August 27, 2026

Submitted Electronically to Regulations@CalRecycle.ca.gov and CalRecycle's Public Comment Portal:

Re: August 2026 Textile Stewardship Informal Regulatory Concepts Workshop

To CalRecycle Textiles Team:

The California Retailers Association (CRA) appreciates the opportunity to provide comments following CalRecycle's first informal regulatory concepts workshop covering definitions, online marketplaces and Producer Responsibility (PRO) submittals for the implementation of California's Textiles Stewardship Program created by SB 707 (Newman-2024).

CRA is the only statewide trade association representing all segments of the retail industry including general merchandise, department stores, mass merchandisers, on-line marketplaces, restaurants, convenience stores, supermarkets and grocery stores, chain drug and specialty retail such as auto, vision, jewelry, hardware and home stores. The California Retailers Association works on behalf of California's retail industry, a driving force of California's economy, with over 400,000 retail establishments, an annual gross domestic product of $330 billion and one fourth of California's total employment.

The retail industry is committed to the goals of SB 707, has made investments in sustainable practices and appreciates the opportunity to participate in the rulemaking process for SB 707. The California Retailers Association's President and CEO Rachel Michelin serves on the board of Landbell, the Producer Responsibility Organization (PRO) selected by CalRecycle to manage the Textiles Stewardship Program California furthering the retail industry's commitment to moving towards a circular economy. Retailers are deeply invested in ensuring this groundbreaking stewardship program for creating a more circular economy for textiles is successful both for producers, local governments, recycling, reuse and repair service providers and, most importantly, consumers.

Below, CRA summarizes our comments on the informal regulatory concepts workshop covering Parts 1 Definitions, Part 2 Online Marketplaces and Part 3 PRO submittals for California's Textiles Stewardship Program. CRA again appreciates the opportunity to provide feedback to CalRecycle as rulemaking begins for this landmark program. We look forward to ongoing dialogue, and we are happy to make our subject matter experts available to answer specific questions or provide additional information that may be useful as CalRecycle moves through rulemaking for SB 707.

Specific Comments on Regulatory Concepts

Part 1, Topic 1: Covered Products; Item 1. "Fabric"

Carbon fiber is made using a woven fabric of ultra-thin carbon and then impregnated with resin and compressed to form a rigid structure that is lightweight and durable.

Practical example: luggage. Same process as above with less structural materials but has same result and produces an outer shell made of fabric.

Impregnating, covering, or laminating specifically changes the use of the fabric, typically to something more structural and won't likely fit into existing textile recovery pathways. Chemically, fabric gets closer to plastic in those cases.

Additionally, dyeing is a coloration/finishing process, not a structural fabric-making process. Fiber, yarn, and fabric can all be dyed at different stages, so listing "dyed" alongside "woven, knitted, felted" is technically incorrect and could imply that a dyed fiber or yarn becomes "fabric" simply by being colored.

The California Retailers Association recommends removing "dyed" from the fabric-making process list.

Part 1, Topic 1: Covered Products; Item 2. "Yarn"

The definition of 'yarn' should be updated to better reflect material composition. California Retailers Association requests CalRecycle to amend yarn definition to:

> *"Yarn" means a continuous length of interlocked natural or manufactured (including synthetic and man-made) material fibers in a form used or capable of being used for weaving, knitting, crocheting, braiding, felting, webbing, sewing, or otherwise made into a fabric.*

Part 1, Topic 1: Covered Products; Item 3. "Fiber"

Anything domestically manufactured will likely not have a Harmonized Tariff Schedule (HTS) code assigned unless it is being exported.

Additionally, generic fiber names are categories as natural and manufactured. Manufactured fibers can be further categories as synthetic (aka petroleum based) or man-made (aka regenerated cellulosic).

California Retailers Association recommends CalRecycle amend fiber definition to remove term 'artificial':

> *"Fiber" means a natural or manufactured (including synthetic and man-made) material that is capable of being spun, woven, knitted, bonded, entangled, felted, braided, twisted, webbed, or otherwise formed into yarn, fabric, or other textile materials. Fiber is a basic structural element of covered products.*

Part 1, Topic 1: Covered Products; Item 4. "Footwear"

Any definition here should stick strictly to footwear that includes at least 50% fabric as part of the construction. Including footwear entirely made of plastic or rubber, is counter to the proposed working definition of a "textile article".

Footwear and textile articles should not attempt to be collected via the same collection sites. Footwear typically has a longer lifespan. Construction and recycling systems do not yet exist to support the use of these as Post Consumer Waste (PCW) materials. Including them in the same collection and sortation streams as "textile articles" will fundamentally slow progress of textile recycling and result in unnecessary sortation costs on the textile system.

Part 1, Topic 1: Covered Products; Item 4. "Personal Protective Equipment (PPE)"

Though not considered under the definition of PPE, would this covered product also include items such as period underwear? Based on construction and intended use, period underwear is a closer fit to PPE than undergarments, but California Retailers Association needs clarification from CalRecycle.

Part 1, Topic 1: Covered Products; Item 9. "Fabric Window Coverings"

The proposed definition for fabric window coverings is confusing and somewhat contradictory. Roller shades and roll up shades typically both utilize "manually adjusted mechanisms by pulling cords". A clearer delineation is "anything that hangs on a curtain rod" is a covered product and "anything that uses a raising mechanism" is not a covered product.

Part 1, Topic 1: Covered Products Request for Feedback, Question 1 – "How should the department specify the covered product definitions to clearly distinguish covered products from noncovered or excluded products and avoid unintended inclusion or exclusion?"

California Retailers Association recommends CalRecycle exclude incidental components/trim, setting a percentage-of-total-weight threshold for incidental components. A small textile element on an otherwise non-textile product (e.g., a fabric pull-tab, strap, or lining) should not bring the whole product into scope.

Additionally, California Retailers Association believes it would be exceptionally helpful if the members of the PRO were asked to submit their business hierarchies so that CalRecycle gains an understanding of how producers are organizing and classifying their products.

<u>Definitional priority</u>

Definitions should be built, in order, on:

- *Primary intended use of the product*
- *Product category*
- *Predominant material composition*

Coverage should be limited to products expressly identified in statute (apparel, footwear, handbags, backpacks, bedding, towels, linens, curtains, pillows, etc.) and should not be expanded through interpretation.

A workable plain-language framing is textile products purchased by consumers for wear on the body or for use inside the home.

Clear exclusions

- *Toys, plush products, and fabric-based toys*
- *Hard goods with minor textile components*
- *Electronics with textile elements*
- *Costume accessories that function primarily as toys or novelty items*
- *Medical textiles and PPE*
- *Industrial and commercial textiles not intended for consumer end use*
- *Promotional and marketing giveaways, such as branded textile bags distributed at events*

Threshold and edge cases requiring explicit treatment

Several categories cannot be resolved from the statutory list alone. The regulations should address:

- *Textile content threshold — at what percentage of textile content a mixed-material item falls in scope (e.g., plush keychains, purses, cosmetic bags)*
- *Fabric-covered hard goods — whether upholstered furniture and similar items are in scope*
- *Size and component threshold — explicit exclusion of trims and components such as fabric-covered buttons, zippers, and shoelaces*
- *Wearability — whether items attached to, but not worn on, the body (e.g., bag charms) are treated as wearables*
- *Household classification — whether fabric-based toys are captured as household textiles*

CalRecycle should publish exhaustive covered vs. non-covered guidelines with worked product examples and decision trees to support consistent producer interpretation.

Part 1, Topic 1: Covered Products Request for Feedback, Question 2 – "What physical characteristics, material properties, manufacturing processes, functional attributes, or intended uses should be considered to introduce and refine covered product definitions?"

California Retailers Association strongly recommends leaning into current recyclers and circular brands (like ReJU, deBrand, etc.) for how they are classifying products today when they are recycling.

Additionally, please see below:

What should be considered

Intended use:

- *Apparel*
- *Household textile*
- *Fashion accessory*
- *Decorative textile*

Material composition: products made entirely or primarily from textile fibers, yarns, fabrics, knits, nonwovens, or textile composites. Fiber content is the most practical primary determinant, because it is already how most recyclers sort material for end-of-life processing and deconstruction. Aligning the regulatory definition with existing sorting practice will make producer reporting directly usable downstream.

Functional attributes:

- *Worn on the body*
- *Used for household furnishing or household utility*
- *Intended for repeated use*

What should not be considered

Manufacturing processes should not determine whether a product is covered, including:

- *Knit vs. woven construction as a coverage trigger*
- *Yarn-dyed vs. piece-dyed*
- *Printing methods*
- *Embroidery*
- *Washing or finishing techniques*
- *Fiber sourcing practices*

These factors are relevant to lifecycle analysis and to downstream sorting, and construction type is useful as a reporting class as described above. Using them as a coverage trigger, however, would create

significant compliance complexity and inconsistent reporting without improving collection or recycling outcomes.

Predominant composition should be the primary test. Covered products should be predominantly fabric, yarn, or fiber with a set percentage-of-total-weight for the composition of these products as a threshold. Wearable but non textile articles should be excluded from being covered.

Part 1, Topic 1: Covered Products Request for Feedback, Question 3 – "What existing federal, international, scientific, industry standards, or classification systems should the department consider when developing or refining covered product definitions?"

CalRecycle should align with existing classification systems wherever possible, starting with the Harmonized Tariff Schedule. Additional existing classification systems include:

- *Harmonized Tariff Schedule (HTS) classifications. Chapters 50–63 (textiles) and 64 (footwear) – an established, globally recognized way to delineate covered vs. non-covered goods*
- *Textile Exchange Standards (e.g Recycled Claim Standard, Global Recycled Standard, Responsible Down Standard, Content Claim Standard)*
- *American Society for Testing and Materials (ASTM) textile terminology standards*
- *ISO textile standards, including ISO fiber classifications:*
    - *ISO 2076 (generic names for man-made fibers) for artificial/synthetic fiber consistency*
    - *ISO 1139 (Designation of yarns)*
    - *ISO 5157 (Textile product characteristics)*
- American Association of Textile Chemists and Colorists *(AATCC) textile definitions and terminology*
- *Federal Trade Commission (FTC) Textile Fiber Products Identification Act definitions.*
    - *FTC Textile Fiber Products Identification Act (16 CFR Part 303) – fiber names/definitions producers already used on care/content labels*
- *Global Recycled Standard (GRS) classifications*
- *California's existing statutory definitions in SB 707*
- *International textile stewardship and EPR programs already operating in Europe*

Known gap in HTS for recycled goods

HTS should be the starting point, but the department should review how recycled goods are currently classified before relying on it exclusively. Recycled materials, depending on their waste stream, may not receive appropriate HTS classification under outdated codes. Where HTS is insufficient, ISO fiber classifications and GRS definitions should be used to supplement.

Alignment with EU regimes

Several textile EPR regulations are coming online in the European Union (EU). It is worth considering how those programs are defining textile materials now, to avoid divergent definitions for producers selling into both markets. Using established standards will reduce interpretation disputes and improve consistency across brands and retailers.

Part 1, Topic 2: Convenience Related Terms, Item 1. "Permanent Collection Site"

This is likely in conflict with the rest of the 42984.10(d)(2). The minimum for 18,000 is 3 sites. It is unlikely that those 3 sites can be proximally located within 95% of that municipality's population. Furthermore, mail-back options should be utilized in this case for efficiency.

California Retailers Association recommends CalRecycle confirm temporary and mail-back options as recognized collection methods. CalRecycle should expressly confirm that temporary collection sites (e.g. pop-up activations) and mail-back/mail-in options are formally recognized collection methods that count toward the program's collection network, not permitted only at the margins.

California Retailers Association requests CalRecycle clarify eligibility criteria for temporary and mail-in channels. Set out the qualifying criteria (e.g. frequency, duration, geographic coverage, and reporting requirements) so producers can determine when a pop-up activation or mail-in trade-in program qualifies as an eligible collection channel.

Part 1, Topic 2: Convenience Related Terms Request for Feedback, Question 1 – "What additional factors should the department consider when defining "permanent collection site" and "temporary collection site" to ensure consistency across locations?

Permanent collection sites

- *Consistent year-round operation*
- *Defined, predictable operating hours*
- *Fixed, publicly accessible location*
- *Clear on-site signage identifying it as a year-round drop point*
- *Ongoing acceptance of covered products*

Temporary collection sites

- *Event-based collection*
- *Limited duration*
- *Seasonal programs*
- *Community collection drives*

Part 1, Topic 2: Convenience Related Terms Request for Feedback, Question 2 – "What challenges may arise for collectors or PROs if permanent collection sites are required to accept all covered products during regular operating hours?"

The two binding constraints in practice are contamination and space:

- *Space limitations at the collection point*
- *Storage and contamination management — in a prior apparel take-back program, incoming garments required industrial decontamination and cleaning through a specialist partner before anything could be sorted for repair or recycling. Received material cannot be assumed sortable on arrival.*
- *Health and safety concerns*
- *Staffing requirements*
- *Handling bulky items such as bedding and pillows*
- *Capacity constraints for retailers and small collection partners*

Part 1, Topic 2: Convenience Related Terms Request for Feedback, Question 3 – "What metrics should be considered when evaluating whether collection opportunities are spread appropriately?"

Coverage and access metrics

- *Population coverage*
- *Distance or travel time to nearest collection point*
- *Urban vs. rural access*
- *Collection site density per capita*
- *Annual collection volumes*

- *Consumer participation rates*

- *Equity considerations for underserved communities*

Practical siting benchmarks

- *USPS mailbox drop density is a reasonable proxy for baseline convenience — anywhere that supports a mailbox drop is likely a viable permanent drop location.*

- *Big-box retail and mall locations provide a strong second tier of coverage.*

- *Public libraries and comparable civic sites should be considered specifically to extend coverage into rural areas.*

- *Retailers operating their own take-back programs — potentially earning eco-modulation or fee-reduction incentives for driving circularity — should be able to partner into and count toward the larger statewide network.*

Part 1, Topic 2: Convenience Related Terms Request for Feedback, Question 4 – "What other approaches or best practices from existing statewide programs should the department consider to support a convenient and accessible statewide collection network?"

Program models

- *Retail take-back programs*

- *Mail-back options*

- *Partnerships with charities and reuse organizations*

- *Integration with existing textile collection infrastructure*

- *California's existing household hazardous waste and electronic waste collection programs, which offer directly transferable models for siting, scheduling, and public communication*

Consumer awareness

- *Reach outside of retail settings will matter. Campaigns such as the statewide water conservation messaging displayed by local restaurants and businesses are a useful precedent for placing program messaging in high-traffic, non-retail locations across California.*

Waste hierarchy

The system should prioritize, in order:

1. *Reuse*
2. *Repair*
3. *Resale*
4. *Recycling*
5. *Disposal*

This aligns with circular economy objectives and the intent of SB 707.

Part 1, Topic 2: Producer Related Terms Request for Feedback, Question 1 – "What business structures (e.g., franchises, subsidiaries, licensing relationships) require additional clarification when calculating annual aggregate global turnover?"

Additional guidance is needed for:

- *Licensing arrangements*
- *Franchise models*
- *Joint ventures*
- *Parent/subsidiary relationships*
- *Brand ownership structures*
- *Marketplace sellers*
- *Importer relationships*
- *International affiliates*

Licensing is the most consequential ambiguity

For consumer products companies, licensing structures matter most because brand ownership, manufacturing responsibility, and sales responsibility frequently reside in different entities.

Recommended treatment: accountability for licensed product should rest with the licensee that manufactures and sells the product into California, not with the brand owner. For example, branded

product manufactured and sold by a third-party retailer under license should be that retailer's obligation.

Part 1, Topic 2: Producer Related Terms Request for Feedback, Question 2 – "What challenges may arise in determining which affiliated or commonly controlled entities must be included in annual aggregate global turnover calculation?"

- *Multiple legal entities under common ownership*
- *Shared brand ownership across jurisdictions*
- *Complex licensing structures*
- *Foreign parent companies*
- *Minority ownership stakes*
- *Varying definitions of "control"*
- *Direct-to-consumer and e-commerce channels operated separately from brick-and-mortar retail*
- *Product sourced through global line buys or regional pick-ups that are not under the control of the domestic sourcing organization*

Part 1, Topic 2: Producer Related Terms Request for Feedback, Question 3 – "What criteria should be considered to demonstrate which entities sell less than one million dollars in covered products?"

Producers should be able to demonstrate eligibility using existing business records:

- *Audited financial statements*
- *Tax filings and business tax classification*
- *Sales reports*
- *ERP system records*
- *Revenue reports by product category*

Part 1, Topic 3: Producer Related Terms, Item 2 "Annual Aggregate Global Turnover"

It would be useful to clarify the treatment of resale of used covered products (e.g., brand resale / take-back programs) – whether secondhand-goods revenue is counted in turnover.

CalRecycle confirmed at the first informal regulatory concepts workshop for California's Textiles Stewardship Program that resale revenue is included in turnover, and that reuse sales are exempt

from eco-modulated fees. We support this and ask that CalRecycle:

1. *codify the reuse/resale fee exemption in the regulatory rulemaking text, and*

2. *confirm a product accounted for at first sale is not counted again when resold, to avoid double-counting and penalizing reuse*

3. *Go further than a neutral exemption by introducing an eco-modulation bonus - i.e., producers that operate reuse/resale programs receive a credit that offsets eco-modulated fees on their primary product - so the fee structure actively rewards reuse rather than merely not penalizing it.*

Part 1, Topic 3: Producer Related Terms, Item 2 "Small Seller"

California Retailers Association has serious concerns regarding the exclusion of small sellers. If CalRecycle considers the adverse impact that small-batch production methods (likely local, less regulated, and exempted from fees) could have on the total recycling system, the cumulative impact on total system efficiency could be significant.

California Retailers Association suggests that the cumulative total of textile production from small sellers going into CA be evaluated as part of the needs assessment to understand impact. Large producers are already heavily regulated and compliant.

Part 1, Topic 2: Producer Related Terms Request for Feedback, Question 1 – "What business structures (franchises, subsidiaries, licensing relationships) require additional clarification when calculating turnover?"

Licensing. California Retailers Association requests CalRecycle clarify who is the "producer" where a brand is licensed – the licensor (royalty revenue) or the licensee (product-sales revenue) – and ensure the same sales are not counted twice.

Part 3: Producer Responsibility Organization (PRO) Submittals

Most PRO-submittal mechanics fall to the PRO rather than individual producers, but two areas carry significant weight for producer operations: protection of confidential producer data and the timing of reporting relative to SB 54, California's Packaging EPR Program.

Part 3 Request for Feedback, Question 1 – "What additional administrative or procedural requirements should the department consider to support implementation and enforcement of PRO submittal requirements?"

- *Confidential business information. Operationalize PRC §42984.8(f): require confidentiality designation at the time of submission, accept redacted public versions, and ensure producer-level financial/sales data is protected and released only in non-attributable summary form.*

- *Sequence with SB 54. Deliberately stagger SB 707 producer/PRO reporting deadlines away*

from the SB 54 packaging schedule so producers running both California EPR programs are not overloaded in the same window.

- *Data validation. Set a clear methodology for reported data (blended, recycled, collected volumes) so submissions are credible and comparable, with defined resubmittal timelines after conditional approval/disapproval.*

Part 3 Request for Feedback, Question 2 – "What is an appropriate deadline for annual report submittals?"

A single fixed date that (a) allows sufficient time after calendar-year close and the independent audit, and (b) does not coincide with SB 54 annual reporting. California Retailers Association recommends CalRecycle publish the SB 707 and SB 54 report dates together so producers can plan resourcing.

General Comments on Regulatory Concepts

Comment 1: *General comment on language*

California Retailers Association requests the following amendments to regulatory language:

- *Producer does not include a seller whose annual sales are comprised of less than five percent (5%) of covered products.*

- *Producer does not include a seller with less than $1,000,000 in annual aggregate global turnover of covered product in the state as annually adjusted for inflation.*

Or a combination of the two:

- *Producer does not include a seller whose annual sales are comprised of less than five percent (5%) of covered products and whose gross income from covered product sold in the state is less than $1,000,000 as annually adjusted for inflation.*

This proposed amendment will continue to exclude small businesses and exempt some medium-sized businesses who sell the same amount or less of covered product as a small business in the state of California.

This approach is consistent with the intent of the statute. The defined threshold appropriately limits the program's scope to entities with meaningful participation in the covered product category and avoids extending regulatory requirements to businesses with only incidental or minimal involvement in textile products.

Entities that fall below this threshold contribute a negligible share of the textile waste stream. Excluding such low-volume sellers would not materially affect program outcomes or recovery rates, but would significantly improve administrative efficiency and allow resources to be focused on the producers responsible for the majority of textile throughput.

At the same time, applying full compliance obligations to companies with limited exposure to covered products would impose disproportionate administrative and reporting burdens relative to their very small market presence. Companies whose textile-related products represent only a small fraction of overall sales face meaningful compliance costs despite their minimal contribution to the waste stream.

We, again, appreciate the opportunity to share our comments and remain ready to work with CalRecycle to implement SB 707 and lead the nation and world, as this monumental policy decreases textile waste and moves California closer towards a circular economy and sustainable waste management system.

If you have any questions or need additional information on any of the issues raised in this letter, please do not hesitate to contact me directly either at 916/443-1975 or Sarah@calretailers.com

Sincerely,



Sarah Pollo Moo
Vice President, Sustainability Compliance and Operations
California Retailers Association