Assembly Floor Alert: AB 2026 (Friedman) – VOTE NO

AB 2026 would ban critical packaging used by retailers and manufacturers to ship products and protect sensitive equipment such as electronics, heating and air conditioning units, and appliances like washing machines, refrigerators and other durable goods during transport. The bill negatively impacts large and small retailers, in-state manufacturers of these packaging materials, and consumers while also failing to address unintended but significant environmental impacts. And the most recent Author amends *strike-out* the only industry take-back mandates. _AB 2026 is substantially similar to legislation that failed on the Assembly floor in 2021 and we urge you to again reject this measure_.

Coalition Offered Amendments to Create Industry-Paid for Circular Economy Recycling Program
As an alternative, the industry coalition has proposed amendments that would:
- ✓ Set rigorous recycling rate requirements for these packaging materials.
- ✓ Mandate the use of recycled plastic in new packaging to ensure end-use markets exist.
- ✓ Require industry funding to develop necessary recycling infrastructure to collect & process materials; &
- ✓ Impose fines for violations from $10,000 per violation to $50,000 per violation for repeat violators.

After more than three weeks since presenting our proposal to the author's office, there has been no response.

Limiting Packaging Options Results in More Damaged Products and Worse Environmental Outcomes
Manufacturers and retailers need packaging options to ensure the products they ship arrive unbroken. Some products require a higher level of protection that only certain packaging like expanded polystyrene can provide. Without material options, breakage rates are likely to increase. The e-commerce packaging banned under this bill is the lightest, most effective and resource efficient packaging material available. Efficient packaging means *less fuel* to move products or reship them, *less raw input* to make packaging and remake broken products, and *less water, energy and greenhouse gas emissions* associated with the manufacture, use, transportation and end-of-life management of the material.

Increased Breakage Results in Significant Environmental Impacts
The environmental impact from making a product far exceeds the input from the packaging. On average, 10% of e-commerce packages arrive damaged or otherwise returned. UPS and FedEx ship approximately 8.6 billion packages annually. A 10% damage/return rate results in 860 million reships which means more products to landfill, more fuels used to transport packages and more resources needed to reproduce the same product and make additional packaging materials to reship them. Packaging engineers select materials to minimize product damage and maximize efficient use of all resources. Removing options by way of a material ban will result in increased product damage during shipping and increase the overall environmental impact from e-commerce.

Bans Will Worsen Supply Chain Crisis
Packaging plays a crucial role in the product's supply chain. Existing shortages of packaging materials will be exacerbated if AB 2026's ban on critically important packaging were to be made law. Rising inflation coupled with worsening supply chains raise costs across the California economy on all business and consumers. It does not have to be this way. The CA Legislature is currently focused on policies that create circular economies that protect both the environment and economy for all of the material banned under this bill and more. AB 2026 fails to consider these important environmental and economic impacts with a "Ban it" approach.

The following organizations urge you to **vote NO on AB 2026**!

UNBOXING THE IMPACT OF DAMAGED PRODUCTS

Breaking Down the Environmental Impact of the Protective Packaging Decisions We Make

THE TELLING TOLL OF DAMAGES

Reships and damaged products affect more than your customers and bottom line – they also create massive environmental strain in four prominent areas:

LANDFILL SPACE
5B POUNDS

of returned eCommerce items (mostly due to damage or open boxes) end up in landfills annually

FOSSIL FUEL
55K METRIC TONS

The US eCommerce sector generates about 55,000 metric tons of CO_2 per day from shipping

WAREHOUSE INFRASTRUCTURE
3X CENTRAL PARK

Damages have a net impact of consuming space about 3x the size of Central Park annually

PACKAGING MATERIAL
5.7MM TREES

Cardboard packages shipped in the US each year equates to more than 5.7MM trees

1 in 10
DAMAGED PACKAGES

On average, 10% of eCommerce packages arrive damaged

860M
RESHIPS

8.6B parcels x 10% damage rate = 860M reships

8.6 BILLION UPS and FedEx combined will ship 8.6B packages annually

WHEN A PRODUCT IS DAMAGED IN TRANSIT, IT COMES AT A COST

MULTIPLE
ENVIRONMENTAL CONSEQUENCES

ONE
DAMAGED PARCEL

- **1.7 gal** of fuel consumed
- **0.13 ft^2** of natural habitat lost
- **1,697** british thermal units of heat produced
- **10 lbs** of solid waste in landfills
- **0.8 kWh** kilowatt hours of electricity
- **0.01 lbs** of methane gas emissions
- **0.01 trees**
- **40.4 lbs** of carbon dioxide gas emissions

FOUR WAYS TO MAKE AN IMPACT ON CUSTOMERS, NOT THE ENVIRONMENT

1 Properly protect your products using the latest materials and technologies

2 Whenever possible, use recyclable packaging

3 Instruct customers on how to properly dispose of their packaging materials

4 Develop a strategy on how you can reduce your damage rate and keep it down

PACKAGE WITH THE PLANET IN MIND

While many connect less product damage to improved customer confidence and an improved bottom line, few stop to think about its extraordinary environmental impact. But it's not all doom and gloom. With better protective packaging decisions, damages can be prevented—helping you improve your business, and better serve customers and the world around you.

DOWNLOAD THE WHITEPAPER >>

Learn more about the environmental impact of damages in our whitepaper, Damaged Products, Damaged Planet: Recognizing the True Environmental Impact of Packaging Decisions.

CALCULATE YOUR IMPACT >>

Measure your unique environmental impact with our EcoGauge Calculator.

Pregis