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State of Minnesota

HOUSE OF REPRESENTATIVES

NINETY-FOURTH SESSION

H. F. No. 3713

02/25/2026 Authored by Jordan and Kraft

The bill was read for the first time and referred to the Committee on Environment and Natural Resources Finance and Policy

1.1 A bill for an act
1.2 relating to solid waste; requiring producers of textiles, carpet, and mattresses to
1.3 establish and fund a system to collect and manage those products when disposed
1.4 of; creating an account; imposing penalties; requiring a report; appropriating
1.5 money; proposing coding for new law in Minnesota Statutes, chapter 115A.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. [115A.147] TITLE.

1.8 Sections 115A.147 to 115A.1487 may be cited as the "Responsible Textile Waste
1.9 Recovery Act."

1.10 EFFECTIVE DATE. This section is effective the day following final enactment.

1.11 Sec. 2. [115A.1471] DEFINITIONS.

1.12 Subdivision 1. Aggregate global gross revenue. "Aggregate global gross revenue"
1.13 means the sum of the respective gross revenue of the following:

1.14 (1) the producer concerned;

1.15 (2) entities in which the producer:

1.16 (i) owns more than one-half the capital or business assets;

1.17 (ii) has the power to exercise more than 50 percent of the voting rights;

1.18 (iii) has the power to appoint more than 50 percent of the members of the supervisory
1.19 board, the administrative board, or bodies legally representing the undertakings; or

1.20 (iv) has the right to manage the entities' affairs;

- 2.1 (3) entities that have in the producer concerned the rights or powers listed in clause (2);
2.2 (4) entities in which an entity described in clause (3) has the rights or powers listed in
2.3 clause (2); and
2.4 (5) entities in which two or more entities described in clauses (1) to (4) jointly have the
2.5 rights or powers listed in clause (2).
- 2.6 Subd. 2. **Apparel.** (a) "Apparel" means clothing and accessory items intended for regular
2.7 wear, formal occasions, or outdoor activities. Apparel includes only undergarments, shirts,
2.8 pants, skirts, dresses, overalls, bodysuits, costumes, vests, dancewear, suits, saris, scarves,
2.9 tops, leggings, school uniforms, leisure wear, athletic wear, sports uniforms, swimwear,
2.10 formal wear, onesies, bibs, footwear, handbags, backpacks, knitted and woven accessories,
2.11 jackets, coats, snow pants, ski pants, and everyday uniforms for work wear.
- 2.12 (b) Apparel does not include:
- 2.13 (1) personal protective equipment or clothing items for use by the United States military;
2.14 (2) personal protective equipment worn to protect the wearer from health or environmental
2.15 hazards; or
- 2.16 (3) reusable products designed to collect and absorb urine and feces, or reusable products
2.17 regulated by the United States Food and Drug Administration that are designed to collect
2.18 and absorb menstrual or vaginal discharge.
- 2.19 Subd. 3. **Brand.** "Brand" means a trademark, including both a registered trademark and
2.20 an unregistered trademark; logo; name; symbol; word; identifier; or traceable mark that
2.21 identifies a covered product and identifies the brand owner or licensee of the brand.
- 2.22 Subd. 4. **Carpet.** "Carpet" means a manufactured article that is affixed or placed on the
2.23 floor or building walking surface in a commercial or residential building as a decorative or
2.24 functional building interior feature and that is primarily constructed of a top visible surface
2.25 of synthetic face fibers or yarns or tufts attached to a backing system derived from synthetic
2.26 or natural materials. Carpet includes but is not limited to a commercial or a residential
2.27 broadloom carpet or modular carpet tiles. Carpet does not include a rug, pad, cushion, or
2.28 underlayment used in conjunction with, or separately from, a carpet.
- 2.29 Subd. 5. **Collection box.** "Collection box" means an unattended container, box, receptacle,
2.30 or similar device used to solicit and collect donations of covered products.

3.1 Subd. 6. **Collection site.** "Collection site" means a permanent or temporary location
3.2 operated by a collector where covered products are collected and prepared for transport and
3.3 further processing under a producer responsibility plan.

3.4 Subd. 7. **Collector.** "Collector" means a person or entity that has entered into an
3.5 agreement with a producer responsibility organization to collect covered products.

3.6 Subd. 8. **Consumer.** "Consumer" means the ultimate purchaser, owner, or lessee of a
3.7 covered product, including a person, business, corporation, limited partnership, nonprofit
3.8 organization, or governmental entity. Consumer does not include the distributor, importer,
3.9 producer, recycler, or retailer of the covered product or a producer responsibility organization.

3.10 Subd. 9. **Covered product.** "Covered product" means a textile, carpet, or mattress.

3.11 Covered product does not include a window covering that is:

3.12 (1) manually adjusted by pulling cords or lifting mechanisms; or

3.13 (2) operated using an electric motor or other automated system.

3.14 Subd. 10. **Distributor.** "Distributor" means a company that has a contractual relationship
3.15 with one or more producers to market and sell covered products to a retailer.

3.16 Subd. 11. **Eco-modulated fee.** "Eco-modulated fee" means a fee assessed on a producer
3.17 that reflects the cost of collecting and managing the producer's covered products based on
3.18 the products' environmental characteristics, with the intent to incentivize design choices
3.19 that facilitate increased levels of reuse, repair, and recycling.

3.20 Subd. 12. **Exclusive licensee.** "Exclusive licensee" means a person holding the exclusive
3.21 right to use a trademark or brand in this state in connection with the manufacture, sale, or
3.22 distribution for sale in or into this state of a covered product.

3.23 Subd. 13. **Importer.** "Importer" means:

3.24 (1) a person qualifying as an importer of record for purposes of United States Code, title
3.25 19, section 1484(a)(2)(B), with regard to the import of a covered product that is sold,
3.26 distributed for sale, or offered for sale in or into this state and that was manufactured or
3.27 assembled outside the United States; or

3.28 (2) a person importing into this state for sale, or distributing or offering for sale in this
3.29 state, a covered product that is manufactured or assembled outside this state.

3.30 Subd. 14. **Internet seller.** "Internet seller" means a person or entity that sells covered
3.31 products in or into this state via the Internet.

4.1 Subd. 15. **Mail-back program.** "Mail-back program" means a method of collecting a
4.2 covered product by having a consumer ship the product using a prepaid, preaddressed
4.3 mailing envelope, box, or other packaging.

4.4 Subd. 16. **Mattress.** "Mattress" means a resilient material or combination of materials
4.5 that is enclosed by a tightly woven cover and is intended or promoted for sleeping upon.
4.6 Mattress includes a foundation, a renovated mattress or renovated foundation, and a futon
4.7 mattress. Mattress does not include:

4.8 (1) an unattached mattress pad or unattached mattress topper, including items with
4.9 resilient filling, with or without a tightly woven cover, intended to be used with or on top
4.10 of a mattress;

4.11 (2) a sleeping bag or pillow;

4.12 (3) a car bed, crib, or bassinet mattress;

4.13 (4) a product designed for use by juveniles, including a carriage, basket, dressing table,
4.14 stroller, playpen, infant carrier, lounge pad, or crib bumper, and pads for those products;

4.15 (5) a product with a liquid- or gaseous-filled cover, including a water bed or air mattress
4.16 that does not contain upholstery material between the cover and the mattress core; or

4.17 (6) upholstered furniture that does not otherwise contain a detachable mattress or that
4.18 is a fold-out sofa bed, sleeper sofa, or folding cot.

4.19 Subd. 17. **Needs assessment.** "Needs assessment" means a document prepared by a
4.20 producer responsibility organization in accordance with section 115A.1474.

4.21 Subd. 18. **Nonprofit thrift store.** "Nonprofit thrift store" means a retail establishment:

4.22 (1) operated by an organization that is exempt from federal taxation under section
4.23 501(c)(3) of the Internal Revenue Code;

4.24 (2) that sells used pieces of clothing, household items, or other items at retail; and

4.25 (3) that expends at least 75 percent of its net income to provide medical, hospice, or
4.26 social services to the chronically ill.

4.27 Subd. 19. **Participant.** "Participant" means a producer, collector, sorter, repair business,
4.28 or recycler that has entered into an agreement with a producer responsibility organization
4.29 to operate under a plan.

4.30 Subd. 20. **Political subdivision.** "Political subdivision" means a city, county, town, or
4.31 solid waste management district.

5.1 Subd. 21. **Producer.** (a) "Producer" means the following person responsible for
 5.2 compliance with sections 115A.147 to 115A.1487 for a covered product introduced in this
 5.3 state:

5.4 (1) a person who manufactures a covered product and who owns or is the licensee of
 5.5 the brand or trademark under which that covered product is sold, offered for sale, or
 5.6 distributed for sale in or into this state;

5.7 (2) if there is no person in this state who is the producer for purposes of clause (1), the
 5.8 producer of the covered product is the owner of a brand or trademark or, if the owner is not
 5.9 in the state, the exclusive licensee of a brand or trademark under which the covered product
 5.10 is sold, imported for sale, offered for sale, or distributed for sale in or into this state,
 5.11 regardless of whether the trademark is registered;

5.12 (3) if there is no person in the state who is the producer for purposes of clause (1) or (2),
 5.13 the producer of the covered product is the person that imports the covered product into this
 5.14 state for sale or distribution; or

5.15 (4) if there is no other person in the state who is the producer for purposes of clause (1),
 5.16 (2), or (3), the producer of the covered product is the distributor, retailer, or wholesaler who
 5.17 sells the product in or into this state.

5.18 (b) A person who manufactures, distributes, imports, offers for sale, or sells the covered
 5.19 product may assume some or all of the duties and liabilities of the producer of the covered
 5.20 product and relieve from those duties and liabilities any other person who manufactures,
 5.21 distributes, imports, offers for sale, or sells the covered product.

5.22 (c) Producer does not include:

5.23 (1) a seller that sells only secondhand covered products; or

5.24 (2) a seller with less than \$1,000,000 in annual aggregate global gross revenue.

5.25 Subd. 22. **Producer responsibility organization.** "Producer responsibility organization"
 5.26 means an organization that is exempt from taxation under section 501(c)(3) of the federal
 5.27 Internal Revenue Code and is approved by the commissioner for the purpose of implementing
 5.28 a plan to meet the requirements of sections 115A.147 to 115A.1487.

5.29 Subd. 23. **Producer responsibility plan or plan.** "Producer responsibility plan" or
 5.30 "plan" means the plan developed by a producer responsibility organization to collect,
 5.31 transport, repair, recycle, and safely and properly manage covered products as required
 5.32 under sections 115A.147 to 115A.1487.

6.1 Subd. 24. **Product type.** "Product type" means a specific category of covered product,
6.2 comprised of carpet, mattress, or textile.

6.3 Subd. 25. **Recycle or recycling.** "Recycle" or "recycling" has the meaning given in
6.4 section 115A.03, subdivision 25b.

6.5 Subd. 26. **Repair.** "Repair" means to alter or improve a damaged covered product deemed
6.6 to be worth the cost of repair under criteria established in the plan, including but not limited
6.7 to:

6.8 (1) redesigning and repurposing;

6.9 (2) mending rips, holes, seams, and hems;

6.10 (3) removing and repairing surface damage, such as pilling, stains, or abrasion;

6.11 (4) securing and reattaching buttons and other fastenings;

6.12 (5) dyeing, redyeing, overdyeing, or printing images upon; or

6.13 (6) otherwise preparing for reuse.

6.14 Subd. 27. **Repair business.** "Repair business" means a person or entity that has entered
6.15 into an agreement with a producer responsibility organization to repair covered products
6.16 for resale after collection by a collector or after sorting by a sorter.

6.17 Subd. 28. **Responsible end market.** "Responsible end market" has the meaning given
6.18 to the term "responsible market" in section 115A.1441, subdivision 31.

6.19 Subd. 29. **Retailer.** "Retailer" means a person who sells or offers for sale a covered
6.20 product to a person through any means in or into this state.

6.21 Subd. 30. **Reuse.** "Reuse" means the resale of a collected covered product to a consumer
6.22 for its original intended use with or without repair.

6.23 Subd. 31. **Sale.** "Sale" means the delivery of a covered product to a consumer in this
6.24 state.

6.25 Subd. 32. **Secondhand covered product.** "Secondhand covered product" means a
6.26 covered product that has been previously owned by a consumer.

6.27 Subd. 33. **Secondhand market.** "Secondhand market" means a retailer who sells
6.28 secondhand covered products, including but not limited to collection box operators, online
6.29 resale platforms, and flea markets.

6.30 Subd. 34. **Sell.** "Sell" means to:

7.1 (1) transfer title or possession of, exchange, or barter for tangible personal property for
 7.2 consideration, conditional or otherwise, in any manner or by any means;

7.3 (2) produce, fabricate, process, print, or imprint tangible personal property for
 7.4 consideration for consumers who furnish directly or indirectly the materials used in those
 7.5 processes;

7.6 (3) transfer possession of property while allowing the seller to retain the title as security
 7.7 for the payment of the price; or

7.8 (4) for consideration, transfer title or possession of tangible personal property that has
 7.9 been produced, fabricated, or printed to the special order of the customer or of any
 7.10 publication.

7.11 Subd. 35. **Sorter.** "Sorter" means a person or entity that has entered into an agreement
 7.12 with a producer responsibility organization to sort covered products collected by collectors.

7.13 Subd. 36. **Stewardship program.** "Stewardship program" means a program established
 7.14 by a producer responsibility organization under sections 115A.147 to 115A.1487 for the
 7.15 free, convenient, and safe collection, transportation, repair, recycling, and proper management
 7.16 of covered products.

7.17 Subd. 37. **Textile.** (a) "Textile" means:

7.18 (1) apparel; or

7.19 (2) an item customarily used in households or businesses that is made entirely or primarily
 7.20 from a natural, artificial, or synthetic fiber, yarn, or fabric, including only blankets, curtains,
 7.21 fabric window coverings, knitted and woven accessories, towels, tapestries, bedding,
 7.22 tablecloths, napkins, linens, and pillows.

7.23 (b) Textile does not include a single-use product, including a paper towel, a paper napkin,
 7.24 toilet paper, facial tissue, and a wet or dry wipe.

7.25 Subd. 38. **Transporter.** "Transporter" means a person or entity that has entered into an
 7.26 agreement with a producer responsibility organization to transport covered products from
 7.27 a collection site for further processing or final disposition.

7.28 **EFFECTIVE DATE.** This section is effective the day following final enactment.

7.29 Sec. 3. **[115A.1472] PRODUCER RESPONSIBILITY ORGANIZATION.**

7.30 Subdivision 1. **Registration.** (a) No later than ..., producers must appoint a producer
 7.31 responsibility organization for the purpose of developing and implementing a system of

8.1 managing covered products that complies with sections 115A.147 to 115A.1487. The
8.2 producer responsibility organization must register with the commissioner by by
8.3 submitting:

8.4 (1) contact information for a person responsible for implementing an approved producer
8.5 responsibility plan;

8.6 (2) a list of all member producers that have entered into written agreements to operate
8.7 under an approved producer responsibility plan administered by the producer responsibility
8.8 organization and, for each producer, a list of all brands of the producer's covered products;

8.9 (3) copies of written agreements with each producer stating that the producer agrees to
8.10 operate under an approved producer responsibility plan administered by the producer
8.11 responsibility organization;

8.12 (4) a list of board members for the producer responsibility organization, which must
8.13 consist of producers of varying sizes and types that market a diversity of covered products.
8.14 The governing board may include ex officio members involved in the collection, sorting,
8.15 repair, reuse, recycling, or management of covered products; and

8.16 (5) documentation demonstrating adequate financial responsibility and financial controls
8.17 to ensure proper management of funds and payment of the registration fee required under
8.18 subdivision 2.

8.19 (b) After the initial producer responsibility organization is established and the initial
8.20 producer responsibility plan is approved, additional producer responsibility organizations
8.21 may be approved by the commissioner upon determination that additional producer
8.22 responsibility organizations would help satisfy the requirements of sections 115A.147 to
8.23 115A.1487. If more than one producer responsibility organization is approved, the producers
8.24 and producer responsibility organizations must establish a coordinating body and process
8.25 to prevent redundancy. The coordinating body must integrate into a single document and
8.26 submit to the commissioner for approval the producer responsibility plans prepared under
8.27 section 115A.1475 and the annual reports prepared under section 115A.1479.

8.28 Subd. 2. **Registration fee** (a) Within nine months after the effective date of rules adopted
8.29 under section 115A.1487, the commissioner must notify a producer responsibility
8.30 organization of the agency's estimated cost to implement and enforce sections 115A.147 to
8.31 115A.1487, including the costs of rule development and other start-up activities before the
8.32 initial plan was submitted. Thereafter, the commissioner must provide annual written notice
8.33 to a producer responsibility organization of the agency's estimated cost to implement and
8.34 enforce sections 115A.147 to 115A.1487 for the coming year. The commissioner must

9.1 annually reconcile the registration fee with the actual costs of implementation and
 9.2 enforcement when the costs become available.

9.3 (b) The producer responsibility organization must annually pay a registration fee to the
 9.4 commissioner on a schedule determined by the commissioner. The fee is equal to the amount
 9.5 determined under paragraph (a).

9.6 Subd. 3. **Producer participation; attribution of program costs; fees.** (a) Each producer
 9.7 must register with a producer responsibility organization. A producer selling covered products
 9.8 in this state for the first time must register with the approved producer responsibility
 9.9 organization no less than 60 days before initially offering covered products for sale in this
 9.10 state.

9.11 (b) A producer responsibility organization is responsible for paying all administrative
 9.12 and operational costs associated with establishing and operating a stewardship program,
 9.13 including but not limited to the cost of collection, transportation, sorting, repairing, recycling,
 9.14 and the safe and proper management of covered products.

9.15 (c) A producer responsibility organization must annually collect sufficient revenue from
 9.16 producers via an eco-modulated fee that is approved by the commissioner under section
 9.17 115A.1475 and that distributes the program's costs among producers to fully fund all
 9.18 administrative and operational costs of the stewardship program.

9.19 **EFFECTIVE DATE.** This section is effective the day following final enactment.

9.20 Sec. 4. **[115A.1473] BRAND LIST.**

9.21 (a) No later than 30 days after the effective date of rules adopted under section
 9.22 115A.1487, individual producers or the producer responsibility organization must provide
 9.23 the commissioner, in a form and manner determined by the commissioner, a list of brands
 9.24 of covered products that each producer sells, distributes, imports, or offers for sale in or
 9.25 into this state.

9.26 (b) A producer or producer responsibility organization must update the list described in
 9.27 paragraph (a) and provide the updated list to the commissioner on or before January 15 each
 9.28 year or upon the commissioner's request.

9.29 **EFFECTIVE DATE.** This section is effective the day following final enactment.

10.1 Sec. 5. [115A.1474] NEEDS ASSESSMENT.

10.2 Subdivision 1. Needs assessment; development. (a) No later than ..., a producer
10.3 responsibility organization must, after consulting with the commissioner and political
10.4 subdivisions and a broad diversity of collectors, sorters, and recyclers, prepare an initial
10.5 statewide needs assessment that is designed to determine the strategy, organization, and
10.6 investments necessary to achieve the requirements of sections 115A.147 to 115A.1487. An
10.7 initial needs assessment must be completed before the producer responsibility plan is
10.8 submitted to the commissioner. A producer responsibility organization may engage an
10.9 independent third-party contractor to prepare a needs assessment.

10.10 (b) A producer responsibility organization must pay the cost of developing or updating
10.11 a needs assessment.

10.12 (c) A producer responsibility organization may prepare separate needs assessments for
10.13 one or more covered products or may prepare a single needs assessment that includes all
10.14 covered products.

10.15 (d) The commissioner must evaluate whether the needs assessment meets the requirements
10.16 of subdivision 2 and must review and approve, conditionally approve, or disapprove the
10.17 needs assessment within 90 days after it is submitted.

10.18 (e) If more than one producer responsibility organization has been approved by the
10.19 commissioner at the time an updated needs assessment is prepared, the producer responsibility
10.20 organizations may collaborate on a single updated needs assessment.

10.21 (f) A producer responsibility organization must update the needs assessment, or
10.22 components thereof, at least every five years or as necessary to ensure the provisions of
10.23 sections 115A.147 to 115A.1487 are met.

10.24 Subd. 2. Needs assessment; content. A needs assessment must contain, at a minimum:

10.25 (1) separate estimates of the volume of covered products, by product type, that are
10.26 recycled, repaired, reused, disposed of in landfills, and otherwise processed;

10.27 (2) an inventory of the number, location, and capacity of existing facilities available to
10.28 collect, transport, sort, recycle, repair, and reuse covered products;

10.29 (3) identification of existing laws and funding sources governing the management of
10.30 covered products;

10.31 (4) a discussion of current market conditions and the existence and robustness of
10.32 responsible end markets for covered products; and

11.1 (5) an evaluation of actions and strategies designed to develop a solid waste management
 11.2 system for covered products that meets the requirements of sections 115A.147 to 115A.1487
 11.3 with respect to:

11.4 (i) consumer education and the best methods to reach consumers;

11.5 (ii) consumer behaviors that drive repair, reuse, and recycling;

11.6 (iii) funding needs and incentive mechanisms, including how best to implement the
 11.7 eco-modulated fee structure required under section 115A.1472;

11.8 (iv) reductions in existing fees or fee redistribution mechanisms that equitably distribute
 11.9 costs among producers;

11.10 (v) actions and investments to provide sufficient access to solid waste management
 11.11 services;

11.12 (vi) ensuring the availability of responsible end markets for recycled covered products;

11.13 (vii) reducing the presence of perfluoroalkyl and polyfluoroalkyl substances and other
 11.14 harmful chemicals contained in covered products; and

11.15 (viii) whether allowing more than one producer responsibility organization would improve
 11.16 the stewardship program effectiveness.

11.17 **EFFECTIVE DATE.** This section is effective the day following final enactment.

11.18 **Sec. 6. [115A.1475] PRODUCER RESPONSIBILITY PLAN.**

11.19 **Subdivision 1. Plan content.** (a) A producer responsibility organization must develop
 11.20 a plan to accept and manage all postconsumer covered products. The plan must include:

11.21 (1) the names and contact information of producers and brands of covered products
 11.22 operating under the plan, including email addresses, phone numbers, and mailing and
 11.23 physical addresses;

11.24 (2) a description of the method designed to fully fund the producer responsibility
 11.25 organization in a manner that distributes costs among the participating producers, using a
 11.26 per unit eco-modulated fee that reflects Minnesota sales volumes; existing producer
 11.27 collection, repair, reuse, and recycling programs; and the cost of reusing, repairing, recycling,
 11.28 or otherwise managing covered products;

11.29 (3) a five-year budget that establishes a funding level sufficient to operate the producer
 11.30 responsibility organization in a prudent and responsible manner, demonstrating the
 11.31 sufficiency of estimated revenues to meet all budgeted costs for each cost category, and,

12.1 by the end of the second year of operations, to create a reserve fund sufficient to maintain
12.2 operations during unexpected events that result in loss of income for at least six months;

12.3 (4) quantified and annual performance standards for at least five years and associated
12.4 metrics, unless the commissioner incorporates performance standards in rule;

12.5 (5) financial responsibility and financial controls, including fraud prevention measures
12.6 and an audit schedule, that will be implemented to ensure proper management of funds;

12.7 (6) a description of the free and convenient collection system for covered products that
12.8 will be established in each county of the state, which must include permanent collection
12.9 sites according to section 115A.1476, subdivision 2, and may include temporary collection
12.10 sites and mail-back options. The plan must provide for a reasonable distance between
12.11 permanent collection sites and an explanation of how the locations were determined;

12.12 (7) a description of how collection sites will be authorized and managed, including:

12.13 (i) the process by which political subdivisions can request to be named a collection site;
12.14 and

12.15 (ii) how the producer responsibility organization will provide collection sites, at no cost,
12.16 with appropriate containers for covered products, training, signage, safety guidance, and
12.17 educational materials;

12.18 (8) a description of how the producer responsibility organization will provide for the
12.19 transport of covered products at no cost from collection sites to a sorter, repair business, or
12.20 recycling facility;

12.21 (9) a description of how collection sites will be allowed to divert covered products to
12.22 secondhand markets for reuse;

12.23 (10) a list of proposed conditions and requirements for collectors, sorters, and repair
12.24 businesses, including templates for agreements between these entities and the producer
12.25 responsibility organization;

12.26 (11) a description of how the producer responsibility organization will integrate the use
12.27 of secondhand markets and nonprofit thrift stores when establishing collection sites;

12.28 (12) a description of the process by which collected covered products will be sorted,
12.29 transported, processed, reused, and recycled, including how:

12.30 (i) the repair and reuse of collected covered products will be prioritized;

12.31 (ii) covered products will be sorted;

- 13.1 (iii) the flow of covered products to and from collectors, sorters, repair businesses, and
13.2 recyclers will be tracked through final disposition;
- 13.3 (iv) the producer responsibility organization will minimize disposal of covered products;
- 13.4 (v) the producer responsibility organization will prioritize, to the extent feasible, the use
13.5 and development of sorting, repair, and recycling facilities located closer to the point of
13.6 collection to minimize transportation-related air emissions;
- 13.7 (vi) the producer responsibility organization will conduct an annual assessment of
13.8 operations, including the metrics it will use to assess collection, sorting, and transportation
13.9 outcomes; and
- 13.10 (vii) incentive payments, grants, and market development investments made to support
13.11 the infrastructure necessary to effectively implement the plan will:
- 13.12 (A) prioritize infrastructure located closer to the point of generation of covered products;
13.13 and
- 13.14 (B) encourage reuse over recycling and other methods; and
- 13.15 (13) a comprehensive statewide education and outreach program directed toward
13.16 consumers, retailers, distributors, wholesalers, political subdivisions, and others that is
13.17 designed to promote participation in the stewardship program, including, at a minimum:
- 13.18 (i) maintenance of a website, in coordination with other producer responsibility
13.19 organizations, as applicable, that lists the locations of collection sites and informs consumers
13.20 how to drop off covered products and divert noncovered products elsewhere;
- 13.21 (ii) proposed signage to be used at collection sites;
- 13.22 (iii) efforts to communicate with consumers in languages other than English;
- 13.23 (iv) promotional materials or activities that explain the producer responsibility
13.24 organization's purpose and stewardship program;
- 13.25 (v) materials designed to inform Internet sellers of their responsibility to comply with
13.26 the law and how to join the producer responsibility organization;
- 13.27 (vi) information on secondhand markets and the benefits of reuse, including repair;
- 13.28 (vii) information on where consumers can purchase repaired and reused covered products
13.29 and education and training for collectors on how to encourage such purchases;
- 13.30 (viii) information for consumers about how to avoid improper disposal of covered
13.31 products;

14.1 (ix) methods and metrics that the producer responsibility organization will use to annually
14.2 assess and evaluate the efficacy of the education and outreach program;

14.3 (x) coordination with other producer responsibility organizations to avoid confusion to
14.4 the public regarding stewardship program activities;

14.5 (xi) coordination with existing collection, reuse, and recycling programs and
14.6 community-based organizations, including nonprofit thrift stores;

14.7 (xii) addressing the presence of perfluoroalkyl and polyfluoroalkyl substances and other
14.8 harmful chemicals in covered products; and

14.9 (xiii) minimizing the negative environmental and human health impacts of all operations
14.10 associated with the plan.

14.11 Subd. 2. **Plan; review; implementation.** (a) Within 12 months after the effective date
14.12 of rules adopted under section 115A.1487, a producer responsibility organization must
14.13 submit to the commissioner a complete plan, in a form and manner determined by the
14.14 commissioner, that meets the requirements of this section.

14.15 (b) The commissioner must review the plan for compliance with sections 115A.147 to
14.16 115A.1487 and must approve, disapprove, or conditionally approve the plan within 120
14.17 days after receiving the plan.

14.18 (c) If the commissioner disapproves a plan submitted by a producer responsibility
14.19 organization, the commissioner must provide written notice to the producer responsibility
14.20 organization within 60 days after disapproval explaining the reasons for disapproval. The
14.21 producer responsibility organization may resubmit a revised plan within 30 days after
14.22 receiving the commissioner's written notice. The commissioner must review the revised
14.23 plan within 60 days after resubmittal.

14.24 (d) If the commissioner disapproves a revised plan submitted by a producer responsibility
14.25 organization, the commissioner must provide written notice to the producer responsibility
14.26 organization within 60 days after receiving the revised plan, explaining the reasons for
14.27 disapproval. The producer responsibility organization must revise and resubmit the plan
14.28 consistent with the commissioner's direction within 30 days, otherwise the disapproval is
14.29 final and the producer responsibility organization and producers may be subject to penalties.

14.30 (e) By July 1, 2030, a producer responsibility organization must have a complete plan
14.31 approved by the commissioner to which each producer is subject.

15.1 (f) Within 90 days after the commissioner's approval, a producer responsibility
 15.2 organization must begin to implement the approved plan and must complete implementation
 15.3 within 12 months.

15.4 (g) A producer responsibility organization must submit any proposed substantial change
 15.5 to the plan, as determined by the commissioner, to the commissioner for approval, using
 15.6 the procedures in this subdivision.

15.7 (h) The approved plan is government data under section 13.02, except that financial or
 15.8 sales data reported to the commissioner by a producer responsibility organization is not
 15.9 public data. The commissioner may release financial or sales data in summary form only
 15.10 so that information cannot be attributable to a specific producer or distributor or any other
 15.11 entity.

15.12 Subd. 3. **Plan; revisions.** (a) A producer responsibility organization must review its
 15.13 plan at least every five years.

15.14 (b) If, after review, a producer responsibility organization determines that revisions to
 15.15 the plan are necessary, it must submit a revised plan to the commissioner for review and
 15.16 approval at least 12 months before the plan expires, using the procedures in subdivision 2.

15.17 (c) If, after review, a producer responsibility organization determines that no revisions
 15.18 to the plan are necessary, it must provide written notice of the determination to the
 15.19 commissioner at least 12 months before the plan expires. The commissioner must disapprove
 15.20 the producer responsibility organization's determination within 30 days after receiving the
 15.21 determination if the commissioner concludes that the producer responsibility organization
 15.22 cannot implement the objectives of sections 115A.147 to 115A.1487 without revising the
 15.23 plan. If the commissioner disapproves the producer responsibility organization's
 15.24 determination, the producer responsibility organization must submit a revised plan to the
 15.25 commissioner for review and approval within 60 days after receiving the commissioner's
 15.26 disapproval, using the procedures in subdivision 2.

15.27 **EFFECTIVE DATE.** This section is effective the day following final enactment.

15.28 Sec. 7. **[115A.1476] COLLECTION SITES.**

15.29 Subdivision 1. **Site requirements.** (a) A producer responsibility organization must
 15.30 approve collection sites under its stewardship program only if the operators of the collection
 15.31 sites agree to comply with all applicable state, federal, or municipal laws and rules and
 15.32 conditions adopted by the producer responsibility organization.

16.1 (b) A producer responsibility organization must include as a collection site any political
 16.2 subdivision that offers in writing to participate in the stewardship program and agrees to
 16.3 comply with requirements contained in the producer responsibility organization's approved
 16.4 plan. A producer responsibility organization must include the political subdivision as a
 16.5 collection site in the stewardship program within 90 days after receiving a written offer to
 16.6 participate.

16.7 (c) A collection site must be operated and managed to ensure that covered products are
 16.8 collected safely and managed in accordance with all applicable state, federal, and municipal
 16.9 laws and rules and conditions of the plan. A producer responsibility organization may
 16.10 suspend or terminate a collection site that does not comply.

16.11 (d) A collector and sorter may divert reusable covered products for sale in secondhand
 16.12 markets.

16.13 (e) A producer responsibility organization must require all contractors to pay employees
 16.14 at collection sites under the plan no less than the prevailing wage rate, as defined in section
 16.15 177.42.

16.16 Subd. 2. **Minimum number of permanent sites.** For each county, the plan under section
 16.17 115A.1475 must provide for a minimum of ten permanent collection sites or one permanent
 16.18 collection site per 25,000 people, as determined by the State Demographic Center, whichever
 16.19 is greater, except that:

16.20 (1) a county with a population of 18,000 or less must have at least three permanent
 16.21 collection sites;

16.22 (2) a county with a population between 18,001 and 50,000 must have at least four
 16.23 permanent collection sites; and

16.24 (3) a county with a population between 50,001 and 100,000 must have at least eight
 16.25 permanent collection sites.

16.26 **EFFECTIVE DATE.** This section is effective the day following final enactment.

16.27 Sec. 8. **[115A.1477] COMPLIANCE.**

16.28 (a) Each participant of a producer responsibility organization operating under an approved
 16.29 plan must comply with the requirements of sections 115A.147 to 115A.1487. A producer
 16.30 is not in compliance with sections 115A.147 to 115A.1487 if a covered product sold or
 16.31 offered for sale in this state by the producer is not subject to an approved producer
 16.32 responsibility plan that has been approved by the commissioner under section 115A.1475.

17.1 (b) A producer responsibility organization must notify the commissioner in writing
 17.2 within 30 calendar days of:

17.3 (1) any instance of noncompliance by a producer; and

17.4 (2) the date a producer no longer participates in the producer responsibility organization's
 17.5 approved plan.

17.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.7 Sec. 9. **[115A.1478] TEXTILE, CARPET, AND MATTRESS STEWARDSHIP**
 17.8 **ACCOUNT.**

17.9 (a) The textile, carpet, and mattress stewardship account is established as a separate
 17.10 account in the special revenue fund in the state treasury. Appropriations and transfers to the
 17.11 account and fees collected under section 115A.1472, subdivision 2, must be credited to the
 17.12 account. Earnings, including interest, dividends, and any other earnings arising from assets
 17.13 of the account, must be credited to the account. Money remaining in the account at the end
 17.14 of a fiscal year does not cancel to the general fund but remains in the account until expended.

17.15 (b) Money from the account is appropriated to the commissioner to pay the reasonable
 17.16 costs of the agency to administer sections 115A.147 to 115A.1487 and may not be expended
 17.17 for any other purpose.

17.18 **EFFECTIVE DATE.** This section is effective the day following final enactment.

17.19 Sec. 10. **[115A.1479] RECORDS; AUDITS; REPORTS.**

17.20 Subdivision 1. **Records.** (a) A producer responsibility organization must create and
 17.21 retain board minutes, books, and records that clearly reflect the activities and transactions
 17.22 of the producer responsibility organization.

17.23 (b) Failure by a producer responsibility organization, producer, or their respective agent
 17.24 to share documents or data requested by the commissioner regarding the producer
 17.25 responsibility organization or producer operations under an approved plan is a violation of
 17.26 this section.

17.27 (c) The producer responsibility organization must notify the commissioner within 30
 17.28 calendar days after the end of any quarter in which the producer responsibility organization
 17.29 unsuccessfully attempted to obtain a fee, records, or information from a participant or
 17.30 received incomplete or incorrect records or information from a participant.

18.1 Subd. 2. Audits. (a) A producer responsibility organization must annually contract with
18.2 one or more independent individuals or organizations to conduct an audit of:

18.3 (1) the financial activities of the producer responsibility organization, using generally
18.4 accepted accounting principles;

18.5 (2) the producer responsibility organization's compliance with sections 115A.147 to
18.6 115A.1487; and

18.7 (3) the producer responsibility organization's compliance with its plan.

18.8 (b) A producer responsibility organization must include a copy of the audit with the
18.9 annual report submitted to the commissioner under subdivision 3.

18.10 (c) The commissioner may, at the commissioner's discretion, conduct a financial or
18.11 compliance audit of the producer responsibility organization or of any producer.

18.12 Subd. 3. Reports. (a) A producer responsibility organization must annually submit a
18.13 written report to the commissioner, in a form and manner and by a date determined by the
18.14 commissioner, that contains, at a minimum, the following information for the preceding
18.15 calendar year:

18.16 (1) the producer responsibility organization's costs, according to the cost categories
18.17 established in the plan, and revenues;

18.18 (2) any proposed changes to the distribution of costs among producers;

18.19 (3) the amount of revenue collected from the eco-modulated fees established in
18.20 accordance with section 115A.1472 and the producer responsibility organization's evaluation
18.21 of the fee's effectiveness;

18.22 (4) for each producer operating under a plan, a contact name, physical and email address,
18.23 telephone number, and brands of covered products for which the producer is responsible
18.24 under the plan;

18.25 (5) a list of collection sites, by name, location, and type;

18.26 (6) the total weight of covered products sold in or into this state by each producer
18.27 operating under a plan, by product type and, if applicable, by Harmonized Tariff Schedule
18.28 of the United States (HTS) number assigned by the United States International Trade
18.29 Commission, and a description of how the total weight estimates were made;

18.30 (7) the total weight of all covered products collected by the producer responsibility
18.31 organization and separate estimates of the total weight of covered products that were repaired,
18.32 recycled, reused, or otherwise disposed of;

- 19.1 (8) the total weight of covered products managed by each sorter, each repair business,
19.2 and each recycler;
- 19.3 (9) the total weight of covered products deemed reusable by each collector and sorter,
19.4 by product category;
- 19.5 (10) a discussion of the progress made toward attaining the plan's performance standards;
- 19.6 (11) a description of methods used to collect, transport, repair, and recycle covered
19.7 products;
- 19.8 (12) the producer responsibility organization's strategies and efforts employed to:
- 19.9 (i) manage covered products according to the waste hierarchy in section 115A.02,
19.10 paragraph (b);
- 19.11 (ii) maximize reuse and recycling; and
- 19.12 (iii) minimize disposal;
- 19.13 (13) an assessment of the efficacy of the collection, sorting, and transportation processes;
- 19.14 (14) how producer responsibility organization incentive payments, grants, and market
19.15 development investments prioritized the deployment of infrastructure close to the point of
19.16 covered product generation;
- 19.17 (15) a description of producer responsibility organization outreach efforts and education
19.18 and an assessment of their efficacy in increasing participation in the plan;
- 19.19 (16) a description of coordination efforts with other producer responsibility organizations
19.20 and existing solid waste management facilities;
- 19.21 (17) a description of how the presence of perfluoroalkyl and polyfluoroalkyl substances
19.22 and other harmful chemicals in covered products was addressed, including but not limited
19.23 to the actions taken and investments made to avoid contamination in the recycling process;
- 19.24 (18) any additional information deemed relevant by the producer responsibility
19.25 organization that may assist the commissioner in determining compliance with the plan;
19.26 and
- 19.27 (19) any other information required by rules adopted under section 115A.1487.
- 19.28 (b) The commissioner must review the report and notify the producer responsibility
19.29 organization in writing within 120 days after the report is submitted whether the report is
19.30 compliant with the requirements of this subdivision. The commissioner may require

20.1 submission of any additional information that the commissioner finds necessary to determine
20.2 compliance.

20.3 (c) The commissioner must submit a copy of the report to the chairs and ranking minority
20.4 members of the legislative committees with primary jurisdiction over environment policy
20.5 and finance.

20.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

20.7 **Sec. 11. [115A.1480] PERFORMANCE STANDARDS.**

20.8 The commissioner may establish or adjust performance standards and the dates by which
20.9 they must be met based on information included in the needs assessment, the plan, annual
20.10 reports submitted under section 115A.1479, other information provided by the producer
20.11 responsibility organization, agency waste characterization studies, or any other information
20.12 the commissioner deems relevant.

20.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

20.14 **Sec. 12. [115A.1481] NONCOMPLIANCE; PROHIBITION OF SALE.**

20.15 (a) Each participant under an approved plan must comply with sections 115A.174 to
20.16 115A.1487.

20.17 (b) Within 12 months after the effective date of rules adopted under section 115A.1487,
20.18 and on or before July 1 each year thereafter, the commissioner must post on the agency's
20.19 website a list of producers that are in compliance with sections 115A.147 to 115A.1487
20.20 and the brands of covered products for each compliant producer.

20.21 (c) The commissioner must continually update the list of compliant producers and their
20.22 brands and covered products as the commissioner becomes aware of a producer's compliance
20.23 or noncompliance.

20.24 (d) A retailer, importer, distributor, or online marketplace must monitor the agency's
20.25 website list of compliant producers to determine whether a producer, brand, or covered
20.26 product is in compliance with sections 115A.147 to 115A.1487.

20.27 (e) Except as provided in paragraph (f), on and after the date a plan is approved by the
20.28 commissioner under section 115A.1475, a retailer, importer, distributor, or online marketplace
20.29 may not sell, distribute, offer for sale, or import a covered product in or into this state for
20.30 sale in this state unless the producer of the covered product is listed on the agency's website
20.31 list of compliant producers for that brand and covered product.

21.1 (f) A retailer, importer, distributor, or online marketplace may sell, offer for sale, import,
21.2 or distribute a covered product in or into this state if:

21.3 (1) the retailer, importer, distributor, or online marketplace has fulfilled the obligations
21.4 for the covered products that the retailer, importer, distributor, or online marketplace sells,
21.5 offers for sale, imports, or distributes according to section 115A.1471, subdivision 21,
21.6 paragraph (b);

21.7 (2) on the date the retailer, importer, distributor, or online marketplace sells or offers
21.8 for sale the covered product in or into this state, the producer and brand of the covered
21.9 product was listed as compliant on the agency's website; or

21.10 (3) the covered product was part of the physical inventory of the retailer, importer,
21.11 distributor, or online marketplace before the initial compliance list was posted by the
21.12 commissioner.

21.13 **EFFECTIVE DATE.** This section is effective the day following final enactment.

21.14 **Sec. 13. [115A.1482] ENFORCEMENT.**

21.15 (a) The commissioner must enforce sections 115A.147 to 115A.1487 as provided under
21.16 this section and sections 115.071 and 116.072. If the commissioner finds that a producer
21.17 responsibility organization or participant has violated sections 115A.147 to 115A.1487, the
21.18 commissioner may:

21.19 (1) revoke a producer responsibility organization's registration;

21.20 (2) revoke approval of a producer responsibility plan or require a producer responsibility
21.21 organization to submit an amended plan;

21.22 (3) terminate the agreement between a producer responsibility organization and a violating
21.23 participant; or

21.24 (4) require additional reporting relating to compliance with the provision that was
21.25 violated.

21.26 (b) Notwithstanding the penalty limits under section 115.071, subdivision 3, a person
21.27 that violates or fails to perform a duty imposed by sections 115A.147 to 115A.1487 or any
21.28 rule adopted thereunder is liable for a civil penalty not to exceed \$10,000 per day of violation,
21.29 or not to exceed \$50,000 per day of violation if the violation is determined to be knowing.

21.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.1 **Sec. 14. [115A.1483] ACCESS TO RECORDS.**

22.2 (a) A producer, producer responsibility organization, manufacturer, distributor, retailer,
22.3 or importer must:

22.4 (1) maintain records of all operations and transactions made under a plan or required
22.5 under section 115A.1479 for five years;

22.6 (2) upon request, provide the commissioner with reasonable and timely access, as
22.7 determined by the commissioner, to its facilities and operations, as necessary to determine
22.8 compliance with sections 115A.147 to 115A.1487; and

22.9 (3) upon request, provide to the commissioner within 14 days relevant records necessary
22.10 to determine compliance with sections 115A.147 to 115A.1487.

22.11 (b) A violation of this section is subject to the penalties under section 115A.1482.

22.12 (c) The commissioner may post a notice on the agency's website of the commissioner's
22.13 determination that a producer has failed to provide the commissioner with access according
22.14 to this section and that, as a result, the producer and the producer's brands and covered
22.15 products are no longer in compliance with sections 115A.147 to 115A.1487.

22.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

22.17 **Sec. 15. [115A.1484] ANTICOMPETITIVE CONDUCT.**

22.18 (a) A producer responsibility organization that arranges collection, recycling, repair, or
22.19 reuse services under sections 115A.147 to 115A.1487 may engage in anticompetitive conduct
22.20 to the extent necessary to plan and implement collection, sorting, recycling, repair, or reuse
22.21 systems to meet the obligations under sections 115A.147 to 115A.1487 and is immune from
22.22 liability under state laws relating to antitrust, restraint of trade, and unfair trade practices.

22.23 (b) This section does not apply to an agreement that:

22.24 (1) fixes a price for covered products, except for an agreement related to costs or charges
22.25 associated with participation in a plan approved by the commissioner that is otherwise in
22.26 accordance with sections 115A.147 to 115A.1487;

22.27 (2) fixes the volume of output or production of covered products; or

22.28 (3) restricts the geographic area where, or customers to whom, covered products may
22.29 be sold.

22.30 **EFFECTIVE DATE.** This section is effective the day following final enactment.

23.1 Sec. 16. **[115A.1485] LOCAL AUTHORITY.**

23.2 Sections 115A.147 to 115A.1487 do not grant a city, county, special district, or joint
23.3 powers authority any new authority over solid waste hauling operations pursuant to a
23.4 franchise agreement and do not affect, limit, or abrogate in any manner any franchise granted
23.5 to a solid waste enterprise for the management of solid waste.

23.6 **EFFECTIVE DATE.** This section is effective the day following final enactment.

23.7 Sec. 17. **[115A.1486] INTERNET SALES.**

23.8 An Internet seller must annually:

23.9 (1) notify the commissioner and the producer responsibility organization of all Internet
23.10 sellers with sales of covered products over \$1,000,000 sold via the Internet in the preceding
23.11 year and provide any related information requested. Sales subject to this clause are limited
23.12 to those transactions through the Internet for which payment is processed by the Internet
23.13 seller directly or through its payment processor; and

23.14 (2) provide all third-party sellers described in clause (1) with information describing
23.15 their responsibility to comply with sections 115A.147 to 115A.1487.

23.16 **EFFECTIVE DATE.** This section is effective the day following final enactment.

23.17 Sec. 18. **[115A.1487] RULEMAKING.**

23.18 The commissioner must adopt rules to implement sections 115A.147 to 115A.1487. The
23.19 18-month time limit under section 14.125 does not apply to the commissioner's rulemaking
23.20 authority under this section.

23.21 **EFFECTIVE DATE.** This section is effective the day following final enactment.