CLIENT ALERTS & INSIGHTS

California's "Truth in Recycling" Law Raises the Stakes for Packaging Labels

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Key Takeaways

- California's SB 343, the "Truth in Recycling" law, sets strict new standards for using recyclability symbols or claims on product packaging, requiring proof that materials are widely collected, processed and have end-market demand before such claims can be made.
- The law exposes companies to significant litigation risk, including class actions by private plaintiffs, if packaging sold in California displays recyclability indicators does not meet statutory standards-regardless of company size or product type.
- As SB 343 applies to all products manufactured after October 4, 2026, companies selling products in California for which the product packaging references its recyclability should take the following steps without delay:
  - **Audit Packaging.** Conduct a comprehensive review of every recycling symbol, recyclability claim and recycling instruction across all product lines and SKUs-including co-branded and private-label products.
  - **Revise or Remove Non-Qualifying Labels.** For any packaging that does not meet SB 343's requirements, remove or redesign packaging to allow for production lead times.
  - **Document Compliance.** Build and maintain a clear record demonstrating that the material satisfies the statutory requirements: collection access, processing capability and end-market demand.
  - **Align Cross-Functional Teams.** Coordinate across legal, marketing, sustainability, supply chain and packaging teams to ensure that recyclability claims are consistent, defensible and uniformly applied across all channels and markets.

California's SB 343-widely known as the "Truth in Recycling" law-fundamentally reshapes how companies communicate recyclability and other environmental claims on product packaging sold in the state.

At its core, SB 343 prohibits companies from including a "recyclability indicator"-such as the familiar chasing arrows symbol, a written recyclability claim, or even a simple "please recycle" instruction-on product packaging unless the packaging material meets certain rigorous standards. Critically, enforcement of this law-which applies to all products and packaging manufactured after October 4, 2026, and sold in the state of California-is not limited to regulators: SB 343 empowers private plaintiffs to bring class action lawsuits over noncompliant packaging, creating litigation exposure for companies that fail to comply.

For any company that manufactures, distributes or sells consumer products in California and the product packaging references its recyclability, SB 343 demands careful attention-and possibly prompt action.

When Use of a Recyclability Indicator Is Permissible

To lawfully display any recyclability indicator under SB 343, the packaging material for a given product must satisfy each of the following requirements; there is no partial compliance:

- **Collection**: The material must be collected and accepted by recycling programs serving at least 60% of California's population.
- **Processing**: At least 60% of those recycling programs must have the operational capability to sort and process the material. In other words, it is not enough for curbside bins to accept the packaging-facilities must actually be equipped to transform it into material that re-enters the manufacturing stream.
- **End-Market Demand**: The recovered material must be genuinely purchased and used by manufacturers to produce new products or packaging. This requirement closes the loop: even if material is collected and processed, a recyclability claim is impermissible unless there is verified commercial demand for the output.

Enforcement Model and Exposure

SB 343 contains no exemptions based on company size, product type or annual revenue, and it provides no centralized approval process or safe harbor for good faith compliance efforts. The enforcement model is similar to California's Proposition 65-a framework well known for generating high volumes of private enforcement litigation. Given Proposition 65's track record of generating litigation that includes attorney's fee awards, companies should anticipate aggressive private enforcement once SB 343 takes effect.

Early and decisive action will be critical. Companies that proactively audit and remediate their packaging labels now will be far better positioned to avoid costly, last-minute label redesigns-and, more importantly, to reduce exposure to the aggressive enforcement and private litigation that SB 343 may unleash.

For guidance and assistance with product labeling laws, please contact Laura Kogan and

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