

# The New Cost of Packaging: EPR Compliance in 2026

A Practical Guide to Extended Producer Responsibility

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This presentation is informational only and does not constitute legal advice.

Questions are welcome throughout; we will reserve time at the end for Q&A.

Slides and a recording will be distributed after the session.

CLE credit may be available, depending on your jurisdiction.

Please direct compliance-specific questions to your Venable team.

# Agenda

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How EPR Works: Shifting Costs and Responsibilities

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The Business Problem: Packaging as a Cost Center and Market-Access Condition

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Why 2026 Is Different: From Planning to Enforcement

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State Landscape and Timeline (2025–2032)

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California and Oregon Deep Dive

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Labeling Conflicts: SB 343 and the Chasing Arrows Problem

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Marketing Constraints: AB 1201 and Compostability Claims

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Regulated Products: Food Contact, FDA, and Packaging Safety

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Compounding Conflicts: PCR Mandates and PFAS Chemical Bans

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Will the Incentives Work? Cost and Redesign Tradeoffs

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Transaction Risk: EPR as an M&A Issue

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What Companies Should Do Now: Practical Compliance Roadmap

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# What Is EPR and How Does It Work?

Shifting Costs and Responsibilities to Producers

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# What EPR shifts: before and after

EPR forces “producers” to pay states back for the cost of managing their packaging waste.

Other than shifting costs, the purported goals are to improve packaging material choices and recycling rates.

## Traditional System

- Municipalities bear collection costs
- Ratepayers fund recycling programs
- No producer accountability for end-of-life
- Limited recycling infrastructure investment
- No incentive for packaging redesign



## EPR System

- Producers fund end-of-life management
- Fees tied to material type and recyclability
- PROs manage collective compliance
- Investment in recycling infrastructure
- Eco-modulation drives redesign decisions

# Who is a “producer”?



**Brand owner** – Entity that owns/licenses the brand

**Manufacturer** – Where no brand owner is identified

**Importer** – If none of the above and importer comes first

**Retailer/marketplace seller** – For private label and e-commerce

**Key point:** “Producer” determination varies by SKU, brand, sales channel, and state—not a one-time answer

# The scope of covered packaging is broad

Generally, consumer product packaging is covered, but exemptions vary by state and product category (e.g., Rx drugs, medical devices, medical foods, infant formula, FIFRA products; supplements and cosmetics require closer review).

Every material has a cost set by the PRO.

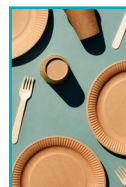
Brands could be responsible for shipping materials if they choose them.



Plastic, glass,  
metal, wood, etc.



Immediate  
packaging



Food service  
ware



Secondary  
packaging



Shipping  
materials

# What are the kinds of requirements in EPR laws?



## **Registration requirements**

Registration is already past due



## **Payment of fees tied to material type and weight**

E.g., Oregon fees for clear/natural PET bottles, jugs, jars: 17–23¢/lb



## **Annual reporting of SKU-level packaging data (weight, material type)**

May 31, 2026, is the (recurring) deadline for most states to report 2025 data



## **Industry-wide recycling rate and light-weighting requirements**

E.g., by 2032, CA requires 65% recycling rate of single-use plastic packaging and food service ware and 25% less plastic packaging overall

# The new cost of packaging is not a single line item

## Administrative fees

agency cost recovery, PRO costs, audits, data systems

## Producer dues

material weight/volume, category, recycling cost, market value

## Eco-modulation

recyclability, compostability, recycled content, toxics, source reduction

## Service-provider reimbursement

collection, transport, processing, contamination, education

## Penalties and sales restrictions

failure to register, report, join PRO, implement plan, or pay fees

# What is eco-modulation?

## Mechanism to adjust fees based on environmental impact

- Purpose is to financially incentivize companies to adopt more environmentally conscious packaging design.
- Environmental criteria vary by state; factors may include:

Percentage of recycled content

Product-to-package ratio  
(eliminating excess packaging)

Ease of recyclability

Presence of toxic/hazardous  
materials



# What changed in 2026

## From policy to payable obligation

Registration, reporting, fee payment, PRO-plan obligations, and sales-ban triggers are now arriving.

## Cost is driven by data

Material-level weight, type, format, recyclability, compostability, PCR content, and sales channel determine cost.

## Exemptions are evidence-based

Low-volume thresholds, product-specific exclusions, and component-level categorizations require documentation.

- The question is no longer whether EPR applies; it is **who the producer is, what is covered, and when the next deadline hits**.
- Each state is moving on different timelines but has a similar core compliance architecture.
- Consumer brands should treat packaging data as a regulated data set.

**DATA = FEE POSITION**

# Key dates are clustered in the next several years

## TIMELINE

**2026**

First reporting and registration requirements; rulemakings finalized or under way; programs initiating.

**2027**

CA PRO plan approval/full implementation Jan. 1; WA PRO annual fee cycle; OR third rulemaking expected; fee schedules mature.

**2028**

CA 30% recycling target; MD PRO/IPP plans July 1 and sales ban Oct. 29; MN alternative-collection list July 1; WA/MN plans Oct. 1.

**2029**

MN distribution prohibition Jan. 1; WA sales ban March 1; enforcement and reimbursement obligations become more consequential.

**2032**

CA 25% plastic source reduction + 65% recycling; MN all covered materials recyclable, reusable, refillable, or compostable.

Note: Dates and penalty figures reflect the July 2026 tracker and should be verified against current state agency guidance before final circulation.

# Enforcement at a Glance: Penalties, Cure Periods

| State | Sale prohibition date                | Max penalty / escalation                                 | Cure / notice                |
|-------|--------------------------------------|----------------------------------------------------------|------------------------------|
| CA    | Jan. 1, 2027; EPS ban already active | Up to \$50k/day; smaller/first-time cases may be lower   | 30-day cure; CAP possible    |
| OR    | Active since July 1, 2025            | Up to \$25k/day; Class I failure-to-register risk        | Warning/cure may be used     |
| CO    | Active since July 1, 2025            | \$5k first day + \$1.5k/day; repeat escalation           | Notice; advisory possible    |
| MD    | Oct. 29, 2028                        | \$5k, \$10k, \$20k sequence                              | Written notice + 60-day cure |
| MN    | Jan. 1, 2029                         | \$25k/day; \$50k/day; \$100k/day repeat escalation       | Corrective order / notice    |
| WA    | Mar. 1, 2029                         | \$1k/day first; \$10k/day subsequent                     | Notice + 60-day cure         |
| ME    | One year after SO selection          | No specific EPR penalty; general DEP penalties may apply | General notice/cure          |

Practical point: The first enforcement issue is likely to be missing registration, incomplete reports, unsupported exemptions, or non-payment.

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# California Deep Dive

## SB 54 Basics and Litigation Update

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# California SB 54: Goals and Structure

## SB 54: Core Compliance Structure

Applies to **producers** of **covered materials** sold, distributed, imported, or offered for sale in California.

Covered materials are assigned to **covered material categories** that drive reporting, fees, recyclability, and source-reduction analysis.

Producer must either:

- Participate in an approved **PRO plan**; or
- Use an approved **individual compliance** pathway.

**Jan. 1, 2027:** Market-access trigger / sales prohibition for noncompliant producers.

## SB 54: Targets, Bans, and Claims Overlay

Long-term targets: Plastic source reduction, 2032 recyclable/compostable requirement, and plastic recycling rates.

Missed targets generally create **enforcement / corrective-action risk**, not the same automatic sales ban as non-registration.

Separate **EPS food service ware ban** already applies after failure to meet the 25% recycling-rate threshold.

SB 54 must be coordinated with:

- **SB 343** recyclable-claims rules; and
- **AB 1201** compostable-claims rules.

# California: Exclusions and Regulated-Product Pathways



## **Generally exempt**

Rx drugs, medical devices, medical foods, infant formula, FIFRA pesticides, veterinary/animal drug products, CRV beverage containers, long-term storage/durable packaging, reusable/refillable packaging, and certain hazardous/flammable transportation packaging.

## **Partial or conditional**

OTC drugs, fortified oral nutritional supplements, and some food/agricultural packaging may be excluded where SB 54 and mandatory FDA/USDA requirements cannot reasonably both be met.

## **Notice / support required**

For certain FDA/USDA conflicts, producers must complete a categorically excluded materials notice and maintain support.

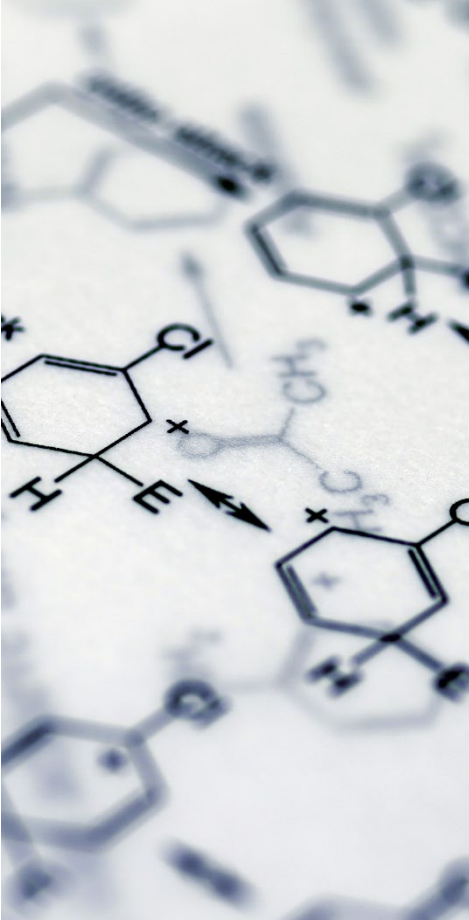
## **Recycling-rate exclusions**

Certain covered materials may be excluded if applicable recycling-rate criteria are met.

## **Cost implication**

Identify exclusions early; exemption support belongs in the fee file.

# California FDA / USDA Exclusions: Narrow but Important



**Not all FDA/USDA-regulated packaging is exempt.** The final rules distinguish between categorical exclusions and conflict-based exclusions.

**Clearer exclusions:** Packaging for medical devices, prescription drugs, certain OTC “medical products,” infant formula, medical foods, animal drugs, and FIFRA pesticides.

**Food/agriculture pathway:** Food or agricultural packaging may be excluded only if SB 54 compliance conflicts with mandatory FDA/USDA requirements.

**Notice required:** Producer must identify the specific legal conflict, packaging/components, associated products, and why no lawful redesign or substitute works.

**Example:** A refrigerated cheese pouch or meat/poultry package using a specific barrier film for microbial-control or package-integrity reasons may qualify only if the producer can document why a recyclable/compostable alternative would not satisfy mandatory food-safety requirements.

**Note:** The final regulations expressly reference FDA/USDA requirements for microbial contamination, safety, and structural integrity and require the producer’s notice to identify the conflict and explain why no alternative packaging or redesign would avoid it.

# SB 343: The Chasing Arrows Conflict

## **California restricts “recyclable” cues broadly:**

SB 343 treats chasing arrows, chasing arrows around a resin code, recycling symbols, recyclability statements, or directions to recycle as deceptive unless the product/package meets California recyclability criteria.

## **The California test is infrastructure-based:**

Covered materials generally must satisfy the **60/60 standard**, collected by programs covering at least 60% of California’s population and sorted by large-volume facilities serving at least 60% of statewide recycling programs.

**The test goes beyond collection and sorting:** SB 343 also looks to whether the material routinely becomes feedstock, whether downstream reclamation requirements are met, and whether design features prevent recyclability.

## **National labels create the business conflict:**

Brands typically use one label across all states, but California’s recyclability threshold may force removal of chasing arrows or recycling instructions from nationally distributed packaging.

## **Removing recyclability cues can create EPR problems elsewhere:**

Fewer on-pack recycling instructions may reduce eco-modulation value, conflict with PRO education goals, weaken sustainability messaging, and increase consumer disposal confusion.

## **Keeping recyclability cues preserves value but carries California risk:**

The current injunction pauses SB 343 enforcement, but if SB 343 is reinstated, unsupported chasing-arrows or recycling claims could become enforcement targets.

# AB 1201: Limits on Compostability Marketing

**AB 1201 limits labeling:** California restricts use of “compostable” and “home compostable” claims for products, packaging, packaging components, bags, films, food/beverage containers, straws, lids, and utensils.

**“Biodegradable” claims are largely off-limits:** Products generally cannot be labeled “biodegradable,” “degradable,” or “decomposable,” or imply breakdown in a landfill or other environment.

**Compostable claims require a full compliance:** Qualifying products must meet applicable ASTM/home-compostability standards, third-party certification requirements, where available, NOP-related feedstock requirements, TOF  $\leq$  100 ppm, and California-specific labeling/distinguishability requirements.

**Infrastructure may be limiting:** Many composting facilities do not accept all certified-compostable packaging, and compostable packaging can contaminate recycling streams if consumers sort incorrectly.

**Marketing value may not follow:** Without a compliant claim and clear disposal pathway, compostable packaging may not deliver the expected brand, consumer education, or diversion benefit.

**EPR tension:** EPR eco-modulation may reward compostable packaging design, but AB 1201 may limit whether the company can market that design to consumers.

# California EPR-Related Litigation

***State of Nebraska et al. v. Heller et al.***: 17 states plus NAW directly challenge SB 54, arguing California's EPR/source-reduction program violates constitutional limits, including Commerce Clause and Due Process principles; no injunction has paused SB 54.

***NRDC et al. v. CalRecycle / Heller***: Environmental plaintiffs challenge CalRecycle's final SB 54 regulations, arguing they are too weak and inconsistent with SB 54's statutory goals; this case seeks stronger implementation, not to block SB 54.

***California League of Food Producers et al. v. Bonta***: Separate SB 343 case; the court preliminarily enjoined enforcement of SB 343's recyclability-labeling restrictions, creating practical uncertainty for SB 54 recyclability analysis but not pausing SB 54 compliance obligations.

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# Oregon Deep Dive

**Enforcement Is Here: Audits, Referrals, and Fee Exposure**

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# Oregon SB 582: Program Status and Key Dates

Program launched: July 1, 2025.

**Market access:** Producers selling covered products into Oregon on or after July 1, 2025, generally must be CAA members unless a narrow distributor/seller arrangement applies.

**Producer reporting:** May 31 annually; PRO annual report due July 1 annually.

**Fee payment:** Set by CAA internally; first fee cycle began in January 2026.

**PRO plan:** DEQ approved CAA plan on Feb. 21, 2025; first program period runs July 1, 2025, through Dec. 31, 2027.

**Rulemaking:** DEQ is developing a third RMA rulemaking, with proposed EQC action expected in early 2027.

**Practical point:** Late registration may still be possible, but it does not eliminate compliance risk or potential enforcement exposure.

# Oregon: Enforcement and Compliance Process

DEQ enforcement authority: DEQ can prohibit sales; the attorney general can enforce that prohibition.

**Penalty authority:** Up to \$25,000 per day under Oregon environmental penalty provisions incorporated into the EPR statute.

**Failure to register:** Treated as a Class I violation under DEQ guidance.

**Cure process:** Warning letters and 30-day cure opportunities may be available, but a cure period is not mandatory.

**Escalation policy:** DEQ policy is to subject noncompliant violators to increasing enforcement until they come into compliance.

**Additional levers:** DEQ may suspend or revoke a PRO plan and has investigative authority to enter property and examine records for suspected violations.

**Practical exposure:** Public enforcement lists and CAA compliance status can create reputational risk in addition to monetary penalties.

# Oregon: Active Litigation



***National Association of Wholesaler-Distributors v. Feldon:*** NAW challenges Oregon's RMA under Dormant Commerce Clause and Due Process/private-delegation theories; preliminary injunction protects only NAW and members as of Feb. 6, 2026, with merits trial under way.

***Lollicup USA, Inc. v. Feldon:*** Putative class action seeks similar relief for producers outside the NAW injunction, asserting Dormant Commerce Clause and Due Process claims plus tariff/excessive-fee theory; no classwide injunction yet.

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# PCR Mandates: Demand Arrives Before Supply

When Recycled-Content Laws Outpace EPR Infrastructure

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# Food-Grade Recycled Plastic: Supply and Approval Constraints

FDA requirements for recycled content in food-contact plastic:

- FDA approval (Letter of Non-Objection) for PCR in food-contact use
- Contaminant testing demonstrating safety for intended use
- Full description of recycling process submitted to FDA
- Proposed use conditions: temperature, food type, duration of contact

Food-grade PCR supply relies on:

- FDA Letters of Non-Objection per application
- Supplier contracts with challenge testing and certificates of analysis
- Non-PET food-contact PCR: Limited by low collection rates and FDA approval requirements

Result: Recycled-content targets may be achievable for PET beverage but difficult for other food-contact formats.

# The Resin Squeeze: EPR Fees Meet PCR Thresholds

Multiple states require minimum PCR content in plastic packaging:

- CA AB 793: Beverage containers - 15% (2022), 25% (2025), 50% (2030)
- WA Ch. 70A.245 RCW: Targets for beverage containers, trash bags, and rigid household containers

EPR programs simultaneously charge fees to build collection/sorting infrastructure:

- Infrastructure: EPR fees fund the system; PCR laws demand output before the system matures
- Recycled material is generally procured from global markets, not tied to local collection
- Result: Intense market competition for high-quality recycled resin, especially food-grade PET and HDPE
- Food-contact PCR: Constrained by FDA safety requirements, contaminant testing, and Letters of Non-Objection



# PCR Compliance Tension: Caught Between Two Regimes

Companies face a two-sided compliance squeeze:

- EPR side: Higher fees/malus for virgin or non-recyclable materials; fee credits for PCR
- PCR-mandate side: Legal obligation to incorporate specific percentages by specific dates

Supply constraints make simultaneous compliance difficult:

- Food-grade PCR requires FDA Letter of Non-Objection per application
- Non-PET food-contact PCR targets are limited by low collection/recycling rates
- Competition for available food-grade PET PCR is intense across all regulated states
- CA SB 54: PCR earns source-reduction credit only if it contains no intentionally added PFAS
- CA guidance: No more than 8% of source reduction can be achieved through PCR alternative formula
- WA SB 5284: PRO must inform producers of PCR requirements and consider them in performance targets
- M&A/diligence implication: Verify PCR percentage claims, resin sourcing, FDA LNO status, and price escalation risk

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# The Fiber Substitution Trap

Chemical Safety Bans Can Override EPR Packaging Strategy

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# PFAS Bans Collide with EPR Material Incentives

EPR programs reward packaging shifts toward:

- Recyclable, compostable, reusable, renewable, fiber, or bio-based alternatives
- CA: Credits for plastic derived from renewable materials (wood, mycelium, algae, corn, sugar cane)
- CA SB 54: Reduced fees for certified compostable materials without toxic additives

But PFAS bans restrict the chemistry that makes fiber food-contact functional:

- WA Ch. 70A.222 RCW: Banned intentionally added PFAS in food packaging
- CA AB 1201: Total organic fluorine threshold not greater than 100 ppm for compostable labeling
- OR Program Plan: Requires REM reporting on intentional PFAS additions
- MN/ME: Toxicity reduction as EPR objective; higher fees for toxic materials
- Additional states (NY, NM, others): PFAS food-packaging bans — verify in state-specific review

A substitute package may earn EPR credits but create a sale-ban risk under chemical-safety law.

# Chemical Compliance Can Override EPR Strategy

The substitution risk for M&A and packaging counsel:

- Molded fiber, paper, bio-based alternatives may historically contain PFAS for performance
- Switching to fiber to lower EPR fees does not eliminate legal risk — it shifts it to chemical law
- Compostable packaging requires both AB 1201 certification AND absence of PFAS
- CA malus fees apply to Proposition 65 chemicals; PFAS reporting obligations in OR/WA/MN

Review requirements before treating fiber substitution as an EPR cost-control strategy:

- PFAS/total organic fluorine (TOF) testing on current and proposed packaging
- Intentionally-added-substance representations from suppliers
- Food-contact migration analysis for alternative materials
- Supplier indemnities for nonconforming packaging
- Proposition 65 and state chemical-ban reviews (CA, WA, OR, MN, NY, NM, others)
- AB 1201 compostability certification support

# When Fees May Not Change Packaging Behavior



The incentive may not drive redesign when:

- Alternatives compromise product safety, shelf life, or performance
- Fee is cheaper than reformulation + revalidation + requalification
- FDA/USDA approval for new materials required (time + cost + uncertainty)
- Recycled-content supply insufficient or unreliable
- Alternative packaging cannot carry environmental claims (AB 1201, SB 343)
- Product category has limited alternatives (flexible films, multi-layer barriers)

**Result:** Some companies may rationally pay higher fees for legacy materials.

This is a business-risk and policy-design tension — not a legal conclusion that laws are ineffective.

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## Other States

**Maryland, Washington, Minnesota, Maine, and Colorado**

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# Maryland: Key Requirements

**Final rules:** Notice of final action published May 15, 2026; MDE guidance indicates more rules/guidance may follow during implementation

**Registration:** CAA-imposed producer deadline May 31, 2026; statutory registration deadline July 1, 2026

**Annual reporting:** May 31 annually

**Plan deadlines:** PRO plan and individual producer plans due July 1, 2028

**Fees:** Deadline not yet fixed, but expected before July 1, 2028, as plan implementation matures

**Sales ban:** October 29, 2028, for non-compliant producers

**Enforcement:** Written notice and 60-day cure; penalties escalate from \$5,000 to \$10,000 to \$20,000

**Exemptions:** Health/safety and regulated-product exclusions; alternative collection programs available on or after July 1, 2026

# Washington and Minnesota: Key Milestones

## **Washington (SB 5284):**

Registration: July 1, 2026

Annual producer reporting: May 31 annually

Preliminary needs assessment: December 31, 2026

PRO plan due: October 1, 2028 | Sales ban: March 1, 2029

Enforcement: 60-day cure; up to \$1,000/day for first violation and \$10,000/day for subsequent violations

## **Minnesota (SF 4013):**

PRO registration: July 1, 2025; annual producer reporting May 31

Rulemaking public comment open through July 24; needs assessment by December 31, 2026

PRO plan due: October 1, 2028 | Distribution prohibition: January 1, 2029

2032: All materials must be recyclable, reusable, refillable, or compostable

# Maine and Colorado: Program Updates

## **Maine:**

DEP is still selecting the Stewardship Organization (SO); request for SO proposals posted June 15, 2026.

Producers register within 90 days of SO selection; alternative collection applications begin after SO selection.

Annual cycle: SO report Jan. 30; alternative collection report Apr. 1; producer report May 31; fee payment Sept. 1.

Sales ban: One calendar year after SO selection for unregistered producers.

Exemptions: Small producer < \$2M gross revenue; low-volume < 15 tons; FDA categories largely TBD pending DEP review.

## **Colorado:**

CAA plan approved December 2025; program implementation deadline June 2026; sales ban since July 1, 2025, for producers not in a PRO.

Reporting: CAA set May 31, 2026, producer deadline; fees due January annually.

June 30, 2026: CDPHE must notify CAA of the amount required to reimburse 100% of statewide recycling costs.

Small producer threshold proposed at \$5,779,297; Interchange 360 IPP applies to certain petroleum/automotive products.

Consumer fee prohibition: Producers may not pass costs through as a separate line item.

# Colorado: Active Litigation

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***Independent Lubricant Manufacturers Ass'n v. CDPHE***: ILMA challenges Colorado's EPR implementation, including CDPHE's approval of LPMA for lubricant packaging and CAA for other packaging, asserting unlawful fees, due process, and nondelegation theories.

**ILMA First Amendment claim**: ILMA also challenges restrictions on separately disclosing EPR costs to customers; CDPHE's motion to dismiss is fully briefed, and no injunction/order appears to have paused Colorado enforcement.

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# Transaction Risk

EPR as an M&A Issue

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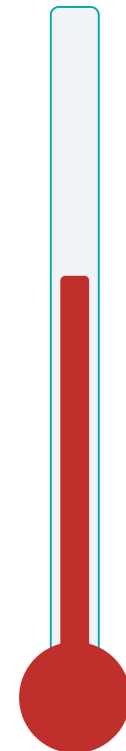
# EPR Creates Hidden Transaction Risk

## Why EPR matters

- Undisclosed or underestimated EPR fee obligations create post-close cost surprises
- Non-registration in active states may trigger enforcement, sales bans, or back-fees
- PCR shortfalls or PFAS exposure in packaging portfolios create contingent liabilities
- Packaging redesign costs to achieve compliance can exceed initial projections
- Labeling non-compliance (SB 343, AB 1201) creates market-access risk for acquired brands

## Valuation impact:

- EPR fees are recurring — they reduce margin permanently, not as a one-time adjustment
- Fee escalation (eco-modulation, malus penalties) means year-one costs understate the trajectory
- Targets with high-volume, multi-material, or flexible packaging face disproportionate exposure
- Multi-state footprint multiplies obligations — each program has distinct registration, reporting, and fee requirements



# What to Build into M&A Diligence

EPR diligence requests to add to your standard checklist:

- State-by-state EPR registration status and fee payment history
- Producer responsibility organization (PRO) membership and reporting compliance
- Complete packaging materials inventory (resin types, weights, formats by SKU)
- PCR content percentages and supplier certification/chain-of-custody documentation
- PFAS testing results and intentionally-added-substance supplier representations
- Labeling compliance audit (SB 343 recyclability claims, AB 1201 compostability)
- Correspondence with regulators, PROs, or enforcement agencies
- Forward-looking fee estimates under eco-modulation scenarios

Deal terms to consider:

- Reps and warranties covering EPR registration, fee payment, and labeling compliance
- Indemnities for pre-close non-compliance (back-fees, penalties, redesign costs)
- Purchase-price adjustments reflecting estimated compliance gap costs

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# What Companies Should Do Now

## Practical Compliance Roadmap

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# Immediate Compliance Actions

1

## **Build packaging data inventory**

All components by SKU, material, weight, format, resin, PCR content, and sales channel

2

## **Determine producer status**

State-by-state and SKU-by-SKU: brand owner > importer > retailer/private label

3

## **Map exclusions and exemptions**

B2B, regulated products, CRV/deposit, small producer, reusable/refillable, alternative collection

4

## **Register and join PROs**

CA, CO, MD, MN, OR, WA as applicable; monitor Maine SO selection and 90-day window

5

## **Prepare historical data**

2023+ for CA baseline; 2024/2025 for CAA reporting; May 31 annual producer data deadlines

6

## **Build cross-functional team**

Legal, regulatory, quality, packaging, sustainability, procurement, marketing, finance, M&A

**Priority: Get the data architecture right. It drives registration, exemptions, fee modeling, label review, and diligence.**

# Near-Term Compliance Priorities

1

## Review claims and labels

SB 343 recyclability, AB 1201 compostability, and other state requirements

2

## Model fee exposure

By state, material, portfolio, and exemption scenario

3

## Evaluate redesign feasibility

Eco-modulation benefits vs. safety, cost, timeline, and claims constraints

4

## Document regulatory constraints

FDA/USDA/FIFRA support files; exclusion notices where available

5

## Update supplier contracts

Data, PCR, PFAS, chain-of-custody, and compliance representations

6

## Integrate into business processes

Launch gates, change control, budgets, and M&A diligence

7

## Monitor agencies and PROs

CalRecycle, DEQ, CDPHE, MDE, MPCA, Ecology, DEP, and CAA updates

### RISK POINT

**Missed data, unsupported exemptions, and unsupported claims can cascade into back-fees, penalties, sales restrictions, and transaction risk.**

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# Questions?

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