

Date of Hearing: April 8, 2025

ASSEMBLY COMMITTEE ON ENVIRONMENTAL SAFETY AND TOXIC MATERIALS

Damon Connolly, Chair

AB 405 (Addis) – As Introduced February 4, 2025

SUBJECT: Fashion Environmental Accountability Act of 2025

SUMMARY: Creates the Fashion Environmental Accountability Act of 2025 and requires fashion sellers, as defined, to carry out effective environmental due diligence. Specifically, **this bill:**

- 1) Defines "environmental due diligence" as the comprehensive process companies shall carry out to identify, cease, prevent, mitigate, account for, and remediate actual and potential adverse impacts to the environment in their own operations and in their supply chain, in compliance with, at a minimum, the standards outlined in the most recent Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises, and the most recent Organisation for Economic Co-operation and Development Due Diligence Guidance for Responsible Supply Chains in the Garment and Footwear Sector.
- 2) Defines "Environmental Due Diligence Report" as a document prepared by a fashion seller to communicate all relevant information concerning the existence, implementation, and outcomes of due diligence in order to comply with the requirements of this bill, and to comply with any rules or regulations established pursuant to this bill.
- 3) Defines "Fashion bag" as flexible packaging made of textiles, leather or other animal products, woven material, or other similar materials intended for repeated use, including, when applicable, those produced as a private label.
- 4) Defines "Fashion goods" as wearing apparel, footwear, or fashion bags.
- 5) Defines "Fashion seller" as a business entity that does business in the state involving the sale of fashion goods in excess of \$100,000,000 in annual gross receipts. "Fashion seller" does not include fashion sellers that sell used fashion goods and does not include multibrand retailers, unless the total annual gross receipts of all of the private labels under the retailer exceeds \$100,000,000.
- 6) Defines "Footwear" as any covering worn or intended to be worn on the foot, including, when applicable, those produced as a private label.
- 7) Defines "Gross receipts" as the gross amounts realized on the sale or exchange of property, the performance of services, or the use of property or capital, including rents, royalties, interest, and dividends, in a transaction that produces business income. Provides that amounts realized shall not be reduced by the cost of goods sold or the basis of property sold.
- 8) Provides that the Department of Toxic Substances Control (DTSC) shall have jurisdiction over a fashion seller's environmental due diligence under this bill pertaining to chemical management and wastewater testing.

- 9) Provides that the State Air Resources Board (ARB) shall have jurisdiction over a fashion seller's environmental due diligence under this bill pertaining to emissions of greenhouse gases.
- 10) Provides that DTSC and the ARB, as appropriate, may, separately or jointly, prescribe regulations necessary or appropriate to carry out the purposes of this bill under their respective jurisdiction.
- 11) Requires every fashion seller to carry out effective environmental due diligence for the portions of their business related to fashion goods, including, but not limited to, those items produced as a private label.
- 12) Requires, by January 1, 2028, in accordance with internationally recognized methodologies for chemical management and wastewater testing, a fashion seller to require all of its significant tier 2 dyeing, finishing, printing, and garment washing suppliers to do all of the following:
 - (a) Sample and annually report to the fashion seller on wastewater chemical concentrations and water usage;
 - (b) Report on chemical inventory; and,
 - (c) Provide evidence that the supplier is in compliance with local chemical management laws.
- 13) Provides that a fashion seller who violates this bill shall be subject to a civil penalty of up to 2 percent of its annual revenues.
- 14) Authorizes DTSC or ARB, as appropriate, to seek any appropriate equitable remedies for a violation of this bill under their respective jurisdiction.
- 15) Provides that the provisions of this bill are severable. If any provision of this bill or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

EXISTING LAW:

- 1) Establishes the Resource Conservation and Recovery Act (RCRA) to authorize the United States Environmental Protection Agency to manage hazardous and non-hazardous waste throughout its life-cycle. (42 United State Code § 6901 et. seq.)
- 2) Requires DTSC to adopt regulations to establish a process to identify and prioritize chemicals or chemical ingredients in consumer products that may be considered chemicals of concern, as specified. (HSC § 25252)
- 3) Requires DTSC to adopt regulations to establish a process to evaluate chemicals of concern in consumer products, and their potential alternatives, to determine how to best limit exposure or to reduce the level of hazard posed by a chemical of concern. (HSC § 25253 (a))

- 4) Specifies, but does not limit, regulatory responses that DTSC can take following the completion of an alternatives analysis, ranging from no action, to a prohibition of the chemical in the product. (HSC § 25253)
- 5) Prohibits, on and after June 1, 2006, a person from manufacturing, processing, or distributing in commerce a product, or a flame-retarded part of a product, containing more than one-tenth of 1 percent of pentaBDE or octaBDE. (HSC § 108922)
- 6) Prohibits, beginning January 1, 2025, a person from manufacturing, distributing, selling, or offering for sale in the state a new textile article, as defined, that contains regulated perfluoroalkyl and polyfluoroalkyl substances (PFAS). (HSC § 108970)

FISCAL EFFECT: Unknown.

COMMENTS:

Need for the bill: According to the author, "Fast fashion has fueled a global crisis. We cannot stand by while companies profit from depleting natural resources, and using toxic chemicals that pollute and harm our environment and people. The Fashion Environmental Accountability Act will hold them accountable. With California at the forefront of environmental leadership, it is critical that we take action to address the unchecked impact of fast fashion.

By mandating transparency, this bill will push the industry to adopt more sustainable practices and reduce the harmful effects of fashion on our environment and our health. The time for change is now. Fast fashion can no longer thrive at the expense of our environment and the health of our future generations."

Chemical product regulation in California: In 2008, the California legislature recognized the principle of Green Chemistry by enacting two landmark pieces of legislation, AB 1879 (Feuer and Huffman, Chapter 559, Statutes of 2008) and SB 509 (Simitian, Chapter 560, Statutes of 2008). These bills lay the statutory foundation for the state's Green Chemistry program and intend to establish a comprehensive approach to chemicals policy.

The structure for regulatory action required by the Green Chemistry legislation is broad and general. Rather than specifying particular chemicals or explicit regulatory action on those chemicals, the statutes authorize state agencies, primarily DTSC, to set up a process to identify and evaluate chemicals of concern and the products in which they are found, and to impose appropriate regulatory action for those chemicals and products in order to protect people and the environment.

The Safer Consumer Products regulatory process: To implement the Green Chemistry statutes, DTSC created what it called a "four-step continuous, science-based, iterative" regulatory process, which it deemed the "Safer Consumer Products" (SCP) regulations. The SCP regulations were adopted October 2013, and include the following: establish a list of "candidate chemicals" based on the work already done by other authoritative organizations, and specify a process for DTSC to identify additional chemicals as candidate chemicals; require DTSC to evaluate and prioritize product/candidate chemical combinations to develop a list of "priority products" for which alternatives analyses must be conducted; require responsible entities (manufacturers, importers, assemblers, and retailers) to notify DTSC when their product is listed

as a priority product and then perform an alternatives analysis for the product; and, require DTSC to identify and implement regulatory responses designed to protect public health and/or the environment, and maximize the use of acceptable and feasible alternatives of least concern.

Since the adoption of the Safer Consumer Products regulation in 2013, DTSC has adopted 8 priority products and there is currently one proposed priority product. One of the priority products adopted by DTSC covered certain converted textiles. On April 1, 2022, DTSC finalized a regulation pursuant to the SCP regulations adding as a priority product: treatments containing PFASs for use on converted textiles or leathers such as carpets, upholstery, clothing, and shoes.

Chemicals in textiles: According to the article, "Chemicals in Textiles and the Health Implications", in *Allergy Standards*, written by Dr. Tim Yeomans:

"We are constantly in contact with textiles in our environment and so safety and confidence in these products is vital. Textiles comprise a significant part of our consumer world: clothing, bedding, furnishings, carpeting, towels, car interiors and so on, are all made from textiles. They can be made of natural or synthetic fibres but any allergic reactions or health implications are generally as a response to fibre treatments, such as dyeing and other chemical finishes, rather than the textile itself.

Natural textiles can include material such as wool, flax, silk, cotton, bamboo and hemp and synthetic includes such materials as acrylic, nylon, rayon, spandex and polyester. Chemical finishes to textiles can greatly improve their wearability, appearance and functionality, and a great many functional chemical finishes we simply take for granted.

Chemical finishes can be durable or non-durable and different chemicals will bind at different strengths to different fibres.

Formaldehyde is a Volatile Organic Compound (VOC), meaning that it can be released into the atmosphere. It is predominantly used in fabrics to prevent wrinkling, but can also be used for water-proofing and to promote color fastness. In larger quantities, formaldehyde can cause respiratory problems and skin irritation; it may cause exacerbation of asthma or cause allergic contact dermatitis. For these reasons there are limits to the amount of formaldehyde allowed in consumer products. In the 1960s formaldehyde levels could be as high as 3,000ppm, this had declined to below 500ppm in the 1980s and in general most clothing now has relatively low levels of formaldehyde. Where price and quality continue to be a pressure on the textile industry however, it can be possible for lower quality material to enter the supply chain

Azo dyes are found in 60-80% of all colorants and are responsible for the vivid colours that can be seen in many textiles, especially clothing. Azo dyes can quite easily come off fabrics and can break down to release chemicals called aromatic amines, some of which have been reported to cause cancer. Some dyes can also cause contact dermatitis, the most common of which being disperse blue 106 and disperse blue 124. In 2003 the EU [European Union] banned azo dyes that could release one or more of the 22 most dangerous aromatic amines;

Heavy metals are often used as part of the dyeing process and include antimony, cadmium, lead, mercury and chromium VI. Once absorbed by the body, these metals can accumulate in the liver or kidney and cause serious health problems. Cadmium, lead and chromium IV are classified as carcinogens, with cadmium being restricted in Europe for some time. The use of mercury and lead has been restricted in textiles, however they are still of concern.

The chemicals listed above are some of the more common chemicals used in textiles, however there are many more used for other functions including plasticity, water resistance, flame retardancy and so on. In this context, with the amount of chemicals that can be used, the limit levels that may change from country to country and even within a country, it can be very challenging for manufacturers to keep up. Globalisation provides companies and consumers with many opportunities through enhanced choices, but with it brings many challenges. Manufacturers can source textiles from anywhere in the world, which has many benefits, but also raises many questions.

There is also an element of corporate social responsibility; while some chemicals may not be banned, it may be more appropriate to use more environmentally friendly alternatives – how can companies be sure that their suppliers are complying with this? Once incorporated into the fabric it can be almost impossible to tell what chemical has been used and how much (unless destructive testing is performed)."

Legislation banning/restricting chemicals in products: Over the past twenty years the legislature has enacted a variety of product safety related legislation dealing with flame retardant chemicals, phthalates in products for young children, bisphenol A, and several other chemical/product combinations. Below is a summary of a few of these laws:

Polybrominated Diphenyl Ethers: AB 302 (Chan, Chapter 205, Statutes of 2003) prohibits a person from manufacturing, processing, or distributing in commerce a product, or a flame-retarded part of a product, containing more than 0.1% pentaBDE or octaBDE on and after January 1, 2008. An early version of this bill required the California Environmental Protection Agency to develop regulations; however, that was amended out of the bill - the bill was subsequently keyed non-fiscal and not heard in the Appropriations Committees.

Phthalates in products for young children: AB 1108 (Ma, Chapter 672, Statutes of 2007). Prohibits the use of phthalates in toys and childcare products designed for babies and children under three years of age. Requires manufacturers to use the least toxic alternative when replacing phthalates.

Product safety: bisphenol A: AB 1319 (Butler, Chapter 467, Statutes of 2011) Prohibits the sale, manufacture, or distribution of a bottle or cup or a liquid, food or beverage in a can, jar or plastic bottle that contains bisphenol A (BPA) if the item is primarily intended for children three years of age or younger. Requires manufacturers to use the least toxic alternative when replacing bisphenol A in containers. The bill provides that if DTSC adopts a regulatory response regarding the use of bisphenol A in a product that is prohibited by this bill, then this law shall not apply to that product.

Product safety: textile articles: perfluoroalkyl and polyfluoroalkyl substances (PFAS): AB 1817 (Ting, Chapter 762, Statutes of 2022). Prohibits, beginning January 1, 2025, a person from manufacturing, distributing, selling, or offering for sale in the state a new textile article,

as defined, that contains regulated PFAS. This law defines regulated PFAS as: PFAS that a manufacturer has intentionally added to a product and that has a functional or technical effect in the product, or the presence of PFAS in a product or product component at or above the following thresholds, as measured in total organic fluorine: commencing January 1, 2025, 100 parts per million; commencing January 1, 2027, 50 parts per million.

Product safety: bisphenol. SB 1266 (Limon, Chapter 790, Statutes of 2024). Updates AB 1319 (Butler) by prohibiting , beginning January 1, 2026, a person from manufacturing, selling, or distributing in commerce any juvenile’s feeding product, juvenile’s sucking product, or juvenile’s teething product, as defined, that contains any form of bisphenol, as defined, at a detectable level above 0.1 parts per billion. Additionally, SB 1266 authorizes DTSC to enforce the provisions of this bill.

The author may wish to consider a similar approach to the above bills, prohibiting or restricting certain chemicals in fashion products.

This bill: AB 405 is designed to reduce toxic chemicals used in the production of fashion products, including both the manufacturing of the product as well as toxic chemicals in the finished product sold to the consumer. Additionally this bill looks at reduce greenhouse gases from the production of fashion products, which will be debated in the Assembly Natural Resources Committee should this bill pass this Committee in its current form.

Potential amendments to address chemicals in fashion: Looking at recent legislation that prohibits or restricts various chemicals in products, the author and Committee may wish to amend AB 405 to restrict certain chemicals in covered fashion products. Specifically, the author may wish to amend the bill to restrict the following chemicals in covered fashion products: azo-amines & arylamine salts; bisphenols; flame retardants; formaldehyde; phthalates; and, lead.

Additionally, the author may wish to clarify DTSC's regulatory role in the bill, similar to DTSC's role in regulating bisphenols in juvenile products statutes enacted under SB 1266 (Limon, Chapter 790, Statutes of 2024).

Arguments in support: According to the Center for Environmental Health:

"The \$2.5 trillion fashion industry is unregulated. At a minimum, the fashion industry emits more than 2.1 gigatons of greenhouse gases every year. Given growth expectations, the industry is on a path to generate 2.7 gigatons by 2030.

Foreign fast fashion brands continue to engage in highly exploitative practices that yield over 100 billion garments a year, over 80% of which end up in landfill after one wash or wear. For example, Shein more than doubled its revenue (\$24 to \$60 billion), its profits (\$2 billion in profits in 2024) and its carbon emissions last year alone. If its greenhouse gas intensity stays on the same growth trajectory, its 2025 emissions will surpass those of British Airways in 2019.

Collectively, the fashion industry’s global carbon emissions are on par with the global aviation industry. Fashion is dirty business, top to bottom.

- Clothing manufacturers use over 8,000 toxic chemicals to manufacture clothing.

- These toxic chemicals pollute our water and air during manufacturing; remain on clothes, harming consumers while they wear them; contaminate our water after washing them, including through the release of microplastics (80% of our ocean's microplastics come from clothing); and pollute our air and groundwater after landfill disposal.
- EU and South Korea reported that a random sampling of Temu's children's clothes had 600 times the legal limit of phthalates and over three times the legal limits of lead and cadmium.
- Clothes are primarily polyester (in whole or in part), which are made from fossil fuels, the greatest source of pollution and greenhouse gases.

Without regulation, fast fashion players will continue to manufacture irresponsibly and contaminate water, misuse and improperly dispose of toxic chemicals, and create staggering amounts of waste. Fashion brands' voluntary commitments to reduce their environmental footprint misled consumers into believing they are buying sustainably, when in reality, those are promises brands routinely break in the name of ensuring profitability."

Arguments in opposition: According to the California Retailers Association (CRA),

"At a time when we face economic uncertainty due to shifting tariffs and evolving environmental regulations, AB 405 risks overburdening an already strained system. CRA has long been a leader in collaborating with the Legislature on complex issues to develop practical, impactful solutions.

AB 405 also introduces redundant policies that will strain state resources and impose significant costs on retailers and consumers. Expanding regulatory authority for agencies such as DTSC and CARB creates unnecessary red tape, diverting resources from essential services like public safety and healthcare. At a time when California faces fiscal constraints, we cannot afford to monitor global economic behaviors or enforce duplicative regulations. Retailers are already navigating complex challenges, including tariffs and the rewriting of major environmental regulations, making this bill particularly ill-timed. Adding another layer of regulation, which AB 405 will do through CARB and DTSC, will only divert resources from ensuring these existing programs are implemented effectively. Retailers are already leaning into existing environmental initiatives; they need time to demonstrate their success before new mandates are imposed.

The California Retailers Association firmly believes environmental accountability is critical, but AB 405 does not advance meaningful solutions beyond what California has already achieved. Instead, it risks undermining current efforts by overburdening businesses and consumers with unnecessary costs while diverting attention from optimizing existing programs."

Double-referral: Should this bill pass the Assembly Environmental Safety and Toxic Materials Committee, it will be referred to the Assembly Natural Resources Committee.

Related legislation:

- 1) SB 1266 (Limon, Chapter 790, Statutes of 2024). Prohibits, beginning January 1, 2026, a person from manufacturing, selling, or distributing in commerce, any juvenile's feeding

product, juvenile's sucking product, or juvenile's teething product, as defined, that contains any form of bisphenol, as defined, at a detectable level above 0.1 parts per billion. Additionally, SB 1266 authorizes DTSC to enforce the provisions of this bill.

- 2) AB 1817 (Ting, Chapter 762, Statutes of 2022). Prohibits, beginning January 1, 2025, any person from manufacturing, distributing, selling, or offering for sale in the state any new, not previously owned, textile articles that contain regulated PFAS, except as specified.

REGISTERED SUPPORT / OPPOSITION:

Support

Alliance of Nurses for Healthy Environments
Association for Farmers Rights Defense
Blue Ocean Warriors
Breast Cancer Prevention Partners
California Against Waste
California Climate Reality Coalition
California Environmental Voters
Cardinal Policy Group, Stanford University
Center for Environmental Health
Changing Markets Foundation
Clean Earth 4 Kids
Community Action Against Plastic Waste
COMMUNITYMADE
Consumer Federation of California
Consumer Services
Cut Consulting
Defend Our Health
Eileen Fisher
Faherty Brand
Fashion ACT
Flap Happy
Global Uprising (dba Cotopaxi)
Heirs to Our Oceans
Patagonia INC.
Plastic Pollution Coalition
Ray Brown's Talking Birds
Reformation
Rothy's
San Diego Physicians for Clean Air
Save the Albatross Coalition
Shark Stewards
Students for A Sustainable Stanford, Stanford University
Sustainable Fashion Program, California State University, Northridge

The Asian American Students' Association, Stanford University
The Climate Center
The Design Kids, Stanford University
The Fashion Network Association, San Francisco State University
The Last Plastic Straw
ThredUp
University of San Diego Social Justice Club
Unravel At UCLA
Unspun
Zero Waste San Diego

10 Individuals

Opposition

California Chamber of Commerce
California Retailers Association

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