

CALIFORNIA'S LANDMARK TEXTILE RECYCLING LAW WITH LOOMING 1 JULY 2026 DEADLINE

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US Policy and Regulatory Alert

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California's SB 707, the Responsible Textile Recovery Act of 2024,¹ marks the first statewide extended producer responsibility program for textiles in the United States. It fundamentally shifts responsibility to companies selling apparel and textile products in California, requiring them to help build and finance a system to collect, reuse, repair, and recycle those materials at end of life.

WHAT IS COVERED

SB 707 casts a wide net, applying to “covered products” that include most apparel and household textiles—such as clothing, footwear, handbags, towels, bedding, pillows, and curtains. While certain categories are excluded (e.g., personal protective equipment, military clothing, mattresses, carpets, electronics, and some window coverings), the scope is broad enough to capture most consumer-facing textile products sold into California. For many companies, this is not a niche requirement, but rather a core compliance obligation that will reach across product lines, supply chains, and reporting systems.

WHO MUST COMPLY

SB 707 applies primarily to “producers,” using a cascading, supply-chain-based definition designed to ensure that someone is always responsible. In general, the producer is the person that manufactures a covered product and owns or licenses the brand or trademark under which the product is sold in California. But if that entity is not in California, responsibility can shift to the brand owner or exclusive licensee, then to the importer, and ultimately to the distributor, retailer, or wholesaler selling the product in California.

A sale is deemed to occur in California if the product is delivered to a consumer in the state, capturing e-commerce and out-of-state sellers.

This structure is intentionally broad and difficult to avoid, meaning companies across the value chain, including importers and retailers, may unexpectedly be pulled into compliance. Limited exemptions apply, including for producers with less than US\$1 million in annual aggregate global turnover or that only sell secondhand goods.

WHAT PRODUCERS WILL NEED TO DO

SB 707 imposes a staged but aggressive compliance timeline, beginning with a threshold requirement that all covered producers join the approved producer responsibility organization (PRO), Landbell USA, by 1 July 2026.

The program then builds toward full implementation through a series of milestones, including:

- A statewide needs assessment (1 March 2027);
- CalRecycle's adoption of implementing regulations (effective no earlier than 1 July 2028);²
- Submission of a comprehensive stewardship plan (within 12 months of the regulations taking effect); and
- Plan approval by CalRecycle (by 1 July 2030).

That stewardship plan must establish a statewide system for collecting, transporting, repairing, sorting, recycling, and safely managing covered products, with free and convenient access for consumers. Once approved, implementation moves quickly, requiring rollout within months and full compliance with performance standards over time, including any additional standards imposed by CalRecycle.

The program will be funded through producer fees tied to product characteristics and end-of-life costs, adding a direct financial dimension to compliance. Producers that fail to comply may face penalties of up to US\$10,000 per day, or up to US\$50,000 per day for knowing violations, once enforcement is triggered.

WHAT ABOUT RETAILERS AND ONLINE MARKETPLACES

Once the program is running, retailers, distributors, importers, and online marketplaces generally may not sell covered products in California unless the producer is listed as compliant by CalRecycle. Online marketplaces must also report certain high-volume third-party sellers and provide those sellers with information about compliance requirements.

WHAT TO DO NOW

SB 707 introduces significant new compliance obligations and costs for companies selling apparel and textile products into California. Although full implementation will take several years, companies should begin preparing now. That preparation should include confirming which products are covered, identifying the responsible “producer” for each brand, reviewing California sales data, preparing to join the approved PRO, updating contracts with suppliers and retailers, engaging with Landbell USA, and advocating for company interests in future CalRecycle rulemaking.

FOOTNOTES

¹ Cal. Pub. Res. Code § 42984 *et seq.*

² CalRecycle will hold a workshop to solicit feedback on regulation concepts related to the requirements in SB 707 on 13 August 2026. Producers and other impacted entities should consider taking advantage of this opportunity to provide data-driven, implementation-focused input that can shape workable compliance pathways and avoid unintended burdens.

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