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Farmers, Grocers, Food Packaging and Supply-Chain Groups Amplify Legal Challenge of California Packaging Law

21 organizations allege key aspects of SB54 are unconstitutional and could drive up food costs for California families

SACRAMENTO, Calif.,— Led by the California League of Food Producers, a group of 21 organizations today sought leave to amend its federal lawsuit to challenge specific provisions of California’s SB 54 packaging law on constitutional grounds.

Filed in the U.S. District Court for the Southern District of California, the proposed amended complaint alleges violations of the First Amendment’s Free Speech Clause and the Fourteenth Amendment’s Due Process and Equal Protection Clauses, while raising concerns about billions of dollars in new costs that could ultimately be passed on to California families. The filing challenges provisions that prohibit businesses from separately disclosing SB 54 fees to customers, as well as the law’s reliance on the same definition of “recyclable” used under SB 343. In July, the same court granted a preliminary injunction blocking enforcement of SB 343, finding that four provisions defining “recyclable” are likely void for vagueness and that its speech restrictions are likely unconstitutional.

“Food packaging is essential to keeping food safe, fresh and available to families,” said Trudi Hughes, president & CEO of the California League of Food Producers. “Food packaging must meet strict state and federal safety requirements and safely changing materials takes time, testing and significant investment. SB 54 fails to account for that reality, and when the state changes what qualifies as recyclable, food producers will have to repeat that process and create new costs. Those added costs come at a difficult time for our state, when one in four California adults is experiencing food insecurity.”

Significant costs are already coming into focus as the program moves toward implementation. The first five-year program plan includes a preliminary budget of \$9.4 billion to \$17.2 billion, while acknowledging much of the system cannot currently meet the law's targets. An independent economic analysis commissioned by Californians for Affordable Packaging estimates the total cost of implementing SB 54 could reach \$56 billion to \$78 billion through 2031-32, potentially costing the average California household \$683 to \$948 annually and more than \$1,300 annually through the implementation period.

SB 54 requires companies that make or sell packaged products to fund California's recycling system and meet a series of packaging and recycling targets by 2032, including making all covered packaging recyclable or compostable. Petitioners argue the state lacks the recycling capacity, viable packaging alternatives and cost controls needed to meet those requirements.

"Californians should not have to choose between protecting the environment and keeping everyday necessities affordable," said Julie Landry, vice president of government affairs for the American Forest & Paper Association. "We support reducing packaging waste and building a stronger recycling system, but state law must provide a realistic way to get there. Families and businesses should not be asked to shoulder billions of dollars in new costs without confidence that the program can meet its goals or that those dollars will actually improve recycling."

Official statements for attribution from the plaintiffs in the case can be found on the plaintiffs' individual websites and on the CAP website:

<https://caaffordablepackaging.org/pressreleases/>

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