



October 19, 2015

Attention: Kathy Frevert  
Department of Resources Recycling and Recovery  
1001 I Street  
Sacramento, CA 95812  
Submitted via email: [carpet@calrecycle.ca.gov](mailto:carpet@calrecycle.ca.gov)

**SUBJECT: COMMENTS ON CARE’S 2014 CARPET STEWARDSHIP PROGRAM ADDENDUM #2**

Dear Ms. Frevert:

Per our comment letter of July 27<sup>th</sup>, we want to see the carpet program work and we outlined specific things we believe need to be done to accomplish that goal. We are extremely concerned that we are losing collectors and recyclers in California. The California fee money should be used to fund projects in California to collect, process, and recycle carpet.

Due in part to the issues we highlight below, we cannot support the Addendum. We recommend that CalRecycle reject Addendum #2 and ask CARE to address all stakeholder and any CalRecycle comments, including more detail on exactly how the grants/loans program and advisory committee will work, then resubmit as one complete plan for CalRecycle’s review.

We will be brief and outline of our primary issues with Addendum #2 to the Carpet Stewardship Plan. The priority issues are as follows:

1. Addendum #2 Lacks Adequate Detail: The addendum lacks clarity, provides duplicative and contradictory remarks, and lacks sufficient detail to thoughtfully evaluate. Also, having to wait for another addendum makes review difficult as we do not have the entire program amendment.
2. Grant and Loan Program: The grant and loan program is something we support in concept but the devil is in the details and some of the details are concerning, such as:
  - a. Grants and loans **should be limited to only California based projects not just give them priority**. \$2-3 million dollars is not a lot for California carpet infrastructure, and every penny of California fee money should be invested in California.
  - b. **Grant eligibility should NOT include being a paying member of CARE**. The best projects should win the grants and loans without regard to who is paying dues to CARE. AB 2398 did not authorize monopoly control over carpet recycling in California nor should it be used to strong-arm any organization or company to become a CARE member.
  - c. **Burning or other thermal destruction of carpet should NOT be eligible for grant funding under this proposal**. The language in the Addendum says that, “Limited grant funds may be expended to offset the operational cost of diversion via energy recovery (CAAF, Kiln and/or Waste To Energy) for waste materials and/or in those circumstances when material has exceeded

storage guidelines and end markets cannot be identified for recycled output.” This is not consistent with the legislation’s requirements (in PRC 42970) to follow the waste hierarchy, and it is clearly a poor use of limited grant funds that could be used to support recycling. CARE has refused to fund source reduction and building California’s recycling and market infrastructure to any significant degree to date, and should not be allowed to skip over all available source reduction and recycling and market development efforts. Disallowing energy recovery as an eligible use of grant or loan funds provide a clear motivation for applicants to create real recycling solutions.

- d. Why is CARE suggesting \$300,000 (more than 10% of funds allocated) be spent to administer the program? Since existing fee money can be used, why is so much earmarked for administration of a small grant program? If it is to be spent on grant administrators, the staff should be located in California to be able to cost effectively review the projects being implemented.
3. No specific incentives for California collector/sorter incentives are included in this plan.
4. We all support a stakeholder advisory committee, but again, this addendum lacks details on the composition of the committee by stakeholder group, etc.

We must reiterate that we are extremely concerned that we are losing collectors and recyclers in California and **time is of the essence**. California fee money should be used to fund projects in California. For the reasons listed above, we cannot support the Addendum and we recommend CalRecycle reject it and ask for these components to be submitted as one final plan amendment for review.

Sincerely,

Heidi Sanborn  
Executive Director  
California Product Stewardship Council

Nick Lapis  
Legislative Coordinator  
Californians Against Waste

Andria Ventura  
Toxics Program Manager  
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Cc: Bob Peoples, CARE  
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