



1111 19th Street NW > Suite 402 > Washington, DC 20036
t 202.872.5955 f 202.872.9354 www.aham.org

June 28, 2022

The Honorable Luz M. Rivas
Chair
California State Assembly
Committee on Natural Resources
1021 O Street, Suite 6140
Sacramento, CA 95814

The Honorable Heath Flora
Vice Chair
California State Assembly
Committee on Natural Resources
1021 O Street, Suite 4730
Sacramento, CA 95814

re: Plastic Pollution Prevention and Packaging Producer Responsibility Act (SB 54) - OPPOSE

Dear Chair Rivas and Vice Chair Flora:

The Association of Home Appliance Manufacturers (AHAM) appreciates the opportunity to provide our views on the Plastic Pollution Prevention and Packaging Producer Responsibility Act (SB 54). AHAM has a long history of supporting single-use plastic packaging waste solutions that are effective and cost efficient, including supporting SB 54 last session, supporting the ballot initiative (California Recycling and Plastic Pollution Reduction Act), and supporting an effective bill in Hawaii this year. Given this strong history of being proactive and willing to support (not just go neutral) on effective single-use plastic packaging solutions, we oppose this version of SB 54, which is literally 20-30 times more expensive and much less effective than the ballot initiative.

Prices for everything will rise under SB 54 vs. only 1¢ for some products under the ballot initiative

SB 54 will create a producer fee for virtually everything a consumer buys, while the ballot initiative will add just a penny for single-use plastic packaging only. In other words, if someone goes into a 7-Eleven store, under SB 54, a fee would be charged for virtually every single product in that store. Under the ballot initiative, only a penny would be charged for single-use plastic packaging. A tailored approach, focusing on plastics, would allow the consumer to make a decision between purchasing a snack in paper packaging or one in plastic packaging, where an additional fee was charged only for the plastic packaging. The ballot initiative gives producers a strong incentive to not use single-use plastic while still giving the consumer freedom to choose to buy products with or without a fee. This is a much more effective and cheaper solution – a penny-per-piece fee that can be avoided or add dollars per device for every product purchased. In today's environment, where choice is being taken away from the consumer and the cost of consumer food staples and other goods is increasing dramatically, the ballot solution is simple and should be left in the hands of California's residents.

SB 54 implements a statewide extended producer responsibility policy, or EPR. This policy sounds reasonable on paper, but as you delve into the details, it becomes apparent the approach is far more likely to create higher costs for consumers and administrative burdens for manufacturers than it is to increase recycling or accomplish its ultimate goal of reducing waste.

The experience with EPR programs in Canada has taught us that EPR programs charging a fee for every type of packaging materials, including something as environmentally friendly as straw, do not reduce plastic waste. But they do require manufacturers to take on ever-increasing costly, complex administrative burdens that, at best, funds the status quo. If California bases their bill on the failed Canadian model, which SB 54 would do regardless of the changes around the edges, then California should expect similar expensive and underwhelming results.

In Ontario, for example, where a similar EPR policy has been in effect for years, the fees manufacturers and others must pay under EPR have more than tripled over 15 years. While the fees skyrocketed, the waste recovery rate fell by nearly eight percent over eight years. In addition, the collection rate of packaging material indicates that more, not less, plastic packaging is now being used. Targets are created and then not achieved.

Home appliance manufacturers were the first industry to join environmental advocates in support of the ballot initiative. It is a creative, groundbreaking solution that is simple, effective and cost efficient way to reduce single-use plastic waste. We would have eagerly supported a better legislative solution, but SB 54, unfortunately, is not that.

AHAM appreciates the opportunity to provide comments on SB 54 and strongly urges the Natural Resources Committee to oppose the bill. I would welcome the opportunity to discuss our views in more detail (kmessner@aham.org).

Sincerely,



Kevin Messner
Senior VP, Policy & Government Relations