



FOR IMMEDIATE RELEASE

Leading Retail, Apparel, and Footwear Associations Sign MOU to Form Producer Responsibility Organization for Textiles in California

The California Retailers Association, the American Apparel & Footwear Association and the National Retail Federation join forces to comply with California's Responsible Textile Recovery Act of 2024 (SB 707)

Sacramento, CA – July 17, 2025 – The California Retailers Association, the American Apparel & Footwear Association and the National Retail Federation today announced that they have signed a Memorandum of Understanding to jointly establish an independent, 501(c)(3) Producer Responsibility Organization dedicated to ensuring that apparel and textiles are diverted from landfills. The newly formed organization will collect, repair, reuse and recycle materials after use in compliance with California's first-in-the-nation Extended Producer Responsibility law for textiles.

Signed into law in 2024, California's SB 707 requires producers and importers of textiles to take responsibility for the end-of-life management by joining and funding a PRO. The PRO will develop and implement a plan to meet the requirements of the law, including the collection, transportation, repair, recycling and the safe and proper management of covered products. The California Department of Resources Recycling and Recovery must approve a PRO by March 1, 2026, following a January 1, 2026, PRO application deadline.

Collectively, the three associations represent thousands of businesses and potential producers and are actively engaging obligated producers to ensure strong leadership for the organization. The MOU formalizes the intent of the three associations to:

- **Establish an independent, producer-led PRO** to represent and ensure compliance of all producers of apparel and textile articles covered under SB 707.
- **Collaborate effectively across the textile value chain**, engaging and involving manufacturers, brands, retailers, collectors, sorters, recyclers, repair businesses and other parties that will drive innovation and maximize program impact.
- **Prepare the PRO to develop and implement an effective stewardship program** that meets all requirements of the law and strengthens collection, repair, reuse and recycling infrastructure.

Statements from Association Leaders

“California’s groundbreaking SB 707 positions our state as a national leader in responsible textile management. The California Retailers Association is proud to set the standard for innovation and collaboration in environmental sustainability. We are dedicated to guiding the implementation of this transformative law and to establishing a PRO that unites and empowers the wide array of producers selling textiles in California. Our commitment is to deliver real impact for our communities, our environment, and the future of retail in California,” said **Rachel Michelin, President, California Retailers Association**

“This partnership signals our industry’s commitment to collaborate in support of a circular transition. By bringing together diverse stakeholders from across our industry supply chain, we are launching an inclusive organization that is right for the California market and regulatory environment, establishing California as the standard for similar approaches nationwide,” said **Steve Lamar, President & CEO, American Apparel & Footwear Association.**

“Our associations have a shared commitment to ensuring the success of SB 707. Collectively, our members bring significant experience in PRO-building, EPR compliance and implementation to this effort. We look forward to working together to establish an organization that supports the entire producer community to meet the immediate needs in California and potential future needs if other states adopt similar approaches,” said **Stephanie Martz, Chief Administrative Officer and Legal Counsel, National Retail Federation.**

The associations have begun the process of forming an independent 501(c)(3) PRO to meet all requirements under SB 707 and prepare for the application process. The PRO is expected to be operational in early 2026, with the initial focus on registering producers by July 1, 2026. Additionally, it will conduct an initial statewide needs assessment to determine the necessary steps and investment needed to fulfill the law’s requirements and inform the program budget and plan.

The PRO will prioritize early outreach to producers and will engage with interested parties to lay the groundwork for implementation. [Sign up](#) to receive future communications and updates.

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About the National Retail Federation

The National Retail Federation (NRF) passionately advocates for the people, brands,

policies and ideas that help retail succeed. From its headquarters in Washington, D.C., NRF empowers the industry that powers the economy. Retail is the nation's largest private-sector employer, contributing \$5.3 trillion to annual GDP and supporting more than one in four U.S. jobs — 55 million working Americans. For over a century, NRF has been a voice for every retailer and every retail job, educating, inspiring and communicating the powerful impact retail has on local communities and global economies.

About the California Retailers Association

The California Retailers Association (CRA) is the only statewide trade association representing all segments of California's retail industry, from general merchandise and department stores to online marketplaces, retail pharmacies, supermarkets, and specialty retailers. CRA is recognized for its effective advocacy and leadership on critical policy issues impacting retailers of all sizes, including public safety, environmental sustainability, workforce development, and regulatory reform. Through proactive engagement with policymakers and industry stakeholders, CRA works to promote, preserve, and enhance the retail industry in the nation's largest market, ensuring a vibrant business climate and supporting the millions of jobs retail provides across California.

About the American Apparel & Footwear Association

The American Apparel & Footwear Association (AAFA) is the national trade association representing apparel, footwear and other sewn products companies, and their suppliers, which compete in the global market. Representing more than 1,100 world famous name brands, AAFA is the trusted public policy and political voice of the apparel and footwear industry, its management and shareholders, its more than 3.6 million U.S. workers, and its contribution of more than \$523 billion in annual U.S. retail sales. AAFA drives progress on three key priorities: Brand Protection; Supply Chain & Sourcing; and Trade, Logistics, & Manufacturing. AAFA approaches this work through the lens of purpose-driven leadership in a manner that supports each member's ability to build and sustain inclusive and diverse cultures, meet and advance ESG goals, and draw upon the latest technology.