

April 9, 2018

Attention: Carpet Team
Department of Resources Recycling and Recovery
1001 I Street Sacramento, CA 95812

Submitted via email: carpet@calrecycle.ca.gov

SUBJECT: COMMENTS ON CALIFORNIA CARPET STEWARDSHIP PLAN 2018-2022

Dear Carpet Team at CalRecycle,

Thank you for the opportunity to provide comments on CARE's Carpet Stewardship Plan (Plan) for 2018-2022. The Plan submitted by the Carpet America Recovery Effort (CARE) on March 16 does not align with the requirements of the statute and intent of the author. We believe the submitted plan does not integrate three of the five quantifiable goals (§42972(2a-e)), these being increasing collection convenience, processor capacity, and recyclability of carpet.

Our main concerns with the submitted Plan are the following:

- (1) Flawed measurement of recyclability;
- (2) Lack of transparency in the budget and subsidy calculations, which impedes the ability of CalRecycle to conduct oversight;
- (3) Differential assessments that do not prioritize the highest recyclability, as recommended by the Advisory Committee.

The proposed measurement of recyclability in the plan uses a performance goal based on post-consumer carpet yield (page 20) and incorporates market factors (page 70), which does not accurately capture the definition of recyclability provided by the author of AB 1158, Assemblymember Kansen Chu. Recyclability is a technical issue reliant on material specifications and available technologies and should be free of economic factors, such as "extent of subsidy needed". It is also pertinent that the measurement of recyclability include concerns addressed in the Advisory Committee's proposed motion #5.1, as not to disregard the legislative author's intent of reducing hazardous chemical exposure to recycling workers in the recycling facilities.

We echo the concerns raised in the Advisory Committee regarding the lack of transparency in the subsidy calculations (motion 2d-1) and program budget (motion 6.1). Although the plan "amplified the narrative around setting of subsidies", there is disconnect in the Plan between table 6 (which should set recyclability) and the setting of grants of subsidies. In attachment 8 of the plan (page 195), subsidy totals listed do not correlate with the recyclability ratings in Table 6 (page 70), which rated Nylon-6 and carpet tile the highest recyclability, yet they receive lower subsidies than non-nylon broadloom, which was rated the lowest recyclability. Nylon-6 was rated 45 points higher than PET, yet is paid \$.15 less.

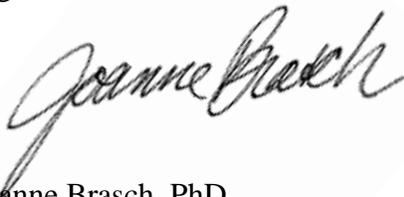
We support the Advisory Committee's recommendation 3-1 to use a differential assessment based on the recyclability of the material. The submitted plan discusses the consideration of a differential assessment, but does not specifically address the fees assessed to producers related to recyclability. An assessment system correlated with recyclability would satisfy the statutory requirements to prioritize recyclability and incentivize green design.

Some of our other concerns with the plan involve stakeholders and fee payers in California not gaining collection convenience (§42972(B)). We would like California-based collectors, sorters, and processors to have enough support with 2-year subsidy guarantees and payout increases, as proposed by the Advisory Committee (motions 2a-1 and 4-1), in order to ensure long-term investment in carpet recycling infrastructure. We are also concerned that 8 counties still do not have daily access to carpet recycling collection, yet have been paying fees into the stewardship organization since the passage of AB 2398 in 2010. If the assessment fee is truly a fee, and not a tax, it should cover specific services received by the fee payer as required in California State Proposition 26, but many Californian fee payers still do not have access to carpet recycling.

Additionally, the interpretation of the waste hierarchy in the plan, which puts waste-to-energy (WTE) and CAAF as preferred methods of disposal over landfill does not follow California law. The statute §42972(a)3 requires management of post-consumer carpet in a manner consistent with the state's solid waste management hierarchy. According to the California Public Resources Code §40051, the state's waste management hierarchy does not distinguish a prioritization of CAAF and WTE over landfill, as all disposal methods, be it transformation or landfill, are of equal standing, below source reduction and recycling.

While CPSC does not believe any plan should be approved that doesn't ensure full fiscal transparency or full alignment with goals in AB 1158, we will support the committee's recommendations which would not approve the plan as submitted, but requires two important amendments to address at least those two critical deficiencies before it be approved. .

Signed,



Joanne Brasch, PhD
Special Project Manager
California Product Stewardship Council