

To: CalRecycle Carpet Team

Re: California Carpet Stewardship Program Addendum #3 Plan

The California Retailers Association submits the following comment on the California Carpet Stewardship Plan Addendum #3, dated November 2015. We recognize that the deadline for comments was December 20th, but unfortunately we were, due to the holidays, not able to communicate our concerns by that date.

On page 5 of the Addendum, in Table 2, an increase in the carpet stewardship assessment from \$0.10 to \$0.20 per yard is proposed, to be effective "no later than March 1, 2016".

On page 33 of the Addendum, the proposed increase in the assessment is planned for April 1, 2016: "CARE will increase the assessment effective no later than April 1, 2016..."

California Retailers Association has no position on the increase in the assessment level itself. However, because the fee is collected at retail point of sale, the timing of implementation of a change is of major importance to the retail industry. A minimum of 60 days notice (90 days is preferred, but 60 is essential) of an assessment increase is needed to assure that retailers can become informed of the assessment level change, and make the necessary modifications to software at the point of sale. Changes to ancillary customer informational materials will also need to be made to reflect the new assessment amount. Action on Addendum #3 is scheduled for the January 26th CalRecycle Public Meeting; no notification of a proposed increase can be made prior to formal approval. This timeframe, essentially February 1, would allow only approximately 30 days notice of the increase if it were scheduled to become effective on March 1, as page 5 of the Addendum proposes.

We respectfully request that the proposed assessment increase, if adopted by CalRecycle on January 26, become effective no earlier than April 1, 2016, as page 33 of the Addendum suggests.

Please contact us if you have any questions. A representative of CRA will also be present at the January 26th meeting to respond to any questions at that time.

Thank you for your consideration of our request.

Sincerely,

Pamela Boyd Williams
Executive Vice President