



TEAMSTERS
CALIFORNIA



Date: August 19, 2026

To: Senate Pro Tempore Monique Limon
Assembly Speaker Robert Rivas
From: Teamsters California
UFCW Western States Council
Re: Urgent Request to Pause Implementation of SB 54 (Allen, 2022) and Reimagine the
Producer Responsibility Program

Dear Senate Pro Tempore Limon and Speaker Rivas,

Teamsters California and the UFCW Western States Council urge the Legislature to act immediately to pause the implementation of SB 54's Producer Responsibility Program and support a significant reimagining of the program before lasting damage is done to California's food supply chain, its workers, and its consumers.

Between our unions, we represent hundreds of thousands of workers in the grocery, waste hauling, food distribution, dairy, agriculture, alcoholic beverage supply chain, and cannabis industries. In response to the finalization of SB 54 regulations and Producer Responsibility Organization's draft plan and fee schedule are public, we have heard from virtually every employer category that the program as structured is unworkable.

We've heard the following strong concerns, and expect to hear more as our employers begin to better understand what SB 54 compliance looks like:

- Costs are magnitudes higher than projected. CalRecycle's own Standardized Regulatory Impact Assessment (SRIA) estimated \$21 billion in total implementation costs, with large producers paying roughly \$406,504 annually, while small producers would pay \$155. Those numbers are wildly inaccurate and substantially underestimate the costs of the program. CalRecycle's third-party Needs Assessment found the source-reduction mandate alone will cost \$15.4 billion, which was triple the SRIA estimate. Actual fee schedules are magnitudes higher with no path to achieving the mandates. These costs will compress our members' wage growth and lead to higher costs borne to consumers.
- Critical packaging is being phased out that workers and businesses rely on, threatening spoilage, food and worker safety, and the long-haul trucking and grocery distribution jobs that move fresh food to market.
- Grocery prices will bear the cost. Producer fee bills begin arriving in August 2026, with supply-chain-wide price increases expected by September and October — hitting the 8.8 million Californians already facing food insecurity hardest.

- The SB 54 PRO plan shows that the mandates of SB 54 are not achievable, even with \$17 billion in fees for just the first 5 years of the program.

Our members grow, process, deliver and sell the food and products California and the nation depend on. Continued implementation of SB 54 in its current form threatens our jobs, threatens the survival of the employers who employ them, and threatens affordability for every Californian family.

Getting this program right matters more than getting it done fast. We urge the Legislature to pause implementation of SB 54 for a full two-year session and enact a genuine reimagining of SB 54 that achieves its environmental goals without compromising good union jobs and the food supply chain that sustains this state. The state has the power to fix this, but timing is urgent and the Legislature must act decisively.

Sincerely,



Matt Broad
Legislative Advocate
Teamsters California



Mark Ramos
President
UFCW Western States Council

cc: Governor Gavin Newsom
Secretary Zoe Heller, CalRecycle