol or the term "recyclable," when instead Defendants' bags display the chasing arrows symbol and/or the term "recyclable," inconsistent with the FTC Green Guides provisions;
- iii. Defendants' claims that their plastic carryout bags are recyclable complied with the FTC Green Guides provisions for making "recyclable" claims, when Defendants' "recyclable" claims did not do so.

#### VII. PRAYER FOR RELIEF

WHEREFORE, the People respectfully request that the Court enter judgment in favor of the People and against Defendants, as follows:

- 1. Pursuant to Public Resources Code section 42285, assessing against each Defendant a civil penalty of one thousand dollars (\$1,000) for the Defendant's first violation, two thousand dollars (\$2,000) for the Defendant's second violation, and five thousand dollars (\$5,000) for the Defendant's third and subsequent violations of SB 270, within the applicable limitations and tolling periods, as proved at trial;
- 2. Pursuant to Business and Professions Code section 17535, entering all orders necessary to prevent Defendants, along with Defendants' successors, agents, representatives, employees, and all persons who act in concert with Defendants, from making any false or misleading statements in violation of Business and Professions Code sections 17500 and 17580.5;
- 3. Pursuant to Business and Professions Code section 17203, entering all orders necessary to prevent Defendants, along with Defendants' successors, agents, representatives, employees, and all persons who act in concert with Defendants, from engaging in any act or

1	Dated: October 17, 2025	Respectfully submitted,
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3		Attorney General of California VANESSA MORRISON Supervising Deputy Attorney General
4		/s/ Brian Calavan
5		Brian Calavan Liz Rumsey
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