

Title: Circular Economy in the States: An Analysis of Current Policies, Standards, and Best Practices

Topic: Circular Economy Business Models & Approaches

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Abstract

This report provides a comprehensive examination of circular economy initiatives across five leading U.S. states—California, New York, North Carolina, Colorado, and Washington—highlighting state-level policies, best practices, and industry adaptations shaping the transition from linear to circular production and consumption systems. Focusing on sectors including waste management, construction and manufacturing, technology, energy, food and organics, logistics, and local governance, the analysis identifies both successes and systemic challenges in advancing material circularity, waste diversion, and resource efficiency. As the federal government has deprioritized sustainability and circularity, states are demonstrating their crucial role in implementing policies to achieve circular outcomes.

Across the five states, extended producer responsibility (EPR) frameworks, organic waste diversion mandates, and renewable material innovation have become major policy drivers. California's SB 54 on plastic pollution reduction, Washington's Clean Materials Bill, and New York's growing EPR and packaging weight reduction programs demonstrate regulatory leadership, while North Carolina and Colorado offer emerging models focused on construction material reuse, bioenergy generation, and landfill methane reduction. Each policy area reveals tensions between mandated recycling targets and market realities, particularly in sectors reliant on global material flows and complex supply chains. These state laws also raise some questions about consistency from state to state as corporations try to meet new standards.

The report benchmarks corporate circularity practices against evolving international standards, including ISO 59004 (Framework and Principles), ISO 59010 (Guidelines for Business Models and Value Chains), and ISO 59020 (Performance Measurement). It assesses the alignment between these standards and real-world implementation, revealing gaps where sector-specific standards—such as those for batteries, construction materials, or packaging—diverge from ISO guidance or remain under development. Companies in all five states demonstrate growing sophistication in lifecycle analysis, product redesign, and supply chain circularity, yet many initiatives remain driven by cost and efficiency gains rather than formal circular economy alignment.

A proposed "Circular Economy Playbook" synthesizes state and sector insights into actionable strategies: embedding lifecycle thinking, designing for modularity and reuse, implementing traceable materials management, and engaging in policy partnerships. The report shows that while a standards-based approach provides essential structure, successful circularity depends on flexible, cross-sector collaboration and pragmatic integration of standards with economic and

operational realities. The ongoing decoupling of waste generation from population and GDP growth—particularly through innovations in packaging, renewable construction materials, and bioenergy—illustrates both the promise and complexity of circular transition pathways in the United States.