<u>Updates</u>

October 16, 2024

A Greener Holiday Future: California Establishes Nation's First Apparel and Textile Article EPR Program





As the holiday season begins, California is committing to a greener future by introducing the nation's first extended producer responsibility (EPR) program for apparel and textiles.

California's Responsible Textile Recovery Act of 2024 (SB 707), signed into law on September 28, 2024, is intended to divert postconsumer apparel and textile articles from landfills to be (1) reused, repaired, and recycled into secondary products or (2) disposed of in an environmentally safe manner.

Similar to other EPR programs, producers (*i.e.*, manufacturers, brand owners or licensees, and importers/distributors, depending on the exact scenario) of "covered products" must form and join a producer responsibility organization (PRO) and abide by implementing regulations, including annual reporting of covered products that are sold, distributed for sale, imported for sale, or offered for sale in or into California.

Scope of Covered Products

The covered products under this EPR program include apparel and textile articles:

- "Apparel" is defined as "clothing and accessory items intended for regular wear or formal occasions and outdoor activities." This only includes undergarments, shirts, pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves, tops, leggings, school uniforms, leisurewear, athletic wear, sports uniforms, swimwear, formal wear, onesies, bibs, footwear, handbags, backpacks, knitted and woven accessories, jackets, coats, snow pants, ski pants, and everyday uniforms for workwear.
- "Textile article" is defined as "an item customarily used in households or businesses that are made entirely or primarily from a natural, artificial, or synthetic fiber, yarn, or fabric." This only includes blankets, curtains, fabric window coverings, knitted and woven accessories, towels, tapestries, bedding, tablecloths, napkins, linens, and pillows. Single-use products (*e.g.*, paper towels, facial tissues, and wipes) are explicitly excluded.

EPR Timeline

- January 1, 2026: The PRO must submit an application to CalRecycle.
- March 1, 2026: CalRecycle must approve a single PRO that meets the requirements of the law.
- July 1, 2026: All producers of covered products must join the approved PRO.
- March 1, 2027: The initial statewide needs assessment (managed by the PRO) must be submitted to CalRecycle. This needs assessment must be updated every five years or as necessary.
- July 1, 2028: CalRecycle must adopt regulations to implement this law.
- July 1, 2030: The PRO must have a complete plan approved by CalRecycle.
- July 1, 2030 to October 1, 2030: Implementation of the approved PRO plan begins.
- July 1, 2031: The approved PRO plan must be fully implemented.
- March 1, 2032: CalRecycle may establish, review, and adjust performance standards and the dates by which they are required to be achieved based on certain information, including that which is included in the plan and annual reports.
- January 1, 2035: CalRecycle may approve additional PROs.

Producer Requirements

Producers are required to:

- Register with a PRO.
- Have covered products accounted for in the plan.

- Ensure its covered products achieve the performance standards established by the PRO or CalRecycle.
- Pay annual eco-modulation fees.
- Contribute information to the annual report.
- Upon request, provide relevant records within 14 days to CalRecycle.
- Maintain records for five years.

Additional requirements apply to retailers, importers, distributors, and online marketplaces.

Enforcement and Penalties

Compliant producers will be listed publicly on CalRecycle's website. Noncompliant producers' products cannot be sold, distributed, offered for sale, or imported in or into California. In addition, civil penalties may be imposed in the order of \$10,000 per day or, if the violation is intentional or knowing, \$50,000 per day. CalRecycle is directed to review a number of factors when assessing the penalty.

Next Steps

Perkins Coie will continue to monitor and provide updates on this emerging EPR program. Please contact any of the authors of this Update for additional information.

Authors

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