California Carpet Stewardshi Advisory Committe

May 21, 2021

To: Bob Peoples, Executive Director CARE Rachel Machi Wagoner Director CalRecycle

From: California Carpet Stewardship Advisory Committee (members listed below)

Re: Advisory Committee Recommendations Regarding CARE Deliverables Required by Carpet Stewardship Legislation and Approved California Carpet Stewardships Plan 2018-2022

As required by the Product Stewardship for Carpets Law (Public Resources Code Section 42970 - 42983), the California Carpet Stewardship Advisory Committee ("Advisory Committee") has received copies of the following CARE draft Deliverables that will be Amendments to the California Carpet Stewardship Plan 2018-2020. They include: (1) Highest Recyclability; (2) Differential Assessments; (3) Convenient Collection Study Results, and (4) Discards Formula ("Deliverables"). The Advisory Committee received the draft Deliverables prior to submittal to CalRecycle as required in Section 42972.1 (b).

Included in this letter are recommendations to CARE by the Advisory Committee based on the review of the following draft Deliverables during a Zoom Video Conference on May 11-12, 2021: *Highest Recyclability; Differential Assessments; and Convenient Collection Study Results.* The draft *Discards Formula* Deliverable will be reviewed at a later Advisory Committee meeting. Per the request of CARE, the Advisory Committee has also added "Clarifying Questions/Comments" regarding the draft *Deliverables*.

As required in Section 42971.1 (c), to the extent feasible the Advisory Committee's recommendations are to be incorporated by CARE into the *Deliverables* before being submitted to CalRecycle. If CARE is unable to incorporate these recommendations, a written explanation must be provided to the California Carpet Stewardship Advisory Committee and CalRecycle. The explanation should detail whether CARE plans to incorporate recommendations into subsequent Amendments to the California Carpet Stewardship Plan 2018-2022.

California Carpet Stewardship Advisory Committee Members

The Product Stewardship for Carpets Law (Public Resources Code Section 42970 - 42983), requires CalRecycle to appoint an Advisory Committee to provide recommendations to a carpet manufacturer or stewardship organization and to the department on carpet stewardship plans, plan amendments, and annual reports.

An additional appointee to the Advisory Committee is also made by both the Senate Committee on Rules and the Speaker of the Assembly.

The Director of CalRecycle appointed the members to the California Carpet Stewardship Advisory Committee according to the general stakeholder categories recommended in the statute. The committee member from the Senate Committee on Rules has also been appointed. The committee member appointed by the Speaker of the Assembly is currently vacant.

California Carpet Stewardship Advisory Committee Members

Committee Member	Organization	Representing
DOUGLAS WILLIAMS	Los Angeles Fiber Co./	Collection and sorting,
	Reliance Carpet Cushion	processing and
		manufacturing
ERIC NELSON	Circonomey Innovations	Independent
		Industry Expert
FRANCO ROSSI	Aquafil USA	Processing & recycling of
		carpet, Manufacturing
GAIL BRICE	XT Green, Inc.	Processing & recycling of
		carpet
HOWARD SAPPER	Carpet Manufacturers Warehouse	Carpet Retailers
JEN JACKSON	San Francisco Department of the	Local Government
	Environment	
JOANNE BRASCH, Ph.D	CA Product Stewardship Council	Environmental Community
JOE YARBROUGH	The Carpet & Rug Institute	Carpet Mills
NAT ISAAC	City of Los Angeles Environment	Local Government
	and Sanitation	
NICK LAPIS	Californians Against Waste	Environmental Community
RACHEL PALOPOLI	Dianat Baoyaling	Carpet Collections/Sorting
INACITEL PALOPOLI	Planet Recycling	Carper Conections/Sorting
STEVE BELONG	Carpet, Linoleum, & Soft Tile	Northern CA Floor Covering
	Workers Local Union No. 12, District	Finishing Trades Institute
	Council 16	Joint Apprenticeship
		Training Committee
STEVE LANDRETH	ProSpectra Flooring	Senate Committee on Rules
WES NELSON	GreenWaste Carpet Recycling	Carpet Collections/Sorting
VACANT		Speaker of the Assembly

Advisory Committee Plan Review Meeting and Recommendations

The California Carpet Stewardship Advisory Committee met through a Zoom Video Conference on May 11-12, 2021. The following draft Deliverable amendments to the California Carpet Stewardship Plan 2018-2022 were discussed: *Highest Recyclability; Differential Assessments; and Convenient Collection Study Results.* The draft *Discards Formula* Deliverable also provided by CARE will be reviewed at a later Advisory Committee meeting.

All the current members of the committee attended. A quorum was met. Nick Lapis had to leave the meeting early on the second day and was absent for votes on the final three motions. Members of the public also attended the meeting through the Zoom Video Conference. The meeting was conducted in compliance with the Bagley-Keene Open Meeting Act with COVID-19 modifications per Executive Orders N-25-20 and N-29-20 signed by Governor Newsom on March 12, 2020 and March 17, 2020.

The Committee recommendations and clarifying questions from the May 11-12, 2021 meeting regarding the *Deliverables that will be Amendments to the California Carpet Stewardship Plan 2018-2020* are provided as Attachment 1.

The Advisory Committee looks forward to continuing to work with CARE and CalRecycle regarding the California Carpet Stewardship Program.

Respectfully,

Joanne Brasc	h
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5/21/21

Joanne Brasch Ph.D, Acting Advisory Committee Chair Date

Committee Members Vote Record on this letter as sent 5/19/21

Committee Member	Vote
DOUGLAS WILLIAMS	Aye
ERIC NELSON	Aye
FRANCO ROSSI	Aye
GAIL BRICE	Ауе
HOWARD SAPPER	Aye
JEN JACKSON	Aye
JOANNE BRASCH, Ph.D	Ауе
JOE YARBROUGH	Ауе
NAT ISAAC	Ауе
NICK LAPIS	Ауе
RACHEL PALOPOLI	Ауе
STEVE BELONG	Ауе
STEVE LANDRETH	Aye
WES NELSON	Aye
VACANT	

Attachment 1

California Carpet Stewardship Advisory Committee Recommendations and Clarifying Questions/Comments Regarding Draft Deliverables that will be Amendments to the California Carpet Stewardship Plan 2018-2020

HIGHEST RECYCLABILITY

Motion 1.0

The Advisory Committee recommends that CARE make the following changes to the draft Highest Recyclability document:

- a. Add the definitions of the asterisks on Table 6.
- b. Describe the member composition and application process for the "Highest Recyclability Committee" referenced in the document.
- c. Add a member or members of the Advisory Committee to the "Highest Recyclability Committee" (voting or nonvoting).
- d. Modify and/or clarify the accuracy of the sentence on toxics on page two, and specifically address PFAS and Phthalates which are on the Prop 65 lists.

Motion to Approve: Rachel Palopoli Second: Nat Isaac

Ayes (13): Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Joe Yarbrough, Nat Isaac, Nick Lapis, Rachel Palopoli, Steve Belong, Steve Landreth, Wes Nelson

Nays (1): Doug Williams Abstain (0): Absent (0):

The motion passes

Motion 2.0

The Advisory Committee recommends that CARE make the following changes to Table 6. Highest Recyclability Criteria when it's re-evaluated in 2021:

- a. Include mixed fiber under residential and commercial sections.
- b. Reconsider some of the carpet types that are downcycled and not accounted for in the Table.
- c. Re-evaluate commercial broadloom especially with the addition of new recycling options funded by CARE grants.
- d. Increase the weight value of "available volume" as a factor of recyclability.
- e. Change "energy savings" to "GHG reduction benefit" as a criterion.
- f. Provide transparent methodology for calculating values and weights on Table 6.

Motion to Approve: Gail Brice Second: Joanne Brasch

Ayes (14): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Joe Yarbrough, Nat Isaac, Nick Lapis, Rachel Palopoli, Steve Belong, Steve Landreth, Wes Nelson

Nays (0): Abstain (0): Absent (0):

The motion passes

DIFFERENTIAL ASSESSMENTS

Motion 1.0

The Advisory Committee recommends that CARE act as quickly as allowed by law to address differential assessments based on fiber types when fiber type subsidies are not in parity and a significant delta between fiber type subsidies exist (as described in the conclusions on page 27 under Section XVIII).

Motion to Approve: Eric Nelson Second: Franco Rossi

Ayes (8): Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Nick Lapis, Rachel Palopoli

Nays (5): Doug Williams, Howard Sapper, Joe Yarbrough, Wes Nelson, Steve Landreth

Abstain (1): Steve Belong Absent (0):

The motion passes

Motion 2.0

The Advisory Committee commends CARE for coming up with a fair and equitable way of incorporating a system of differential assessments and recognizes the need to adjust the differential assessments as market conditions change.

Motion to Approve: Howard Sapper Second: Wes Nelson

Ayes (6): Doug Williams, Howard Sapper, Joe Yarbrough, Nick Lapis, Steve Landreth, Wes Nelson

Nays (8): Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Rachel Palopoli, Steve Belong Abstain (0): Absent (0):

The motion does not pass

NOTE: See Motion 6.0 for a modification of this Motion 2.0 that did pass

Motion 3.0

The Advisory Committee recommends that CARE increase the eligibility threshold for post-consumer content to 40% from non-carpet sources or 20% for post-consumer content from carpet. Additionally, when the eligibility threshold for post-consumer content increases the assessment per square yard should be reduced starting at 50% (or the best possible tier percentage) and continued to be reduced as the eligibility threshold for post-consumer content increases.

Motion to Approve: Nat Isaac Second: Eric Nelson

Ayes (7): Eric Nelson, Franco Rossi, Gail Brice, Joanne Brasch, Nat Isaac, Nick Lapis, Rachel Palopoli

Nays (6): Doug Williams, Howard Sapper, Joe Yarbrough, Steve Belong, Steve Landreth, Wes Nelson

Abstain (1): Jen Jackson Absent (0):

The motion does not pass

NOTE: See Motion 5.0 for a modification of Motion 3.0 that did pass

Motion 4.0

The Advisory Committee recommends that CARE not extend the implementation of differential assessments to January 2023 and that the differential assessments implementation should occur independently from the approval of the new Plan.

Motion to Approve: Rachel Palopoli Second: Nat Isaac

Ayes (9):, Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Nick Lapis, Rachel Palopoli, Wes Nelson

Nays (5): Doug Williams, Howard Sapper, Joe Yarbrough, Steve Belong, Steve Landreth

Abstain (0): Absent (0):

The motion passes

<u>Motion 5.0</u>

The Advisory Committee recommends that CARE increase the eligibility threshold for post-consumer content to 40% from non-carpet sources or 20% for post-consumer content from carpet (if it's free of toxins as per DTSC's SCP Candidate Chemical list). Additionally, when the eligibility threshold for post-consumer content increases the assessment per square yard should be reduced starting at 50% (or the best possible tier percentage) and should continue to be reduced as the eligibility threshold for post-consumer content increases.

Motion to Approve: Nat Isaac Second: Eric Nelson

Ayes (8):, Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Nick Lapis, Rachel Palopoli

Nays (6): Doug Williams, Howard Sapper, Joe Yarbrough, Steve Belong, Steve Landreth, Wes Nelson

Abstain (0): Absent (0):

The motion passes

Motion 6.0

The Advisory Committee commends CARE for proposing a system of differential assessments but recommends that a mechanism be added to adjust the differential assessments as market conditions change, including changes to fiber subsidies.

Motion to Approve: Howard Sapper Second: Wes Nelson

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Joe Yarbrough, Nat Isaac, , Rachel Palopoli, Steve Belong, Steve Landreth, Wes Nelson

Nays (0): Abstain (0):

Absent (1): Nick Lapis

The motion passes

CONVENIENT COLLECTIONS

Motion 1.0

The Advisory Committee recommends that CARE consider in the section regarding cost implementing an installer incentive pilot program where installers/contractors/retail-haulers/self-haulers receive some form of monetary incentive for their clean post-consumer carpet.

Motion to Approve: Rachel Palopoli

Second: Jen Jackson

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Joe Yarbrough, Nat Isaac, Rachel Palopoli, Steve Belong, Steve Landreth, Wes Nelson

Nays (0): Abstain (0):

Absent (1): Nick Lapis

The motion passes

Motion 2.0

The Advisory Committee recommends that CARE expand this document to address the unique challenges and opportunities for carpet from C&D projects including a study to work with residential and commercial property managers to determine if their carpet turn-around activities with new occupants could support the carpet stewardship program. Program should include a pilot program, education, contamination prevention, and possibly incentives for contractors to remove carpet first, before removing other materials, especially drywall.

Motion to Approve: Gail Brice Second: Steve Landreth

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Joe Yarbrough, Nat Isaac, Rachel Palopoli, Steve Belong, Steve Landreth, Wes Nelson

Nays (0): Abstain (0): Absent (1): Nick Lapis

The motion passes

Clarifying questions/comments for CARE regarding the Highest Recyclability and Differential Assessments*

- 1. On page 5, "Design for Recyclability" is named as a guiding principle, but it's not mentioned again in the document thereafter.
 - a. Was it included in your consideration?
 - b. Does the definition of "Design for Recyclability" include toxics elimination?
 - c. Does this include a consideration of mixed fibers?
- 2. Can more statistical data be provided on the retailer webinars?
 - a. What was the percentage of retailers attended out of how many retailers?
 - b. How many survey invitations were sent out?
 - c. Please include some of the positive feedback from the retailers.
- 3. Can the implementation date for the differential assessments be more flexible? Please explain the reasons for starting Jan 2023.
- 4. What systems be implemented when reconsidering assessment rate changes?
- 5. Please describe the threshold for unfair competition.
- 6. What percentage of PET carpet is currently using PET bottles?
- 7. How will CARE handle the natural fibers and bio-based materials with the postconsumer content requirements?
- 8. When presenting information on the cost burdens of carpet to the program:
 - a. Were mixed fibers considered?
 - b. Will the final draft consider including information specifically on mixed fibers and commercial broadloom?

Clarifying questions/comments for CARE regarding Convenient Collections*

- 1. Will the list of the carpet retailers be made publicly available?
- 2. Can CARE communicate with drop off sites on how to estimate the cost to the resident/installer? Could be included in monthly calls, outreach material, and/or website.
- 3. Would CARE consider consulting with residents that plan on removing and recycling carpet?
- 4. Will the AC get to see the outreach material before releasing to installers?

* The clarifying question/comments from members of the Advisory Committee as requested by Bob Peoples during the May 11 meeting were not voted on with public comment, nor were they answered by CARE during the meeting.