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SB 707: The nation's first EPR law specific to textiles

By Christopher Rendall-Jackson

CalRecycle, the agency overseeing California's recycling and waste management programs, reports that Californians dispose of 1.2 million tons of textiles annually, accounting for 3% of landfilling. California Senate Bill (SB) 707 - the Responsible Textile Recovery Act of 2024 - became law on Sept. 28, 2024, and is the nation's first extended producer responsibility (EPR) law specific to textiles. SB 707 is part of a growing trend of EPR laws across the country that hold producers responsible for product management throughout the product's lifecycle. SB 707's stated purpose is to increase the amount of textiles diverted from landfills, and it will have significant implications for those throughout the supply chain.

"Covered products" under SB 707 are broadly defined and encompass a wide variety of apparel and textile items, such as shirts and dresses, leisurewear and athletic wear, handbags and accessories, bedding, tablecloths, and window coverings.

SB 707 imposes significant obligations on the "producer" of such covered products, who may be the manufacturer or any number of parties downstream of the manufacturer. If there is no in-state manufacturer that is also the brand owner or licensee, the search for an in-state entity continues, starting with any brand owner or licensee; then the California importer; and, finally, the California distributor, wholesaler, or retailer. However, SB 707 specifies that a "producer" does not include those selling only secondhand covered products or with



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less than one million dollars in annual aggregate global revenue.

A producer's obligations include joining an approved producer responsibility organization (PRO) by July 1, 2026, paying fees, reporting annually, and meeting performance standards. Performance standards will be included in the PRO's plan and will likely aim to avoid contamination in the recycling process by perfluoroalkyl and polyfluoroalkyl substances (PFAS) and other chemicals regulated by California laws such as the Safe Drinking Water and Toxic Enforcement Act of 1986 (aka Proposition 65).

SB 707 also imposes enforcement responsibilities on others in the supply chain. By July 2028, certain

online marketplaces used by third-party sellers will need to (1) notify CalRecycle and the PRO of third-party sellers with annual covered product sales over one million dollars, and (2) inform those third-party sellers of their duty to comply with SB 707 and how to join the PRO. By July 2029, CalRecycle will post on its website a list of producers in compliance with SB 707. Businesses will be prohibited from importing, distributing, offering for sale, or selling covered products from a producer not included on the list, unless they themselves fulfill the producer's SB 707 obligations.

The potential penalties for violating SB 707 can be significant. The statute provides for administrative

penalties of up to \$10,000 per day or, for intentional or knowing violations, up to \$50,000 per day. Moreover, providing records to CalRecycle under SB 707 is done under penalty of perjury.

Businesses should be proactive in identifying and addressing the potential impacts of SB 707 and should consider closely monitoring the development of the PRO's plan and CalRecycle's implementing regulations.

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