



**TO:** Kathy Frevert  
California Department of Resources Recycling and Recovery

**FROM:** Mike Mohajer, Member  
Los Angeles County SWM Committee/IWM Task Force (Task Force)

**SUBJECT: Carpet Stewardship Plan (Plan), Addendum No. 2, Dated October 9, 2015  
Carpet America Recovery Effort (CARE)**

As a follow up to our July 27, 2015, joint letter with the California Product Stewardship Council, et seq, the Task Force has reviewed the proposed Plan Addendum No. 2 as submitted by CARE on October 9, 2015. The Task Force has and continues to be supportive of the California Stewardship Program (Program) but unfortunately is disappointed with CARE's implementation efforts, and for that reason the July 27, 2015, letter identified a series of correction measures that if implemented would ensure achievement of the Program's goal. We cannot support the proposal for the following reasons and those that were previously identified in the July 27, 2015, joint letter. As such, we believe that CalRecycle should reject Addendum No. 2 while requiring CARE to address all stakeholders' concerns, CalRecycle comments, as well as providing more detail on exactly how the proposed grants/loans program and advisory committee will work, and then resubmit as one complete plan for CalRecycle's review

1. The California carpet recycling fee money should be used to fund projects in California to collect, process, and recycle carpet (emphasis added). As such, we are extremely concerned that the CARE's proposal as identified in the Addendum No. 2 would cause loss of carpet collectors and recyclers in California.
2. Addendum No. 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, as indicated by CARE, makes review difficult as the Task Force does not have the entire program amendment.
3. Grant and Loan Program: The Task Force supports the grant and loan program in concept, but the devil is in the details, and some of the details are concerning, such as:
  - Grants and loans should be limited to only California based projects rather than simply giving them a scoring 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.
  - Grant eligibility should not be limited to a paying member of CARE (emphasis added). The best projects should win the grants and loans without regard to who is paying dues to CARE. AB 2398 (Chapter 681 of the 2010 State Statutes) 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 (emphasis added).

- The Addendum No. 2 indicates limited grant funds may be expended to offset the operational cost of diversion via energy recovery technologies for waste materials and/or in those circumstances when material has exceeded storage guidelines and end markets cannot be identified for recycled output. While the proposal is supported in concept, CARE needs to ensure its efforts are set consistent with provisions of AB 2398 (Chapter 681 of the 2010 State Statutes) and its waste management hierarchy. As such, CARE needs to establish its priority to fund grants based on source reduction and building California's recycling and market infrastructure; then diversion management at in-State energy recovery facilities; and ultimately, as a last recourse, diversion management at out-of-State energy recovery facilities. The Plan and any addendum thereto must ensure compliance with the foregoing.
  - CARE is 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.
4. The proposal fails to include any specific incentives for California collector/sorter which critical to the success of the Program.
  5. The Task Force is fully in support of a stakeholder advisory committee, but the proposed Addendum No. 2 lacks details on the composition of the committee by the stakeholder group, its specific function(s), etc.

For the reasons listed above, the Task Force cannot support the Addendum and respectfully requests that CalRecycle reject it and ask for these components to be submitted as one final plan amendment for review and approval by CalRecycle.

Thank you for the opportunity to review and offer comments on the Plan's Addendum No. 2. Should you have any question, please feel free to contact me via email or at 909-592-1147.

Regards,

***Mike Mohajer***  
[MikeMohajer@yahoo.com](mailto:MikeMohajer@yahoo.com)

CC; Each Member of the Task Force