

**All Progressive Solutions Final 2013 Comments To  
CARE's Proposed 2013 Changes To  
The CARE California Carpet Stewardship Plan**

**Submitted by All Progressive Solutions/Dave Fowler  
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**NOTE: These 2013 APS Final Comments incorporate comments previously submitted by APS/Fowler on June 21, 2013 and September 23, 2013. These 2013 APS Final Comments wish to acknowledge and indicate support for comments submitted by other stakeholders during the comment period, and are stated here as briefly as possible to avoid duplication of thoughts and concepts adequately expressed by other stakeholders in the record of this plan modification process.**

1. **Landfill Tipping Fees.** The main goal of AB 2398 is to increase diversion of carpet waste from landfills and to recycle diverted waste into new marketable products that will promote even greater diversion. This goal continues to be undermined by “price competition” among disposal alternatives, with some landfills charging tipping fees as low as \$30 per ton and some carpet collectors/recyclers even less. That falls far short of covering the cost of recycling waste carpet and prolongs the necessity of subsidies to keep carpet out of the landfills. This has led to the failure of a major waste carpet collector and a major recycler during the past year, and threatens the survival of other recyclers and processors in the industry. The CARE Carpet Stewardship Plan and mission should include not only the present incentivisation of carpet recycling efforts but should also include educational efforts with legislative and regulatory officials as to how artificially low landfill tipping fees undercut recycling efforts and force continued subsidization of those recycling efforts, shifting the cost of that subsidization to carpet purchasers and to the taxpayer.
  
2. **Terminology and Definitions in the CARE Plan vs. AB 2398** The terminology and definitions used in the CARE Plan need to present a clear path for prospective processors to follow to qualify for the financial benefits. The former definitions, “higher value” and “lower value”, raised the question: “Why should the higher value carpet waste materials receive a higher subsidy, leaving the lower value materials, whose value cannot possibly cover the cost of recycling, even more assuredly destined for the landfill? Now, under the October 28<sup>th</sup> draft of CARE’s proposed revisions to the CSP, “higher value” and “lower value” materials have been renamed “Type 1” and “Type 2” materials without any change in the actual plan definitions in Attachment III to the proposed Plan. (Elsewhere, however, the “Type 1” classification seems to exclude materials having more than 25% calcium carbonate (called “ash”) content, raising an uncertainty as to calcium carbonate content. This seems to leave PET as the new “Type 1 material, quadrupling the subsidy previously received as a Type 2 material. Yet these definitions still retain a Type 2 classification, preserving the preexisting anomaly of offering greater subsidization to the waste material

already having the best chance of diversion and recycling without financial subsidies.

AB 2398 does not distinguish between “high value” and “low value” or Type 1 and Type 2 components of waste carpet, but rather calls for diversion and recycling of all components to the maximum degree feasible, following the direction of the California Integrated Waste Management Act of 1989. With subsidies properly correlated to the financial realities of recycling costs – for example the cost of compliance with Title 14 -- all carpet waste could be diverted and recycled, rather than only the 19% projected for the year 2016 under the October 28 draft of CARE’s proposed changes to the CSP. And the amount of such subsidies could be kept within reasonable limits in the future by amendment of AB 2398 to require landfills to charge tipping fees for waste carpet that correspond to the real cost of recycling waste carpet, a change that would probably be welcomed by the landfills.

Creation of categories, classifications, types and other distinctions, whether related to value, chemical composition or supposed utilization, is contrary to the purposes and goals of AB 2398 when used to disqualify materials, products, ideas or participants from receiving adequate funding without a clear, specific reason found in AB 2398, *e.g.* “> 25% calcium carbonate, without any reason or rationale indicated . Elimination of classifications and distinctions that have no visible purpose would promote diversion and recycling of all of the carpet waste, including not only nylon but also the PET materials and the carcass leftovers after harvesting of the nylon, so that “diversion” and “recycling” have the chance to achieve the 100% level sought by AB 2398.

3. **Structure of CARE Incentives.** The CARE Plan should recognize the true costs of diversion and product development and work with CalRecycle to see that such costs are accommodated in the CARE program by a proper balance between tipping fees and CARE incentives. The level of CARE incentives for diversion and recycling should complement cost-realistic tipping fees for landfill disposal alternatives. Under present laws, landfill tipping fees are likely to be the least expensive or most expeditious method of disposal of unprocessed used carpet or a component thereof, *e.g.* recent landfill disposal of an extremely large quantity (estimated at over 10,000 tons) of unprocessed waste carpet under regulatory mandate without exploration of other options. Also, incentives should reward diversion and recycling first of the low value, high volume waste carpet components which the market does not favor *e.g.* PET and other non-nylon components, rather than reward components which require less subsidy to be successfully diverted and recycled.
4. **Duration of CARE Incentives.** There should be a minimum two to three-year incentive program for the introduction and market establishment of new recycled products in California to help start-up business responding to the new AB 2398 legislation become established and self-sufficient. This would be a good use of

the CARE Funds collected from the California residents, and would promote the creation of new green jobs and start up businesses in the recycling industry in California. Incentives should be structured to bring the products to market so that in two to three years the products would become self-sustaining, allowing CARE to re-evaluate and determine at what point the volume of carpet being diverted from the landfill is adequate to allow discontinuance of further incentives.

5. **Purchase of Recycled Carpet Waste Products by Governmental Agencies.** CARE and CAL Recycle should intensify efforts to encourage California governmental agencies to purchase of recycled products created by this program, such as green infrastructure systems using recycled materials and products.
6. **CARE Committee for Entrepreneurs.** CARE should create a new committee to work with entrepreneurs on incentive programs for new products meeting the objectives of AB2398. The feasibility of ideas for new products should be explored and vetted by CARE and given fair consideration rather than requiring the proponent to prove the idea is feasible under present CARE practices until shown to be unrealistic or far-fetched. The financial integrity of any program should be assured by conditioning payment of benefits upon proof by the applicant that the products or processed materials have been sold or permanently removed from the waste stream destined for landfill disposal. No idea or participant should be rejected for financial assistance for failing to meet existing CARE priorities, definitions or classifications e.g. "filler".
7. **Carpet Content Labeling.** CARE should work with manufacturers to facilitate labeling imprinted on the backing of new carpet with the international numbering system for plastics 1 through 7. This would encourage recycling in rural areas by reducing the present cost of content detection in waste carpet materials.
8. **Carbon Footprint and Other Environmental Priorities.** *The CARE Plan should be modified to give recognition to environmental priorities such as reduction of the carbon footprint of products produced under a CARE program.*

Respectively submitted,

David Fowler  
All Progressive Solutions, LLC  
741 Shady Glen  
Martinez, CA 94553

925-250-4402 voice  
dfowler555@att.net