

FLOOR ALERT

OPPOSE UNLESS AMENDED SB 54 (ALLEN) & AB 1080 (GONZALEZ)

The above listed organizations must regretfully oppose SB 54 (Allen) and AB 1080 (Gonzalez), unless they are amended to address our specific concerns. Our organizations represent local and regional farms, dairies and ranches that are proud to provide a significant amount of the Nation's fresh produce, dairy and livestock products. While we support the goal to increase recycling and appreciate the authors' acknowledgements of our concerns through some minor modifications of existing language, the remainder of the bills present unique, serious concerns for the ability of California agriculture to produce fresh fruits, vegetables, dairy, and protein. Therefore, we must remain opposed with concerns that these bills will compromise food safety, increase food costs for consumers and, ultimately, lead to greater food waste.

The COVID-19 pandemic has forced all Californians, producers and consumers alike, to evaluate the importance of public health, especially within our food system and importance of domestic food production, especially in the State of California. While the crisis has challenged the bounds of the food system's capacity, it has also demonstrated that it is most secure when grounded in flexibility and safety.

While AB 1080/SB 54 has been amended to reflect some of the impacts to address our concerns, the other numerous new amendments create serious issues for agriculture.

- <u>These bills do not exempt all farmers.</u> While AB 1080/SB 54 exempt farmers that field pack their commodities from the definition of "producer," many farmers do not pack their fresh produce in the field, but rather transport it to packing houses or coolers before they're finally packaged for wholesale or retail; this trend will likely continue or increase given the potential future role of automation and machine-assisted harvesting in response to ongoing harvesting shortages, advances in workplace ergonomics, and other business challenges. Because most of the packaging materials are purchased from another state or country, a farmer, in this circumstance, will be considered a producer in this bill. Even if field packing is occurring, California farms' production is often not at a scale that they can negotiate with packaging manufacturers on the price of the materials and under these bills, will once again at the financial mercy of another out-of-state entity. The bill must be amended to clearly exempt the different production factors leading to ongoing food production sovereignty in the State of California.
- <u>Federal law, rules, guidelines:</u> Regulations promulgated by CalRecycle may not "directly" contradict existing federal standards, they would most certainly be counter to the spirit and intent of federal law, leaving California farmers with little to no recourse to object to such governmental overreach. Therefore, we request the qualifier "direct" be removed, since both direct and indirect conflicts can undermine the ability of agriculture to continue in California
- <u>Attorney fees awarded in civil actions against stewardship organizations.</u> Not only is this redundant of existing civil law and procedures, it will most assuredly be used as de facto threats from waste haulers to any stewardship organization that doesn't choose to use their existing systems for waste management. This is not a reasonable condition to impose.
- <u>Stewardship organizations</u>: The manner in which the stewardship organizations are created and governed (i.e. requiring approval by local government, the use of the existing waste hauling provisions and the ability of all actions, even those approved, to be appealable to the Panel) is drafted in a manner that makes it near impossible to cost-effectively collect packaging. This will leave farmers who choose to create a stewardship organization, to once again be "price takers" and at the behest of waste haulers' handlers, whom are desperate to increase their funding to support their diminishing financial viability.

While Western Growers Association and the California Farm Bureau Federation appreciate the discussion with the authors on the complexities of food production and distribution, until our concerns are satisfied, we must remain opposed to AB 1080 and SB 54 to protect the future of agriculture in the State of California.