



FOR IMMEDIATE RELEASE  
September 26, 2022

Taylor Gonsalves  
(916) 319-2710

## **Governor Newsom Signs Legislation to Alleviate Issues Around the Market Practices of Wood and Plastic Pallet Suppliers**

**(Sacramento, CA)** – Yesterday, Governor Newsom signed Assembly Bill (AB) 1760, which will alleviate the need for wood and plastic pallet transferors to obtain ownership of such pallets to move and store them on behalf of businesses. AB 1760 also specifies a period of 35 days in which lent pallets must be collected by their designated owner. In the event pallets are not picked up within the 35-day period, junk dealers or recyclers may then sell the pallets or charge reasonable storage fees should the owner demand a return.

“I authored AB 1760 on behalf of the North American Pallet Association (NAPA), a coalition of pallet recyclers and remanufacturers located in my district. They voiced their concerns regarding loss of revenue and declines in their recycling and reuse of pallets as current law does not authorize them to sell or recycle abandoned pallets. AB 1760 amends the current law to help alleviate these burdens for our small businesses,” **stated Assemblymember Rodriguez.**

Pallets can quickly accumulate in large numbers at distribution and wholesale sites, becoming burdensome to the facility. Unlike other pallet manufacturers that sell their products, recyclers and junk dealers, such as NAPA, provide a service of purchasing pallets in bulk, removing them from the distribution and wholesale sites, and returning them to the stream of commerce. However, they were not legally authorized to purchase rented pallets, as they do not own them.

This bill amends the law to now allow recyclers and junk dealers to acquire pallets in good faith and store them until the designated owner can collect them. This amendment, coupled with the time period instated by this legislation, will ensure recyclers and junk dealers no longer lose revenue due to issues out of their control.

“The North American Pallet Association, comprised of over 80 family-owned wood pallet recyclers in California, applauds the Governor in signing AB 1760. This legislation will clear up many of the uncertainties of how pallets will be circulated in the marketplace and will create better efficiencies in the transport of goods,” **stated the North American Pallet Association (NAPA).**

###

*Assemblymember Rodriguez ([Twitter](#)) represents the 52nd Assembly District which includes the cities of Chino, Montclair, Ontario, Pomona, and portions of unincorporated Fontana. He is Chair of the Assembly Committee on Emergency Management.*