

The Association of Wiping Materials, Used Clothing and Fiber Industries

## ABOUT SMART AND THE TEXTILE RECYCLING INDUSTRY



Founded in 1932, the Secondary Materials and Recycled Textiles Association (SMART) is the leading nonprofit trade association that represents the interests of companies involved in the collection, conversion, and recycling/reuse of pre- and post-consumer textiles and other secondary materials. While based in the United States, SMART's membership includes businesses from around the world, reflecting the global reach and ongoing expansion of the textile recycling industry.

Our industry has a rich and storied history, with many of our members bringing decades of experience in textile recycling. SMART members have developed deep-rooted expertise and have played a pivotal role in shaping the textile recycling landscape. These businesses are integral to the efficient recovery, sorting, and reuse of textiles and have adapted to industry changes and evolving market demands while maintaining a strong focus on sustainability and innovation. By preserving valuable materials and diverting billions of pounds of textiles from landfills each year, our members help build a more circular economy and provide essential environmental and economic benefits both locally and globally.

Our industry's activities are highly diverse, spanning the entire textile lifecycle—from recovering and processing pre-consumer by-products from the textile and fiber industries to managing post-consumer second-hand clothing donations and operating collection bins in communities worldwide.

SMART members turn textile waste into valuable resources. They recover "pre-consumer" textile by-products for use in industries such as automotive and home furnishings, and they manage "post-consumer" textiles by reselling them in second-hand markets or repurposing them into wiping materials for industrial or other uses. These activities not only help reduce textile waste but also contribute to local economies by generating employment opportunities, creating tax revenue, and providing affordable clothing to global markets. Furthermore, SMART members work closely with charitable organizations, purchasing unsold donations and sharing profits through clothing collection partnerships. This collaboration provides critical funding to charities, enabling them to fulfill their missions while helping divert textiles from landfills.

Through their efforts, SMART members divert nearly 4 billion pounds of textiles from landfills annually, making a significant impact on reducing textile waste, which accounts for 6.3% of the total U.S. waste stream. Remarkably, nearly 95% of discarded textiles can be reused or recycled, and according to the Environmental Protection Agency (EPA), recycling clothing and textiles has a greater impact on reducing greenhouse gas emissions than recycling plastic, glass, or yard waste.

As a leading voice in the industry, SMART is committed to advocating for high standards and best practices in textile reuse and recycling. We educate the public, policymakers, and local governments about the pressing need to increase textile recycling rates and enhance infrastructure. With the growing focus on sustainability and circular economies, it is crucial that policymakers engage with SMART and our members to understand the current collection, sorting, and recycling value chains before drafting Extended Producer Responsibility (EPR) laws. Unlike many industries, textile recycling has a well-developed, market-based system in place that effectively diverts billions of pounds of material from landfills. A thorough understanding of this system will allow policymakers to design EPR frameworks that build upon existing infrastructure, encourage innovation, and avoid unintended disruptions to an already efficient process.

## BACKGROUND

SMART has recently collaborated with U.S. policymakers on the development of EPR legislation. Although this work is still in progress and EPR models will naturally evolve as they are implemented and refined, SMART has gained valuable insights that we believe are important to share with all public officials considering similar frameworks. Based on our experience, we believe that any effective EPR program should be anchored in the following key principles:

KEY PRINCIPLES	SMART'S POSITION
1. Policymakers should thoroughly assess the existing collection, sorting/ grading, recycling, and reuse value chains for textiles and apparel <u>before</u> EPR laws are developed to ensure their effectiveness.	Unlike many other product categories targeted by EPR measures, textiles already benefit from a mature, market-based infrastructure that diverts billions of pounds of material from landfills each year. Understanding this established system is crucial to identifying gaps, inefficiencies, and areas where additional support is necessary. Without this foundational knowledge, EPR laws risk placing unrealistic demands on industry stakeholders, disrupting existing markets, and missing opportunities to strengthen the well-established, market-driven systems already in place. Moreover, a thorough assessment will reveal best practices and successful models within the textile collection and recycling ecosystems. By leveraging these insights, policymakers can design EPR frameworks that strengthen existing infrastructure, foster collaboration among stakeholders, and stimulate further innovation in textile reuse and recycling. This approach ensures that EPR laws not only promote sustainability but also continue to support a vibrant industry responsible for creating numerous jobs and driving local economies.
2. Broad participation in the development of EPR legislation is essential to creating a comprehensive and effective framework.	This means involving a wide range of stakeholders—including the recycling and reuse sector, as well as manufacturers, retailers, environmental groups, local governments, and consumer advocates. There should be a rigorous stakeholder engagement process during the formation of a producer responsibility organization (PRO), development of regulations, needs assessment, and program plan development, as well as an ongoing role for service providers to provide oversight and input. To facilitate this, any legislation should establish an advisory group composed of our industry and other diverse stakeholders that provides ongoing guidance to the PRO and on the PRO's board of directors.
3. EPR legislation should ensure full participation all stakeholder groups including for-profit businesses.	For-profits possess the infrastructure and resources necessary to efficiently manage large-scale textile collections. Limiting collection activities only to certain entities would hinder the effectiveness of the program by reducing capacity overall, but also lead to job losses and reduced economic opportunities within the industry. Including for-profit entities is crucial for leveraging existing infrastructure, maintaining job stability, and ensuring the success of textile recovery efforts.
4. EPR should not limit the trade of goods between countries.	EPR legislation should safeguard the ability to engage in international trade, recognizing its vital role in the global textile recovery and recycling ecosystem. Restricting the trade of textiles between countries could disrupt well-established markets that rely on the import and export of secondhand goods, potentially leading to economic losses and inefficiencies for both importers and exporters of these goods. Additionally, the global secondhand clothing trade offers significant social, humanitarian, and economic benefits to low- and middle-income countries that frequently receive these goods. It provides affordable clothing options to these communities, improving access to quality garments for people who might otherwise struggle to afford new clothing. It also fosters local entrepreneurship and contributes to the livelihoods of many in these countries, by creating numerous jobs in sorting, repairing, and reselling clothing. By ensuring that international trade of textiles under appropriate tariff codes remains unrestricted, EPR programs can support the continued flow of goods across borders, foster economic opportunities, and enhance the overall effectiveness of global textile recovery initiatives.



5. EPR programs should incorporate a robust education component, mandating comprehensive consumer outreach and educational initiatives by producers.	These efforts should emphasize the importance of donating, reusing, and recycling post- consumer textiles at the end of their lifecycles, while also educating consumers on how they can participate. To maximize impact, educational campaigns should take a multi- pronged approach, incorporating strategies such as promoting secondhand purchases and reclaimed wipers, in-store messaging, social media, websites, and leveraging brands and retailers, who are the primary touchpoints for consumers.
6. EPR programs should be holistic and paired with complementary policy measures, such as recycled content requirements and financial incentives for those involved in the textile recycling and reuse sector.	Recycled content requirements ensure that a certain percentage of new textile product is made from recycled materials, driving demand and creating markets for recycled fibers and encouraging manufacturers to prioritize sustainability. Tax breaks and other financial incentives for businesses in the textile recycling and reuse sector can stimulate growth and innovation in the industry. These incentives can help offset the costs of establishing and maintaining these operations, making it more viable for companies to participate and expand their sustainable practices. Additionally, providing financial support for research and development in textile reuse and recycling technologies can lead to more efficient and effective processes, further enhancing the sector's ability to manage textile waste. By integrating these additional policy levers with EPR programs, governments can create a comprehensive framework that fosters a supportive environment for the growth of sustainable practices within the textile industry. Such a holistic approach is essential for achieving long-term environmental goals and promoting a more sustainable future for the fashion and textile sectors.
7. Any service provider that operates in full compliance with the requirements established by a PRO, along with all applicable laws and regulations, should be allowed to participate as an authorized provider.	Public officials should not be placed in the position of selecting winners and losers. Instead, enabling full participation from all eligible segments of the textile recycling and reuse infrastructure will ensure fairness, maximize efficiency, and enhance the capacity to manage collected materials in alignment with the goals of the EPR program.
8. EPR programs should incentivize those producers who work to extend the life of apparel products.	We believe that 'fast fashion' is a significant environmental problem that also has direct, negative effects on the secondhand industry. Fast fashion promotes a cycle of rapid consumption and disposal, resulting in low-quality garments that are often unsuitable for resale or recycling.
9. EPR laws should exclude secondhand textiles from definitions of "covered product" and "producer".	The secondhand market plays a crucial role in the circular economy by extending the life of apparel and other textiles, reducing waste, and lowering the demand for new textile production. Unlike producers of new textiles, secondhand businesses do not generate new waste; they minimize it by reintroducing used items into the market. Subjecting them to the same EPR obligations as primary producers could undermine their operations and threaten their ability to offer affordable, sustainable clothing options. To support the continued growth and positive impact of the secondhand industry, it is important that EPR laws clearly exclude secondhand clothing from their scope.
10. Lawmakers considering EPR legislation should prioritize educating municipalities on the importance of permitting clothing collection bins within their jurisdictions.	Currently, many municipalities in the United States and beyond have ordinances that either ban clothing collection bins operated by for-profit organizations or impose such strict regulations that they are effectively banned. These bins play a critical role in collecting consumer textile waste, offering a fast, easy, and convenient recycling option that helps divert textiles from landfills. Policymakers should work with local officials to ensure these bins can operate, recognizing their value in promoting textile recycling and reducing waste. Failing to do so would limit access to an essential and effective method of recycling these goods.

## CONCLUSION

As EPR is new legislation both in the U.S. and in other parts of the world, SMART recognizes that we are in the early stages of understanding how best to implement EPR programs within the textile recycling industry. Our insights and positions will naturally evolve as we continue to engage with policymakers and stakeholders, evaluate the impacts of legislation, and identify the most effective strategies for advancing sustainability.

SMART remains committed to and urges an open dialogue with policymakers and all stakeholders, working collaboratively to shape EPR legislation that supports the textile recycling industry, fosters innovation, and benefits all sectors involved. Through this ongoing collaborative process, we aim to develop a comprehensive framework that addresses present and future challenges while driving meaningful progress toward a sustainable, circular economy.



## **QUESTIONS?**

Jessica Franken – Director of Government Affairs (2) (703) 772-7038 jessica@thefrankengroup.com



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