

November 26, 2013

Attention: Kathy Frevert
Department of Resources Recycling and Recovery
1001 I Street
PO Box 4025, MS 13A
Sacramento, CA 95812
Submitted via email: carpet@calrecycle.ca.gov

SUBJECT: CPSC COMMENTS ON REVISED CARPET STEWARDSHIP PLAN

Dear Ms. Kathy Frevert:

The California Product Stewardship Council (CPSC) is the preeminent California based organization dedicated to product stewardship research, development, education, and implementation. CPSC has the support of numerous cities, counties, local government associations and business partners in virtually every Senate and Assembly district in California, representing over 64% of the state's population. CPSC takes pride in coordinating closely with others to ensure that California policies follow the [Principles of Product Stewardship](#).

CPSC appreciates the opportunity to again comment on the latest revised California Carpet Stewardship Plan (Plan) that the Carpet America Recovery Effort (CARE) submitted to CalRecycle on October 28, 2013. CPSC previously submitted comments on June 25, 2013 (letter attached). We have reviewed the revised Plan, and note that there are some improvements and areas where our comments have been addressed, including the addition of a California-based Project Manager and new market-development incentives to help increase recycling. However, the improvements are small compared to the concerns from our original letter which remain. Therefore, we respectfully ask that CalRecycle not approve the Plan. The areas of greatest concern are the following:

1. Ownership of Outcomes: While the Plan has some important improvements and demonstrates more ownership of the program, it still does not reflect a response to the lessons learned from the past two years of planning and operations. One example is hiring only one person for the entire State of California to get the program working well in California when there a multitude of problems to fix.
2. Funding Mechanism and Market Development: Based on the law, funds should be used primarily to achieve "continuous and meaningful improvement" in source reduction, reuse and recycling rates.
 - a. Infrastructure: Market development incentives are a good start, however **the Plan does not support the existing collection and recycling infrastructure to a degree that would result in significant increases in reuse and recycling**. CARE held onto significant surplus funds while two California firms went out of business and this Plan still does not discuss that issue in any detail, or why they let that happen and how they will ensure the collection and recycling infrastructure is developed and fully utilized to achieve higher recycling rates.

- b. Stewardship Assessment: The selected **5 cent per yard fee apparently must be raised since the funds are not proving adequate to achieve significant and meaningful improvement.** CARE needs to pay hard costs incurred by collectors, and recyclers, if we are going to see significant increases in recycling rates. Furthermore, a higher assessment for PET carpet would help cover its higher end of life management costs.
- c. PET and Recyclability: **Consumers are paying a “recycling” fee for PET carpet which is not recycled** and being promoted heavily as “earth friendly.” CARE has proposed no public education to address the fact that consumers do not know that PET carpet is not recyclable yet are being told it is “earth friendly.” This lack of transparency to consumers is an issue.
3. Recycling Goal is inadequate. Although the Plan added a new “aspirational” goal of 24% by 2020, with numerous caveats, this rate is insufficient given the State’s goals under AB 341 and AB 32.
4. Need for California Staff: It is great news that CARE finally hired a program manager for California, but **one staff person cannot adequately cover the entire state to ensure a program of this size is working properly.** PaintCare has not has a smooth roll-out, yet they have employed four full-time staff to help get the program up and running.
5. Permit Review: Although the Plan states that CARE Certified Collectors must agree to obtain all required permits, and the Plan touches on the financial assurances requested by CalRecycle to prevent a repeat of the 20M pound pile of carpet amassed in Sacramento, the Plan does not **outline a clear solution to ensure that all carpet paid as “shipped” for recycling is actually recycled.**
6. Public Outreach and funding allocated to education is inadequate. With less than 1% of the budget going to outreach and education, **it is not clear in the Plan or on the CARE website how a consumer or carpet installer would access carpet recycling.** Furthermore, there is no plan to tell the public which carpet is recyclable or whether their carpet will be recycled. More education is needed, both to the general public, carpet installers and retailers, regarding recycling opportunities.

We are happy to continue working with CARE and CalRecycle to ensure that California’s Carpet Stewardship program is a success. California needs a cost-effective and convenient program that benefits everyone who pays the stewardship fee, as intended by AB 2398. We look forward to working with stakeholders to ensure the Plan is updated to meet the goals and intent of AB 2398.

Thank you for the opportunity to comment.

Sincerely,



Heidi Sanborn, Executive Director

Cc: Bob Peoples, CARE
Howard Levenson, CalRecycle

Attachment: CPSC letter dated June 25, 2013

June 25, 2013

Attention: Kathy Frevert
Department of Resources Recycling and Recovery
1001 I Street
PO Box 4025, MS 13A
Sacramento, CA 95812
Submitted via email: carpet@calrecycle.ca.gov

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Dear Ms. Kathy Frevert:

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CPSC appreciates the opportunity to comment on the revised California Carpet Stewardship Plan that the Carpet America Recovery Effort (CARE) submitted to CalRecycle on May 31, 2013. We look forward to continuing to work with stakeholders to ensure that this program works. We have reviewed the Plan, and have numerous concerns about how CARE will meet the goals and intent of AB 2398.

Seventeen months have passed since our previous comments, and little has been done in this Plan to address our concerns. **We urge CalRecycle to not approve the Plan, and to demand it be re-written with input from California stakeholders.** Our comments and issues in brief include:

1. As stated in our previous comment letter, the overall tone of this Plan is one of “non-ownership” of the outcome of the program. The Plan does not reflect lessons learned, or propose any real solutions to ensure the program works and meets the goals and intent of AB 2398.
2. Funding Mechanism and Market Development:
 - a. Funds should be used primarily to achieve “continuous and meaningful improvement” in source reduction, reuse and recycling rates. CARE has held onto significant surplus funds while California recyclers have had to close their doors due to inadequate funding. Funds should be used immediately to cover costs of transportation and environmentally sound processing in California. The Plan should provide financial incentives for activities that increase source reduction, reuse, recycling and recyclability, such as new technologies for end-of-life management as well as the manufacturing of new products. Basic tools should be funded to reduce the costs to recycle carpet, and prevent carpet from being shipped that cannot be recycled, including equipment to help recyclers identify the types carpet collected. Innovative solutions to reduce the cost of recycling should be funded, such as stamping the back of carpet at the point of manufacture to help recyclers identify fibers.

- b. The fee should be re-evaluated and raised to improve recycling rates. The 5 cent per yard fee equates to about one cent per pound, and this amount is insufficient to cover the cost of collecting and recycling carpet in an environmentally sound manner. There is no discussion in the Plan of adjusting the fee if goals are not met, and there is nothing in the Plan to ensure every fee payer has access to carpet recycling.
 - c. Furthermore, the fee should be increased on PET carpet to reflect the additional cost of managing PET at end-of-life. Consumers are currently being misled because the fee is collected for “recycling” while none of the PET carpet is currently being recycled. The Plan should proactively address the fact that PET carpet sales are trending up and there is currently no recycling outlet for this material. An increased fee on PET carpet should be used to incentivize recycling and recyclability of this waste stream.
3. Inadequate Goals: The Plan should prioritize the waste hierarchy and outline activities to foster source reduction, reuse and recycling in California, consistent with statute. The current recycling goal of 16% by 2016 is inadequate. Data in the Plan also needs to be verified as there are inconsistencies and no accounting for stockpiled carpet at closed processing facilities.
4. Need for California staff: The Plan currently does not provide any representatives employed by CARE to oversee the program operations in California, and this has led to serious problems, including recycling funds going to carpet which is stockpiled and landfilled. Having at least one dedicated employee with “boots on the ground” in California is necessary to a successful program.
5. Permit review: The Plan has no mention of the several million tons of carpet that have been stockpiled yet paid for by CARE as “shipped” for recycling, and does nothing to address this problem. Before disbursing funds to processors, CARE should have standard procedures to review and ensure a processor is in full compliance with local and State rules and regulations, and all appropriate permits are in place.
6. Public Education: The Plan does not provide adequate public education. Putting the fee on the receipt and having posters that reference AB 2398 is not an effective public education program. Consumers have a right to knowledge, and there is currently no plan to tell the public which carpet is recyclable or how to ask their retailer or contractor whether their used carpet will be recycled.

We are happy to continue working with CalRecycle and CARE to ensure that California’s Carpet Stewardship program is a success. California needs solutions to its waste and economic problems, and it is critical that the carpet industry design and implement a robust program that benefits everyone that pays the stewardship fee. The Plan needs a lot of work and we look forward to working with stakeholders to ensure the Plan is updated to meet the goals and intent of AB 2398.

Thank you for the opportunity to comment.

Sincerely,



Heidi Sanborn, Executive Director

Attachment: CPSC comment letter dated January 17, 2012

Cc: Bob Peoples, CARE
Howard Levenson, CalRecycle
Mary Pitto, ESJPA Program Manager