

# REPORT OF THE CHIEF LEGISLATIVE ANALYST

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DATE: May 25, 2021

TO: Honorable Members of the Rules, Elections, and Intergovernmental Relations  
Committee

FROM: Sharon M. Tso   
Chief Legislative Analyst Council File No: 21-0002-S87  
Assignment No.: 21-04-0288

SUBJECT: Resolution (O'Farrell – Koretz – Krekorian - Blumenfield) relative to  
“Greenwashing” Legislation: SB 343, AB 1201 and AB 818

CLA RECOMMENDATION: Adopt Resolution (O'Farrell - Koretz – Krekorian – Blumenfield) to include in the City's 2021-2022 State Legislative Program SUPPORT for SB 343 (Allen), AB 1201 (Ting) and AB 818 (Bloom) which seek to mitigate the effects of "greenwashing" which is the practice of placing deceptive, exaggerated, or misleading labels on products to make them appear environmentally-friendly.

SUMMARY:

Resolution (O'Farrell - Koretz – Krekorian – Blumenfield), introduced on March 31, 2021, states that a growing number of consumers favor the purchase of environmentally-friendly "green" products, including products that are recyclable or biodegradable. Many companies have responded with "green" marketing efforts by touting the environmental benefits of their products.

The Resolution states that some companies engage in "greenwashing" which is the practice of placing deceptive, exaggerated, or misleading labels on products to make them appear environmentally-friendly. The Resolution maintains that "greenwashing" misleads many consumers and ultimately undermines State and local environmental sustainability efforts.

To address this matter, the State Legislature has introduced a series of bills targeting “greenwashing.” The Resolution indicates that SB 343 (Allen) seeks to prohibit the sale or distribution of any product or packaging using a deceptive or misleading label or claim about recyclability, including the display of the "chasing arrows" symbol, unless the State has determined the product or packaging is truly recyclable.

The Resolution notes that AB 1201 (Ting) seeks to prohibit the sale or distribution of any plastic product that is labeled with the term "compostable," "home compostable," or "soil biodegradable" unless the product meets specified biodegradable requirements. The Resolution also states that AB 818 (Bloom) seeks to require premoistened nonwoven disposable wipes to be labeled clearly and conspicuously with the phrase "Do Not Flush" and would prohibit producers from making a representation about these product's flushable attributes or efficacy.

The proposed slate of legislation is intended to mitigate the effects of “greenwashing.” Therefore, the Resolution requests that the City support these measures in order to mitigate “greenwashing” and uphold State and local environmental sustainability efforts.

BACKGROUND:

“Greenwashing” has increased in recent years as some companies try to meet growing consumer demand for environmentally-friendly products. The companies that employ “greenwashing” marketing approaches claim that the packaging associated with their products are biodegradable and pose little to no harm to the environment. In addition, some companies claim that the manufacturing and transport process for their products minimizes the use of fossil fuels. However, in many cases, these claims are false representations and the environmental benefits of their products or manufacturing process cannot be substantiated.

The State has attempted to address “greenwashing” through the implementation of the Environmental Representations Law (Business and Professions Code §17580 et seq.). The statute makes it unlawful for any person to make any untruthful, deceptive, or misleading environmental marketing claims. It requires supporting documentation and information, to be made publicly available, of any advertising or on labels or containers of a product that claims it is not harmful to the environment.

The Environmental Representations Law has helped reduce “greenwashing” in the marketplace; however, further efforts are needed to reinforce its intent and continue to dissuade misleading marketing claims. The provisions of SB 343, AB 1201 and AB 818 seek to meet this need by strengthening State law and prohibitions associated with “greenwashing” claims in order to more effectively minimize its impact.

BILL STATUS:

SB 343	5/20/21	Approved by Senate Appropriations Committee
AB 1201	5/20/21	Approved by Assembly Appropriations Committee
AB 818	5/13/21	Approved by Assembly; referred to Senate



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Rafael E. Prieto  
Analyst

Attachment(s): Resolution (O’Farrell – Koretz – Krekorian - Blumenfield)

RESOLUTION

WHEREAS, any official position of the City of Los Angeles with respect to legislation, rules, regulations or policies proposed to or pending before a local, state, or federal government body or agency must have first been adopted in the form of a Resolution by the City Council with the concurrence of the Mayor; and

WHEREAS, a growing number of consumers favor the purchase of environmentally-friendly “green” products, including products that are recyclable or biodegradable; and

WHEREAS, many companies have responded with “green” marketing efforts by touting the environmental benefits of their products; and

WHEREAS, some companies engage in “greenwashing” which is the practice of placing deceptive, exaggerated, or misleading labels on products to make them appear environmentally-friendly; and

WHEREAS, “greenwashing” misleads many consumers and ultimately undermines State and local environmental sustainability efforts; and

WHEREAS, the State Legislature has enacted a “Truth in Environmental Advertising” law to mitigate the effects of “greenwashing” and is pursuing additional legislation to further address this matter; and

WHEREAS, SB 343 (Allen) seeks to prohibit the sale or distribution of any product or packaging using a deceptive or misleading label or claim about recyclability, including the display of the “chasing arrows” symbol, unless the State has determined the product or packaging is truly recyclable; and

WHEREAS, AB 1201 (Ting) seeks to prohibit the sale or distribution of any plastic product that is labeled with the term “compostable,” “home compostable,” or “soil biodegradable” unless the product meets specified biodegradable requirements; and

WHEREAS, AB 818 (Bloom) seeks to require premoistened nonwoven disposable wipes to be labeled clearly and conspicuously with the phrase “Do Not Flush” and would prohibit producers from making a representation about these product’s flushable attributes or efficacy;

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NOW, THEREFORE, BE IT RESOLVED, with the concurrence of the Mayor, that by the adoption of this Resolution, the City of Los Angeles hereby includes in its 2021-2022 State Legislative Program SUPPORT for SB 343 (Allen), AB 1201 (Ting) and AB 818 (Bloom) which seek to mitigate the effects of "greenwashing" which is the practice of placing deceptive, exaggerated, or misleading labels on products to make them appear environmentally-friendly.



PRESENTED BY:

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MITCH O'FARRELL  
Councilmember, 13th District

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PAUL KORETZ  
Councilmember, 5th District



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PAUL KREKORIAN  
Councilmember, 2nd District



SECONDED BY:

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