
JOIN THE CALIFORNIA RETAIL TRADE ASSOCIATION'S legal group advocating for retail's top legal priorities in California!

The California Retail Law Center is a new opportunity for in-house retail counsel to connect with peers, track legal trends, best practices and learn the latest legal strategies specific to California, the 5th largest economy in the world. This new Center will provide CLE webinars and California litigation updates and offer opportunities for California specific benchmarking surveys so retailers doing business in a state full of complex public policy and regulation have opportunities to connect, share invaluable insights and enrich relationships between retail lawyers and legal professionals focused on California public policy.



What is the California Retail Law Center and why join?

This new comprehensive center, housed within the California Retailers Association, is designed to give retailers and other legal stakeholders a full range of retail-specific resources specific to the unique legal and regulatory environment in California. Members of the California Retail Law Center will have access to the latest on retail-specific legal issues such as employment, regulatory developments, workplace safety, taxes, privacy, artificial intelligence, environmental sustainability and more!



The California Retail Law Center helps legal teams stay on top of what's to come in the world of California retail, which leads the rest of the nation. In addition, it helps the California Retailers Association as it advocates to the Governor, the State Legislature and to regulatory bodies across the state on issues impacting the retail industry.



Connect with retail legal leaders and California policy/regulatory leaders

The California Retail Legal Law Center facilitates California's retail legal leaders to network, collaborate and learn from one another regarding legal issues facing the industry in the state and provides opportunities to collaborate with subject matter experts, share information, best practices, and network with other legal professionals, industry leaders, and California policy and regulatory leaders.

- ✓ Run by an Advisory Board of legal professionals representing CRA members
- ✓ Access to California specific legal white papers on issues impacting the retail industry
- ✓ Annual California Legal and Policy Strategic Summit to update members
- ✓ Monthly calls to update members on legal and regulatory issues in California
- ✓ Opportunity to participate in California specific Amicus briefs
- ✓ Opportunity to assist CRA with input on regulatory rule making comments and provide strategic insight (i.e. CalOSHA, CalRecycle, Prop 65 (OEHHA))
- ✓ California specific legal/regulatory benchmarking
- ✓ Zoom and in-person meeting with legal professionals serving in public policy or regulatory leadership roles in California (i.e. legal professionals serving in the State Legislature; California Attorney General; members of the California Supreme Court)
- ✓ Quarterly newsletter specific to legal and regulatory issues in California



Top litigation and regulatory issues brand retailers face in California

(and How Proactive Engagement with the California Retail Legal Law Center and the California Retailers Association Can Help)

California retailers face numerous litigation and regulatory challenges due to the state's stringent legal and regulatory environment. By engaging with the **California Retail Law Center** (CRLC) and the **California Retailers Association** (CRA), retailers can take proactive steps to mitigate risks and play a critical role in shaping policy by educating lawmakers and regulators about the unintended consequences of over- regulation and litigation.

1. EMPLOYMENT AND LABOR LAW DISPUTES

- Wage and Hour Violations: Retailers frequently face lawsuits related to unpaid wages and missed meal and rest breaks.
- Discrimination and Harassment Claims: Disputes under California's labor laws are a significant risk.



The California Retail Law Center and the California Retailers Association can:

- Work with industry peers to educate how overly complex and ever-changing wage regulations can unintentionally burden businesses.
- Advocate for more balanced labor laws that protect workers while providing clarity and flexibility for businesses to comply with the law without excessive litigation.

2. CONSUMER CLASS ACTION LAWSUITS - False Advertising and Privacy Violations. Retailers often face consumer class actions for misleading marketing or non-compliance with privacy regulations like the California Consumer Privacy Act (CCPA) and California Invasion of Privacy Act (CIPA).



The California Retail Law Center and the California Retailers Association can:

- Educate how overly broad class action opportunities can be exploited, leading to frivolous lawsuits that harm legitimate businesses.
- Advocate for more precise and fair regulations that protect consumers without encouraging unnecessary litigation.
- Work to raise awareness of how large settlements in class actions often do not benefit consumers and instead lead to higher operational costs for businesses, which can be passed on to consumers.
- Strategize on legal arguments to defend these lawsuits.

3. ADA COMPLIANCE AND ACCESSIBILITY LAWSUITS

- Retailers frequently face lawsuits for non-compliance with the Americans with Disabilities Act (ADA) and California's additional accessibility requirements.



The California Retail Law Center and the California Retailers Association can:

- Educate for reforms that discourage predatory lawsuits while maintaining accessibility standards.
- Inform on the unintended consequences of ADA litigation abuse, such as costly settlements that deter businesses from expanding or improving physical locations.

4. PROPOSITION 65 COMPLIANCE - Prop 65 requires businesses to provide warnings for products containing chemicals that could potentially cause harm, leading to frequent lawsuits.

The California Retail Legal Law Center and the California Retailers Association can:

- Work collectively to inform about the disproportionate burden Prop 65 places on retailers, especially for those dealing with minimal risk products.
- Advocate for more realistic labeling and compliance standards that focus on legitimate consumer safety concerns rather than promoting litigation.

5. ENVIRONMENTAL AND SUSTAINABILITY REGULATIONS

- Retailers must comply with various environmental regulations.



The California Retail Legal Law Center and the California Retailers Association can:

- Advocate for clear, consistent guidelines that help businesses comply with environmental laws without fear of green washing lawsuits.
- Inform how unclear or overly stringent regulations can result in compliance confusion, increased litigation and higher operational costs, ultimately impacting consumers.

6. REAL ESTATE AND LEASING DISPUTES - Retailers often face litigation involving commercial leases, zoning disputes and land use regulations.

The California Retail Legal Law Center and the California Retailers Association can:

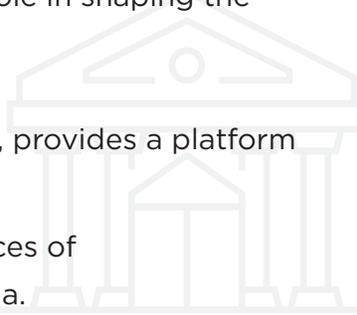
- Promote reforms that encourage business growth without exposing companies to excessive litigation or stifling expansion opportunities.
- Inform about the need for more flexible zoning and leasing regulations that facilitate business operations rather than creating barriers through litigation.

Educating policymakers on over-litigation and onerous regulatory environment

By engaging with the California Retailers Association through the California Retail Law Center, retailers can not only protect their brands from litigation, but play a pivotal role in shaping the legal and regulatory landscape of California's retail environment.

The California Retail Law Center, through the California Retailers Association, provides a platform for retailers to:

- ✓ **Educate** policymakers and regulators about the unintended consequences of over-litigation and how it affects the overall business climate in California.
- ✓ **Emphasize** how frivolous lawsuits and litigation abuse create an environment of uncertainty and increased operational costs, leading to higher prices for consumers, reduced job creation and stifled innovation.
- ✓ **Advocate** for balanced regulations that protect consumers and businesses, reducing the incentives for unnecessary lawsuits while ensuring that legitimate grievances can still be addressed fairly.



Sample Pending issues for the California Retail Law Center to discuss:

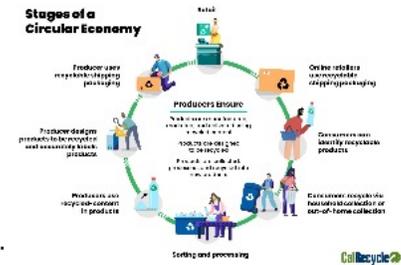
Privacy and AI:

The California Privacy Protection Agency (CPPA) is developing draft regulations, that could take effect mid-2025, on the use of artificial intelligence and automated decision-making technology (ADMT) Key aspects include:

- 1. Pre-use notices:** Organizations using covered ADMT must issue notices to consumers before use.
- 2. Opt-out options:** Consumers must be offered ways to opt out of ADMT use.
- 3. Risk assessments:** Companies must conduct assessments before using ADMT for significant decisions or extensive profiling.

Environmental Sustainability and Packaging:

- 1. Extended Producer Responsibility (EPR):** California is considering expanding its EPR program to cover more product categories, potentially impacting retailers' packaging and recycling practices.
- 2. Single-use Plastic Reduction:** New regulations may further restrict single-use plastics in retail packaging and operations.
- 3. Carbon Footprint Disclosure:** Pending rules may require larger retailers to disclose their carbon footprint and sustainability efforts.
- 4. Circular Economy Initiatives:** Upcoming regulations may incentivize or mandate circular economy practices in retail, focusing on product lifecycle and waste reduction.



Retailers should prepare for potential compliance requirements and operational changes as these rules develop throughout 2025.

Changes to Proposition 65

California's Office of Environmental Health Hazard Assessment (OEHHA) is proposing significant modifications to Proposition 65 regulations, particularly regarding short-form warnings. These new rules could be adopted soon. Key pending changes include:

- 1. Extended implementation period:** The time frame for implementing revised short-form warning content will be extended from two to three years.
- 2. Changes to short-form warnings:**
 - Short-form warnings will need to name at least one chemical for each type of exposure pathway (cancer or reproductive harm).
 - Usage of short-form warnings will be more limited.
 - The warning text will be expanded with additional required language.
- 3. Internet and catalog warnings:**
 - OEHHA plans to revert to the original regulatory text for most internet and catalog warning content.
 - A new 60-day grace period will be granted to internet retailers to update their online short-form warnings after receiving a warning or written notice.
- 4. New safe harbor warnings:**
 - New tailored warnings for automotive parts and recreational marine vessel parts are being introduced.
- 5. Applicability:**
 - The regulations will apply to exposures occurring during the "purchase, handling, or installation of a part".



A collective voice for retailers

Through proactive engagement with the California Retail Law Center and the California Retailers Association, retailers can not only reduce legal risks, but also influence future regulations and policies. Through a collective voice, retailers can educate policymakers on how to create an improved business-friendly environment in California, reducing the burden of over-litigation while still protecting consumer rights and public interests.

Membership Benefits Include:

- ✓ Ability to participate in and influence legal work around CRA's top legal and regulatory priorities in California.
- ✓ Regular alerts on policy and regulation at the local and state level that impact the industry.
- ✓ Opportunities to exchange ideas and discuss potential strategies to address challenges facing the retail industry from a legal perspective in California.
- ✓ Networking and training events built around small-group problem solving and opportunities to share experiences.
- ✓ Invitation to attend and participate in CRA events throughout the year.



Retail Membership

Retail Members get the opportunity to participate fully in all committees and meetings of both the California Retailers Association and the California Retail Law Center. Membership in the California Retail Law Center is limited to legal professionals from retail member companies of CRA. CRA dues are based on annual revenue. Please contact cra@calretailers.com for more information or to verify your company's CRA membership.

Law Firm Membership

Law firm members have the unique opportunity to hear from and interact with the California retail industry's legal leadership on the top litigation issues facing retailers today. Membership options include:

GENERAL MEMBER (\$10,000.00)

- ✓ Two sponsored articles in the California Retailers Association monthly newsletter.
- ✓ Two members in the California Retail Law Center.

ELITE MEMBER (\$15,000.00)

- ✓ Four sponsored articles in the California Retailers Association monthly newsletter.
- ✓ Four members in the California Retail Law Center.
- ✓ Speaking/presentation opportunities at select California Retailers Association events.
- ✓ Opportunity to serve on the California Retail Law Center Advisory Committee.