

PAUSE SB 54 (Allen-2022)



**American
Forest & Paper
Association**



CONSUMER
BRANDS
ASSOCIATION



**DAIRY INSTITUTE
OF CALIFORNIA**



CALIFORNIA
GROCERS
ASSOCIATION



**CALIFORNIANS FOR
AFFORDABLE PACKAGING**



CALIFORNIA
RESTAURANT
ASSOCIATION



WESTERN GROWERS
FAMILY OF COMPANIES



GROWER-SHIPPER
ASSOCIATION
of Central California
Since 1939

CALIFORNIA
STRAWBERRY
COMMISSION



California
**CITRUS
MUTUAL**



California
Food Producers

nga NATIONAL
GROCERS
ASSOCIATION



american cleaning institute®
www.cleaninginstitute.org



WINE
INSTITUTE



Consumer Technology Association, producer of CES®



PLASTICS
INDUSTRY ASSOCIATION



Print
Creative
Alliance

united ag



National Confectioners Association
Always A Treat



OLIVE GROWERS
COUNCIL
OF CALIFORNIA



California
WALNUTS



OLIVE OIL
COMMISSION
OF CALIFORNIA



GRAPES FROM
CALIFORNIA



AMERICAN
PISTACHIO GROWERS



California Rice
It's in our Nature



CALIFORNIA
FRESH FRUIT
ASSOCIATION



CALIFORNIA
APPLE
COMMISSION



AFRICAN AMERICAN
FARMERS
OF CALIFORNIA



CALIFORNIA
Blueberry
COMMISSION



NFL
NISEI FARMERS
LEAGUE



CALIFORNIA
ASSOCIATION
OF WHEAT GROWERS



Agricultural Council
of California



Association of California
Egg Farmers

NAIMA

NORTH AMERICAN INSULATION
MANUFACTURERS ASSOCIATION



CALIFORNIA
COTTON
GINNERS AND
GROWERS
ASSOCIATION

California Seed
Association



ASPHALT ROOFING®
MANUFACTURERS ASSOCIATION

PIMA
POLYISOCYANURATE INSULATION
MANUFACTURERS ASSOCIATION



CALIFORNIA STATE
FLORAL ASSOCIATION

PRINTING **UNITED
ALLIANCE**

CALIFORNIA
dates



PAPA
PACIFIC EGG & POULTRY ASSN
Industry's Voice of the West



CALIFORNIA
BEAN SHIPPERS
ASSOCIATION



California Pear Growers Association

ILMA

Independent Lubricant Manufacturers Association

PAUSE SB 54 (Allen-2022)



August 11, 2026

TO: Members of the California Legislature

RE: PAUSE SB 54 (Allen-2022) BEFORE LEGISLATURE ADJOURNS ON AUGUST 31ST

We are the California businesses and workers who must implement and pay for SB 54 (Allen, Chapter 75, Statutes of 2022): the farmers, dairies, food and beverage producers, manufacturers, grocers, retailers, restaurants and their union workforces. We are asking you to pause SB 54 before you adjourn and return next session to substantially repair the program so California can actually achieve recycling mandates without making affordability worse for Californians. This is why:

In June of 2026, the real cost impacts were released publicly.

- **\$2 billion** in fees the first year. **Early invoices go out this month. Larger invoices in January.**
- **\$17.2 billion** in fees over the next five years, with a trajectory to **increase**.
- **\$78 billion** in compliance costs over five years — **3.5 times** what CalRecycle projected and what was disclosed to the Legislature.
- Up to **\$1,000 per family per year** in higher consumer good prices, including food, **starting in the fall**.

The program administrator, Circular Action Alliance (CAA), says it cannot meet the mandates of SB 54. California pays \$78 billion and misses the targets anyway.

CAA's own program plan seeks exemptions from \$50,000 per day, per violation for **56 packaging categories** and concedes the statutory mandates can not be met. This is because the statute itself has mandates and timelines in law that are now illuminated as not possible under the statutory construction of the law. No one voted for that.

The Legislature needs to **PAUSE** SB 54's implementation and prevent these cost increases from hitting consumers. The mandates and timelines are statutorily embedded. ONLY the Legislature

can fix this problem. We urge you to take the time to repair SB 54 and build a program that can actually achieve sustainability goals in a cost-effective manner for all Californians.

Failing to Act Costs California Everything. Not acting results in a regressive, **up to \$1000 per year grocery/retail, tax on every California family**. Not acting costs **\$2 billion this year starting August 2026 and increases to up to \$2.7 billion in the 2nd year, \$3.3 billion in the 3rd year, \$4.2 billion in the 4th year, and \$5 billion in the 5th -- a total up to \$17.2 billion in just fees**. This is not new liabilities. This is not penalties. This is not even the cost on producers to change packaging, assembly lines and do R&D. Those **bring the total to \$78 billion in compliance costs on California businesses** — all for a program that ***will not achieve SB 54 mandates embedded in statute.***

We respectfully ask the legislature to protect California families, businesses and workers, already hyper-sensitive to affordability issues, by acting this session to pause the program and come back next session to substantially repair it.

Californians for Affordable Packaging
American Forest and Paper Association
Teamsters California
Forest Products Industry Labor Management Committee
Pulp & Paperworkers' Resource Council
International Association of Machinists & Aerospace Workers
AG Container Recycling Council
Consumer Brands Association
Dairy Institute of California
Consumer Technology Association
California League of Food Producers
Ameripen
Western Growers Association
Print Creative Alliance
California Rice Commission
UnitedAg
Agricultural Council of California
Asphalt Roofing Manufacturers Association (ARMA)
American Cleaning Institute
Association of California Egg Farmers
American Frozen Food Institute
California Association of Wheat Growers
California Bean Shippers Association
California Cannabis Operators Association
California Citrus Mutual
California Date Commission
California Grain and Feed Association
California Pear Growers Association
California Restaurant Association
California Seed Association
California State Floral Association

California Strawberry Commission
California Walnut Commission
California Table Grape Commission
California Fresh Fruit Association
African American Farmers of California
International Dairy Foods Association (IDFA)
Independent Lubricant Manufacturers
Coalition for Protein Packaging
Flexible Packaging Association
Western Tree Nut Association
Nisei Farmers League
Grower-Shipper Association of Central California
California Cotton Ginners and Growers Association
Polyisocyanurate Insulation Manufacturers Association
American Pistachio Growers
California Grocers Association
California Apple Commission
California Blueberry Commission
Olive Growers Council of California
Olive Oil Commission of California
Pacific Egg & Poultry Association
SNAC International
National Confectioners Association
National Grocers Association
North American Insulation Manufacturers Association
Printing United Alliance
Plumbing Manufacturers International
Wine Institute