

## CALIFORNIA ENACTS THE RESPONSIBLE TEXTILE RECOVERY ACT OF 2024

The California *Responsible Textile Recovery Act* (SB 707) establishes a producer responsibility program that applies to **producers of apparel and textile articles sold in California**.

### Key Provisions:

- **Who Must Comply:** Producers are defined as:
  1. The in-state manufacturer, who is also the brand owner or licensee of the brand under which the product is sold.
  2. If no such entity exists in California, the in-state brand owner or exclusive licensee.
  3. If neither applies, the in-state importer into California.
  4. If no other applies, the distributor, retailer, or wholesaler who sells the product in or into the state.
  - Producers with less than \$1 million in annual global turnover and those selling only secondhand covered products are exempt.
- **Covered Products:**
  - *Apparel* is defined as clothing and accessory items including shirts, pants, dresses, jackets, swimwear, sports uniforms, footwear, handbags, backpacks, etc.
  - *Textile articles* are defined as household or business items made primarily from natural, artificial, or synthetic fibers, including blankets, curtains, towels, bedding, linens, pillows, etc.
- **Producer Responsibility Organization (PRO):** A PRO is an entity formed by Producers to collectively manage the recycling, collection, and disposal of end-of-life products. **By January 1, 2026**, Producers must establish or join an existing PRO to manage the collection, recycling, and disposal of covered products in accordance with the guidelines that will be set by that PRO. Full compliance with such guidelines is required **by July 1, 2030**, or earlier, if CalRecycle approves the guidelines before that date.
- **Online Marketplaces:** Platforms must report third-party sellers with over \$1 million in sales.
- **Penalties:** Up to \$10,000 per day, or \$50,000 per day for intentional violations.

We are available to analyze and discuss with you, in collaboration with our counsel in California, the implementation of appropriate compliance measures to satisfy the requirements of SB 707.

### ***Contacting Pavia & Harcourt LLP***

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