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9 **SUPERIOR COURT OF ARIZONA**
10 **IN MARICOPA COUNTY**

11 STATE OF ARIZONA, *EX REL.* KRIS
12 MAYES, Attorney General,

13 Plaintiff,

14 v.

15 REYNOLDS CONSUMER PRODUCTS,
16 INC and REYNOLDS CONSUMER
17 PRODUCTS, LLC,

18 Defendants.

Case No.: CV2025-029649

CONSENT JUDGMENT

(Assigned to Hon. Jennifer Ryan-Touhill)

19
20 The State of Arizona, *ex rel.* Kristin K. Mayes, Attorney General (the “State”), filed a
21 Complaint alleging violations of the Arizona Consumer Fraud Act, A.R.S. §§ 44-1521 to -1534
22 (the “ACFA”), (“the Complaint”) and Reynolds Consumer Products, Inc. and Reynolds
23 Consumer Products, LLC (the “Defendants” or “Reynolds”) have been advised of the right to a
24 trial in this matter and have waived the same. Defendants admit the jurisdiction of this Court over
25 the subject matter and parties, stipulate that this Court may enter the following Findings of Fact,
26 Conclusions of Law, and Order, consents to the entry of this Consent Judgment to compromise
27 and settle claims as set forth in the Complaint in connection with an investigation under the
28 ACFA and not out of any admission of guilt, wrongdoing, violation, or sanction and

1 acknowledges that this Court will retain jurisdiction for the purpose of enforcing this Consent
2 Judgment.

3 **PARTIES**

4 1. The State is authorized to bring this action under the ACFA.

5 2. Defendant Reynolds Consumer Products, Inc. is a publicly traded Delaware
6 corporation with its principal place of business in Lake Forest, Illinois.

7 3. Defendant Reynolds Consumer Products, LLC is a limited liability company
8 organized and existing under the laws of Delaware, with its principal place of business in Lake
9 Forest, Illinois. It is a wholly-owned subsidiary of Reynolds Consumer Products, Inc. and owns
10 the “Hefty” trademark.

11 4. All events, acts and practices described in, and relevant to, this Consent Judgment
12 took place in Arizona.

13 5. This Court has jurisdiction over the Complaint and the parties necessary for the
14 Court to enter this Consent Judgment and any orders hereafter appropriate pursuant to
15 A.R.S. § 44-1528 and this Consent Judgment.

16 6. Venue is proper in Maricopa County pursuant to A.R.S. § 12-401.

17 **FINDINGS OF FACT**

18 7. Reynolds sells Hefty-branded plastic bags through online commerce, big box
19 retailers, and grocery stores located in Arizona and throughout the country.

20 8. Among these bags, Reynolds sells Hefty bags that are transparent blue or clear.

21 9. These transparent blue and clear bags are generally and not currently recyclable in
22 Arizona’s municipal recycling programs or material recovery facilities (“MRFs”).

23 10. While a small handful of MRFs in Arizona allow shredded paper to be bagged in
24 clear bags, Arizona MRFs do not currently allow Reynolds’ blue and clear bags to be used in
25 conjunction with mixed curbside pickup.

26 **Original Recycling Bag Packaging (2019 to 2022)**

27 11. Since at least 2019, Defendant Reynolds has sold Hefty transparent blue and clear
28 bags in 13- and 30-gallon options. These bags were labeled “RECYCLING.”

1 Where Applicable,” “Designed to Handle All Types of Recyclables,” “Transparent for Quick
2 Sorting and Curbside Identification. Following these claims, at the bottom of the bullet-pointed
3 list, Reynolds disclosed “These bags are not recyclable.”

4 20. The court in *State of Connecticut v. Reynolds Consumer Products, Inc.* granted
5 summary judgment to Reynolds on the State of Connecticut’s claims of willfulness, finding no
6 evidence in the record that Reynolds’ actions were willfully unfair or deceptive. The Connecticut
7 Attorney General’s lawsuit is still pending before a Connecticut court and is not resolved.

8 21. Despite the redesigned packaging and additional disclaimers, the state filed the
9 Complaint alleging Reynolds packaging and website were still misleading and deceptive because
10 Reynolds implied that the bags were recyclable, particularly due to the bags still being called
11 “RECYCLING” bags.

12 2024 Redesign (2024 to Present)

13 22. In 2024, Reynolds redesigned the packaging once again after it entered into a
14 consent judgment with the Minnesota Attorney General’s Office regarding Reynolds’ recycling
15 claims under the Minnesota’s False Statement in Advertising Act, Prevention of Consumer Fraud
16 Act, Deceptive Trade Practices Act, and Deceptive Environmental Marketing Claims Act.

17 23. The 2024 rebrand replaced the word “RECYCLING” on the packaging with
18 “CLEAR” or “BLUE,” depending on the color of the bag.

19 24. The front of the third version of the packaging includes the same image of the bags
20 recyclable contents used in previous packaging.

21 25. The back of the packaging now includes the following language in three checked
22 bullet-points: “Developed for use in participating municipal programs only,” “Transparent for
23 quick and easy sorting,” and “These bags are not recyclable.”

24 26. At the time the Complaint was filed in this instant lawsuit, the Defendants’
25 webpage for the “Clear” and “Blue” bags showed a consumer with a bag of empty recyclable
26 bottles, placing the bag on the curb next to a collection bin which were the same images that had
27 appeared on the webpage for the original “Recycling” bag. As of the date of this Consent
28 Judgment, the “Clear” and “Blue” bags no longer appear on the Hefty website.

1 majority of municipalities within the State actually accept the bags for recycling
2 within their recycling programs.

3 c. Defendants shall follow all applicable rules, statutes, guidelines, agency
4 instructions, practice manuals, and the FTC Green Guides related to environmental
5 marketing claims.

6 d. To the extent Defendants include the transparent blue and/or clear bags on its Hefty
7 website, Defendants shall include language to educate consumers about the limited
8 availability of bagged recyclable pick up, and shall notify consumers that the Hefty
9 blue and clear transparent bags should be used in participating municipal programs
10 only.

11 e. Defendants shall redesign the packaging for the Hefty transparent blue and clear
12 bags to update the image of bags on the packaging as set forth in Attachment A to
13 this Consent Judgment. It is estimated Defendants will expend at least \$80,000 and
14 take approximately eighteen months to implement this packaging redesign
15 nationwide. Defendants shall use this redesigned packaging nationwide for all new
16 transparent blue and clear bags until the bags are accepted for recycling at a
17 substantial majority of the recycling facilities within the State of Arizona.
18 Defendants shall have no obligation to recall or remove any existing product for
19 sale in Arizona nor shall defendants be obligated to contact any third party sellers
20 or websites.

21 **Payment Terms**

22 33. Pursuant to A.R.S. § 44-1528(A)(2), Defendants are jointly and severally liable and
23 obligated to pay to the Attorney General the amount of \$30,000 in consumer restitution due no
24 later than ten days after the entry of this Consent Judgment, to be deposited into the Consumer
25 Restitution and Remediation Revolving Fund, pursuant to A.R.S. § 44-1531.02(B). The State
26 will have sole discretion as to how and when restitution funds are distributed to consumers and
27 the eligibility of any consumer to receive restitution. In the event that any portion of the restitution
28 ordered herein is not distributed to eligible consumers, such portion will be deposited by the

1 Attorney General's Office into the Consumer Protection-Consumer Fraud Revolving Fund,
2 pursuant to A.R.S. § 44-1531.02(B), and used for the purposes specified in A.R.S. § 44-1531.01.

3 34. Defendants are jointly and severally liable and obligated to pay to the Attorney
4 General the amount of \$157,000 as a payment to the State due no later than ten days after the
5 entry of this Consent Judgment, to be deposited into the Consumer Protection-Consumer Fraud
6 Revolving Fund pursuant to A.R.S. § 44-1531.01, and used for the purposes set forth therein.

7 35. Pursuant to A.R.S. § 44-1534, Defendants are jointly and severally liable and
8 obligated to pay to the Attorney General the amount of \$25,000 in attorneys' fees and costs due
9 no later than ten days after the entry of this Consent Judgment, to be deposited into the Consumer
10 Protection-Consumer Fraud Revolving Fund pursuant to A.R.S. § 44-1531.01, and used for the
11 purposes set forth therein.

12 36. The payments required herein must be paid by wire transfer according to
13 instructions supplied by the State, or by cashier's checks or money orders made payable to "The
14 State of Arizona," and must be delivered, or mailed and postmarked, to:

15 Consumer Protection and Advocacy Section
16 The Office of the Arizona Attorney General
17 2005 North Central Avenue
18 Phoenix, Arizona 85004-1592

19 37. In the event of a material breach of this Consent Judgment, in addition to all other
20 remedies available under Arizona law and the penalties specifically provided under
21 A.R.S. § 44-1532, the State may, in its sole discretion, reopen proceedings and continue with this
22 case as though this Consent Judgment had not been entered, provided that Defendants will be
23 entitled to an offset for any amount actually paid to the State.

24 **Release**

25 38. The parties acknowledge by the execution hereof that this Consent Judgment
26 constitutes a complete settlement of the allegations contained in this Consent Judgment, and the
27 State agrees not to institute any civil action against the Defendants or their employees or agents
28 for the violations of the ACFA described in the Complaint and/or this Consent Judgment.
Notwithstanding the foregoing, the State may institute an action or proceeding to enforce the

1 terms and provisions of this Consent Judgment, take action based on future conduct by
2 Defendants, take action based on past conduct not specified in this Consent Judgment, and/or
3 institute an action or proceeding to prevent the discharge of any debt acquired through this
4 Consent judgment.

5 **General Provisions**

6 39. Nothing in this Consent Judgment will be construed as an approval by the Attorney
7 General, the Court, the State of Arizona, or any agency thereof of Defendants' past, present, or
8 future conduct. Defendants must not represent or imply that the Attorney General, the Court, the
9 State of Arizona, or any agency thereof has approved or approves of any of Defendants' actions
10 or any of Defendants' past, present or future business practices.

11 40. This Consent Judgment represents the entire agreement between the parties, and
12 there are no representations, agreements, arrangements, or understandings, oral or written,
13 between the parties relating to the subject matter of this Consent Judgment which are not fully
14 expressed herein or attached hereto.

15 41. If any portion of this Consent Judgment is held invalid by operation of law, the
16 remaining terms thereof will not be affected and will remain in full force and effect.

17 42. Jurisdiction is retained by this Court for the purpose of entertaining an application
18 by the State for the enforcement of this Consent Judgment.

19 43. This Consent Judgment is the result of a compromise between the parties. Only the
20 State may seek enforcement of this Consent Judgment. Nothing herein is intended to create a
21 private right of action by other parties.

22 44. This Consent Judgment does not limit the rights of any private party to pursue any
23 remedies allowed by law.

24 45. The effective date of this Consent Judgment is the date that it is entered by the
25 Court.

26 46. This Consent Judgment may be executed by the parties in counterparts and be
27 delivered by facsimile or electronic transmission, or a copy thereof, such constituting an original
28 counterpart hereof, all of which together will constitute one and the same document.

1 **CONSENT TO JUDGMENT**

2 1. Defendants acknowledge that they have read the Findings of Fact, Conclusions of
3 Law, and Order, and are aware of their right to a trial in this matter and have waived the same.

4 2. Defendants admit the jurisdiction of this Court, and consent to the entry of the
5 foregoing Findings of Fact, Conclusions of Law, and Order.

6 3. Defendants state that no promise of any kind or nature whatsoever was made to
7 induce them to enter into this Consent Judgment and declare that they have entered into this
8 Consent Judgment voluntarily.

9 4. This Consent Judgment is entered as a result of a compromise between the parties.
10 Only the State may seek enforcement of this Consent Judgment. Nothing herein is intended to
11 create a private right of action by other parties; however, this Consent Judgment does not limit
12 the rights of any private party to pursue any remedies allowed by law.

13 5. Defendants acknowledge that their acceptance of this Consent Judgment is for the
14 purpose of settling the ongoing consumer fraud lawsuit filed by the State, and further
15 acknowledge that this Consent Judgment does not preclude any agency or officer of this State or
16 subdivision thereof from instituting other civil or criminal proceedings as may be appropriate.

17 6. This Consent to Judgment may be executed in counterparts and be delivered by
18 facsimile or electronic transmission, or a copy thereof, such constituting an original counterpart
19 hereof, all of which together will constitute one and the same document.

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7. Defendants represent and warrant that the person signing below on their behalf is duly appointed and authorized to do so.

DATED this 13th day of February, 2026.

**REYNOLDS CONSUMER PRODUCTS,
INC and REYNOLDS CONSUMER
PRODUCTS, LLC**

Signature:	Signed by: <i>Jill Barnett</i> <small>ECC7516B6DA64BE...</small>
Name:	Jill Barnett
Title:	Chief Legal Officer
Date:	2/11/2026

APPROVED AS TO FORM AND CONTENT:

KRISTIN K. MAYES
Attorney General

SNELL AND WILMER L.L.P.

By: 

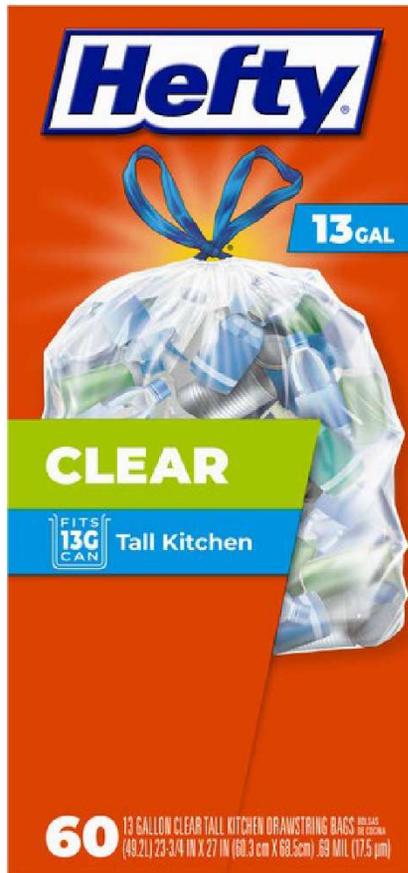
 Dylan Jones
 Assistant Attorney General
 Attorneys for the State of Arizona



 Brett W. Johnson
 Joseph Kanefield
 Attorneys for Defendants

Attachment A

Clear Carton



CHANGES MADE

- Removed contents from bag
- Replaced green colored banner with light blue
- Added "These Bags Are Not Recyclable"

Blue Carton



CHANGES MADE

- Removed contents from bag
- Replaced green colored banner with light blue
- Added "These Bags Are Not Recyclable"