



CARE California Carpet Stewardship Program 2020 Annual Report



An initiative of CARE:
Carpet America Recovery Effort

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 - Steve Belong, Carpet, Linoleum & Soft Tile Workers Local Union No. 12, District Council 16
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 - Gail Brice, XT Green, Secretary
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1 Contact Information

California Code of Regulations (CCR) Section 18944(a)(1). Contact information. Identify the manufacturer or stewardship organization responsible for the annual report submittal.

Carpet America Recovery Effort (CARE) serves as the legislatively designated California Carpet Stewardship Organization (CSO) responsible for annual report submittal under the California Carpet Stewardship Program (Program). CARE is responsible for implementing the Program in compliance with Carpet Stewardship Law and the approved Stewardship Plan, with regulatory oversight by CalRecycle.

California's Carpet Stewardship Law includes Assembly Bill 2398 passed in 2010 and amended by AB 1158 in 2017, AB 2097 in 2018, AB 729 in 2019, and their associated regulations, as codified in Section 18944 of the California Code of Regulations (CCR). This annual report covers the Program's efforts with regard to its approved California Carpet Stewardship Plan 2018–2022, including modifications in a new "Chapter 0," which CalRecycle approved in February 2019. The 2020 Annual Report will track the Program's progress with regard to the updated Plan approved in 2019.

Carpet America Recovery Effort (CARE) is a 501(c)(3) organization that began in 2002 as a result of a Memorandum of Understanding (MOU) for Carpet Stewardship signed by stakeholders, including members of the carpet industry, government representatives, nongovernmental organizations (NGOs), and entrepreneurs. The mission of CARE is to advance market-based solutions that increase landfill diversion and recycling of post-consumer carpet, encourage design for recyclability by Carpet Mills, and support Manufacturers in use of recycled materials in secondary products.

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The CARE California Program is open to all Carpet Mills that make, sell, or distribute carpet products and to distributors that import carpet into California. All Carpet Mills that ship or sell carpet in California must be covered under an approved Carpet Stewardship Plan. Appendix 10.5 includes a current list of participating Carpet Mills with their contact information. This list is updated quarterly; see the CalRecycle website for the current [**Compliant Manufacturers List**](#).

2 Executive Summary

CCR Section 18944(a)(2). Executive Summary. Provide an evaluation of the effectiveness of the carpet stewardship plan, and anticipated steps, if needed, to improve performance.

2.1 Introduction and Program Goals

At the end of 2020, the California Carpet Stewardship Program (Program) completed 9.5 years of operation. With the passage of AB 1158 and AB 729, adopted into law in October 2017 and 2019 respectively, several changes have been incorporated into the Carpet Stewardship Law originally established via AB 2398. AB 729 went into effect January 1, 2020.

This Annual Report presents the Program's progress with regard to the following eight Performance Goals stated in the 2018–2022 Plan, and which responds to the requirements embodied in AB 2398, AB 1158, and AB 729—collectively known as California's Carpet Stewardship Law:

1. Increase the recyclability of carpet.
2. Expand and incentivize markets for products made from post-consumer carpet.
3. Increase the reuse of post-consumer carpet.
4. Increase the weight of post-consumer carpet that is recycled.
5. Reduce the disposal of post-consumer carpet.
6. Increase the collection convenience for the recycling of post-consumer carpet and increase the collection of post-consumer carpet for recycling.
7. Increase Processor capacity, including Processor capacity in California.
8. Achieve a 24-percent recycling rate for post-consumer carpet by January 1, 2020, and any other recycling rate established by the Department pursuant to Section 42972.2.

The Program is also committed to the following:

- Provide incentives or grants to state-approved apprenticeship programs for training apprentice and journey-level carpet installers in proper carpet recycling practices.
- Grants and subsidies should be structured to incentivize Highest Recyclability.

- Ensure that assessment fee funds shall not be expended on penalties or litigation against the state.
- Ensure that subsidies for Carpet As Alternative Fuel (CAAF) and Kiln are discontinued.

Finally, based upon CalRecycle's Conditional Approval of CARE's 2018–2022 Plan, CARE was directed by CalRecycle to create a "Chapter 0" to add at the beginning of the Plan to explicitly address all conditions outlined in CalRecycle's October 16, 2018, Request for Approval (RFA) document. CARE submitted the *Chapter 0 Report* to CalRecycle on September 1, 2019.

Subsequent to the *Chapter 0 Report*, planned 2020 milestone deliverables to CalRecycle, with their revised submission dates due to the COVID-19 pandemic, included:

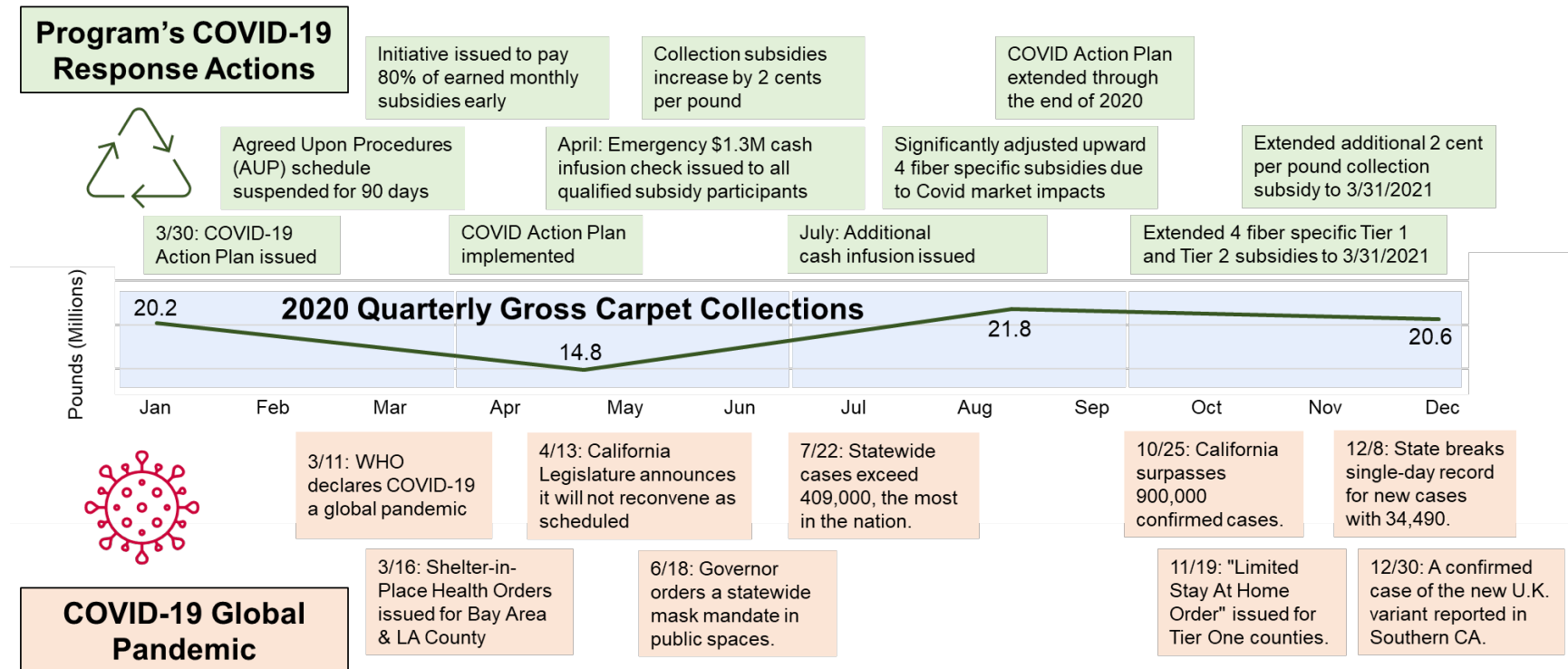
- Convenient Collection for Flooring Professionals – Final Report.
- Differential Assessment system and definition.
- Economic Analysis 2.0 – Final Report.
- Highest Recyclability – Definition.
- Models Team Semi-Annual Update.
- Cost Conversion Model (CCM) and Subsidy Justification Model (SJM) – Reporting Dashboard.
- Processor Capacity Study/Survey.
- Conduct Annual Weight Survey for Discards.
- Discards Formula – Revised Formula.
- Reuse Study.

Further detail on these and other 2020 objectives and goals are presented in Chapter 3.

2.2 Global Pandemic, Recycling Markets, and Oil Prices

The novel coronavirus that causes COVID-19 disease emerged in China in late 2019, and the World Health Organization declared it a global pandemic on March 11, 2020. The COVID-19 pandemic had far-reaching effects on carpet markets, carpet recycling, and everyone's lives for most of 2020. California's state and county governments and health authorities enacted broad "shelter-in-place" orders that limited activities across society, including carpet collection and recycling activities. To mitigate the impacts of the pandemic on carpeting recycling activities in California, the Program acted swiftly to adopt a COVID-19 Action Plan on March 30, 2020, to support Collector/Sorters and continue carpet collection and recycling activities (see Appendix 10.9). The actions included cash infusions, enhanced subsidies, and other elements. Figure 2-1 on the following page provides a brief timeline of the pandemic and the Carpet Stewardship Program's actions in California.

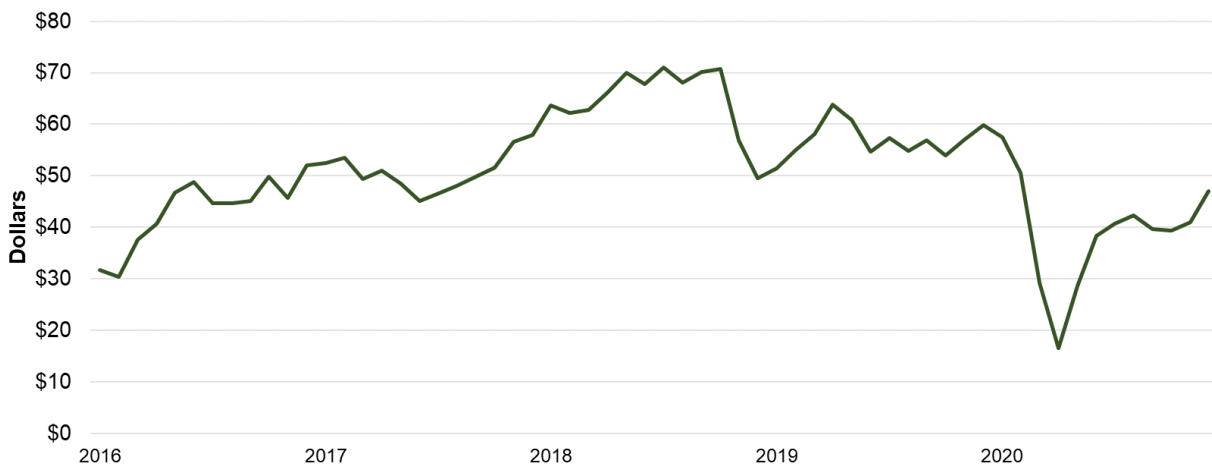
Figure 2-1. Timeline of COVID-19 Global Pandemic and Program Response Actions



Similar to impacts on plastics related to curbside recycling collection programs, external market conditions including but not limited to the price of oil (the primary driver of virgin material pricing for carpet fiber) and a constrained export market—particularly due to China’s National Sword policies and tariffs—equally impact carpet recycling markets. Given that 99% of carpet products are made from various plastic polymer-based fibers—primarily Polyethylene Terephthalate (PET), Nylon, Polypropylene (PP) and mixed fibers—which are all derived from oil, it is understood that the price of oil for virgin material products directly relates to industry-delineated hierarchical commodity pricing for post-industrial plastics, post-consumer plastic products and finally post-consumer carpet fibers. Analysis of this related market chain over time found that carpet recycling expansion took place when oil prices were steadily above \$80-85 per barrel; however, since the 2014 petroleum market plunge carpet recycling has been destabilized below that threshold. Figure 2-2 below shows prices for crude oil since 2016.

The deep oil price dip in 2020, due to pandemic market impacts, reverberated throughout the Program via falling commodity prices and PCC commodity order delays which prompted need for CARE’s COVID-Action Plan in support of recyclers.

Figure 2-2. Price of Crude Oil in Dollars per Barrel Over Time



Source: U.S. Energy Information Administration, Cushing, **OK WTI Spot Price FOB** (dollars per barrel).

2.3 Recycling Rate

Despite challenges presented by the COVID-19 pandemic and its effect on global markets and economic activities, particularly in the second quarter, the California Carpet Stewardship Program began to rebound with increased carpet collection and recycling by the third and fourth quarters of 2020.

In 2020, the Program achieved an all-time program high recycling rate of 23.2% in Q4 resulting in overall annual recycling rate of 21%, short of the Program's goal but reflecting reliably steady year-over-year compounded growth of 20% per year despite a global pandemic with disastrous consequences across the economy and society. Foundational support for this recycling rate is CARE's achievement of their 68% Yield rate of Gross Collections, a measure of recyclability—slightly lower than the 71% rate in 2019 and well above the historical average of 34% in the first five years of the Program (2011–2016). The updated 2018–2022 Plan projected a 60% Yield achievement goal by 2022; however, aggressive capacity expansion enhancements along with expanded PC4 end markets facilitated this notable early goal accomplishment.

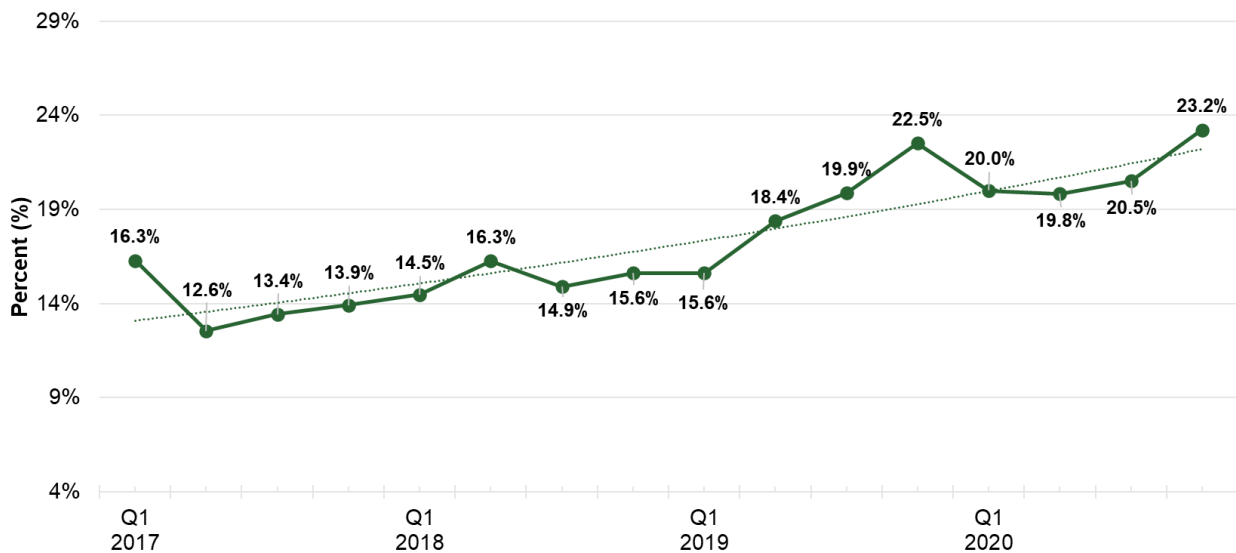
While slightly short of achieving the 24% recycling rate required by January 1, 2020, the Carpet Stewardship Program has continued to clearly demonstrate a consistent upward growth trend in recycling despite a handful of critical external challenges including:

- The COVID-19 global pandemic that catastrophically affected global markets, shipping, economic activity, and killed nearly 4 million people worldwide and over 600,000 in the United States as of June 2021.
- PG&E power service delivery delays to the new Aquafil–Woodland facility (Nylon 6 Processor) in Northern California directly related to the devastating Paradise Fire. Full power service delivery was reasonably anticipated in May 2019 and did not occur until late Q4 2020. The facility is not expected to be fully operational until 2021. Aquafil was a 2020 capacity grant recipient.
- Municipal permitting delays for Southern California Processor Los Angeles Fiber's capacity expansion project was reasonably anticipated for completion August 2019; however, due to unforeseen municipal permit outsourcing challenges, the long-delayed Q1 2020 permit approval finally achieved initial start-up in very late Q4 2020. Los Angeles Fiber Company was a 2020 capacity grant recipient.
- Aquafil's Arizona Nylon 6 processing facility has continued to experience unanticipated capacity challenges, which continue to curtail the production capacity initially forecast to CARE.
- XT Green, a long-anticipated and CARE grant-funded Southern California Processor proposing to process large quantities of commercial carpet, projected

a modest Q4 2019 start-up. Instead, the company experienced yet another series of setbacks beyond China tariffs, which included COVID-19 travel restrictions to a Manufacturer in China, a misinformed power delivery service level by their service provider, negotiations, and related construction actions to move to a local municipal service provider, and a leased property sale. This particular CARE-supported initiative is now more than 5 years since grant approval, and grant fund recovery is being pursued. {Special Note: Full recovery of the grant funds was achieved in April 2021.}

Figure 2-3 shows the Program’s recycling rate achievements over time and reflects a solid upward trend. The Program’s COVID Action Plan and strategic market development efforts in support of new Processor end-market outlets have supported that continued growth, even in the face of a devastating global pandemic. Without the pandemic, CARE firmly believes the Program would have exceeded the 24% recycling goal in 2020 – continuation of an excellent growth trajectory.

Figure 2-3. Quarterly Recycling Rate, 2017–2020



2.4 Program Performance and Effectiveness

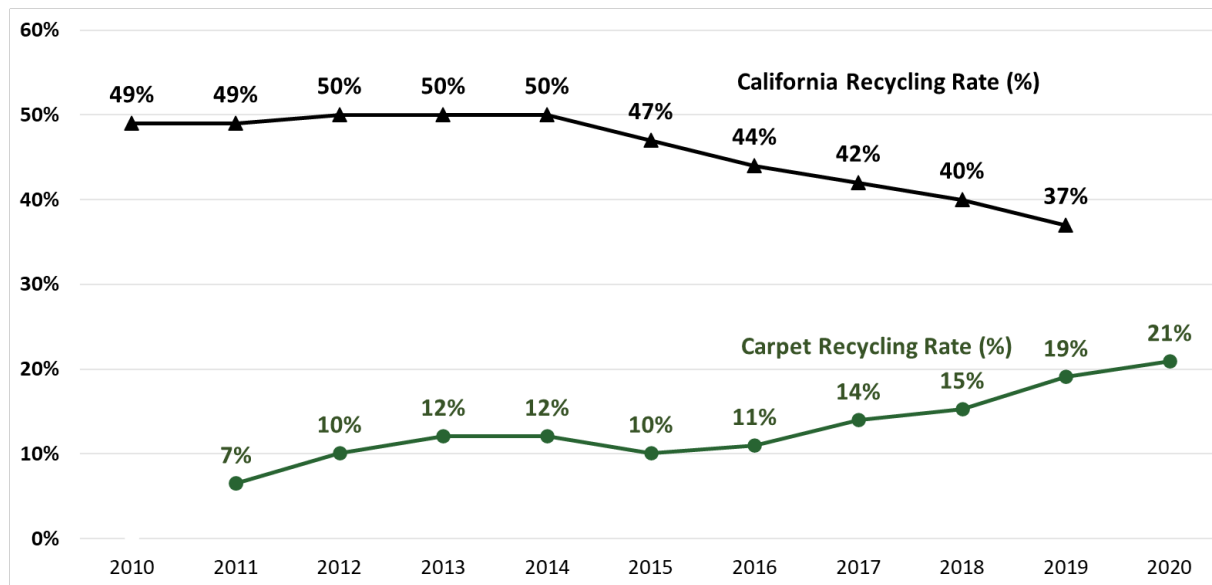
Table 2-1 presents key Program metrics over time, including carpet sales and assessment fees paid, recycling and other disposition of carpet, and greenhouse gas emissions reductions through carpet recycling.

As has been previously noted, the post-consumer carpet recycling marketplace, in comparison to other recycling markets (beverage containers, fibers, metals, etc.), is still relatively young and thereby much more susceptible to external market conditions.

Conversely, as has been painfully witnessed, recycling collection programs throughout the United States which have historically benefited from the longtime strength of seemingly well-established markets, have continued to realize significant setbacks from the overall world market condition created by China National Sword. Effectually barring the import of recyclable materials, with little infrastructure strength in other areas of the world, resulted in an imbalance of supply and demand. Oversupply of recyclables drove down commodity prices and many municipalities were left making tough economic decisions to close recycling Drop-off Sites, limit, or landfill certain recyclables, and even discontinue of curbside programs all together in numerous jurisdictions around the country.

Despite the plastics market impact from China’s National Sword and less than favorable forecasts on oil market pricing, which are likely to be felt for some time to come, CARE’s program has once again continued to show steady recycling rate growth. In an ongoing comparison of the CARE Program to the overall diversion rate in California, as shown in Figure 2-4, CARE continues to believe that the Program has successfully shown dynamic progress regardless of market setbacks, including the COVID-19 global pandemic in 2020. Worthy of note, the program continues its growth hitting 26% in Q1 2021.

Figure 2-4. Comparison of Recycling Rates for Materials Statewide and for Carpet



The Program’s growth is directly attributable to CARE’s market development expansion support, CARE’s strategic grant funding in support of capacity expansion efforts, a doubling in CARE Drop-off Site collection locations, CARE’s focused outreach and education in support of collections, vigilant market expansion efforts on the part of Processors and a growing confidence by Manufacturers to use PCC materials. These efforts include new technology Manufacturers who have signed long-term agreements

for the purchase of PET agglomerated pellets to be recycled into a wider range of end-market products including glasses frames, automotive clearcoat products, and textiles.

Based on a strong year of performance growth in 2019, CARE was well-positioned going into 2020 for significant growth as delayed projects come online. In addition, the advance of chemical recycling opens a new horizon for large volume demand of key polymers, PET and PP among them. Such relationships will usher in a new level of business sophistication, capability and drive stability and profitability based on contracted supply. Indeed, the first such relationship was in place and operational with Eastman Chemical Company at the end of 2019.

Table 2-1 on the following page provides a summarized overview of CARE's program performance and effectiveness.

Table 2-1. Summary of 2020 Program Performance Metrics (see Table Notes on following page)

Metric	Unit	Baseline [1]	2018	2019	2020
Carpet Sold in California	Million square yards	98	86	81	67
Assessment Paid	Million dollars	\$4.9	\$21.6	\$28.2	\$23.3
Assessment	\$ per square yard	\$0.05	\$0.25	\$0.35	\$0.35
Total Expenses (All inclusive)	Million dollars	\$1.6	\$18.6	\$24.0	\$24.3
Post-Consumer Carpet (PCC) Discards	Million pounds	357	322	304	251
Gross Collection (GC) (recovered before recycling), also known as “Throughput” [2]	Million pounds	100	94	82	77
GC: % of Discards	% of Discards	28%	29%	27%	31%
Yield: % of GC (RO/GC)	% of GC	28%	53%	71%	68%
Recycled Output (RO) (reuse, tile recycled, fiber, depoly, calcium carbonate, filler, carcass) [3]	Million pounds	28	49	58	53
Recycling Rate (RO/PCC)	% of Discards	8%	15%	19%	21%
Recycled Fiber Type 1 Processed Output	Million pounds	22	36	42	37
Recycled PC4	Million pounds	N/A	13	14	13
Recycled Tile	Million pounds	0.3	0.5	0.6	1.2
Reuse	Million pounds	0.098	0.734	0.717	0.765
Depoly, Filler, Carcass	Million pounds	6	0.0	0.2	0.0
Non-Nylon Tier 2 Manufacturer Output	Million pounds	N/A	22	19	21
Nylon 6 Tier 2 Manufacturer Output [4]	Million pounds	N/A	3	7	10
Reported Diversion (RO, kiln, CAAF, WTE, exports) [5]	Million pounds	47	52	58	53
Reported Diversion: % of Discards	% of Discards	13%	16%	19%	21%
Reported Diversion: % of GC	% of GC	47%	55%	71%	68%
Carpet As Alternative Fuel (CAAF): NON-Subsidized, 2018–2020 [6]	Million pounds	0	0	0.002	0
CAAF: % of Discards	% of Discards	0.00%	0.00%	0.00%	0.00%
CAAF: % of GC	% of GC	0.00%	0.00%	0.00%	0.00%
Kiln: NON-Subsidized, 2018–2020 [6]	Million pounds	0	0	0.017	0
Kiln: % of Discards	% of Discards	0.00%	0.00%	0.01%	0.00%

Metric	Unit	Baseline [1]	2018	2019	2020
Kiln: % of GC	% of GC	0.00%	0.00%	0.02%	0.00%
Waste-To-Energy (WTE) – Never Subsidized [6]	Million pounds	16	2	0	0
WTE: % of Discards (WTE/PCC)	% of Discards	4%	1%	0%	0%
WTE: % of GC (WTE/GC)	% of GC	16%	2%	0%	0%
Net Diversion (calculated as GC minus Waste back to LF) [7]	Million pounds	78	70	66	67
Net Diversion: % of Discards	% of Discards	22%	22%	22%	27%
Net Diversion: % of GC	% of GC	78%	75%	80%	87%
Source Reduction (SR)	Pounds per square yard	4.2	4.39	4.48	4.48
Pad Recycling (not counted toward diversion)	Million pounds	3	9	8	9
Process Waste to Landfill (LF) [8]	Million pounds	22	23	16	10
Total PCC Waste Disposal to LF [9]	Million pounds	279	251	238	184
Greenhouse Gas (GHG) Emissions	MTCO ₂ E	-24,926	-58,029	-70,118	-72,323

Table Notes: The table above compares Baseline Year (7/2011–6/2012) with data from the three most recent calendar years. For data from 2012–2017, see [Annual Report 2017](#). Metric definitions are current as of this Annual Report; definitions have evolved over time and may have been different in the past.

[1] **Baseline** year is July 2011 through June 2012. All other years are calendar years (January through December).

[2] **Gross Collection (GC)** is the quantity of material recovered before recycling, also known as "Throughput."

[3] **Recycled Output (RO)** includes reuse, tile recycled, fiber, depoly, calcium carbonate, filler, and carcass.

[4] **Nylon 6** subsidy was implemented in Q4 2017. Nylon 6 pounds are reported starting in 2019 because multiple manufacturers reported pounds in this category.

[5] **Reported Diversion** consists of Recycled Output (RO), kiln, CAAF, WTE, and exports.

[6] **CAAF and Kiln** were NOT subsidized in 2018 and beyond. **WTE** has never been subsidized.

[7] **Net Diversion** is calculated as Gross Collection minus Waste back to Landfill.

[8] **Process Waste to Landfill (LF)** refers to waste generated during processing, also referred to as processing waste.

[9] **Total PCC Waste Disposal to Landfill** refers to all PCC waste disposed of in a landfill, inclusive of process waste. It is calculated as the difference between the total PCC Discards minus Net Diversion.

Per the request of the Advisory Committee, the following supplemental tables are presented. Table 2-2 denotes the Program components that are counted toward Diversion yet receive no subsidy. Table 2-3 tabulates the subsidized components that compose the overall Recycled Output of 53 million pounds.

Table 2-2. Non-Subsidized Diversion by Type (pounds)

Non-Subsidized Diversion by Type	2019	2020
Carpet as an Alternate Fuel	0	0
Kiln	17,341	0
Waste-To-Energy (WTE)	0	0
Carcass	214,303	0
Exports	467,201	0
Carpet Cushion/Pad	8,492,203	9,334,473

Table 2-3. Recycled Output by Type (pounds)

Recycled Output (RO) Components	2019	2020
Reuse	716,819	764,941
Tile Recycled	599,326	1,160,000
Fiber	43,000,000	37,460,000
Depoly	0	0
PC4	14,000,000	13,230,000
Filler	0	0
Carcass	214,303	0
Total	58,530,448	52,614,941

Overall recyclability as indicated by Yield in 2020 was 68% of Gross Collections—a slight decrease from the 2019 level of 71%—and well above the historical average of 34% in the first five years of the Program.

Figure 2-5 provides a visual mapping of the flow of carpet materials through the Program from collection (on the left of the graphic), through sorting and processing (in the center), change in Collector/Sorter or Processor inventory, and on to the final subsidized Recycled Output category (larger box on the right) or other disposition (smaller box on the bottom). All units presented in the diagram are in millions of pounds and are rounded to simplify the diagram and give perspective. The numeric data

presented is achieved through a validated engineering Mass Balance approach with an intent to account for material entering and leaving the carpet recycling system. For the points at which CARE pays any monies for the transport of collected carpet from a Drop-off Site to a CSE, or pays subsidies on sorted, shipped, and sold whole carpet or processed PCC materials, there are certified weight requirements. Those are numbers for which CARE has verifiable pounds data to which each subsidy seeking participant signs an attestation letter. Conversely, the CSE reported Gross Collections of PCC (including pad) from private pick-up sites do not require a weight ticket for their unique service arrangements. Thus, in an effort to provide the most accurate and transparent information possible, CARE has chosen to use a Mass Balance approach for the creation of this visual diagram.

Mass Balance works because recyclers know precise weights for all PCC material sold or sent to the landfill from their facilities since there are direct per pound or ton revenues or costs attached. By summing all outputs, one can derive the total inputs required to meet that output. In this figure the total PCC Recycled Outputs are 52.6 million pounds. There were 10.3 million pounds sent to other outlets not considered recycling, including Waste to Energy, Landfill, Export, CAAF and Kiln. During 2020, all of the 10.3 million pounds were sent to landfill as either non-recyclable carpet or process waste, there were no Collector/Sorter PCC or Processor PCC material exports reported. Between both Collector/Sorters and Processors, calculation of their reported beginning and ending inventories reflect an inventory increase of 5 million pounds.

Calculations for the Carpet Materials Flow Mass Balance utilize the following approach to in calculation of Gross Collections of PCC (not including pad):

Recycled Output + WTE + Landfill/Kiln/Export + Ending Inventory – Beginning Inventory

The resultant numeric calculation of the above formula is:

52.6 + 0 + 10.3 + 9.6 – 4.6 = 67.0 million pounds of Gross PCC Collections

Then, working backwards in order to calculate the total Overall Gross Collections received from Collector/Sorter Private Collections the following final formula is utilized:

Gross PCC Collection + Pad - CARE Drop-off Sites

67.9 + 9.4 – 10.2 = 67.1 million pounds of Collector/Sorter Private Collections

The following narrative is intended to help further describe Figure 2-5, starting on the left-hand side of the image and proceeding to the right. The Program received an estimated 77.3 million pounds of Gross Collections at Collector/Sorter facilities from both CARE Drop-off Sites (DoS) and Collector/Sorter private pick-up sites and self-haul. The Program collected 10.2 million pounds of post-consumer carpet (and pad) through its public Drop-off Sites in 2020 (approximately the same as in 2019), these quantities

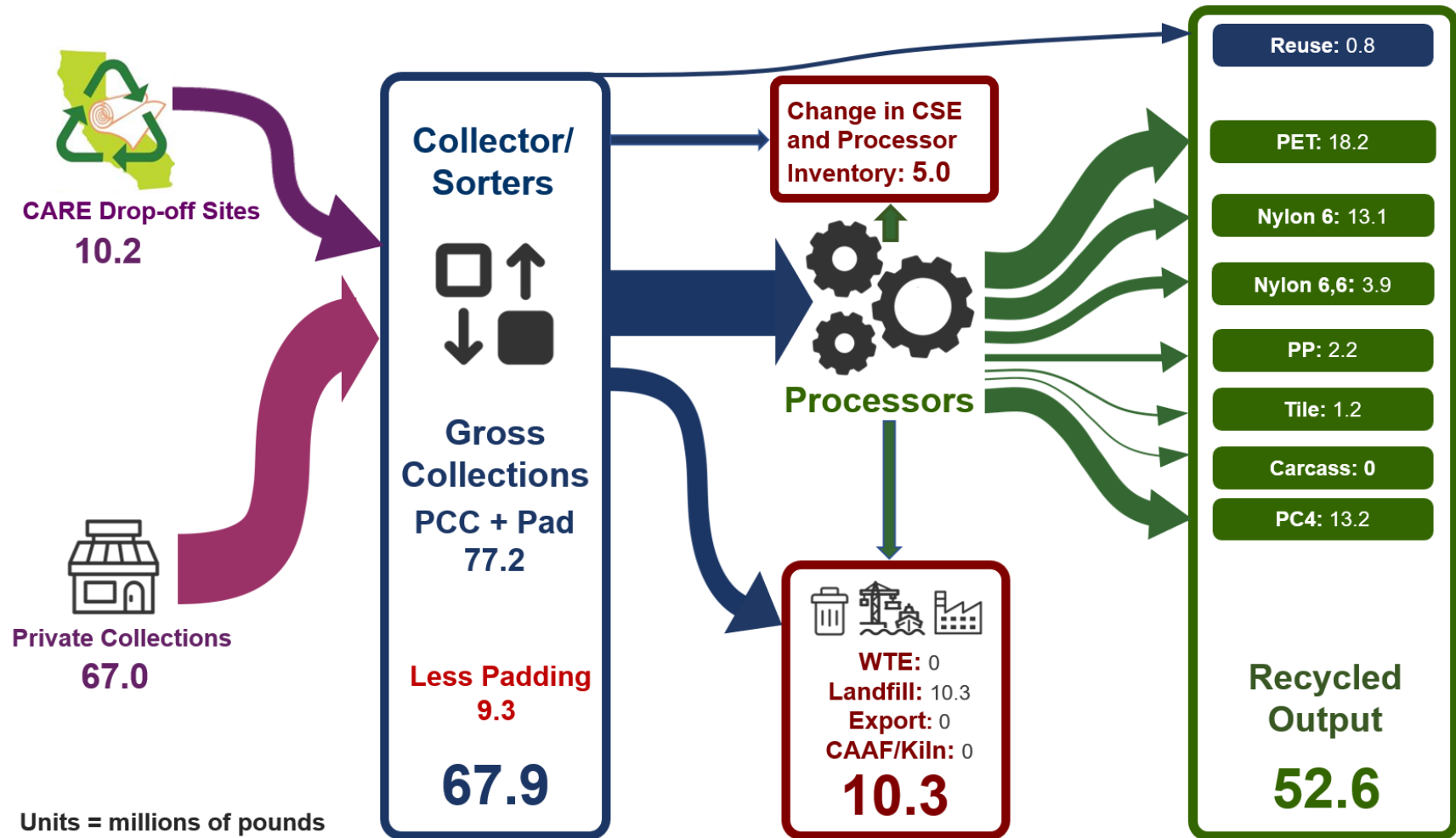
are tracked through certified weight tickets. An estimated 67 million pounds of PCC are collected or received by Collector/Sorters from flooring professionals; these materials typically arrive in trailer-load quantities or are self-hauled, most of which are not weighed. Verified weights for PCC/pad collected through private collection sites are not required, as there generally is no payment for these materials at this time. It should be noted that for CARE's monthly reporting purposes, estimates of gross weight collected by container or trailer type have been deemed acceptable for tracking. Collector/Sorter subsidy payments are only paid out on PCC after received PCC is identified, sorted, weighed, sold/transferred, and shipped to a Processor or end user (including exports).

The combined 77.2 million pounds of gross collected carpet (including pad) are delivered to Collector/Sorter locations for identification and sorting. When pad is sorted, baled, and sold by weight from Collector/Sorters, the 9.4 million pounds of pad is deducted from the gross collected carpet, leaving an approximate 67.9 million pounds of carpet available for reuse or processing. During 2020, 0.8 million pounds of carpet was diverted by CSEs to reuse, and remainder carpet and carpet tile was sent to Processors. It should be noted that between Collector/Sorters receiving carpet and Processors de-manufacturing the sorted carpet, some materials are not recyclable either due to moisture, excessive contamination, or lack of current end markets. Discard to landfill of non-recyclable materials from CSEs or related processing waste from Processors during 2020 totaled 10.3 million pounds; no material went to Waste-To-Energy, CAAF, or Kiln. These figures do not count as diversion toward Recycled Output.

Of the 67.9 million pounds of total PCC diverted, after deducting the 10.3 million pounds of discarded materials sent to landfill, the resulting output of recycled carpet materials are shown in the Recycled Output box on the right. Including the 0.8 million pounds of reuse from Collector/Sorters, the Recycled Output volumes are 18.2 million pounds of PET; 13.1 million pounds of Nylon 6; 3.9 million pounds of Nylon 6,6; 2.2 million pounds of Polypropylene; 1.2 million pounds of tile recycling; zero pounds of carcass; and 13.2 million pounds of PC4. The total of all Recycled Output material categories, as recognized by CalRecycle, is 52.6 million pounds.

Overall, 2020 was a challenging year for everyone. Despite the impacts of delayed projects, market dynamics and a global pandemic, this Program managed to support an annual 10% increase in the Recycling Rate due to the aggressive and rapid COVID-19 Actions taken. There is no question given the momentum going into 2020 that the recycling rate would have exceeded the 24% target. CARE's aggressive actions not only supported a 10% increase in the Recycling Rate under pandemic lockdowns, but also assured preservation of the massive investments already in place by avoiding temporary or permanent shutdown of capacity.

Figure 2-5. Carpet Materials Flow Mass Balance Diagram (million pounds)



2.5 Report Organization

This 2020 Annual Report is organized into the following Chapters, following the requirements of the Carpet Stewardship Law:

Chapter 1. **Contact Information**

Chapter 2. **Executive Summary**

Chapter 3. **Scope**

Chapter 4. **Program Outline: Collection & Recycling Sites**

Chapter 5. **Program Goals & Activities**

Chapter 6. **Market Development**

Chapter 7. **Financing Mechanisms**

Chapter 8. **Outreach & Education**

Chapter 9. **Audits**

Chapter 10. **Appendices**

3 Scope

CCR Section 18944(a)(3). Scope. *The program described in the stewardship plan accepts and manages all applicable post-consumer carpet.*

- (A) Indicate any changes in the program scope from the approved stewardship plan.*
- (B) Indicate the scope is unchanged, if no changes have occurred during the reporting period.*

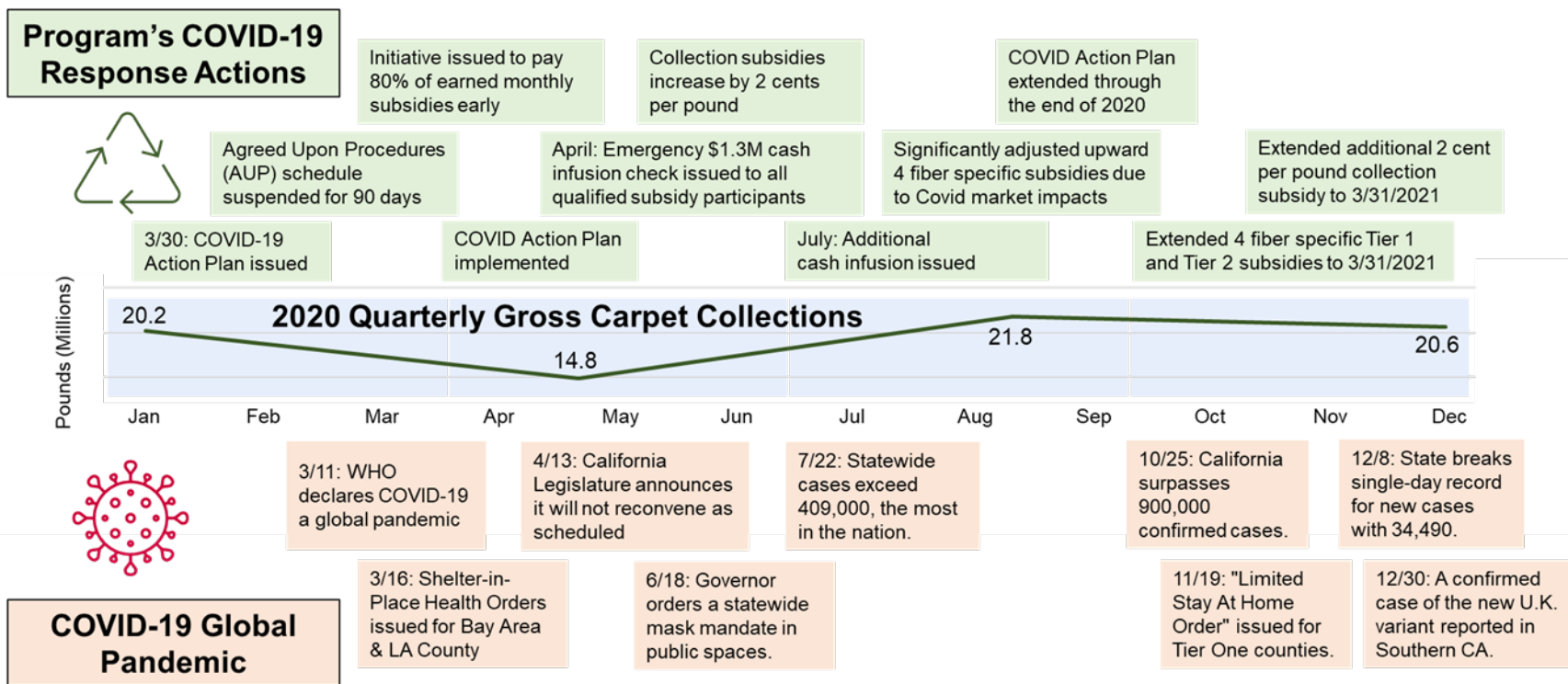
3.1 Overview of Major Program Activities in 2020

CARE's 2018–2022 five-year plan was conditionally approved in October 2018 and formally approved in February 2019 with the addition of Chapter 0. Concurrent with development and approval of the Plan, CARE promptly implemented several 2018–2022 Plan measures upon approval by CalRecycle. Since establishment of the Carpet Stewardship Law with AB 2398, the Program has adjusted over time to address two amendments: AB 1158 in 2017 and the new AB 729, which was adopted into law in October 2019 and took effect on January 1, 2020. To follow the law as well as the updated Plan, the Program implemented the activities described in the following sections in 2020.

3.1.1 COVID-19 Action Plan

To help mitigate the effects of the global pandemic on carpet collection and recycling in California, the Program adopted a COVID-19 Action Plan on March 30, 2020. Figure 3-1 shows a timeline of key impacts of the COVID-19 pandemic in California and the Program's actions in response (also appears as Figure 2-1 on page 5). The Action Plan included special payouts in 2020 totaling \$1.6 million to Collector/Sorters, Processors, and Manufacturers. See Section 3.4.1 for more information.

Figure 3-1. Timeline of COVID-19 Pandemic and Program Response Actions



3.1.2 Incentives for Highest Recyclability

With input from industry, the Advisory Committee, legislators, and CalRecycle, CARE introduced criteria defining Highest Recyclability (see Section 6.2.1) in 2018. The Program incorporated some of these criteria into its grant evaluation process and introduced two new incentives that took effect on January 1, 2019, and continued in 2020:

- **Highest Recyclability for Processors on all Nylon:** \$0.05 per pound with no tiers.
- **Nylon 6,6 Manufacturer subsidy:** \$0.10 per pound.

Further detail on assessment funds can be found in Section 3.4.1.

3.1.3 Grants

Grants are structured to provide incentives for processing capacity expansion, manufacturing, and increased collection, with an added emphasis on highest recyclability materials and applications. Cycles 3A/3X awarded in 2019 in support of collections and capacity paid out approximately \$840,000 in 2020. Cycle 4A capital and collection expansion grants, with impact expected in 2021, were awarded to six projects in 2020 for over \$1.8 million total and paid out \$197,696 during the year. Cycle 3M Micro-Grants for collection/reuse projects allocated over \$93,000 to seven grantees and paid \$68,234 in 2020. Finally, Cycle 3B and 2B testing grants paid out approximately \$280,000 in 2020 and \$240,000 was awarded to three Cycle 3B projects. For more information on grants in 2020, please see Section 6.2.2.

3.1.4 Support and Incentives to Increase On-Site Collection and Drop-off Sites

The Program has partnered with regional hauling services in an effort to provide on-site carpet recycling collection service for small- to medium-sized retail stores. Beyond prior year offerings of Micro-Grants to three local Greater Sacramento Area haulers to increase their number of closed-top containers and piloted retailer incentives, CARE expanded their grant support for smaller volume collection containers in various areas. The Program added 10 new public Drop-off Sites and covered 4 new counties, for a total of 54 counties served in 2020 (starting in 2020, Sutter County is served by a public Drop-off Site in adjoining Yuba County as well as five private sites). In an ongoing commitment and effort to ensure one CARE public Drop-off Site in every county, CARE continues to contract with widely regarded Rural Counties Specialist Mary Pitto in

providing a high priority focus specifically tailored to meet the unique rural county needs. For more information on collection sites, please refer to Section 4.2.

The Program added 10 new public Drop-off Sites and covered 4 more counties in 2020.

54 of California's 58 counties are now served via public carpet recycling Drop-off Sites.

3.1.5 Training to Apprentice- and Journey-level Programs

In 2020, the Program continued its commitment to state-approved training programs for apprentice- and journey-level carpet installers regarding proper carpet recycling practices, though in-person training opportunities were limited in much of 2020 due to the COVID-19 global pandemic. Section 5.16.1 and Section 8.4 provide more information on training and outreach for apprentice and journey-level programs. Union activities were significantly impacted by the COVID-19 shutdowns and they suspended their efforts for several months as a result.

3.1.6 Increase the Reuse of Post-Consumer Carpet

In an ongoing effort to increase the reuse of post-consumer carpet, the Program continues to offer Micro-Grant eligibility for reuse programs. The Program offered reuse promotional and marketing support efforts to Collector/Sorters sorting tile for reuse and their end-market outlets, though the COVID-19 pandemic limited reuse opportunities in 2020. To support further growth and ensure that expansion of the reuse market is not adversely impacted by reused carpet not meeting performance expectations, CARE developed specific Reuse Guidelines monitored via AUPs (see Appendix 10.12).

3.2 Program Description

Signed into law in September 2010, California’s Assembly Bill 2398 was the first-of-its-kind carpet stewardship program supported by legislators, California entrepreneurs, local governments, nongovernmental organizations, and the carpet industry. AB 2398 designated CARE as the Carpet Stewardship Organization (CSO) for the carpet industry. The Carpet Stewardship Law was amended in 2017 (AB 1158) and 2019 (AB 729), with changes taking effect in 2018 and 2020, respectively. In this Annual Report, the Program presents its progress with regard to the following eight performance goals included in the California Carpet Stewardship Plan 2018–2022, which responds to the state’s requirements:

1. Increase the recyclability of carpet.
2. Expand and incentivize markets for products made from post-consumer carpet.
3. Increase the reuse of post-consumer carpet.
4. Increase the weight of post-consumer carpet that is recycled.
5. Reduce the disposal of post-consumer carpet.
6. Increase the collection convenience for the recycling of post-consumer carpet and increase the collection of post-consumer carpet for recycling.
7. Increase Processor capacity, including Processor capacity in California.
8. Achieve a 24-percent recycling rate for post-consumer carpet by January 1, 2020, and any other recycling rate established by the Department pursuant to Section 42972.2.

The 2018–2022 California Carpet Stewardship Plan, approved with the addition of Chapter 0, replaces the prior 2011–2016 Plan and its three addenda. The updated 2018–2022 Plan received final approval from CalRecycle on February 20, 2019.

As of December 31, 2020, the California Carpet Stewardship Program included 78 participating Carpet Mills. Appendix 10.5 lists the names of [Program participants](#), which are also updated on the CalRecycle website.

These eight fundamental goals continued to guide the program, and major metrics related to Program performance goals are summarized by year in Table 3-1. These metrics are compared to a baseline year, defined by CalRecycle as the Program’s first 12 months of operation from July 1, 2011, to June 30, 2012. Other metrics in the table are reported by calendar year from January 1 to December 31. Table 3-1 shows the baseline period and the three most recent years. For those seeking the intervening years (2012–2017), please reference the 2017 Annual Report.

Table 3-1. Summary of 2020 Program Performance Metrics (see Table Notes following table)

Metric	Unit	Baseline [1]	2018	2019	2020
Carpet Sold in California	Million square yards	98	86	81	67
Assessment Paid	Million dollars	\$4.9	\$21.6	\$28.2	\$23.3
Assessment	\$ per square yard	\$0.05	\$0.25	\$0.35	\$0.35
Total Expenses (All inclusive)	Million dollars	\$1.6	\$18.6	\$24.0	\$24.3
Post-Consumer Carpet (PCC) Discards	Million pounds	357	322	304	251
Gross Collection (GC) (recovered before recycling), also known as “Throughput” [2]	Million pounds	100	94	82	77
GC: % of Discards	% of Discards	28%	29%	27%	31%
Yield: % of GC (RO/GC)	% of GC	28%	53%	71%	68%
Recycled Output (RO) (reuse, tile recycled, fiber, depoly, calcium carbonate, filler, carcass) [3]	Million pounds	28	49	58	53
Recycling Rate (RO/PCC)	% of Discards	8%	15%	19%	21%
Recycled Fiber Type 1 Processed Output	Million pounds	22	36	42	37
Recycled PC4	Million pounds	N/A	13	14	13
Recycled Tile	Million pounds	0.3	0.5	0.6	1.2
Reuse	Million pounds	0.098	0.734	0.717	0.765
Depoly, Filler, Carcass	Million pounds	6	0.0	0.2	0.0
Non-Nylon Tier 2 Manufacturer Output	Million pounds	N/A	22	19	21
Nylon 6 Tier 2 Manufacturer Output [4]	Million pounds	N/A	3	7	10
Reported Diversion (RO, kiln, CAAF, WTE, exports) [5]	Million pounds	47	52	58	53
Reported Diversion: % of Discards	% of Discards	13%	16%	19%	21%
Reported Diversion: % of GC	% of GC	47%	55%	71%	68%
Carpet As Alternative Fuel (CAAF): NON-Subsidized, 2018–2020 [6]	Million pounds	0	0	0.002	0
CAAF: % of Discards	% of Discards	0.00%	0.00%	0.00%	0.00%
CAAF: % of GC	% of GC	0.00%	0.00%	0.00%	0.00%
Kiln: NON-Subsidized, 2018–2020 [6]	Million pounds	0	0	0.017	0
Kiln: % of Discards	% of Discards	0.00%	0.00%	0.01%	0.00%

Metric	Unit	Baseline [1]	2018	2019	2020
Kiln: % of GC	% of GC	0.00%	0.00%	0.02%	0.00%
Waste-To-Energy (WTE) – Never Subsidized [6]	Million pounds	16	2	.0	.0
WTE: % of Discards (WTE/PCC)	% of Discards	4%	1%	0%	0%
WTE: % of GC (WTE/GC)	% of GC	16%	2%	0%	0%
Net Diversion (calculated as GC minus Waste back to LF) [7]	Million pounds	78	70	66	67
Net Diversion: % of Discards	% of Discards	22%	22%	22%	27%
Net Diversion: % of GC	% of GC	78%	75%	80%	87%
Source Reduction (SR)	Pounds per square yard	4.2	4.39	4.48	4.48
Pad Recycling (not counted toward diversion)	Million pounds	3	9	8	9
Process Waste to Landfill (LF) [8]	Million pounds	22	23	16	10
Total PCC Waste Disposal to LF [9]	Million pounds	279	251	238	184
Greenhouse Gas (GHG) Emissions	MTCO ₂ E	-24,926	-58,029	-70,118	-72,323

Table Notes: The table above compares Baseline Year (7/2011–6/2012) with data from the three most recent calendar years. For data from 2012–2017, see [Annual Report 2017](#). Metric definitions are current as of this Annual Report; definitions have evolved over time and may have been different in the past.

[1] **Baseline** year is July 2011 through June 2012. All other years are calendar years (January through December).

[2] **Gross Collection (GC)** is the quantity of material recovered before recycling, also known as "Throughput."

[3] **Recycled Output (RO)** includes reuse, tile recycled, fiber, depoly, calcium carbonate, filler, and carcass.

[4] **Nylon 6** subsidy was implemented in Q4 2017. Nylon 6 pounds are reported starting in 2019 because multiple manufacturers reported pounds in this category.

[5] **Reported Diversion** consists of Recycled Output (RO), kiln, CAAF, WTE, and exports.

[6] **CAAF and Kiln** were NOT subsidized in 2018 and beyond. **WTE** has never been subsidized.

[7] **Net Diversion** is calculated as Gross Collection minus Waste back to Landfill.

[8] **Process Waste to Landfill (LF)** refers to waste generated during processing, also referred to as processing waste.

[9] **Total PCC Waste Disposal to Landfill** refers to all PCC waste disposed of in a landfill, inclusive of process waste. It is calculated as the difference between the total PCC Discards minus Net Diversion.

3.3 Changes in Program Scope

The 2018–2022 California Carpet Stewardship Plan details fiduciary, financial, educational, and marketing strategies to accomplish the goals of the collective Carpet Stewardship Law. Consistent with the updated law, the Plan—and thus the Program in 2020 and beyond—is designed to advance these eight principal goals:

1. Increase the recyclability of carpet.
2. Expand and incentivize markets for products made from post-consumer carpet.
3. Increase reuse of post-consumer carpet.
4. Increase the weight of post-consumer carpet that is recycled.
5. Reduce the disposal of post-consumer carpet.
6. Increase the collection convenience for recycling post-consumer carpet and increase the collection of post-consumer carpet for recycling.
7. Increase Processor capacity, including Processor capacity in California.
8. Achieve a 24% recycling rate for post-consumer carpet by January 1, 2020, and any other recycling rate established by the Department.

The Program is also committed to the following:

- Provide incentives or grants to state-approved apprenticeship programs for training apprentice and journey-level carpet installers in proper carpet recycling practices.
- Structure grants and subsidies to incentivize Highest Recyclability.
- Ensure that assessment fee funds shall not be expended on penalties or litigation against the state.
- Ensure that subsidies for Carpet As Alternative Fuel (CAAF) and Kiln are discontinued.

The 2018–2022 Plan also included the following commitments made in Chapter 0 and completed by September 1, 2019, which are highlighted below.

- Conduct and provide to CalRecycle an independent, detailed economic analysis to validate the Subsidy Justification and Conversion Cost Models.
- Submit modifications to convenience goals that are consistent with the results of the Convenience Study to CalRecycle, and audit Collector/Sorters to ensure they comply with Agreed Upon Procedures (AUPs) that support convenient collection.

- Establish a minimum weight of post-consumer carpet (PCC) content a product must contain, on an annual basis, to be considered a product made from PCC.
- Develop AUPs for Reuse that describe the documentation, processes, and procedures that must be kept and followed by Reuse incentive recipients.
- Update AUPs to include expanded procedures for Collector/Sorters to support Program convenience, including but not limited to, requirements that all carpet types must be accepted, and carpet is transported to a Processor participating in the Program and not directly to landfill.
- Develop a proposed timeline for auditing Collector/Sorters to ensure compliance with the revised AUPs.
- Make other clarifications and corrections to the revised 2018–2022 Plan as specified.

The Program submitted its *Chapter 0 Report* describing its responses to the commitments summarized above. The *Chapter 0 Report* provides detailed updates on the Program’s efforts on these topics in 2019. It is available on CARE’s website and incorporated into this Annual Report by reference.¹

Building upon those accomplishments, CARE further committed to the following during 2020—many of which received CalRecycle approval for revised submission dates due to the COVID-19 pandemic:

1. **Convenient Collection for Flooring Professionals – Final Report.** Following up upon the Convenient Collection Study this report will review outline commitments for expanding convenience and collection. Originally due 11/30/2020 and revised to 6/30/2021.
2. **Differential Assessment**, to establish a system of differential assessments including a definition to CalRecycle. Originally due 11/30/2020 and revised to 6/30/2021.
3. **Economic Analysis 2.0 – Final Report.** This report follows on to the original Economic Analysis report submitted to CalRecycle. Originally due 11/30/2020 and revised to 6/30/2021.
4. **Highest Recyclability** – Originally due 12/31/2020 and revised to 6/30/2021.
5. **Models Team Semi-Annual Update.** Originally due 6/30/2020 and revised to 9/1/2020 – COMPLETED. The result of which was the need for significant and swift subsidy adjustments due to the market disruption impacts as a result of

¹ [California Carpet Stewardship Program, Chapter 0 Report](#), September 1, 2019.

the pandemic, primarily the collapse of Nylon 6 and Nylon 6,6 markets. Effective Q3 and Q4 were the following subsidy increases:

- Nylon 6 Tier 2 increased from 10 cents to 25 cents per pound.
- Nylon 6,6 Tier 2 increased from 10 cents to 13 cents per pound.
- PET Tier 1 increased from 10 cents to 15 cents per pound.
- Polypropylene Tier 1 increased from 10 cents to 15 cents per pound.

6. **Cost Conversion Model (CCM) and Subsidy Justification Model (SJM) – Reporting Dashboard**, for the development of a reporting dashboard that summarizes the results of four primary models in order to demonstrate traceability of financial results to external stakeholders. Originally due 6/30/2020 and revised to 12/31/2020 – COMPLETED. The result of this effort continues to evolve with the major swings in the economic and cost conversion models due in part to the pandemic. Current thinking is to take the next major step and incorporate the models in Planful. The first step will likely be incorporation of the financial model in the second half of 2021.
7. **Processor Capacity Study/Survey** to include recommended program adjustments. Originally due 9/1/2020 and revised to 6/30/2021.
8. **Annual Weight Survey for Discards**. Originally due 9/30/2020 and revised to 12/31/2020 – COMPLETED. The result of which was the weight per square yard of carpet dropping from 4.48 pounds per square yard to 4.11 pounds per square yard. Survey results weighted by carpet type—residential broadloom, commercial broadloom, and tile—and their respective percentage of sales for each. The Program’s detailed explanation provided to CalRecycle may be found on the agency’s [Carpet Program Status](#) webpage and selecting the discards calculation link listed for May 17, 2021.
9. **Discards Formula – Revised Formula**. Originally due 12/31/2020 and revised to 6/30/2021.
10. **Reuse Study**. Originally due 12/31/2020 and revised to 6/30/2021.

Each of the above noted deliverables serve as additional fine-tuning building blocks for CARE’s ongoing efforts at Program refinement and improvement.

3.4 Summary of Program Changes

This section addresses changes in Program implementation with the addition of Chapter 0 to the 2018–2022 Plan and the passage of new legislation in fall 2019. Specifically, it describes the assessment fee and the work of the Carpet Advisory Committee.

3.4.1 COVID-19 Action Plan, Assessment Funds, and Subsidies

In response to the global pandemic, the Program adopted a **COVID-19 Action Plan** in April 2020 and retroactive to March 2020. Under the plan, the Program provided special funding to Collector/Sorters, Processors, and Manufacturers, including the following new subsidies effective through the end of 2020, as shown in Table 3-2, Table 3-3, and Table 3-4 below:

- **Additional Broadloom Recycling Collected, Sold, and Shipped for Collector/Sorters:** \$0.02 per pound (effective March 1, 2020).
- **Additional Type 1 PET and Polypropylene Payout for Processors:** \$0.05 per pound (effective July 1, 2020).
- **Additional Nylon 6 Payout for Manufacturers:** \$0.15 per pound (effective July 1, 2020).
- **Nylon 6,6 Payout for Manufacturers:** \$0.03 per pound (effective July 1, 2020).

In 2020, the Program continued the Assessment Fee on sales of new carpet of \$0.35 per square yard, which took effect on January 1, 2019. The assessment fee collected in 2020 continued to support Program enhancements described in the Plan and resulting increases in Recycled Output. The funding collected from the assessment support Program efforts including but not limited to the subsidies summarized in the tables below and described in more detail in Chapters 4, 5, 6, and 7 according to the subsidy type and target. The following subsidies were new in 2019 and remained in place in 2020:

- **Highest Recyclability Incentive for Processors on all Nylon:** \$0.05 per pound (effective January 1, 2019, no tiers).
- **Nylon 6,6 Manufacturer Subsidy:** \$0.10 per pound (effective January 1, 2019).
- **Tier 2 Manufacturer PET Pellets Payout for California-generated PET fiber converted into PET Pellets:** \$0.11 per pound (effective October 1, 2019, no tiers).

Table 3-2. Summary of Subsidies for Collector/Sorters, 2020

Collector/Sorter Subsidies	Subsidy Rate
CSE Reporting Incentive	\$1,000 per month
Tile Reuse or Recycling Collected, Sold, and Shipped Payout (Pilot)	\$0.05 per pound
Tile Reuse Payout	\$0.10 per pound
Broadloom Reuse Payout	\$0.10 per pound
COVID-19 Action Plan: Additional Broadloom Recycling Collected, Sold, and Shipped [3]	\$0.02 per pound

[3] *The temporary **Additional Broadloom Recycling Collected, Sold, and Shipped** payout was implemented under CARE's COVID-19 Action Plan, effective 3/1/2020.*

Table 3-3. Summary of Subsidies for Processors, 2020

Processor Subsidies	Rate per Pound
Tile Recycled Payout	\$0.10
Type 1 Output (Fiber and Depoly only) Payout	\$0.10
Type 2 Output (Filler and Carcass only) Payout	\$0.03
Type 2 Calcium Carbonate (PC4) Payout	\$0.17
Highest Recyclability	\$0.05
Broadloom Commercial Carpet Payout (currently suspended) [1]	\$0.02
COVID-19 Action Plan: Additional Type 1 PET and Polypropylene Payout [4]	\$0.05

[1] *The **Broadloom Commercial Carpet Payout** was never operationalized and is suspended at this time.*

[4] *The temporary **Additional Type 1 PET and Polypropylene Payout** was implemented under CARE's COVID-19 Action Plan, effective 7/1/2020.*

Table 3-4. Summary of Subsidies for Manufacturers, 2020

Manufacturer Subsidies	Rate per Pound
PET Payout	\$0.25
PET Pellet Payout	\$0.11
Polypropylene Payout	\$0.25
Polypropylene Pellet Payout [2]	\$0.05
Nylon 6 Payout	\$0.10
COVID-19 Action Plan: Additional Nylon 6 Payout [5]	\$0.15
Nylon 6,6 Payout	\$0.10
COVID-19 Action Plan: Additional Nylon 6,6 Payout [6]	\$0.03

[2] *The **Polypropylene Pellet Payout** began in Q1 2020.*

[5] *The temporary additional **Nylon 6 Payout** was implemented under CARE's COVID-19 Action Plan, effective July 1, 2020.*

[6] *The temporary additional **Nylon 6,6 Payout** was implemented under CARE's COVID-19 Action Plan, effective July 1, 2020.*

In 2020, the Program continued using its online monthly reporting system, known as Planful (previously called HOST Analytics). The system replaces the previous Excel spreadsheets with online reporting forms and provides a convenient dashboard view of Program metrics.

Nearly \$1.1 million in total grant funds was paid out in 2020 across grant cycles 3A, 3X, 4A, 2B, 3B and 3M. While \$1,994,952 was committed in 2020 on Cycle 4A, just \$200,000 was requested for payout in 2020. Section 6.2.2 provides more details on grants awarded and issued in 2020.

The Program continued its work toward establishing at least one carpet Drop-off Site in every county in California and meeting goals for convenient collection. Efforts included ongoing marketing, education, and outreach to retailers, installers, and consumers and “Buy Recycled” market development efforts to expand and promote recycled and recyclable carpet products, as described further in Section 4.2, Chapter 6, and Chapter 8. It should be noted, several of the non-participating counties curtailed operations and their interest in carpet due to other priorities.

These efforts are critical to expanding markets for Recycled Output and increasing diversion from landfill, as mandated by Carpet Stewardship Law. Despite many challenges, including the global pandemic, the Program achieved its highest recycling rate of 23.2% in Q4 2020, resulting in overall annual recycling rate of 21%, an annual increase of 11% from 2019 and achieved during the pandemic.

3.4.2 Carpet Advisory Committee

The Carpet Advisory Committee established in 2018 under AB 1158 continued its work in 2020, despite having to meet virtually due to pandemic travel restrictions. The Advisory Committee includes representatives from local government, recycling industry stakeholders, environmental organizations, flooring unions and contractors, carpet retailers, and carpet Manufacturers. The Committee is appointed to provide recommendations to a carpet Manufacturer or stewardship organization and to CalRecycle on carpet stewardship plans, plan amendments, and annual reports.

The Program is required to ensure that the Committee receives copies of annual reports, stewardship plans, or stewardship plan amendments no less than 30 days prior to final submittal to CalRecycle. CARE is required to review recommendations, and to the extent feasible incorporate those changes prior to CalRecycle submission or respond to the Committee why those changes may only be accepted in part or not at all.

During 2020, the Advisory Committee met twice, via online Zoom meeting, to conduct business on matters including but not limited to the following topics:

- Review of CARE's Draft Contingency Plan
- Review of the 2019 Annual Report.
- Election of officers.

CalRecycle provides information on the [Carpet Stewardship Program Advisory Committee](#) on the agency's website. Appendix 10.10 provides copies of CARE's responses to feedback from the Advisory Committee on the Contingency Plan, and Appendix 10.11 provides CARE's responses to Advisory Committee feedback on the draft of this 2020 Annual Report.

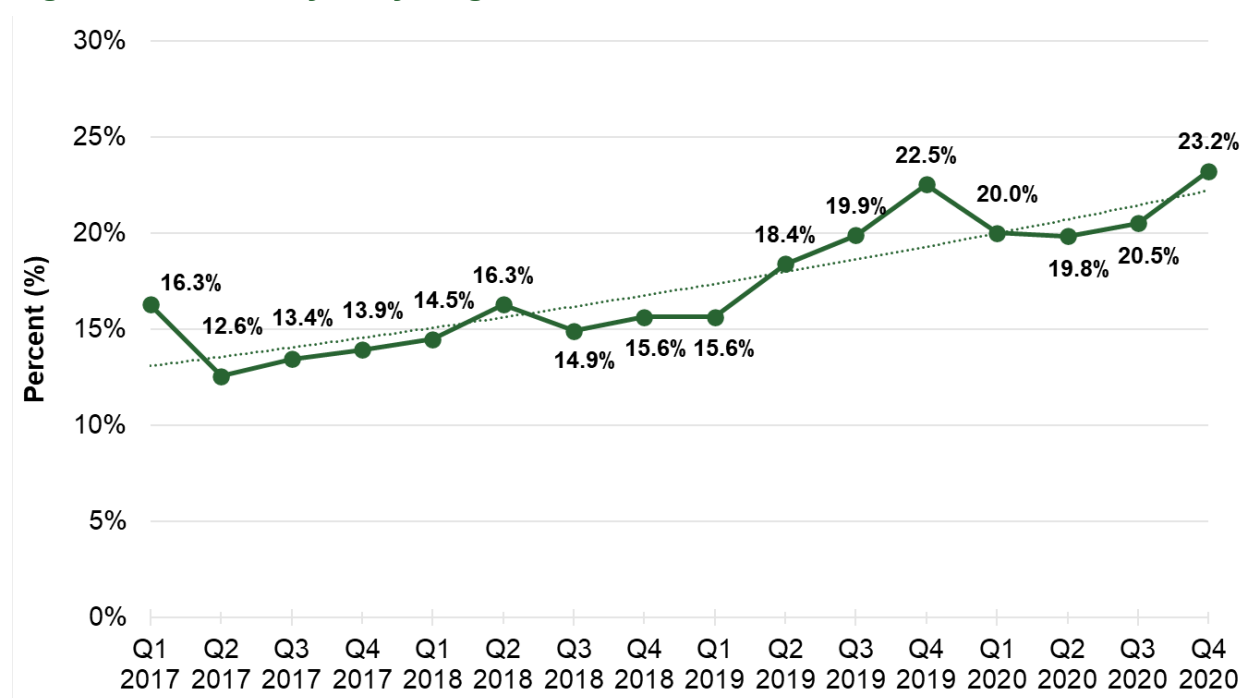
3.5 Laying a Foundation for Change

The Program continued to work to stimulate the market in 2020 for lasting change, with continued implementation of efforts under 2018–2022 Plan and ongoing stakeholder collaboration with the Advisory Committee. The Program continued its efforts to expand processing and manufacturing infrastructure capacity in California through grants, technical assistance support, research and testing, product development and participation in various trade events to build market support and demand for products with post-consumer carpet content.

The Program continued work on expanding collection and capacity in 2020 and made strategic moves to address the impacts of the global pandemic, through its COVID-19 Action Plan adopted in March 2020 which included special increased subsidies to Collector/Sorters, Processors, and Manufacturers and two direct infusions of payments to aid cashflow.

Several significant and uncontrollable capacity addition and expansion challenges, which had they come online as anticipated, would have enabled the program to easily achieve the 24% recycling rate. Despite those challenges and the pandemic impacts pulling down Q1 and Q2 results, the Program achieved growth in Q3 and Q4 2020 and reached its highest ever recycling rate of 23.2% in Q4 2020, as shown in Figure 3-2.

Figure 3-2. Quarterly Recycling Rate, 2017–2020



The resources and incentives continued and expanded in 2020 have supported annual recycling growth, even in a global pandemic. Capacity increases in the processing and Tier 2 manufacturing sectors are expected to continue this growth into the future and achieve the Program's performance goals (see Sections 4.5, 4.6 and 4.9 for more detail).

4 Program Outline: Collection & Recycling Sites

CCR Section 18944(a)(4). Program Outline. Describe the carpet stewardship program, including information on the following topics:

- (A) Types of collections sites and basic information about recycling facilities in California, e.g., how carpet is collected, number and location of processors, throughput and capacity of recycling facilities.
- (B) Include facility name(s) and address(es) for each method of disposition.

4.1 Program Description

The California Carpet Stewardship Program is responsible for increasing recycling and diversion of California post-consumer carpet (PCC) on behalf of Carpet Mills that sell or distribute their products in the state and participate in CARE's approved Plan. The Program targets all carpet material types, including residential and commercial, indoor and outdoor, and broadloom carpet and carpet tile materials. It excludes rugs, underlayment, carpet cushion, and synthetic turf.

For all manufactured carpet that is sold and shipped into California by Carpet Mills, distributors, or importers (referred herein referred to collectively as "Carpet Mills"), those entities are required to submit quarterly CalRecycle-approved assessments to CARE. Retailers receiving carpet from Carpet Mills/distributors/importers are required to remit assessment monies to those Carpet Mills/distributors/importers on their California carpet purchases. Retailers are reimbursed when final payment for recycling assessment monies is paid by the end-user/consumer of the carpet when assessment fees are billed on a final invoice. These assessment funds are used by the Program to increase carpet recycling and diversion opportunities and achieve other program goals consistent with Carpet Stewardship Law. The Carpet Mills are audited using Agreed Upon Procedures (AUPs) on a recurring periodic basis. Larger Carpet Mills are prioritized to minimize risk and consistent with a CalRecycle auditor recommendation.

Assessment funds support the following Program activities:

- Public and CARE-coordinated carpet collections/Drop-off Sites.
- Independent Collector/Sorters (private collection network).
- Recycling (Tier 1 Processors) and recycled product manufacturing (Tier 2 Manufacturers).
- Market development and grants.

4. Program Outline: Collection & Recycling Sites

- Outreach, education, and technical assistance.
- General program costs and program administration.

Funds also reimburse program administrative oversight activities by CalRecycle per Carpet Stewardship Law. With the passage of AB 729 in 2019, the 5% cap on administrative oversight was removed effective January 1, 2020. (See Table 7-3 for more details on Program expenses in 2020.)

For the public, the carpet recycling process starts with identifying public Drop-off Sites throughout the state in both urban and rural areas or choosing a flooring retailer or contractor that recycles PCC with the purchase of new carpet or flooring. Collector Sorter Entrepreneurs (known as CSEs or Collector/Sorters) receive PCC from flooring retailers and flooring contractors (via private business arrangements), as well as from CARE's public Drop-off Sites. Collector/Sorters identify and sort the collected PCC by fiber type, bale similar materials, and sell or transfer the carpet to Processors, which recycle the materials in their facilities. Tier 1 Processors receive whole carpet either directly from generators via their own privately contracted collection system or from independent Collector/Sorters. Processors may be located within or outside of California but must use California-generated PCC to participate in the Program.

Processors produce various "Recycled Output" materials, such as carpet fibers and post-consumer carpet calcium carbonate (PC4) from broadloom carpet backing or PVC backing from carpet tiles, which can then be used as feedstock for new recycled products manufactured by Tier 2 Manufacturers. CARE works both inside and outside of California to develop markets for new and existing PCC-content products. Only California-generated PCC is eligible for subsidies under the Program. No subsidies are paid for processing or Tier 2 manufacturing outside of the United States.

Since there are several different face fiber types (polymers), backing systems, construction styles and installation protocols, some PCC is more easily recycled versus others. For example, residential broadloom PCC is highly prized for a variety of reasons, including face fiber density and relative ease of backing material processing. Conversely, commercial glued-down broadloom is less desired, generally due to lower face fiber density (lower yield per square yard processed) and in relation to equipment speed slowdown needed to process materials, which essentially results in a throughput penalty. Carpet tile, which has two primary backing systems (PVC and polyolefin) which are readily recyclable. There are some types of carpet tile, due to construction, installation (excessive glue) or backing type, which are not yet recyclable. However, testing on foam back tile recycling has been underway. All carpet tiles in reasonably good condition do have the potential for relatively easy reuse, although reuse has been limited. Work on the differential assessment project has shown that the cost burden to recycle tile is considerably higher than broadloom.

Currently, most carpets are not easily identifiable visually. Sorting is done by hand, using a specialized infrared device supplied by Axsun (left photo shown below) or Thermo-Fisher (right photo shown below), which identifies the face fiber material type. Fiber types include Nylon 6, Nylon 6,6, Polyethylene terephthalate (PET), Polytrimethylene terephthalate (PTT), Polypropylene (PP), mixed fibers, and natural fibers (such as wool).

Figure 4-1. Carpet Fiber Identification Devices Indicating that Carpet is Nylon 6,6

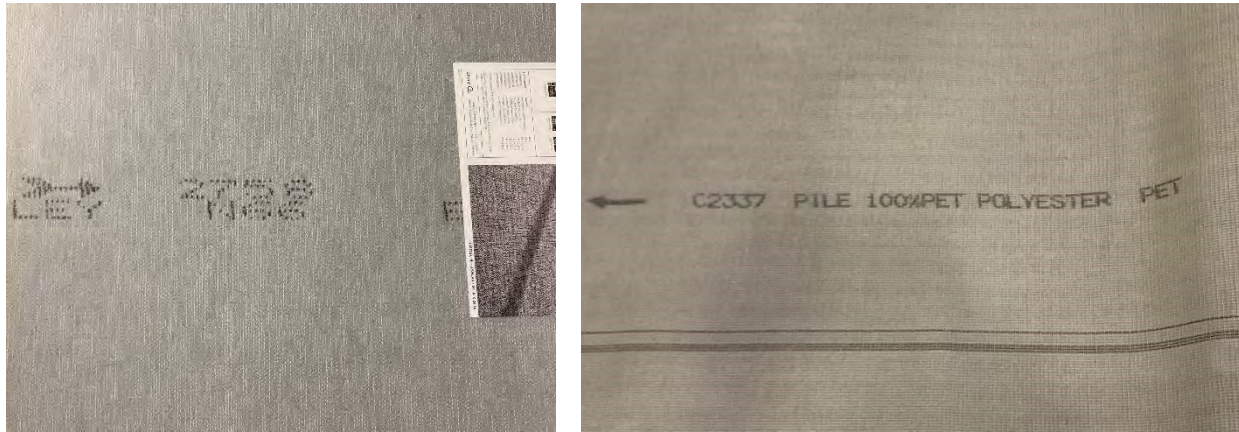


The carpet identification process has been partially streamlined with the addition of an industry-funded back label on carpeting, which was initiated with a goal of full adoption by the end of 2016. This effort continues under leadership of Carpet & Rug Institute (CRI). Quantitative updated information on the precise implementation of back-stamping remains difficult to obtain, and the status on back-stamping has not changed much in 2020. Seven of the top 10 Carpet Mills (selling approximately 94% of all carpet sold in California in 2018) have stated that they have implemented back-stamping on residential goods, and 5 of the top 10 Carpet Mills have implemented the labeling on commercial carpet. General observations have shown that some challenges or delays in back-stamping have related to acquisitions, Carpet Mill size (small), overseas carpet production (no control/requirement), backing challenge, and/or ink transfer to face fiber. CARE does continue to work through Aprio to gather further details through ongoing annual Carpet Mill surveys, and solicitation of Collector/Sorter feedback. Realistically, it will take time for back-stamping to affect the PCC recycling stream in a major way;

however, it is an important step toward improving polymer identification in the future and thus facilitating more cost-effective long-term recyclability. While recyclers are experiencing a growing percentage of PCC coming in with back-stamps, in hand-analyzing each piece of PCC multi-fiber carpets labeled with only a single fiber on the backing poses a challenge.

Following are two examples of back-stamping for Nylon 6,6 and PET.

Figure 4-2. Examples of Carpet Back-Stamping for Nylon 6,6 (left) and PET (right)



Currently, mixed fibers have a number of fiber agnostic market outlets and the very small market segment composed of natural fibers do not have either recycling market outlets or known compostability options. Overall, traditional high market demand for Nylon 6,6, in 2020 remained in a strong position despite continuing to represent a small and declining fraction of the recycling stream. Market impacts as a result of Force Majeures in early 2020, did increase at a fairly steep pace, further kept Nylon 6,6 prices high. Nylon 6, after several years of declining demand, has rebounded, gained, and held market share in response to the past high prices being charged for Nylon 6,6 which prompted many users in the injection molding arena to switch to Nylon 6.

Demand for Nylon 6 had successfully increased due to both a pilot subsidy of \$0.10 per pound for Tier 2 Nylon 6 recycled product added in October 2017, and the 2019 AB 729 Highest Recyclability incentive requirements which resulted in an additional \$0.05 subsidy added to Nylon fibers. Those subsidy adjustments, and the more recent 2020 COVID Action Plan adjustments, were analyzed utilizing CARE's now proven Subsidy Justification and Cost Conversion Models, as well as through regular and ongoing discussion with recyclers. Despite the prior market demand success achieved, the 2020 COVID-19 worldwide pandemic impacted markets across the board with a wide variety of either partial or full manufacturing industry shutdowns – especially including the auto industry, due to Shelter-in-Place and Safer-at-Home health orders. In light of the related pandemic market impact challenges, CARE responded with a COVID-19 Action Plan which included an additional Tier 2 Manufacturer Nylon 6 payout of \$0.15 per pound

4. Program Outline: Collection & Recycling Sites

and a related additional Nylon 6,6 subsidy of \$0.03 per pound in an effort to maintain market demand and utilization.

Conversely, generation and demand for Non-Nylon (PET/PTT and PP) fibers have continued to fluctuate based on initially projected end-market demand, despite Program-provided subsidies offsetting the gap between virgin and recycled polymer pricing. While stable in commitment for long-term demand, market uses for densified PET grew; however, at a slower pace than projected due to technical difficulties. 2020 did see the eventual realization of a long-anticipated dimensional lumber manufacturer coming on-line, whose full market impact for PET will likely be felt in 2021.

Methods for processing whole carpet include a wide range of technical and engineering approaches to mechanically separate the more-valuable face fiber from the backing material. Cleaned and sifted face fiber may be used as a feedstock or combined with other feedstock materials to produce new products. Chemical depolymerization may be used to produce a polymer that can be re-extruded into pellets and then made into new plastic products. However, this is an expensive and energy-intensive process currently limited to Nylon 6, and it contributes a very small percentage to overall recycling at this time. Up until 2018, the depolymerization of Nylon 6 represented the only closed-loop system available, enabling Nylon 6 recycled in this manner to be suitable to go back into carpet products for a second life (carpet-to-carpet, closed-loop recycling).

Q3 2020 finally saw the partial opening of Aquafil Carpet Recycling #2 in Woodland, near Sacramento, after being delayed approximately 16 months due to impacts of the devastating Northern California wildfires and subsequent PG&E bankruptcy. The Aquafil–Woodland facility complements the 2018 opening of Aquafil’s Carpet Recycling #1 Nylon 6 PCC processing facility in Phoenix. Each facility has publicly stated having the capacity to process 36 million pounds of PCC annually, and when both are producing at full capacity, the beneficial impact to CARE’s recycling rate will be significant.

PC4, once disposed as a waste material, is now being readily removed from the backing material and used in new products. For perspective, virgin calcium carbonate costs about 1 to 2 cents per pound. With CARE’s piloting of various subsidy levels to support the movement and use of this material, the generous 17 cent per pound PC4 subsidy initiated in 2017 facilitated investments in sifting equipment to spur ongoing growth and stability in the use of this material in 2020.

Other carpet related materials such as latex, glues, presently unrecyclable backing and face fiber may be diverted via energy recovery or placed in a landfill. Under the Carpet Stewardship Plan 2018–2022, diversion includes carpet material that is reused as-is, processed into a recycled-output feedstock for new products, processed for use in Carpet As Alternative Fuel (CAAF), feedstock for cement kilns, or discards used as a waste-to energy (WTE) source, or exported. However, in accordance with AB 1158,

effective January 1, 2018, no subsidies are paid for Kiln or CAAF fuel applications. In 2020, no CSEs or Processors reported any pounds of any type of carpet materials as going to Kiln, CAAF, or WTE.

In 2020, NO post-consumer carpet materials were sent to Kiln, CAAF, or WTE.

Despite pandemic related business shutdowns and the resultant shift in business priority challenges, the Program has continued in its aggressive efforts to increase carpet reuse and recycling, divert materials that cannot feasibly be recycled, and reduce the amount of carpet discards sent to California landfills. While little whole carpet is shipped outside of the United States for processing, the Program does track and report on any quantities of carpet exported as diverted but is unable to track the precise final disposition of the exported materials at this time. Note, such export pounds of PCC represent a *de minimis* fraction of total diversion. Historically, exports at one time represented up to 3.1% of diversion at 11.2 million pounds in 2014. However, as subsidies are not provided on exported PCC processing, export weights have continued to decline. Additionally, a major exporter located in California ceased operations in 2018. Over the last four years, exports dropped from 2.7 million pounds in 2017; to 609,031 pounds in 2018; to 467,201 pounds in 2019; and subsequently to 0 pounds in 2020.

4.2 Drop-off & Collection Sites

Post-consumer carpet is collected at **public Drop-off Sites** or through **private collection** before being delivered to Collector/Sorters or Processors for sorting and processing. Figure 4-3 shows the types of carpet collection sites and pick-up options currently available and under development:

Current Collection in 2020:

- Program-supported **public Drop-off Sites**; some also offer pick-up services for large quantities. The Program's 83 Drop-off Sites in 2020 are primarily located at permitted Solid Waste and Recycling Facilities such as Transfer Stations, C&D Facilities, Landfills, and Material Recovery Facilities (MRFs). Of those, some have further expanded the recycling and waste diversion opportunities they offer their customers and jurisdictions by offering smaller-volume carpet/pad collections, which are transported back to their facility for consolidation into their CARE Dropoff Site carpet/pad container.

4. Program Outline: Collection & Recycling Sites

- **Collector/Sorter** drop-off sites (at their own locations) and pick-up service for their customers. Seven CARE Program Collector/Sorter (CSE) Drop-off locations provide statewide collection services for larger-volume PCC generators as well as allow for in-person PCC drop-offs for those preferring to self-haul carpet/pad. More than 235 large-volume carpet/pad generators used on-site private pick-up carpet/pad collection services in 2020.
- **Collector/Sorter-managed sites at carpet retailers** or other locations where collected carpet materials are consolidated. CSE Retailer/Other Consolidation Locations are generally retailer locations that have larger collection containers and allow area flooring professionals the opportunity to access very low-cost carpet/pad drop-off.

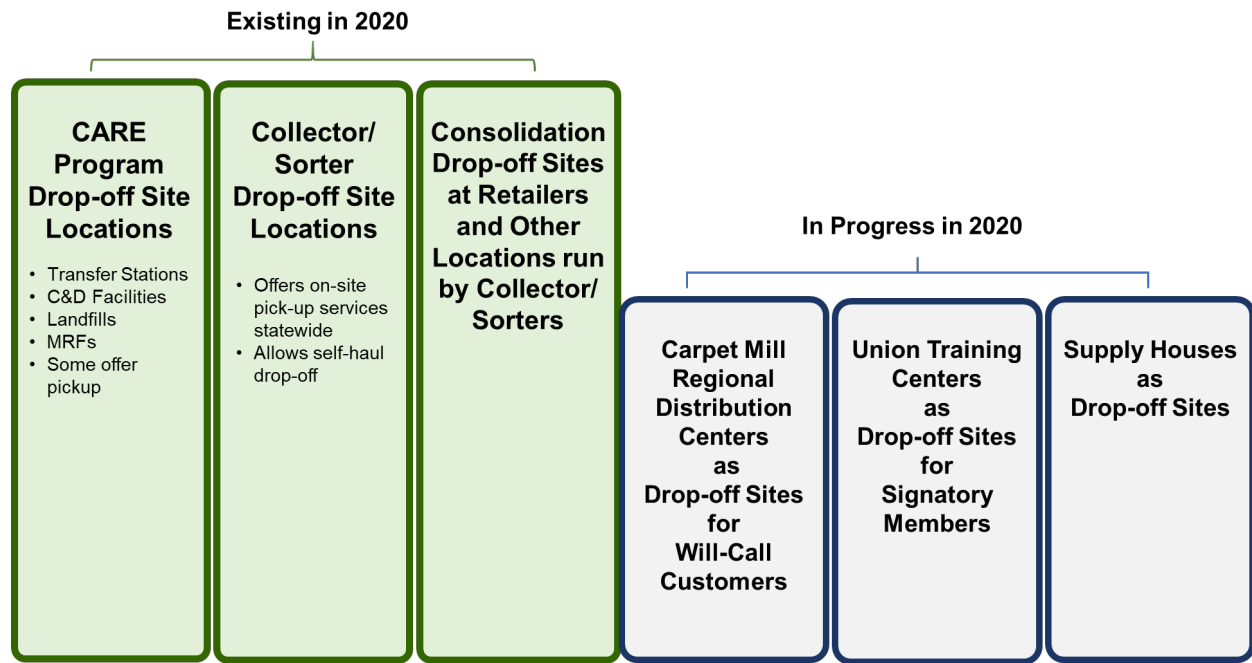
Collection Options under development in 2020:

- **Mill Regional Distribution Centers (RDCs)**, for their Will-Call customers buying new flooring. RDCs are large to very large facilities to which respective flooring manufacturers ship new flooring materials (including non-carpet types) for either subsequent shipment to their customers' locations or Will-Call pick-up by customers/installers. In 2020, the Program worked to develop its first RDC self-service drop-off location in a non-urban area, slated for piloting in 2021, along with two other, more urban RDCs expected later in the year.
- **Union training centers** as drop-off locations for union members. The Program is working to launch an initial pilot location in the Bay Area later in 2021. Union representatives anticipate offering distinct training sessions for their hosted self-service- drop-off location to provide a no-cost carpet recycling option for their signatory members.
- **Supply houses**, for flooring installers purchasing flooring and related materials. Supply Houses are locations that many flooring professionals visit regularly for various types of flooring supplies, including carpet, underlayment/padding, and tack strips. California has more than 80 Supply Houses throughout the state, and the Program is conducting initial research to determine how many might have available space to host a drop-off location.

The above three new initiatives in 2020 were severely curtailed by the pandemic. CARE estimates that the Program lost about a full 12–14 months in terms of bringing these three initiatives online.

This section describes Program activities in 2020 related to these carpet collection options.

Figure 4-3. Overview of Carpet Drop-off and Collection Opportunities in 2020



4.2.1 Public Drop-off Sites

Most public access Drop-off Sites are sponsored and coordinated by CARE. These sites are generally established in coordination with local government and/or waste/recycling facility representatives in each county where sites are established. Public Drop-off Sites are generally placed at traditional disposal locations such as transfer stations, landfills, material recovery facilities (MRFs), or construction and demolition (C&D) recovery facilities. These locations allow installation contractors (flooring professionals), do-it-yourself (DIY) individuals, and businesses to drop off source-separated and properly prepared PCC discards for recycling. The CARE Program presently allows each Drop-off Site to set carpet tipping fees to allow for their respective regional materials handling cost recovery. However, through the Program offerings of no-cost transportation, materials processing and other noted-below benefits to participating Drop-off Sites, CARE does strongly encourage sponsored sites to offer reduced tip fees for source-separated carpet to promote landfill diversion.

CARE's Program provides the following benefits and services at no cost to the host facility: collection containers, swap-out service, logistical support, technical assistance, signage, regular communications, promotion, customized marketing materials, education and outreach, and transportation of PCC to Collector/Sorters. CARE-sponsored public Drop-off Sites are also provided with ready access to Micro Grant funds up to \$15,000 (generally for equipment to increase ease of handling and/or capture of PCC, such as ramps, stairs, weather covers, concrete pad improvement,

etc.) as well as to larger, more competitive Capital Equipment Grants (generally utilized for covered collection containers for expanded collection service opportunities). See Section 8.2 for information on Drop-off Site outreach.

Convenient Collection and Drop-off Sites

As of year-end 2020, CARE estimates there are over 318 (235 CSE + 83 CARE + a currently unknown number of Independent PCC Collectors) public Drop-off Sites and private pick-up service locations in California. Preliminary analysis of PCC collection operations at the close of 2020 shows that 99.4% of the state's population lives within a county with access to one or more private or public carpet recycling sites (up from 99.1% in 2019), providing an average of one site per 124,110 people, an improvement from one site per 142,819 people in 2019. Fifteen counties have 5 or more sites (up from 13 in 2019), 8 counties have 10 or more sites (up from 6 in 2019), and four have more than 20 sites (the same as 2019). See Appendix 10.4 for a map of public and private collection sites; this map is a snapshot and will change from time to time with market dynamics.

In 2020, as a result of the pandemic and the related challenges felt by many solid waste/recycling facilities, addition of new Drop-off Sites was stunted significantly. Even so, 10 new public Drop-off Sites were established (see Table 4-1 and Table 4-2). Four new sites were added in Southern California and 6 in Northern California. By the end of 2020, there were 83 CARE-sponsored public Drop-off Sites supporting 54 counties (see Appendix 10.3).

With regard to pandemic-related operational challenges for Drop-off Site establishment, CARE offers the following additional insights:

- Drop-off Site recruitment generally involves physical site visits and from mid-March through the end of 2020 many areas of the state were under some degree of Shelter-in-Place/Safer-at-Home Health Order. Many locations did not start allowing outside visitors to their facilities until early to mid-2021.
- For the last several years CARE added on average about 10 new Drop-off Sites (DoS) per year. 2019 was a year of tremendous growth with 20 new sites added, and 2020 was reasonably anticipated to mirror and expand upon that growth. Beyond expanded DoS recruitment efforts, this accomplishment was also aided by the addition of Rural County Specialist Mary Pitto as a key resource with deep understanding of rural county operations as well as personal relationships.
- When the pandemic hit many operations pulled back significantly due to staffing limitations and valid Covid exposure minimization concerns. Many of CARE's existing DoS contacts were non-responsive for a period of time due to pandemic related workload demands.

4. Program Outline: Collection & Recycling Sites

- For new DoS locations, it was not uncommon to hear: “We just do not have the available staffing to expand at this time,” or “This is not our top priority right now.” CARE believes adding 10 new DoS locations under the widespread pandemic related conditions faced in 2020 was a remarkable accomplishment.

Experience continues to show that negotiations to establish new Drop-off Sites can take many, many months (and in a few cases years) to bring to fruition. Factors often include but are not limited to contract negotiations, completion of planned or in-process site improvements, space constraints, staffing limitations, as well as resistance to change. While CARE has historically added an average of 10 new Drop-off Sites per year, building upon 2019 success and growing program interest, CARE had targeted adding at least 20 more sites once again in 2020, but the pandemic impeded recruitment and onboarding of new sites.

Table 4-1. Public Drop-off Site Figures Over Time

Year	Total Public Drop-off Sites	Counties Serviced	% Change in Total Public Drop-off Sites from Prior Year
2012	6	6	N/A
2013	6	6	N/A
2014	14 (+8)	13 (+7)	+133%
2015	23 (+9)	23 (+10)	+64%
2016	33 (+10)	33 (+10)	+43%
2017	44 (+12 -1 = +11)	41 (+9 -1 = +8)	+33%
2018	53 (+11 -2 = +9)	47 (+6)	+20%
2019	73 (+22 -2 = +20)	50 (+8 -5 = +3)	+38%
2020	83 (+10)	54 (+4)	+14%

Table Note: As described below, Sutter County is considered serviced, or “covered,” by the Drop-off Site located in Yuba County. This arrangement was proposed by County representatives and approved by CalRecycle. While 3 new Drop-off Sites brought online in 2020 were in counties that did not previously have a Drop-off Site, Table 4-1 shows an addition of 4 new counties serviced because Sutter County was considered covered by this arrangement in 2020.

4. Program Outline: Collection & Recycling Sites

Historically, counties such as Colusa, Solano, and Sutter were considered serviced, or “covered,” due to their close proximity to Drop-off Sites in adjacent counties and/or the existence of a Joint Powers Authority between counties. In 2019, CARE requested clarification from CalRecycle on this topic and it was decided that for a county to be considered “covered,” a Drop-off Site must be located within county boundaries. However, extenuating circumstances arose in a few counties which gave rise to consideration of other arrangements. Sutter County requested they continue their JPA arrangement with Yuba County, sharing one central Drop-off Site. Moreover, Alpine County preferred to establish their Drop-off Site near other services in South Lake Tahoe (El Dorado County). These arrangements were proposed by County representatives and approved by CalRecycle.



CARE Drop-off Site staff in front of trailer with carpet for recycling.

Throughout 2020, CARE worked to promote Program Drop-off Sites with local governments, solid waste task force groups, waste and recycling agencies, and disposal site operators in both already served counties and counties where public drop-off facilities have not yet been established, with a goal of establishing a minimum of one public Drop-off Site in each county. As a result of the pandemic, CARE staff’s ability to conduct in-person site visits was essentially halted as of March 2020. CARE staff continued to target disposal and recycling facilities throughout the State and replaced in-person site visits with virtual meetings when possible. CARE staff also interfaced with local government recycling staff and/or waste task forces to help spread awareness, outline the CARE program, and connect with potential drop-off locations.

The Program was further promoted via monthly program e-news and continued collaboration with stakeholder groups such as Rural County Representatives of California (RCRC), as well as engagement opportunities via various Statewide and regional conferences and workshops. At the end of 2020, a public Drop-off Site was established in 93% of California counties, and staff remained in ongoing active discussion with 11 new potential facilities, including the 4 remaining counties without a CARE-sponsored Drop-off Site. The CARE California Team continued contracting with the well-respected former long-time Rural County Representatives of California (RCRC) Regulatory Affairs Advocate Mary Pitto to assist in securing Drop-off Sites in counties not yet served. Two new counties that formerly did not have a Drop-off Site were brought online in 2020, and as of year-end, two of the four remaining counties had

4. Program Outline: Collection & Recycling Sites

committed to establishing Drop-off Sites in 2021. Some county and/or facility efforts have been adversely impacted by fire and/or weather events that divert attention to higher priority and urgent needs. In addition, the pandemic greatly hindered CARE's ability to establish new Drop-off Sites and interface with prospective facilities due to a variety of reasons, including but not limited to significantly reduced facility staff and/or staff availability, and reluctance, hesitation, or inability to commit to a new recycling program amidst the pandemic.

The CARE Drop-off Site Program grew to a total number of 83 Drop-off Sites serving 54 counties in 2020. Participating Drop-off Sites oversee their daily operations, while CARE provides no-cost collection containers, swap-out service, technical assistance, promotional support, transportation of PCC to Processors, and ready access to Micro Grant funds of up to \$15,000 to support site improvements or equipment acquisitions to facilitate PCC collection. For the beneficial no-cost service, sites are required to submit Quarterly Reports and attend Quarterly Drop-off Site Webinars where best practices, CARE updates, and troubleshooting common issues are discussed. In 2020, a total of approximately 240 people attended the quarterly webinars, and CARE received approximately 280 quarterly reports.

CARE manages the dispatch of third-party haulers to pick up PCC from CARE-sponsored Drop-off Sites and coordinates the delivery of materials to Collector/Sorters. In 2020, the Program handled 485 container swap service requests (pulls of full containers) with third-party haulers. In addition, a number of CARE Drop-off Sites self-haul PCC to Collector/Sorters for reimbursement by CARE (facility itself provides the container and hauling service in lieu of a third party). In 2020, there were 123 self-haul loads delivered. The number of container swaps and self-hauled loads from CARE Drop-off Sites increased by 21% in 2020 over 2019. The total Drop Off Site public collection program reported 10.2 million pounds of collection (PCC + pad).

A growing Drop-off Site Program requires expanding technical assistance, support, and communications. CARE staff provided ongoing technical assistance to existing sites through troubleshooting support in the form of regular calls, emails, and virtual meetings. Individual outreach is conducted to every Drop-off Site on a quarterly basis to build personal relationships, consistent feedback systems and reliable Drop-off Site operations.

Table 4-2. New Public Drop-off Sites Brought Online in 2020

Count	County	City	Facility Name
1	Kern	Shafter	Shafter Landfill
2	Santa Clara	San Jose	Zanker Recycling
3	Sonoma	Santa Rosa	Global Materials Recovery Facility
4	Kern	Kernville	Kern Valley Transfer Station
5	Alpine*	South Lake Tahoe	South Tahoe Refuse Transfer Station
6	Sonoma	Windsor	Windsor Material Recovery Facility
7	San Bernardino	Colton	Inland Regional Material Recovery Facility
8	San Bernardino	Phelan	CR&R Environmental Services
9	Butte	Paradise	Neal Road Land Fill
10	Sierra	Loyalton	Loyalton Transfer Station

**Table Note: As discussed previously, the Drop-off Site serving Alpine County is in El Dorado County (South Lake Tahoe). This arrangement was proposed by county representatives from the respective counties and approved by CalRecycle.*

The Program’s online California Drop-off Site map gives flooring professionals, contractors, and the public an easy, interactive way to find active Drop-off Sites for their used carpet and is also available as a PDF for download (see Appendix 10.3). The map includes site-specific data, such as the site address, hours, and, in some instances, carpet recycling fees. The map is updated regularly and promoted via digital, print, and in-person communications.

Program metrics and highlights for CARE public Drop-off Sites in 2020 include:

- The Drop-off Site Program remained stable under the unfolding COVID-19 pandemic. CARE’s ability to provide service and deliver the Program remained uninterrupted. Regular outreach was conducted to all Drop-off Sites to better understand their unique circumstances and any operational challenges they may have been experiencing, and CARE staff offered technical assistance as needed.
- 10 Drop-off Sites were added, a 14% increase from the number of sites in 2019.
- Approximately 10.2 million pounds of carpet were collected in 2020, which is essentially the same amount collected in 2019 (approximately 60,000 additional pounds were collected in 2020). Despite 10 new Drop-off Sites, the pandemic greatly affected the flow of material throughout the State. The volume of PCC collection varied by Drop-off Site, with some experiencing significant decreases

4. Program Outline: Collection & Recycling Sites

in carpet collection and others remaining consistent or even increasing volume in 2020. As a reminder, the largest percentage of PCC generation is generally tied to new carpet sales. New carpet sales plummeted by 34% in Q2 due to the pandemic versus Q2 2019 and were still down by 16% for Q3 versus 2019. Many retailers closed their doors or reported sales declines of 50-70%.

- Total costs (hauling + storage + carpet recycling fees) were \$1,059,542 in 2020 (up from \$1,003,066 in 2019), a 5.6% increase.
- The overall average cost per pound collected remained relatively constant at \$0.10 per pound. Average cost per pound is more than two times greater for rural versus urban sites.
- Updated education and outreach materials (see Chapter 8).
- 4 Drop-off Site Quarterly Webinars conducted with a total of approximately 240 people in attendance.
- In 2020, 87% of all Gross Collections were collected by Collector/Sorters through private collection sites, while 13% were collected through CARE public Drop-off Sites.

The public Drop-off Site Program remained stable under the unfolding COVID-19 pandemic, adding 10 new sites in 2020 and keeping collections steady or growing.

Benefits of Drop-off Site Participation

The California Program established and has supported public Drop-off Sites since 2012. Participants regularly report that the Drop-off Site Program operates smoothly. CARE-sponsored Drop-off Sites report the following benefits of participating in the Program:

- Convenient collection facility for flooring professionals, contractors, and residents in their county/region.
- Alignment with local and statewide recycling and diversion goals; the Program supports local governments and waste facilities/haulers in meeting mandated waste diversion requirements (AB 939, AB 341) and zero waste goals by offering diversion of bulky, carpet discards that would otherwise be sent to landfill.
- Free collection containers for, and transport of, discarded carpet, as well as tip fees paid for by the Program at the carpet recycling destination facility.

4. Program Outline: Collection & Recycling Sites

- Educational materials, site-customized flyers, and signage to promote the drop-off location, including procedures for proper preparation.
- Inclusion on the Drop-off Site map on the CARE website, including location, site hours and other facility details.
- Access to customizable templates for social media, PSAs, press releases, and newsletter articles for added promotion. In both English and Spanish.
- In-person education and outreach to retailers and installers within a reasonable proximity of the Drop-off Site. In 2020, in-person activity was largely curtailed due to the pandemic; however, significant effort and progress was still made via phone outreach.
- Ongoing and in-depth technical assistance by CARE staff, quarterly webinars, sharing best practices, and regular Drop-off Site engagements.
- Ready access to Micro Grant funding of up to \$15,000 to support carpet recycling via equipment (e.g., container covers, stairs, loaders) and/or site improvements such as all-weather pads and weather covers.
- Sites are permitted to charge and collect tip fees for carpet to help assure their facility and handling costs are adequately covered; although, sites are strongly encouraged to offer a reduced rate for carpet when it is clean, debris-free source-separated material affording the facility/jurisdiction quantifiable diversion.

Drop-off Site Survey

On December 8, 2020, a survey to evaluate container service needs and degree of satisfaction with the CARE Program was distributed to CARE-sponsored Drop-off Site contacts via email. 81 responses were received from 71 Drop-off Sites; not all sites answered all questions. The following are examples of questions posed along with the associated summary of responses:

- “What percent does your container swap occur on time or within 1 day of the scheduled date?”
 - 73% of respondents reported on-time swaps 75% of the time or more.
- “Our pick-up and swap-out service is handled efficiently and goes smoothly.”
 - 83% of respondents agreed or strongly agreed.
- “The Quarterly Webinars are useful and/or Informative.”
 - 72% of respondents agreed or strongly agreed.

- “I am receiving the support and communication I need from the CARE Staff.”
 - 96% of respondents somewhat or strongly agreed (81% strongly agreed).
- “Overall, we are satisfied with the CARE Program.”
 - 91% somewhat or strongly agreed.”

“Always get fast responses on my questions, always reach out promptly when there are issues with our container swaps.”

Convenient Collection for Flooring Professionals

As a part of the Revised Carpet Stewardship Plan 2018–2022 Chapter 0 Requirements, CARE completed a Convenient Collection Study (September 1, 2019) which was carried out by Cascadia Consulting Group. The Study provided extensive research into factors that define convenience, surveyed key audiences (retailers, installers, C&D contractors, etc.), and developed Convenient Collection Standards Options that included potential approaches to increase convenient collection of PCC. The Study also found that the majority of tear-out carpet is handled by flooring professionals and contractors rather than the general public. At the time of writing this Annual Report, CARE is in the process of completing a Convenient Collection for Flooring Professionals Report (CCFPR) for submittal to CalRecycle by June 30, 2021. The aim of the CCFPR is to provide convenience goals and explain *how* the Program will meet those goals and provide convenience for flooring professionals.

While the CCFPR is not scheduled to be completed until mid-2021, CARE worked diligently throughout 2020 to implement numerous strategies to increase convenient collection. Each of the below undertakings applies to one or more of the Convenience Factors (Proximity, Access, Cost, and Ease), as defined in the Convenient Collection Study.

- Geotargeted Mapping (Proximity Factor): in 2020 CARE began utilizing a geo-targeted mapping approach for the strategic siting of Drop-off Site locations in potentially high-volume areas, such as near clusters of flooring retailers or dense population centers. This mapping approach includes the following layers:
 - All Flooring Retailers.
 - Carpet/Soft Surface Retailers.
 - Hard Surface Retailers (new, tear-out PCC generators).

4. Program Outline: Collection & Recycling Sites

- Licensed Installers.
 - Solid Waste/Recycling Facilities (including C&D facilities).
 - Mill Regional Distribution Centers.
 - Supply Houses that “may” have space to host recycling.
 - Population density.
- Discount for carpet (Cost Factor): continued to encourage Drop-off Sites to provide a discount for clean, source-separated carpet. Approximately 50% of CARE-sponsored Drop-off Sites report providing a reduced fee for separated carpet.
 - Collection at Supply Houses (Cost and Access Factors): developed a proposal to establish Supply Houses as hybridized Drop-off Sites. The Supply House could provide carpet installers already utilizing the location to purchase supplies for carpet installation with a low-cost, convenient collection location. The term “hybridized” is used to indicate that the collection point may not be open to the general public, but instead restricted to surrounding-area flooring professionals.
 - Collection at Regional Distribution Centers (RDC) (Cost, Access, and Ease Factors): worked with two of the largest Carpet Mills (Shaw and Mohawk) to strategize collection options at RDCs in southern and northern CA. Many medium-high volume customers (carpet retailers) regularly use the RDC Will Call service to pick up carpet for subsequent installation jobs. This provides a unique convenience opportunity for customers to bring PCC from tear-out jobs to a location they will already be visiting. In addition, the rate for customers to drop off material at the RDC will be at least 50% below local solid waste/recycling facility disposal costs. Significant groundwork was done in 2020 through coordination with Shaw, Mohawk, and local recycling haulers. At least two RDC drop-off points are planned for operation by Q2 2021.
 - Collection at Convention Centers (Access and Ease Factors): coordinated with Convention Centers throughout the State to gain an understanding of their unique operations, disposal and recycling practices, and gauge willingness to collect clean, source-separate carpet from events. While the pandemic ceased all major gatherings at Convention Centers, several relationships were developed, and interest garnered. CARE has been working with the major Convention Centers throughout the state, including Anaheim, Long Beach, Los Angeles, San Diego, San Francisco, and San Jose, to help facilitate carpet collection upon commencement of operations in 2021.
 - Open-top Container Service (Access and Ease Factors): worked to expand availability of open-top container service to reduce staff labor at Drop-off Sites and promote mechanical loading. While this convenience is focused more on the

Drop-off Site instead of the flooring professional, some prospective Drop-off Sites are only able to join the Program if an open-top container is an option; therefore, being able to establish these facilities as Drop-off Sites provides surrounding-area retailers and installers with a recycling option.

- Carpet Padding (Ease Factor): continued to allow Drop-off Sites to receive carpet pad along with tear-out carpet.

Major Learnings

In 2019, the Program produced the largest annual increase in number of public access Drop-off Sites established throughout the state by adding 20 new sites. In 2020, the COVID-19 pandemic changed the intended course for the year, which resulted in an adjusted plan intended to both meet Program goals while being responsive to health and safety recommendations and staying mindful of any operational reorientation of the organization and that of our partners. Still, in 2020, the Program added 10 new public Drop-off Sites and collected over 10.2 million pounds for carpet recycling.

CARE staff encountered both old and new barriers to bringing on Drop-off Sites in 2020. The challenges presented as a result of the pandemic were certainly unique and felt by all facets of the recycling industry, carpet recycling being no exception. The following are major learnings and high-level observations that CARE experienced in 2020, both because of the pandemic and generally:

- Barriers to establishing Drop-off Sites were significantly exacerbated in 2020. Staff turnover, limited labor and/or staffing at facilities, and reallocated resources to handle crisis management were expressly relayed to CARE staff via existing and prospective Drop-off Site contacts. In addition, normal barriers to establishing sites were also apparent, such as spatial constraints, disrupting and/or extreme weather conditions, hesitation to start a new program, etc.
- Existing Drop-off Sites reported varying levels of material flow due to the pandemic. In several cases, Drop-off Sites reported a significant increase in self-haul loads (pertaining to all materials, not just carpet) along with a decrease in commercial hauling business.
- The pandemic created unpredicted operational fluctuations. CARE and our partners (facilities, businesses, organizations, and local government) worked to reorient quickly and adjust to a “new way” of functioning. This included staff layoffs and hiring, new policies and protocols, trainings, and virtual communications. These adjustments unfolded in unique ways for each entity. Continuing tactful, respectful, and supportive communications remained a priority.

4. Program Outline: Collection & Recycling Sites

- As the demand for PCC has grown, the interest in collecting PCC has grown. This expanded interest has spurred entrepreneurial thinking by current and new partners, resulting in new independent collection sites and CSE coordinated pilot aggregation projects.
- Market demand for products containing PCC, while initially limited and slowed due to pandemic related shutdowns, remained high in 2020. This ongoing demand despite the pandemic allowed both private CSE service-providers and CARE staff to focus on establishing collection points without having to balance Gross Collections with a limited end-market pull-through demand.
- In advancing efforts to expand Drop-off Site collections, facilitate on-site collections via local haulers for small to medium retailers, while simultaneously supporting CSEs in their private collection efforts, the new operational objective in moving PCC through to Processors has become a focus on “Grow the Pie.” As CARE stakeholders believe roughly 95% of the significantly large-volume “low-hanging fruit” generators (trailer load quantities) have been captured, the focus and incentivization needs to be on the next tier of generators and creative efforts to capture new (previously landfilled) PCC rather than all competing for the same small pool of generators.

4.2.2 Private Pick-up Service

Private PCC recycling pick-up service is offered to commercial businesses (primarily at carpet retailers and flooring contractors). Carpet is collected using container pick-up service offered by a Collector/Sorter or local waste/recycling hauler. These retail and flooring contractor businesses provide installation and PCC tear-out services for their customers purchasing new carpet or other flooring. Installation contractors may return PCC tear-out to the retailer for recycling or, in the case of flooring contractors (e.g., installers for big box retailers, large multi-family flooring specialists or union/non-union commercial flooring contractors) to their warehouse or workshop location. In an effort to provide more information for convenient collection analysis, CARE requires Collector/Sorters to report monthly on the number of sites to which they provide regular ongoing service.

Approximately 185 businesses and contractors received regular or occasional PCC recycling pick-up service statewide as of year-end 2020, which represents an approximate 16% increase in private pick-up service from 2019. Each service provider negotiates rates and container service types directly with each private service site generator of tear-out carpet, generally based upon volume, spatial constraints, and transport distances. Due to collector subsidy support, this container recycling service is generally priced lower than regular disposal services. Uniquely in 2020, due to the added COVID-19 relief subsidy program provided by CARE, it was learned that rates for

some very large volume PCC generators either dropped significantly or, due to long-term contract commitments including pad, may have gone to no cost. Recognizing the customized and convenient on-site services provided by CSEs, CARE strives to avoid setting up services which might inadvertently compete with their respective private collection networks.

4.3 Regional Approach

In 2017, the CARE team began a Regional Approach effort to create and pilot a targeted and cohesive, multi-touch strategy with a goal of increasing collection, recycling, and awareness of carpet recycling opportunities. Targeted efforts are intended to compliment and support the existing private on-site collection services provided by Collector/Sorters – while minimizing any potential negative impacts to their collection services business model. Some piloted strategies were targeted toward a specifically defined area to test independent hauler collections in a region that had a long history of private large volume carpet collection (Los Angeles) while other efforts targeted a larger region in an effort to broaden collections in an area in greater need of carpet recycling promotion and collection over all (Greater Sacramento Region). At that time, the Regional Approach effort began in two regions (one each in Northern and Southern California) and now has grown to include additional areas with their own unique priority needs. Below are the primary criteria for choosing a region:

- An established CARE Drop-off Site willing to be involved in the regional efforts (participate in a specialized collection and drop-off activities, ability to haul containers, etc.).
- Proximity to a carpet recycling Processor.
- Manageable geographic area with sufficient opportunities to increase PCC collection and launch public education and outreach campaigns.
- Ample presence of carpet retailers and installer supply stores.

The following areas were chosen:

- **Los Angeles Area:** Focused on a specifically targeted 30 miles radius surrounding American Reclamation (CARE Drop-off Site) and areas serviced by American Reclamation as an independent hauler with medium to small volume collection options, concentrated in the communities of Burbank, Glendale, and portions of Los Angeles. In 2019, this area was expanded to include additional Drop-off Sites in Los Angeles County. Processor Los Angeles Fiber is located within the area covered.

- **Greater Sacramento Area:** Focused on Sacramento County and portions of surrounding counties. Including Yolo, Solano, San Joaquin, El Dorado, and Placer counties. Expanding upon the Los Angeles experience, multiple haulers were contacted for smaller volume on-site collection services, as well as a long-time independent carpet transporter. Processor Circular Polymers is located within the area covered, as well as long-anticipated Processor Aquafil's new facility in Woodland.
- **San Diego Area:** Focused on the areas surrounding CARE Drop-off Sites in the County. Collector/Sorter Aquafil (formerly Planet Recycling) is located within the area covered.
- **San Francisco Bay Area:** Focused on San Francisco County and portions of the following counties surrounding the San Francisco Bay: San Mateo, Santa Clara, and Alameda counties. Collector/Sorter GreenWaste Carpet Recycling is located in the area.

4.3.1 Regional Approach Highlights

The Regional Approach efforts have resulted in key learnings and have shown that a targeted, multi-approach strategy involving various stakeholder groups allows a region to adopt carpet recycling in its own unique way. For 2020, key regional areas specifically targeted were: Greater Sacramento Area, San Francisco Bay Area, Los Angeles Area, and San Diego Area. However, the impacts of the pandemic significantly impacted planned Regional Approach efforts which were intended to include: expanded Drop-off Site recruitment, independent collection services, local government presentations, key marketing campaigns, and in-person retailer visits coupled with installer tabling events. In light of retailer shelter-in-place closures and related scheduling, staffing, and economic challenges, the CARE team pivoted to conduct internal process evaluations, expand convenient collection options in preparation for post-pandemic openings, and make fine-tuning adjustments to target additional tear-out carpet sources (e.g., analysis and surveying of hard surface retailers/installers, geo-targeted mapping). Nevertheless, the following are highlights and metrics from each Regional Approach area in 2020.

4.3.2 Greater Sacramento Area

10 public Drop-off Sites established in Greater Sacramento Area:

- El Dorado County, El Dorado Disposal/Waste Connections
- Sacramento County, Florin Perkins Public Disposal
- Sacramento County, Kiefer Landfill
- Sacramento County, L&D Landfill
- Sacramento County, North Area Recovery Station,
- Solano County, Recology Hay Road
- Solano County, Recology Vacaville (Davis Street)
- San Joaquin County, North County Recycling Center
- Placer County, Western Placer Waste Management Authority
- Yolo County, Yolo County Landfill

Figure 4-4. Sample Flyer Promoting Carpet Recycling in Sacramento Area

Recycle Carpet in the Greater Sacramento Area!

The sites below accept carpet for recycling in the Greater Sacramento Area.

<p>1 El Dorado Disposal/Waste Connections 4100 Throwita Way Placerville 530-295-2808</p> <p>2 Florin Perkins Public Disposal 4201 Florin Perkins Rd. Sacramento 916-443-5120</p> <p>3 Kiefer Landfill 12701 Kiefer Blvd. Sloughhouse 916-875-5555</p> <p>4 L&D Landfill 8635 Fruitridge Rd. Sacramento 916-383-9420</p>	<p>5 North Area Recovery Station 4450 Roseville Rd. North Highlands 916-876-9446</p> <p>6 Recology Hay Road 6426 Hay Rd. Vacaville 707-678-4718</p> <p>7 Recology Vacaville Solano Recycling Facility 855 1/2 Davis St. Vacaville 707-448-2945</p> <p>8 North County Recycling Center 17720 East Harney Ln. Lodi 209-887-3868</p>
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<p>9 Western Placer Waste Management Authority 3195 Athens Ave. Lincoln 916-543-3960</p>	<p>10 Yolo County Central Landfill 44090 County Rd. 28H Woodland Tel. 530-666-8727</p>
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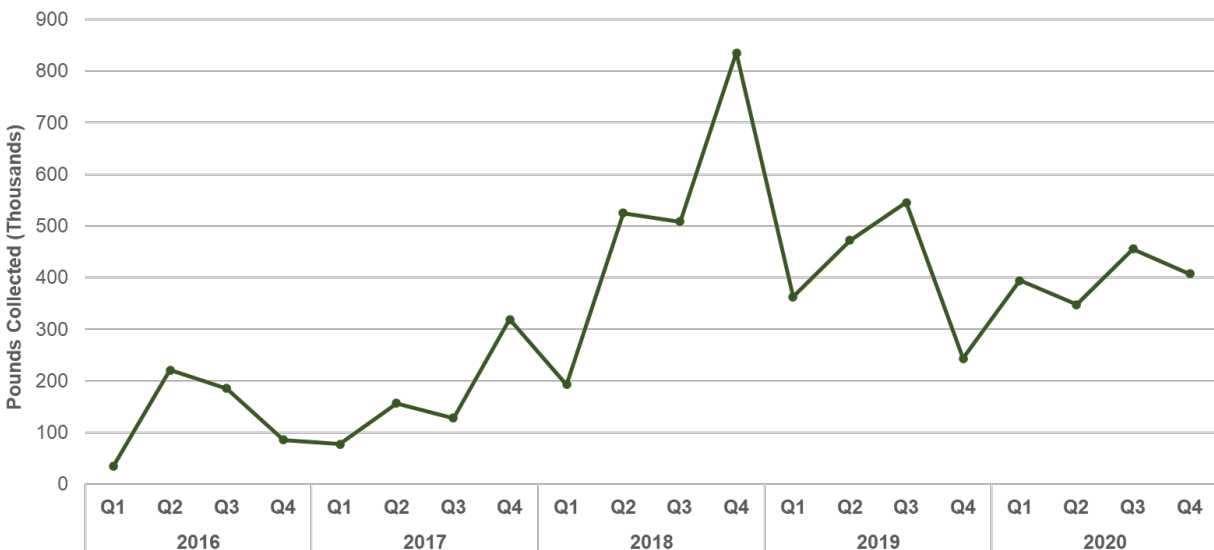
To see hours and rates, visit CarpetRecovery.org/CA.
05-20

Figure 4-5. Carpet Recycling Electronic Billboard in Sacramento



The 10 Drop-off Sites in the region saw a 1% decrease in annual gross collected pounds in 2020 compared to 2019, and a 22% decrease compared to 2018. The Florin Perkins Drop-off Site saw a 38% decrease in annual gross collected pounds in 2020 compared to 2019, and a 59% decrease compared to 2018. It is reasonably anticipated that with the known expansion of private on-site pick-up services by Collector/Sorter Circular Polymers and another independent carpet collector in the region have accounted for a portion of these public site pound decreases over time.

Figure 4-6. Sacramento Area Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Quarterly)



4.3.3 San Francisco Bay Area

The Program has established 9 public Drop-off Sites in the San Francisco Bay Area:

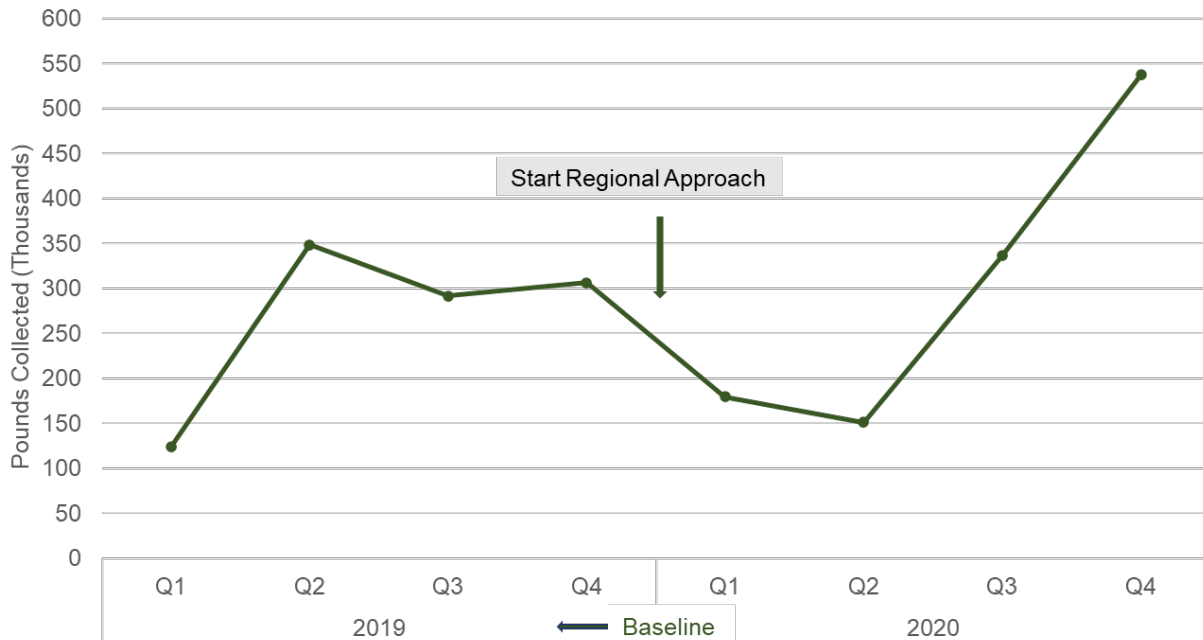
- Alameda County, City of Berkeley Transfer Station
- Alameda County, Hayward Transfer Station
- Alameda County, Fremont Recycling & Transfer Station
- Santa Clara County, Zanker Recycling
- Santa Clara County, GreenWaste Recovery
- Santa Clara County, GreenWaste Carpet Recovery
- Santa Clara County, Bay Counties SMaRT Station
- San Mateo County, Blue Line Transfer, Inc.
- San Francisco County, Recology San Francisco, Inc.

The San Francisco Bay Area is the most recent region of focus in Northern California, including San Francisco County and portions of San Mateo, Santa Clara, and Alameda counties. There are two Collector/Sorters operating in the area, Circular Polymers and GreenWaste Carpet Recycling, nine public Drop-off Sites, and three companies providing private pick-up service to flooring retailers. Two Capitol grants (Green Waste and Hayward Transfer Station) and one Micro Grant (SMaRT Station) have been awarded in the area to grow Gross Collections. The region saw a 12.6% increase in annual gross collected pounds in 2020 compared to 2019.

Figure 4-7. Sample Flyer Promoting Carpet Recycling in San Francisco Bay Area



Figure 4-8. San Francisco Bay Area Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Quarterly)



4.3.4 Los Angeles Area

Beyond the known 48 existing large volume private collection sites, the Program has 5 Drop-off Sites located in the Los Angeles Area:

- American Reclamation
- EDCO Recycling & Transfer
- Grand Central Recycling and Transfer
- Pomona Valley Transfer Station
- Interior Removal Specialist, Inc.

As the Los Angeles area has had extensive larger volume generator private collection coverage for many years, the initial Southern California Regional Approach was originally very narrowly focused. Here the approach goal focused on increasing pounds via on-site carpet recycling service for interested small- and medium-sized retailers that were not already being serviced by a Collector/Sorter. As a point of reference, at year-end 2018, there were 23 reported private collection sites, while at year-end 2020 there are now 48 private pick-up sites. While CARE's small- to medium-volume generator service focus continued in 2020, the region was expanded in 2019 to include the additional 4 Los Angeles-area Drop-off Sites.

- By the end of 2020, American Reclamation maintained 5 accounts with on-site carpet recycling service.
- The American Reclamation Drop-off Site saw a 51% decrease in annual gross collected pounds in 2020 compared to 2019, and a 49% decrease compared to 2018.
- The region saw a 57% decrease in annual gross collected pounds in 2020 compared to 2019, and an 18% decrease compared to 2018.

Figure 4-9. Los Angeles Area Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Quarterly)



4.3.5 San Diego Area

CARE determined that the greater San Diego area will need 6 strategically located public access Drop-off Sites to serve the region. As of year-end 2020, three public Drop-off Sites were established in San Diego County complementing the existing Aquafil (formerly Planet Recycling) Collector/Sorter location in Chula Vista.

- EDCO C&D Processing Facility, San Marcos
- SANCO Resource Recovery, La Mesa
- Otay Landfill, Chula Vista

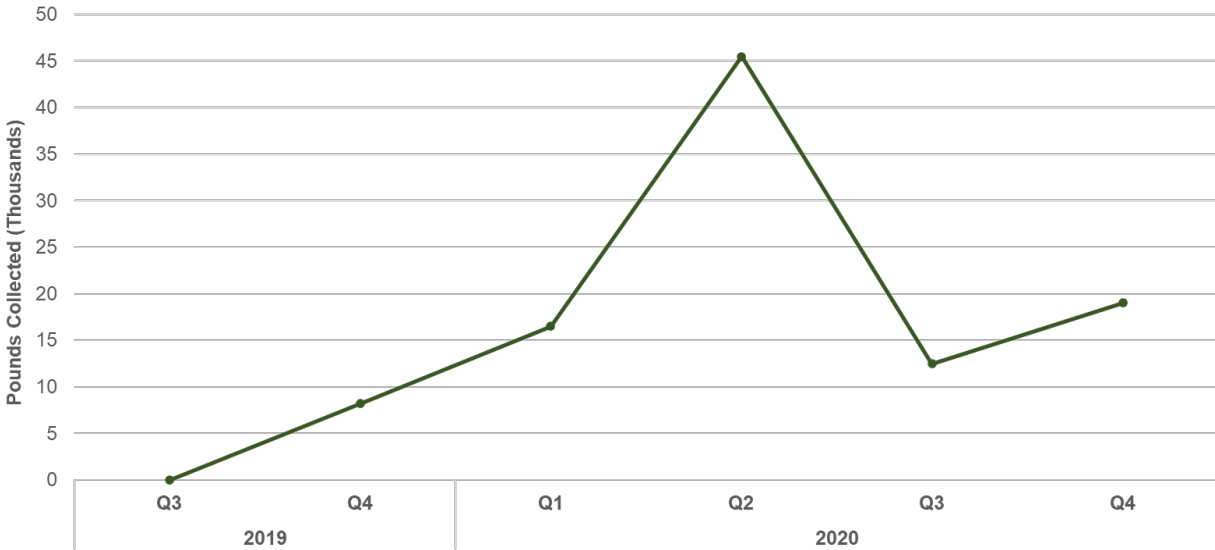
Figure 4-10. Sample Flyer Promoting Carpet Recycling in San Diego Area



The San Diego Region effort has been a phased approach, following in partnership with the local Collector/Sorter. Phase I in 2019 involved Drop-off Site recruitment and targeted outreach to retailers and installers located in proximity to the Drop-off Sites. Phase II, to be carried out in close partnership with the local Collector/Sorter, was intended to be implemented in 2020; however, pandemic-related challenges postponed the effort until 2021. Phase II will involve expanded retailer/installer outreach in conjunction with 1-3 anticipated new Drop-off Sites, comprehensive local government outreach, and broader consumer outreach through regionally well-established zero waste, reuse, and recycling outlets. Figure 4-11 shows the 2020 growth in the Greater San Diego Regional Approach area which saw a 1,040% increase compared to 2019.

The brief Q2 spike shown reflects carpet captured pre-pandemic and somewhat mirrors the general carpet sales cycles which tend to peak in Q2 and Q3, while Q1 and Q4 traditionally reflect lower carpet sales.

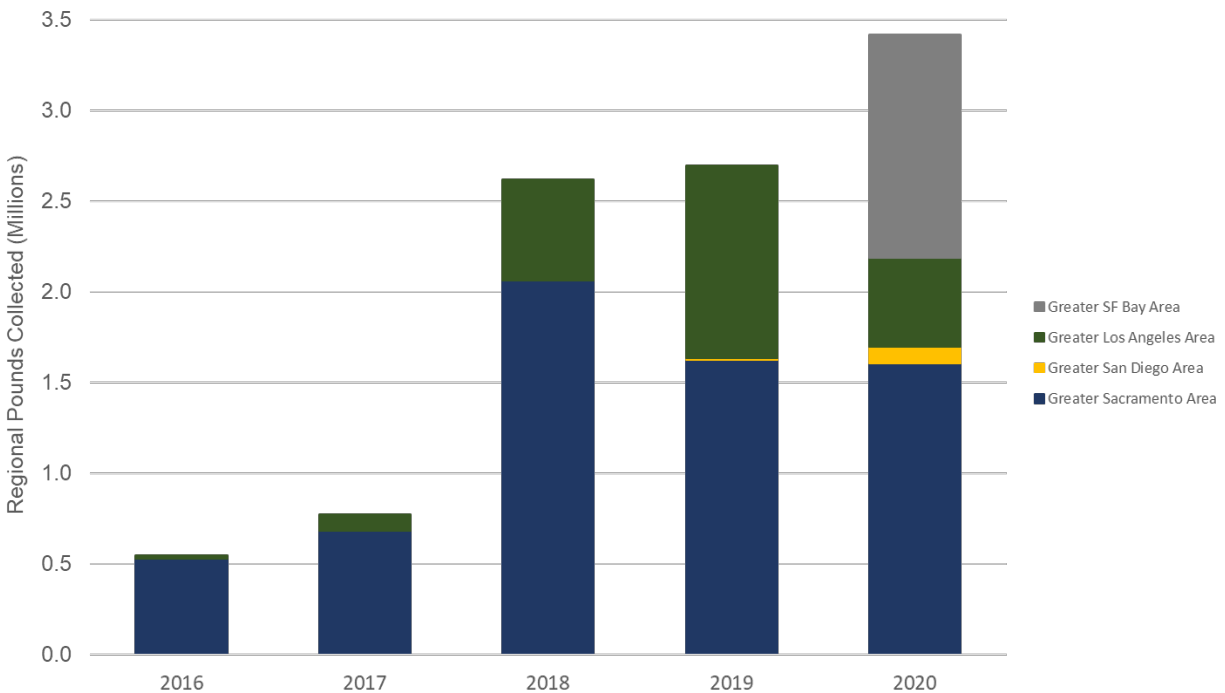
Figure 4-11. San Diego Area Regional Approach Drop-off Site Pounds Collected, 2019–2020 (Quarterly)



4.3.6 Regional Approach Summary

Collectively, the four targeted regional approach efforts have afforded the Program the opportunity to test and evaluate various methods of engagement, support, and promotion to effectuate an increase in the convenience and collection of carpet from flooring professionals, contractors, and the general public. Figure 4-12 reflects the year-over-year gross collected pounds from efforts of the aforementioned regions, resulting in over 11 million pounds of carpet recovery from 2016 to 2020. Despite the pandemic, CARE collected 3.3 million pounds in the regional approach areas in 2020.

Figure 4-12. Regional Approach Drop-off Site Pounds Collected, 2016–2020



4.4 Collector/Sorters

Collector/Sorters, also called CSEs (for Collector/Sorter Entrepreneurs), are a valuable and important participant in the carpet recycling process. These entities collect used carpet and sort it by fiber type in preparation to sell/transfer to Processors, who then recycle the material into usable Recycled Output. CSEs collect used carpet in three ways, generally as a fee for service: 1) CSEs may place a trailer or container at a Drop-off Site; 2) CSEs may accept carpet drop-offs at their locations; 3) CSEs may provide pick-up service from a private pickup site, such as a retailer or other flooring professional. CSEs operate in what is referred to as a private collection network which on average is responsible for over 85% of carpet collection; in 2020, the private collection network represented 87% of Gross Collections, or 67.2 million pounds.

4. Program Outline: Collection & Recycling Sites

In addition to their private collection network, CSEs may also accept CARE public Drop-off Site trailers as a source of PCC.

Collector/Sorters were eligible for the following subsidies in 2020:

- **CSE (Whole Carpet Sorted/Shipped/Sold) Subsidy:** \$0.02 per pound for carpet that is sorted, sold, and shipped for recycling.
- **CSE Carpet Tile Collection Subsidy:** \$0.05 per pound for carpet tile that is sorted, sold/donated, and shipped for recycling or reuse.
- **CSE Reuse Subsidy (Carpet Tile or Broadloom):** \$0.10 per pound for materials shipped and sold/donated.

Additionally, as a part of the COVID-19 Action Plan effective March 1, 2020, and extended throughout 2020, CSEs were eligible for an additional temporary subsidy \$0.02 per pound on broadloom carpet collected, sold, and shipped.

Fifteen CSEs were registered to participate in the California Program during 2020, up from eleven in 2019. Table 4-3 lists CSE participants requesting funds at least once during each reporting quarter, with “Y” green cells indicating “yes” funds were requested and received for sorted and shipped PCC, and “N” red cells indicating that “no” funds were requested or received during the period. Eleven CSEs requested funding throughout the year. Eight participating CSEs also function as Tier 1 Processors. It should be noted that pure CSEs, those whose only function as a Collector/Sorter and provided no further processing, still receive a legacy monthly reporting subsidy of \$1,000.

Table 4-3. Collector/Sorters in 2020, with Funding Status by Quarter

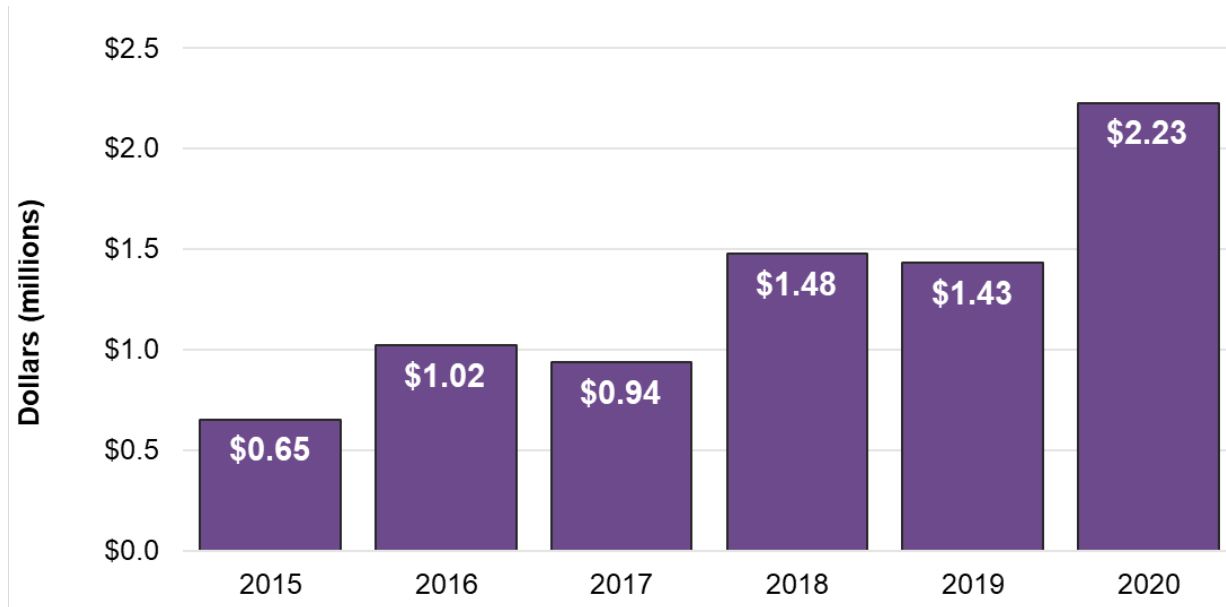
Company	City	State	Q1	Q2	Q3	Q4
Circular Polymers	Lincoln	CA	Y	Y	Y	Y
Construction & Demolition Recycling, Inc. (CDR, Inc.)	South Gate	CA	N	N	Y	N
GISCA	Palm Springs	CA	N	N	N	N
Gone Green Recycling	Reno	NV	N	N	N	N
GreenWaste Carpet Recycling	San Jose	CA	Y	Y	Y	Y
Interface, Inc.	Atlanta	GA	N	N	N	N
Los Angeles Fiber Co. (LA Fiber)	Vernon	CA	Y	Y	Y	Y
Planet Recycling	Chula Vista	CA	Y	Y	Y	Y
Shaw Industries Group, Inc.	Dalton	GA	Y	Y	Y	Y
Tarkett USA	Dalton	GA	Y	Y	Y	Y
Upstream Textiles	Placentia	CA	Y	Y	Y	Y
Phoenix Group, LLC	El Dorado Hills	CA	Y	N	Y	N
Eastern Impressions – Santa Ana	Santa Ana	CA	N/A	Y	Y	Y
Eastern Impressions – Compton	Compton	CA	N/A	N	Y	Y
Carpet Recycling Resources	Santa Clara	CA	N/A	N	N	N

Table Note: Participants listed as N/A denotes they were not an active participant during the time period shown.

It should be noted that after internal process review, CARE learned that in past reports Tables 4-3, 4-4 and 4-5 inadvertently used green “Y” cells for any company who had just completed their reporting but may not have received funding for activities. In 2020 only active participants receiving subsidy funds for active collection, processing or manufacturing activity are listed as green “Y” boxes.

In 2020, the Program paid out \$2.23 million to CSEs as subsidies, up considerably from \$1.43 million in 2019, representing an increase of nearly 56% (see Figure 4-6). The bulk of this increase is directly attributable to the COVID-19 Action Plan, which included the previously noted initial one-time emergency cash infusion support funds (paid out in April 2020, on average of monthly subsidy requests), a second, smaller one-time support funding (paid out in July 2020, based on one-third of average monthly subsidy requests), and the above noted additional \$0.02 per pound on broadloom carpet collections.

Figure 4-13. Collector/Sorter (CSE) Payouts Over Time



Collector/Sorter payouts history in the above Figure 4-13 reflects only Q3 and Q4 for 2015, as collection subsidies were initiated that year. Of the 2018 increase shown, a portion was due to a reclassification as Tier 1 Processors who also provided collection services had previously reported separately in a combined report for both their collections and processing. As of 2018, Tier 1 Processors now report separately as a Collector/Sorter for their collections and as a Processor.

4.4.1 Collector/Sorter Facilities

A list of all public CSEs and their locations is shown above in Table 4-3. Listed facilities are limited to members of the California Program, locations that are participating in the California subsidy program, and those that have specifically coordinated with the California Program to be listed as a drop-off location. Additional privately contracted carpet recycling pick-up service sites are available throughout California, but for competitive confidential business reasons, CSEs do not currently release listings of their private pick-up locations. These private sites may include retailers, contract installation services and other flooring professionals. Participating CSE facilities and accepted materials change over time; data maintained on the California Program database is based on the best available data as reported by the participating facility. CARE does collect private collection site county-level information (as shown in Appendix 10.4), but not discrete locations. CSE reporting on number of private collection sites has been incorporated into the CSE monthly reporting form; however, CARE is aware that there are actually more private pickup sites than reported by CSEs as there are a number of independent haulers and recyclers providing on-site carpet collection and transporting the PCC to CSEs.

To be considered a qualifying recipient for potential subsidy funding, CSEs (as well as Tier 1 Processors, and Tier 2 Manufacturers) are required to be CARE members in good standing and sign a CSE agreement. Under the agreement, qualified recipients are subject to program reporting, Agreed Upon Procedures (AUP) review, best management practices, and documentation requirements. Detailed participant onboarding procedures (for CSEs, Processors, Manufacturers and Mills) have remained the same as shown in prior reporting years reports and is readily available upon request from CARE.

Subsidy eligibility requires:

- **Signed agreements**
- **Membership in Good Standing**
- **Program reporting**
- **Agreed Upon Procedures (AUP) review**
- **Management practices**
- **Documentation requirements**

4.5 Tier 1 Processors

Tier 1 Processors receive source-separated PCC discards, de-manufacture and convert the materials into Recycled Output to be used in the manufacturing of secondary products. Some Tier 1 Processors may also function as Tier 2 Manufacturers and/or CSEs. Fourteen Processors were registered with the Program in 2020. Five Processors ~~were~~ registered in the Program during the period but did not request or receive funds during 2020, and one other processor discontinued as an active processor. Table 4-4 lists Processor participants requesting funds at least once during each reporting quarter, with “Y” green cells indicating “yes” funds were requested and received for PCC processed and shipped, and “N” red cells indicating that “no” funds were requested or received during the period.

Table 4-4. Tier 1 Processors in 2020, with Funding Status by Quarter

Company	City	State	Q1	Q2	Q3	Q4
Aquafil Recycling #1, Inc.	Phoenix	AZ	Y	Y	Y	Y
Cedar Plastics	LaGrange	GA	N/A	N/A	N/A	N/A
Circular Polymers	Lincoln	CA	Y	Y	Y	Y
Columbia Recycling Corp.	Dalton	GA	Y	Y	N	N
GISCA	Palm Springs	CA	N	N	N	N
Gold Pond Corp.	Dalton	GA	N	N	N	N
Interface, Inc.	Atlanta	GA	N	N	N	N
Los Angeles Fiber Co. (LA Fiber)	Vernon	CA	Y	Y	Y	Y
Planet Recycling	Phoenix	AZ	Y	Y	Y	Y
Shaw Industries Group, Inc.	Dalton	GA	Y	Y	Y	Y
Tarkett USA	Dalton	GA	Y	Y	Y	Y
PRET Advanced Materials, LLC	Johnsonville	SC	Y	Y	Y	Y
Wetsel Oviatt Recycling	Elk Grove	CA	N	N	N	N
Carpet Recycling Resources	Santa Clara	CA	N/A	N	N	N

Table Note: Participants reflecting N/A denotes they were not an active participant during the time period shown

Of the fourteen Tier 1 Processors registered throughout 2020, two actively operated facilities within California, while seven actively processed California carpet through operations located in other states. Eight Tier 1 Processors were active at the beginning 2020, with seven actively processing each quarter, and at year-end seven Processors were active. Not all Processors participated and received funding every quarter. The two California companies operated actively at all three levels as a CSE, Tier 1 Processor and Tier 2 Manufacturer.

In 2020, the Program paid out \$7.49 million to Tier 1 Processors as subsidies, flat with the \$7.49 million in 2019 (see Figure 4-7).

One new Processor subsidy change took effect in 2020 under CARE’s COVID-19 Action Plan:

- **Additional Temporary Type 1 PET and Polypropylene Payout:** \$0.05 per pound (effective July 1, 2020, and extended through December 31, 2020)

Figure 4-14. Tier 1 Processor Payouts Over Time

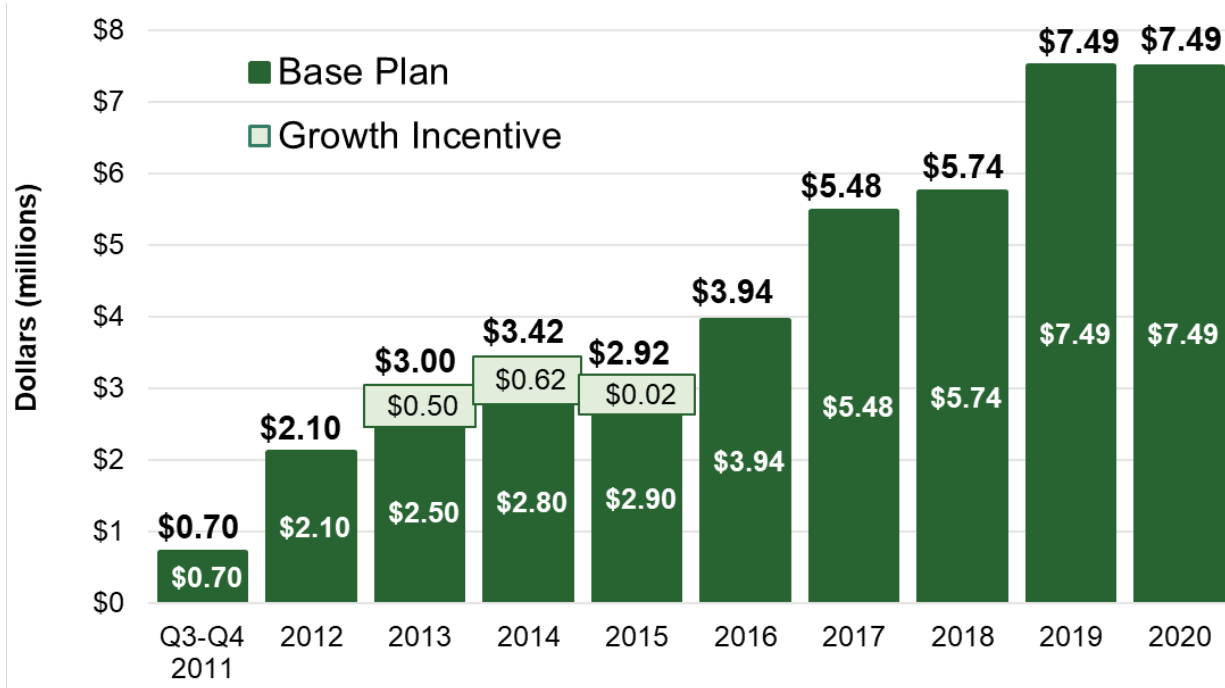


Figure Note: Processor payouts history on the above Figure, prior to 2017 in a few cases, minor manual adjustments may have been made to payouts after reports are submitted by participants. Adjustments include, but are not limited to, deductions for late membership fees, self-reported errors, and errors in reporting found through Agreed Upon Procedures (AUPs), and deductions for late membership fees. During 2013–2015 a Growth Incentive was offered in an effort to further incentivize and facilitate the expanded PCC recovery. Finally, as noted previously, in 2018 all CSE pounds were consolidated into the CSE section. Historical data changed slightly for Processors who also collect as a CSE.

4.6 Tier 2 Manufacturers

Used carpet may be recycled to make new carpet or as a feedstock component in the manufacture of other products. Tier 2 Manufacturers buy Recycled Output processed from the carpet fiber or carpet backing and incorporate it into new or existing products. During 2020, there were 25 registered, and 14 active, Tier 2 Manufacturers producing a variety of products, including: carpet/carpet tile, carpet cushion/underlayment, building insulation, water heater blankets, bedding, pellets, automotive plastic components, packaging insulation, erosion control products, lightweight aggregate, absorbency products and a variety of cement-related products (see Section 6.4). The following table lists participants requesting funds at least once during each reporting quarter for active manufacturing and PCC containing product sales, with “Y” green cells indicating “yes” funds were requested and received and “N” red cells indicating that “no” funds were requested or received during the period (see Table 4-5).

Cement-related outlets are specifically tied to use as a raw material to displace virgin limestone. There is no energy recovery associated with PC4 use in cement kilns. CARE does not pay subsidies for kiln applications that use PCC as an alternative fuel in any capacity.

Table 4-5. Tier 2 Manufacturers Receiving Funding in 2020

Company	City	State	Q1	Q2	Q3	Q4
American Fiber Cushion	Dalton	GA	Y	Y	N	N
Aquafil Carpet Recycling	Phoenix	AZ	Y	Y	Y	Y
Aquafil USA, Inc.	Cartersville	GA	Y	N	N	N
Arropol Chemicals	Dalton	GA	N	N	N	N
Bonded Logic	Chandler	AZ	Y	Y	Y	Y
Cedar Plastics	LaGrange	GA	N/A	N/A	N/A	N/A
Chasen	Irvington	NJ	Y	Y	Y	Y
Circular Polymers	Lincoln	CA	Y	Y	Y	Y
Columbia Recycling Corp.	Dalton	GA	Y	Y	N	N
Rise Composite Technologies	Mankato	MN	N	Y	Y	Y
GeoHay, LLC	Inman	SC	Y	Y	Y	Y
KMI Group	Kenton	TN	N	N	N	N
Leggett & Platt	Fort Worth	TX	Y	Y	Y	Y
Manassas Polymers	Calhoun	GA	N	N	N	N
MP Global Products LLC	Norfolk	NE	Y	Y	Y	Y
Reliance Carpet Cushion	Vernon	CA	Y	Y	Y	Y
Shaw Industries Group, Inc.	Dalton	GA	N	N	N	N
Sustainable Polymer Systems, LLC	Miramar Beach	FL	N	N	N	N
PRET Advanced Materials, LLC	Johnsonville	SC	Y	Y	Y	Y
Wetsel Oviatt Recycling	Elk Grove	CA	N	N	N	N
San Pallet, LLC	Troy	OH	N	N	N	N
United Fibers, LLC	Chandler	AZ	N	N	N	N
Bro-Tex	St. Paul	MN	Y	N	N	Y
GC Products, Inc.	Lincoln	CA	N/A	N	N	N
Carpet Recycling Resources	Santa Clara	CA	N/A	N	N	N

Table Note: Participants reflecting N/A denotes they were not an active participant during the time period shown.

4. Program Outline: Collection & Recycling Sites

Tier 2 Manufacturer payouts increased in 2020 by 33.4% from \$5.36 million in 2019 to \$7.15 million in 2020 (see Figure 4-8). This was slightly lower than anticipated as the long-planned startup of a former decking lumber manufacturer, now a dimensional lumber manufacturer, was delayed from Q3 2019 to Q2 2020 due in part to operational challenges and equipment modifications. Additionally, processing, transport, unloading and conveying challenges for PET pellets to an east coast end user also held back the outputs initially anticipated.

While end markets for Nylon 6 have historically been strong, the Manufacturer subsidies established in Q4 2017 showed Nylon 6 as 2.2% of Manufacturer subsidies, increasing to 5.6% in 2018 and 12.4% in 2019. During 2019, Manufacturer payouts on Nylon were \$852,064 and in 2020 more than doubled to \$1.83 million. During 2020, while there was a 20% increase in the amount of Tier 2 Nylon 6 pulled through into products manufactured and sold, a sizeable portion of this increase is attributable to the additional temporary COVID-19 subsidy increases CARE implemented at the beginning of Q3.

Additional secondary products may use Nylon or PC4 as recycled content feedstock in such products as carpet/carpet tile, rubber mats, ramps/transitions, wheel stops, molded plastics, engineered resins, and use of PC4 as a raw material in cement production but are not or were not previously eligible to receive Tier 2 subsidies and thus are not tracked by the Program. Since October 1, 2017, Nylon 6 products using Type 1 Recycled Output have been eligible for Tier 2 Manufacturer subsidies. Similarly, Tier 2 Manufacturers using Nylon 6,6 or PC4 were not eligible for Tier 2 Manufacturer subsidies. Beginning Q1 2019 CARE established Nylon 6,6 Manufacturer subsidies which represented 2.7% of all Manufacturer subsidies, and 2.6% in 2020. Presently Tier 2 Manufacturers using PC4 are not eligible for Tier 2 Manufacturer subsidies. Only Processors receive PC4 subsidies directly; however, it is known that some Processors may choose to incentivize their PC4 end-market users via subsidy sharing.

Considering pandemic supply chain disruptions on recycled commodity markets and exponentially increasing transportation costs, CARE worked to closely monitor market conditions and ensure material uptake. Based upon the use of CARE's independently validated Subsidy Justification Model (SJM), two new Manufacturer subsidy changes took effect in 2020 as a result of CARE's COVID-19 Action Plan:

- **Tier 2 Temporary Additional Nylon 6 Payout:** \$0.15 per pound (effective July 1, 2020, and extended through December 31, 2020)
- **Tier 2 Temporary Additional Nylon 6,6 Payout:** \$0.03 per pound (effective July 1, 2020, and extended through December 31, 2020)

For a summary of all pounds and subsidies paid to Collector/Sorters, Tier 1 Processors or Tier 2 Manufacturers in 2020, refer to Table 7-1, in Section 7.5.

Figure 4-15. Tier 2 Manufacturer Payouts Over Time

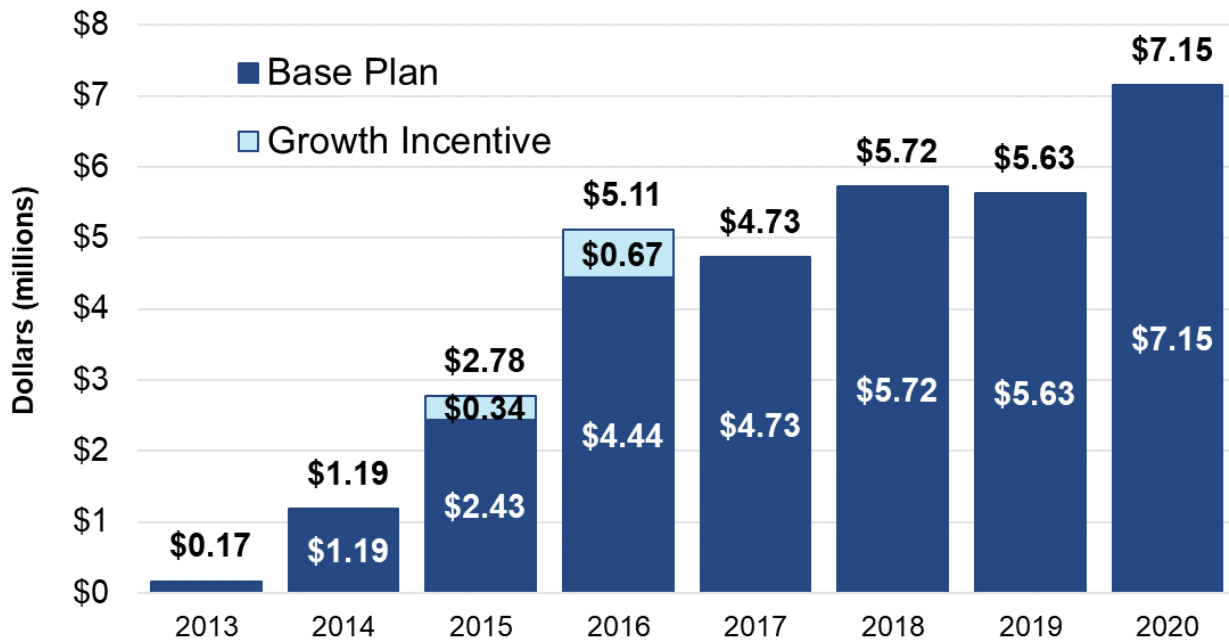


Figure Note: Prior to 2017, in a few cases, minor manual adjustments may have been made to payouts after reports are submitted by participants. Adjustments include, but are not limited to, deductions for late membership fees, self-reported errors, and errors in reporting found through Agreed Upon Procedures (AUPs), and deductions for late membership fees. Any such corrections are considered de minimis and do not change program performance, calculations, or financial balance to any material degree. Such corrections are available to auditors, both the CARE independent auditor and the CalRecycle auditors.

4.7 California Recycling Facilities

The Program uses a network of facilities located both in and outside of California, even as it works to increase the in-state capacity for collections, recycling, and secondary manufacturing. In 2020, 71% of the total subsidies were paid to California-based operators, up significantly from 59% in 2019. The 2020 balance (29%) was paid to domestic facilities located outside of California. Specific contributing factors for the increase in monies to California-based operators are increased in-state capacity, increased end-market demand from in-state Processors and a notable decline in out-of-state processing demand. No subsidy funds were paid outside the United States.

In addition to subsidies, grant funds support capital improvements, product testing, recycled product procurement and collection/reuse. California-based projects are given preference under Cycle A (Capital Improvements) and B (Product Testing) grant

elements, while applicants to Cycle C (Procurement) and M (Micro-Grants for Collection/Reuse) grant elements are required to be California-based projects. Of the over \$1.8M awarded in 2020 for project implementation and Recycled Output return in 2021, 59% was awarded to four California-based projects under capital expansion. Under the Micro-Grant category, approximately \$40,000 was awarded to three California-based projects to support increasing or expanding collections and reuse operations. Currently the Cycle C Procurement grant category is not active. More detail on Cycle 4A grants can be found in Section 6.2.

4.8 International Recycling Facilities

No exports were recorded for 2020. Historically, these facilities are primarily located in Asia and Australia, although markets fluctuate over time. Due to China's National Sword policy implemented in 2017, global markets for recycled commodities, especially plastics, have been widely impacted. While exports of PCC to China have been small, other post-consumer polymer sources—still backflowing and handled inside the United States due to National Sword—continue to adversely affect the supply and demand for carpet polymers. Compounded by broader COVID-19 pandemic-related supply chain impacts, the downward pressure impact on commodity market demand for recycled commodities will likely continue moving forward.

The California Program does not provide any support for international recycling facilities and no incentives are paid for PCC processed outside the United States. However, CSEs are eligible to be compensated, via the \$0.02 per pound collection subsidy, for pounds sold and shipped internationally for recycling. For the purposes of the Program, any reported whole carpet exports are considered diverted from California landfills, although as the final disposition of these materials is unknown, exports are not included within Recycled Output estimates. Only Recycled Output processed in California or the United States is eligible to receive subsidies; the finished Recycled Output may be used by domestic or international secondary product Manufacturers.

4.9 Capacity

For this report, **capacity** is defined as the estimated volume of carpet discards that can be processed by participating Tier 1 Processors in the marketplace. This measurement is based on self-reported figures and permitted capacity figures. Capacity is generally presented in tons per year (TPY), per the CalRecycle FacIT definitions.

In 2020, there were 14 Processors registered with CARE (see Table 4-4), of which eight were active and received subsidies. Of those eight, only six responded to the capacity survey (75%), including both active California Processors.

4. Program Outline: Collection & Recycling Sites

The total estimated available maximum U.S. capacity as self-reported by Processors, both active and inactive in 2020, is 490 million pounds/year (245,000 tons/year), or 161% of 2020 estimated CA discards of 304 million pounds (152,000 tons). The net reported change in maximum available capacity in 2020 increased 6% from 461.9 million pounds (230,950 tons) in 2019. While California capacity expanded in 2020, aided in part by CARE grants and capital equipment awards, it was reasonably expected to be even greater. However, Aquafil–Woodland, a Northern California Processor that had long been expected to open in June 2019 was delayed until late Q3 2020 due to wildfires and utility company bankruptcy. Recycled Output from this new Woodland capacity is now reliably anticipated in 2021. As noted previously, permitting delays and technical operations challenged delayed expanded capacity opportunities at Los Angeles Fiber Company. Finally, a long expected Southern California Processor was further delayed again due to trade tariffs on equipment design and ordering, as well as utility power supply challenges. Similarly, some out-of-state Processor capacity appears to have been hampered by nearly 50% due to technical processing/equipment line challenges.

A variety of factors can impact the maximum capacity of any given facility. Examples include, but are not limited to, process(es) employed; utility rates (some facilities must shut down during peak demand to avoid excessive electricity costs); mechanical reliability of processing equipment; number of labor shifts per day; market dynamics; and other individual business practices. Of course, pandemic-related Health Orders requiring business shutdowns, workers and their families contracting COVID-19, restrained ability to hire workers due to Federal Coronavirus Economic Impact Payments offered, diminished PCC feedstock supplies and market demand drops all had their own unique impacts on processing capacity use.

The maximum available capacity estimated in California (based on the two responding California-based Processors) is approximately 99 million pounds (49,500 tons), or roughly 33% of 2020 CA discards, representing a 11% increase from 89 million pounds (44,500 tons) reported in 2019.

The estimated total U.S. capacity available in 2020, is 268 million pounds/year (134,000 tons) or 88% of 2020 CA discards, a decrease of 4% from the 280 million pounds reported by Processors in 2019.

It should be noted that reported capacity figures reflect capacity which may be used to support carpet recycling flows both in and outside of California, such that available capacity to support California throughput may fluctuate over time with changes in domestic market PCC supply and demand as well as individual business practices. To better understand the available capacity used for California-generated PCC in 2020 specifically, CARE requested data from Processors estimating the percent of available capacity used in 2020 for California PCC processing; this was the fourth year such data was requested. In 2020, capacity data from 7 Processors estimated that approximately

4. Program Outline: Collection & Recycling Sites

50 million pounds (25,000 tons) of capacity was used to process California PCC during the period, of which 45 million pounds (22,500 tons), or 15% of 2020 discards and 65% of 2020 Gross Collections was in California. Across the capacity data analyzed compared to actually processing, approximately 11% of the estimated maximum capacity was actually utilized.

Capacity varies as CSEs, Tier 1 Processors, and Tier 2 Manufacturers enter/leave the market or expand/downsize their operations. Despite the 2017 year-end loss of a large Southern California CSE/Processor, California has continued to benefit from the growth and strategic capacity expansion efforts of two successful CSE/Processor/Manufacturers: Circular Polymers and Los Angeles Fiber Company/Reliance. Each of these Processors were supported by CARE through capital equipment and capacity expansion grant funding. In the 2018–2020 grant cycles, Circular Polymers was awarded over \$1.975 million, and Los Angeles Fiber Company received \$1.5 million.

Capacity Expansion Grant Support	
2018:	\$500,000 Aquafil–Woodland \$500,000 Circular Polymers \$500,000 Los Angeles Fiber Company
2019:	\$325,000 Circular Polymers \$900,000 Circular Polymers \$500,000 Los Angeles Fiber Company
2020:	\$250,000 Circular Polymers \$500,000 Los Angeles Fiber Company

As the Program continues to increase demand from Tier 2 Manufacturers, Tier 1 Processor excess capacity can be consumed. As previously noted, PET market development efforts gained traction and significantly increased demand in late 2019 which continued to grow in 2020 despite the pandemic challenges experienced by Nylon markets. The delay of Aquafil–Woodland’s ability to come online in testing equipment operations until late 2020 pushed out their full processing ability for Nylon 6 Recycled Output into 2021. While initially projecting approximately 15-18 million pounds of their overall 36 million pounds of full capacity in 2019, and then to 2020, the California wildfire and utility-delayed challenges were far beyond the control of either Aquafil or CARE. Thus, once energized, initial reports from this facility suggest that 2021 will likely begin to produce the long-anticipated Recycled Output results. As each

of these efforts continue take hold in the market, coupled with a post-pandemic increasing demand for Nylon 6, a significant increase in capacity is anticipated for 2021.

Although increasing capacity has been a long-time priority of the Program, the passage of AB 1158 prompted the Program's adoption of a new specific goal of increasing capacity including California capacity beginning in 2018. The twice denied grants release requests, until Plan approval, were eventually released back-to-back in a substantial effort to make up for time lost (15 months) in support of collections and capacity expansion. Building upon the 2018 and 2019 capacity expansion efforts, 2020 grant funded expansion efforts should prove to provide the long planned Recycled Output return on investment CARE initially proposed in their 2018–2022 Plan.

4.10 Throughput

Per CalRecycle's Facility Information Toolbox (FacIT) Glossary, **throughput**² is defined as the total amount of material actually received at a facility for a specific activity in tons per year (TPY).

In 2020, Tier 1 Processors and CSEs collected and managed approximately 38,702 41,071 tons of PCC. This is a 6% decrease from the 41,071 tons of PCC collected in 2019. Given the pandemic related business shutdowns and world-wide supply chain and demand disruptions this decrease appears reasonably understandable. Manufacturer demand "losses" included delayed start-up of a replacement dimensional lumber manufacturer, Q2-Q3 pandemic related slowdowns in the automotive sector, facility technical challenges for a key Nylon Processor, and a major capital project delay due to permit delays resulted in an overall decrease in Recycled Output of 9.6% which is reflected in Figure 4-16.

2020 Yield 68%

**Achieves and exceeds
Performance Goal 1: Increase Recyclability of Carpet**

Annual Goals:
2019 (45%), 2020 (50%), 2021 (55%), 2022 (60%)

² www2.calrecycle.ca.gov/Docs/107834

2020 highlights include the following:

- 26,308 tons of Recycled Output (Reuse + Type 1) or 21% of the discards were recycled in 2020. The Yield was 68% of the Gross Collections (indicating upwards of three quarters of all material collected is converted to Recycled Output, continuing to show a strong upward trend increase from the recent past historical average of approximately 38%, or over a third). Recycled Output by weight decreased 9% from 29,004 tons in 2019. Recycled output in 2020 includes: Type 1 Fiber/Depoly (71.2%), PC4 (25.1%), carpet tile (2.2%) and reuse (1.5%).
- Yield decreased approximately 4% from 71% in 2019 to 68% in 2020. Since 2015, Yield has consistently increased year over year showing 34%, 35%, 48%, 53%, and 71%, respectively for the years 2015–2019, with a considerable segment of that increase attributed to improved technologies, subsidies and expanding markets for PC4. It is anticipated that pandemic market challenges and perhaps equipment operational testing challenges may have contributed to the slight dip.
- Type 1 Fiber/Depoly Recycled Output continued to compose the largest portion of Recycled Output, decreasing 11.6% in 2020 to 18,731 tons, down from 21,200 tons, in 2019.
- PC4 Recycled Output decreased to 6,615 tons in 2020, up from 7,038 tons in 2019, a 6% decrease.
- Carpet tile recycled increased 93%, from 300 tons in 2019 to 579 tons in 2020.
- Reuse increased 6.7%, from 358 tons in 2019 to 382 tons in 2020.
- Carpet cushion/pad diversion increased to 4,700 tons, up 10.7% from 4,246 tons in 2019.³
- Exports decreased from 234 tons in 2019 to 0 tons in 2020, a 100% decrease from 2019. Exports now represent 0% of total discards.
- Kiln was down, from 9 tons in 2019 to 0 tons in 2020. WTE stayed constant at 0 tons in 2019 and 0 tons in 2020. CAAF decreased 100%, down from 1 ton in 2019 to 0 tons in 2020. Combined, total energy recovery (CAAF + Kiln + WTE) decreased 100% from 10 tons in 2019 to 0 tons in 2020.

³ Carpet cushion/pad recycling is an additional co-benefit of the Program. While cushion/pad is not included in Program total Recycled Output figures, it is reported as an additional co-benefit of Program efforts, resulting in additive diversion from California landfills during the term.

4. Program Outline: Collection & Recycling Sites

- With a decrease in Recycled Output processing of 5.4 million pounds, process waste sent to landfill disposal decreased by 36%, from 8,036 tons in 2019 to 5,127 tons in 2020. A key factor in reduction is renewed and stronger long-term outlets for PC4 along with an ongoing slight increase in processing of commercial broadloom Nylon fiber partially contributed to decrease landfill disposal.
- Inventory increased 108%, from Q1 to Q4 2020, from 2,314 tons at the beginning of Q1 to 4,807 tons at the end of 2020.

The Program continually seeks to increase Yield in an effort to maximize Recycled Output for secondary use and minimize the amount of processing waste material sent to energy recovery or landfill. Increasing the Yield of carpet during the recycling process can have a significant impact on the Program's total recycling and diversion rates, without increasing current Gross Collections. The PC4 subsidy continues to play a significant role in generally maintaining the overall Yield at 71% in 2019 and 68% in 2020, as uses for this previously unrecyclable component of carpet backing continues to take hold. Increased subsidies, grants, and market development technical assistance support have also been key factors in this increase. Table 4-6 shows a summary of final disposition data for all Gross Collections managed by Collector/Sorters, Tier 1 Processors, and the CARE Drop-off Site Program. Gross collection tons are estimated by the CSEs based on average weight of inbound loads. Thus, this table should not be construed as a true mass balance. Outbound tons are known more precisely since the CSE is either being paid for each ton or they are paying for each ton to be managed/disposed.

Table 4-6. Throughput and Disposition in Tons per Year (TPY) in 2020 (see Appendix 10.6 for accessible version)

Summary of Throughput and Disposition	Q1	Q2	Q3	Q4	2020 (Year)
Throughput					
Gross Collected – by CSEs	1,396	965	1,100	1,081	4,542
Gross Collected – Processors	8,724	6,451	9,779	9,207	34,160
Total Gross Collected	10,120	7,416	10,878	10,288	38,702
Recycled Output					
Recycled Output (reuse, tile recycled, fiber, depoly, calcium carbonate, filler, carcass)	6,428	5,387	7,128	7,365	26,308
	20%	20%	21%	23%	16%
Recycled Output Yield (% conversion RO:GC)	64%	73%	66%	72%	68%
Inventory Whole Carpet + Processed					
Beginning Inventory	2,313	2,880	2,976	4,239	2,313
Ending Inventory	2,873	3,015	4,236	4,807	4,807
Total Diversion					
Reuse	113	82	99	89	382
Tile Recycled	239	131	118	93	579
Fiber / Depoly	4,379	3,825	5,143	5,383	18,731
PC4	1,698	1,349	1,768	1,800	6,615
Filler	0	0	0	0	0
Carcass	0	0	0	0	0
Kiln	0	0	0	0	0
CAAF	0	0	0	0	0
WTE	0	0	0	0	0
Exports	0	0	0	0	0
Carpet Cushion/Pad	992	877	1,463	1,334	4,667

4. Program Outline: Collection & Recycling Sites

Summary of Throughput and Disposition	Q1	Q2	Q3	Q4	2020 (Year)
Out-of-State					
Out-of-State	1,195	495	801	726	3,216
Disposal					
Process Waste to Landfill	1,594	1,086	1,203	1,244	5,128
Incineration	0	0	0	0	0

Table Note: Metric definitions are current as of 2019. Definitions have evolved over time and may have been different in the past. Under the Total Diversion category, Reuse, Tile Recycled, Fiber/Depoly, PC4, Filler, and Carcass are the only activities or material use that contribute to Recycled Output.

4. Program Outline: Collection & Recycling Sites

Coming off of an increasingly strong 2019, with seemingly secured end-market demand, it appeared that 2020 was on course to both meet and exceed Recycled Output expectations and a 26% recycling rate. However, as previously noted, jurisdictional permitting delays, historic wildfire delaying power delivery, processing line challenges and business startup challenges, further hamstrung recycling rate goals when further compounded by pandemic business shutdowns. CARE believes that outside of the pandemic, even without the expected startup operational capacity of Aquafil–Woodland, recycling rate achievement would have reasonably been possible.

Of the Processors reporting between 2019 and 2020, one reported an estimated 82%, while another reported a 39% reduction in available capacity used to process California PCC. Contributing factors in each scenario include operational technicalities, pandemic stunted feedstock supply of PCC and reduced end-market demand.

Figure 4-16 is designed to show the integrated impacts of production as existing output drops and new Recycled Output comes online. The 2019 bar indicated where CARE finished the year in terms of Recycled Output in pounds. The red bar (reduction of 9.4 million pounds) indicates the drop in Recycled Output by existing Processors, while the light green bar (increase of 4.0 million pounds) indicates the additional new Recycled Output. The net impact is a decrease of 5.4 million pounds of Recycled Output in 2020 from 2019 or a 9.3% decrease.

Figure 4-16. Change in Recycled Output Over Time, with 2020 Decline and Increase

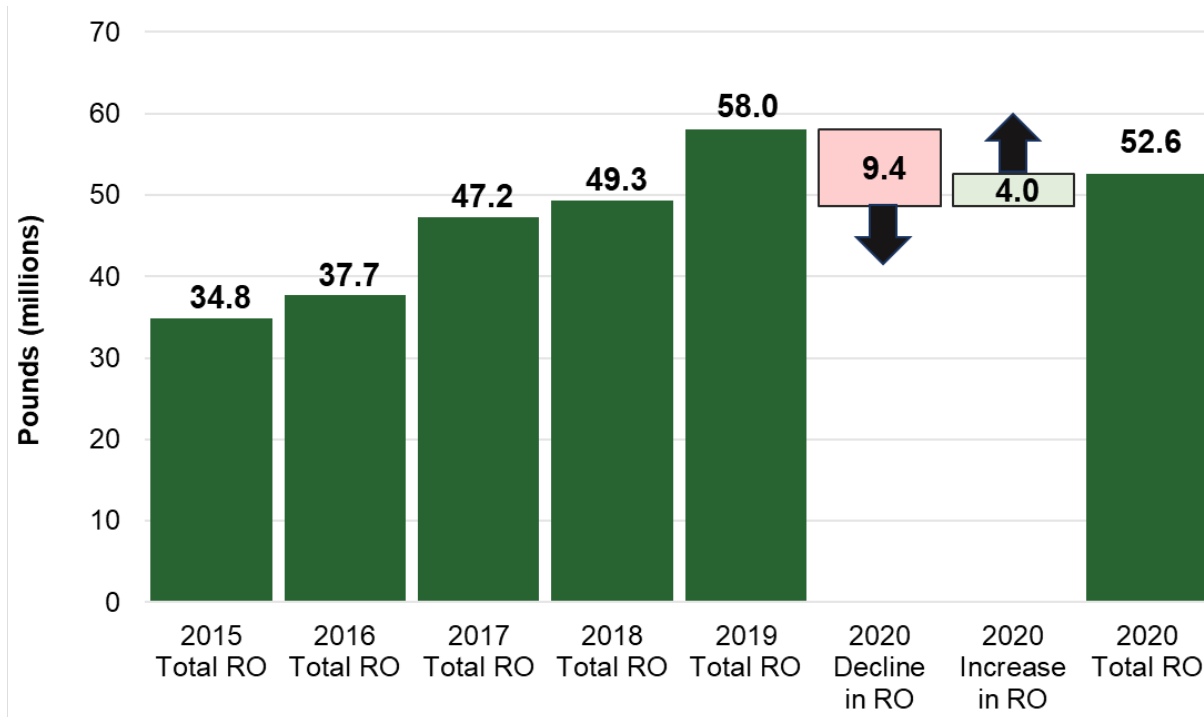


Figure Note: For 2016 forward, this figure contains all of the components of Recycled Output. In the 2015 Annual Report, only Type 1 Output and PC4 were included.

4.11 Disposition Facility Types

The California Program maintains records of the names and locations of facilities engaged in disposition methods, including the following facility types:

- **Collectors/Sorters (CSEs):** Collect and sort carpet discards (see Table 4-3).
- **Tier 1 Processors:** Convert Gross Collections into Recycled Output (see Table 4-4).
- **Tier 2 Manufacturers (Non-Nylon and Nylon 6):** Utilize Non-Nylon (PET/PTT or PP), Nylon 6 (N6) or Nylon 6,6 (N6,6) Recycled Output in the manufacturing of secondary products (see Table 4-5). *(Note: Nylon 6 manufacturing was added to the Program in October 2017; beginning 2019, Nylon 6,6 Tier 2 Manufacturers are now eligible for incentives.)*
- **Public Drop-off Sites** supported by the California Program (see [CARE website](#) and Appendix 10.3).

4. Program Outline: Collection & Recycling Sites

Every Program participant receiving subsidy funds is required to maintain records regarding the facilities they use for each disposition method. This includes facilities that handle disposition for CAAF/Kiln processing, exports, cushion, reuse, WTE, and landfill/disposal. Each Program participant must record the disposition facilities used. Records are subject to periodic review and verification by the Program's third-party accounting firm Aprio in line with AUPs. The California Program also has access to these confidential records through these periodic reviews, and requires regular reporting, recordkeeping, proper management practices, and random site visits for Program participants to review operations and conduct sampling.

5 Program Goals & Activities

CCR Section 18944(a)(5). Description of goals and activities based on stewardship plan. State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period.

5.1 Introduction

The California Carpet Stewardship Program has demonstrated the profound beneficial impacts of aligned Program efforts, particularly strategic market development partnerships coupled with ongoing grant-funded investments having time to take hold and deliver impact. Program results reflect an upward trend of progress toward Program goals, including rigorous efforts to achieve recycling rate goals. Despite macroeconomic challenges in global markets, including the COVID-19 global pandemic and China's National Sword policy, affecting progress toward Program goals, the annual recycling rate increased 11% from 2019 (19%) to 2020 (21%) and reached a new Program high of 23.2% in Q4 2020. Since the 2015 world market decline, the Program has successfully rebounded to maintain a consistent, upward growth trend in the recycling rate in each year. Despite utility- and permitting-related delays in recycling capacity expansion and a global pandemic affecting collection, recycling, and the overall economy in 2020, the Program was still able to rebound and achieve significant growth by the end of the year – a remarkable accomplishment given the depth and duration of the pandemic. Based on recycler feedback, the special COVID-19 Action Plan played a key role in this outcome.

Eight fundamental goals continued to guide the program, and major metrics related to Program performance goals are summarized by year in Table 3-1 on page 23. These metrics are compared to a baseline year, defined by CalRecycle as the Program's first 12 months of operation from July 1, 2011, to June 30, 2012. Other metrics in the table are reported by calendar year from January 1 to December 31.

Following final approval of CARE's 2018–2022 Plan on February 20, 2019, the Program incorporated the additional goals required in AB 1158 and addresses them in this Annual Report. A brief summary of specific performance goals, major progress toward these goals, and related report sections providing additional information is presented in Section 5.1.2 starting on page 89.

5.1.1 Lessons Learned

CARE prides itself on being a learning and continuous improvement-based organization. Many lessons have been learned over the years, and they have helped us build a more robust and transparent program. Having developed robust internal controls helps provide clarity and guidance, while avoiding mistakes of the past. The list below describes high-level lessons learned and resulting changes in the Program and its protocols. The global pandemic in 2020 has brought additional lessons, and the Program has responded by swiftly enacting its COVID-19 Action Plan and supporting Collector/Sorters, Processors, and Manufacturers with additional subsidies in this challenging time.

- **Communication.** In addition to CARE’s formal antitrust, ethics, and confidentiality internal controls, CARE issued a formal Communications Policy, which addresses the sharing of sensitive information outside the Board.
- **Tardiness: Late Filing and Delisting Protocol.** When dealing with small businesses that are understaffed, it is common to find missed deadlines, delayed payments, and improperly completed paperwork. As a result, CARE has codified the formal policy for addressing such lateness including fines and the potential for termination as a member in good standing. These protocols are incorporated into formal contracts with the recycling and carpet manufacturing participants.
- **Volume Changes.** Based on lessons learned in dealing with several business recyclers, CARE adopted two forms of “flags” as a part of the data review process. The first is an “absolute volume” flag, where any volume that is higher than the pre-set limit is automatically flagged. CARE also has a “% increase” flag, where any increase above the set limit is flagged. Any item that receives a flag is identified for review and discussed in monthly data review meetings by the CARE Executive Director, Finance Director, California Program Director, and Aprio (accounting firm). Each case is handled individually to understand the circumstance involved and when to initiate a site visit if warranted. As an example, an inventory increase from 25,000 to 75,000 pounds would not receive a volume flag but would trigger a percent increase flag. There are many reasons for changes that incur flags; most are well-understood, but where they cannot be explained, the team contacts the Collector/Sorter, Processor or Carpet Mill for an explanation, which is then documented in the tracking system. Should a change raise a concern, an individualized action plan would be undertaken.
- **Grants.** Recent experiences have caused the Program to make a number of changes in grant contracts. The most significant lessons learned are the inclusion of a first lien provision in all new grant contracts and the option to file a UCC-1 claim on equipment funded by a grant. (A Uniform Commercial Code-1

statement is a legal form that a creditor files to give notice that it has a financial interest in the property of an entity that owes a debt to the creditor.) CARE may also place decals on grant-funded equipment for identification purposes. The grants review committee includes key CARE staff, CARE independent contractors, and independent subject matter expert reviewers typically from local government, universities, the recycling industry, and/or business. Additionally, mechanisms have been put in place for immediate grant funding disqualification should undue influence or pressure be placed on any grant review committee member or CARE Executive Director.

- **Recycled Output Applications.** CARE issued revised [guidelines](#) in 2019 regarding in- and on-ground application of Recycled Output, to ensure safe and legal use of materials, including post-consumer carpet calcium carbonate (PC4). An update is planned for 2021.
- **Models.** CARE commissioned the development of several first-of-their-kind models to help understand and manage the California Carpet Stewardship Program. There have been numerous lessons learned and the recent study conducted by Crowe of both recycling costs and a validation of the models has helped guide the next iteration of the models. Key learnings, beyond independent validation of the models, included making the Economic Model more predictive, fine-tuning the Cost Conversion Model to separate revenues and costs while also incorporating depreciation, and continually evolving the Financial Model as a working tool for the Program. Additionally, recommendations for the Subsidy Justification Model included conducting ongoing sensitivity analysis, preparing separate versions for Processors and Manufacturers, as well as a materials flow analysis. The Financial Model is updated monthly while the Model Team issues semi-annual updates.
- **Forecasting.** In consideration of the 2019 sale and discontinuation of Fiberon's Minnesota operation, start-up delays due to equipment and process issues, and ongoing project delays due to permitting and power issues, CARE is working to build more sensitivity analysis into its forecasting. In addition to subsidy reporting, each month the Program reviews the actual versus budgeted performance of every recycler in the Program to identify any issues, concerns, or patterns and asks recyclers the question, "What can we do to help?" The novel coronavirus that emerged in China in late 2019 and caused the COVID-19 global pandemic by March 2020 were identified as a forecasting concern area for global markets, and the Program was able to respond rapidly with a COVID-19 Action Plan by March 30, 2020.

- **Complexity.** While CARE and the recycling community have been engaged for nearly a decade, the dynamic markets and complexity of the supply chain continue to represent a challenge. CARE is perpetually learning that in addition to the workload shouldered every day along with recyclers, the Program must redouble efforts to educate stakeholders. There are many stakeholders who seem to have good intentions, but who do not bring a deep understanding of carpet recycling technology platforms, how to manage a business, the timing needed to execute capital projects involving major equipment, markets and competitive jockeying for sources and PCC versus Post-Industrial versus virgin material pricing drivers, and the economics of a volume-driven business model where pennies per unit make a difference.

The lessons learned are paying off, and the rising recycling rate over time shows the progress is real, sustained, and growing. The Program is fortunate to have a team of talented, dedicated, and passionate professionals who provide a steady hand in the face of criticism. The increase in recycling in Q3 and Q4 2020, despite a global pandemic, reflects the prior and ongoing grant investments and continued efforts of the Program following approval of the updated Plan.

5.1.2 Program Highlights: Goals and Major Progress

GOAL 1: Increase the Recyclability of Carpet

References: Sections 5.7 and 5.8; Plan pages 13, 31, 226

Metrics:

- **PRIMARY GOAL:** Yield (%) of 60% by 12/31/2022, 50% in 2020; Calculations: RO/GC.
- **Gross Collection (GC)** (pounds); Calculations: pounds as reported by CSEs.
- **Carpet Mill Investment Closed-Loop Recycling and Recyclability;** Calculations: Annual Carpet Mill survey.

MAJOR PROGRESS:

Recyclability as measured by increased **Gross Collection, Yield,** and Carpet Mill investment in closed-loop recycling and recyclability:

- Overall recyclability as indicated by **Yield** was **68%** of Gross Collections in 2020, a slight decrease from 71% in 2019 though far above the historical average of 34% in the first five years of the Program (2011–2016). Performance remained strong despite the COVID-19 global pandemic.

ACHIEVED and EXCEEDED goal for 60% Yield 4 years EARLY.

- **Gross collection** decreased 6% from 82 million pounds in 2019 to **77 million pounds in 2020.**

PC4 carpet backing Recycled Output decreased slightly in 2020, totaling **13.2 million pounds**, down from 14.1 million pounds in 2019, but up from 12.6 million pounds in 2018 and 10.5 million pounds in 2017. PC4 recycled in 2020 represented about 25% of total Recycled Output, up from <1% in 2015.

A new annual Carpet Mill survey, including investments in closed-loop recycling and recyclability, was proposed in CARE’s Plan to be conducted in 2020. Due to the pandemic, this has been rescheduled until either 2021 or 2022.

GOAL 2: Expand and Incentivize Markets for Products Made with Post-Consumer Recycled Carpet Content

References: Section 5.11 and Chapter 6; Plan pages 13, 34, 228

Metrics:

- **Number of PCC recycled-content products in marketplace**, obtain through annual Manufacturer surveys. Calculations: 40 products; 14 vendors, 7 in California by 2022; 35 products, 13 vendors, 6 in California by 2020.

MAJOR PROGRESS:

Expanded and incentivized market growth:

- **Recycled-carpet-content products increased 23%** to 95 products from 24 Manufacturers, 10 in California. See Appendix 10.7 for a list of Manufacturers and product counts.
- ☑ **ACHIEVED & EXCEEDED goals for products and Manufacturers 4 years EARLY.**
- **Tier 2 products shipped/sold were again the highest to date**, at 29 million pounds in 2020, up 11% from 26.1 million pounds in 2019.
- **Grant funding in 2020** helped support the collection, recycling, and manufacture of recycled carpet products, despite the global pandemic.

GOAL 3: Increase Reuse of Post-Consumer Carpet

References: Section 5.6.1; Plan pages 13, 36, 226

Metrics:

- **Reuse pounds.** Calculations: 1.5 million pounds in 2020 and 1.8 million pounds in 2021.

MAJOR PROGRESS:

Reuse increased during the period, despite impacts of the global pandemic:

- The carpet tile/broadloom reuse subsidy (started in 2015), coupled with the additional carpet tile reuse/recycling pilot subsidy (added in 2018), contributed to **765,000 pounds of PCC reused in 2020**. This figure represented a 7% increase from 717,000 pounds of PCC reused in 2019, though it fell short of the Program's goal of 1.5 million pounds in 2020.
- A new subsidy beginning in 2018 focused on increasing both reuse and recycling of carpet tile, considered the most readily reusable portion of discarded post-consumer carpet.
- 96% of reuse recorded in 2020 was generated from carpet tile reuse.

GOAL 4: Increase the Weight of PCC Recycled

References: Sections 5.5 and 5.6.2; Plan pages 13, 39, 226-227

Metrics:

- **Recycled Output** = 52 million pounds in 2018, 81 million pounds in 2020, and 84 million pounds in 2022.
- **Carpet Sold in California** (square yards); Calculations: Sales in Discards formula.
- **Recycling Rate**, quarterly and annual.

MAJOR PROGRESS:

- **Recycled Output (RO)** decreased from 58 million pounds to 53 million pounds in 2020, related to permit delays, utility failure to deliver power, and the global pandemic.
- **Increased annual Recycling Rate to 21%** in 2020, up from 19% in 2019. The fourth quarter of 2020 reached a historic Program high of 23.2% recycling rate.
- **Fiber Recycled Output decreased 12%** in 2020, to 37 million pounds from 42 million pounds, and PC4 recycled decreased to 13 million pounds, a 6% decrease from 14 million pounds in 2019.
- **Carpet tile recycled increased 93%** in 2020, to 1.16 million pounds from 0.6 million pounds in 2019.

GOAL 5: Reduce the Disposal of PCC from California Landfills

References: Sections 5.6 and 5.9; Plan pages 13, 43, 226-227

Metrics:

- **Carpet Sold in California** (square yards); Calculations: Sales in Discards formula.
- **PCC Discards** (pounds); Calculations: Discards formula.
- **Gross Collection** (pounds); Calculations: Collector/Sorter pounds.
- **Disposal**; Calculations: Discards minus Recycled Output.

MAJOR PROGRESS:

Disposal of PCC reduced from California Landfills:

- From the 2011/2012 baseline of 329 million pounds, **Disposal** decreased to 199 million pounds in 2020, a reduction of 39.6%, exceeding the 2020 target of 21% reduction.
- Of the 77 million pounds of PCC Gross Collection, **process waste** sent to **landfill disposal decreased 36%**, from 16.1 million pounds in 2019 to 10.3 million pounds in 2020.

Diversion by energy recovery declined, and net diversion decreased:

- 27% of PCC discards in 2020 were **net-diverted from California landfills**, up 22% from 2019.
- **Waste-to-Energy (WTE) was zero** in 2020 and 2019, down from 1.8 million pounds in 2018.
- Diversion via **energy recovery—CAAF, Kiln, and WTE—decreased to zero** in 2020, falling from 19,000 pounds in 2019.

GOAL 6: Increase Collection Convenience for the Recycling of PCC and Increase Collection of PCC for Recycling

References: Sections 4.2 and 5.5; Plan pages 13, 51, 228

Metrics:

- **Number of California Drop-off Site locations;** Calculations: Number of Drop-off Sites and Number of Counties Served
- **Reasonably Convenient Collection;** Calculations: metric informed by Convenient Collection Study; one site per county with a population over 50,000 by July 1, 2019.
- **Increase Private Collection sites:** 267 by 2021

MAJOR PROGRESS:

Number of public Drop-off Sites (DoS) increased, and Collection Convenience increased, despite the pandemic:

- Program public drop-off locations increased 14% to **83 Drop-off Sites servicing 54 counties**, up from 73 sites serving 50 counties in 2019. In 2020, over 10.2 million pounds of PCC were collected by public Drop-off Sites, approximately the same quantity as in 2019, though it represented a larger portion of Gross Collections.
- By the end of 2020, **99.4% of the state’s population lived within a county with one or more private or public collection sites**, an average of one site per 124,110 people, showing continued improvement from one site per 142,819 people in 2019 and one site per 187,212 people in 2018.
- As of the 2018 Convenient Collection Study, **89% of residents were located within 20 miles of Drop-off Sites**, and 63% were within 10 miles. With 30 additional Drop-off Sites added since that time, more residents are expected to be served within a convenient distance of their homes.
- 89% of retailers are within 20 miles of Drop-off Sites, and 67% are within 10 miles.
- **Private collection locations increased to 235 sites in 2020**, a 15% increase from 204 private sites in 2019.

GOAL 7: Increase Processor Capacity, Including in California

References: Section 4.9 and 4.10; Plan pages 13, 56, 225

Metrics:

- **Capacity:** study/survey to be completed by mid-2019; updated to June 2021.

MAJOR PROGRESS:

Processor Capacity expansion within California and elsewhere:

- Maximum **California capacity increased by 11%** to 98.7 million pounds per year in 2020, up from 89 million pounds in 2019.
- Total Processor capacity increased by 6% from 461.9 million pounds in 2019 to 490 million pounds in 2020.
- After over 16-month delayed start-up due to wildfires, Aquafil–Woodland started operations and testing in late Q3, bringing on potential available new California capacity of more than 30 million pounds per year of nameplate capacity.

GOAL 8: Achieve 24% Recycling by January 1, 2020, and Other Recycling Rate Goals

References: Sections 5.1 and 5.8; Plan pages 13, 61, 225

Metrics:

- **Recycling Rate**, quarterly and annual.

MAJOR PROGRESS:

Progressed to **Annual Recycling Rate: 21%**, up from 19% in 2019:

- Quarter 1: 20.0%
- Quarter 2: 19.8%
- Quarter 3: 20.5%
- Quarter 4: 23.2%, a new all-time high

Note: Even in the COVID-19 pandemic, the Program expects it would have exceeded the 24% recycling rate if either of two long-planned projects, Aquafil–Woodland or Los Angeles Fiber, had not experienced continued delays for much of 2020 due to PG&E failure to deliver power resulting from unprecedented wildfires and extensive jurisdictional permitting delays. The devastating Q2 impact of COVID-19 and slow return of operations saw established Recycled Output for the full year drop by an estimated 10.3 million pounds, which would have equated to a full year Recycling Rate of 25% under normal conditions, before the delayed expansions noted here.

Results are tracked and monitored by the California Carpet Stewardship Program on an ongoing monthly basis and voluntarily reported to CalRecycle quarterly, approximately 90 days following the end of each quarterly reporting period. Since 2018, these quarterly updates with CalRecycle also include two representatives from the Advisory Committee. Since the Program began, 38 quarters of data have been collected through December 2020, providing Program staff with the ability to track trends and progress toward Program goals over time. This report presents the best available data for the four quarters of calendar year 2020.

Table 5-1 below summarizes 2020 results for the eight annual performance goals, and detailed tracking tables for each of these goals over time are found in Appendix 10.1.

Table 5-1. Summary of Program Performance Goals and 2020 Status

Performance Goal	2020 Goal	Actual	Annual Result	Reference
#1: Increase the recyclability of carpet.	50%	68%	Exceeded	Table 10.1.a
#2: Expand and incentivize markets for products made from post-consumer carpet (PCC)	N/A	At least 95 products, 24 vendors, 10 in California	Exceeded	Table 10.1.b
#3: Increase the reuse of post-consumer carpet.	1.5 million pounds	0.765 million pounds	Off track (COVID-19 pandemic impacts)	Table 10.1.c
#4: Increase the weight of post-consumer carpet that is recycled.	81 million pounds	53 million pounds	Off track (COVID-19 pandemic impacts)	Table 10.1.d
#5: Reduce the disposal of post-consumer carpet.	-21%	-39.6%	Exceeded	Table 10.1.e
#6: Provide for increasing and reasonably convenient collection opportunities in each county.	Minimum of 1 site per county	54 of 58 counties	Off track (COVID-19 pandemic impacts)	Table 10.1.f
#7: Increase processor capacity, including processor capacity in California.	Increase capacity	6% increase overall, 11% increase in California	On track (despite pandemic impacts)	Table 10.1.g
#8: Achieve 24% recycling rate for PCC by January 1, 2020.	26%	21%	On track (despite pandemic impacts and facility start-up delays)	Table 10.1.h

5.2 Carpet Sales

CCR Section 18944(a)(5)(A)1. Amount of carpet sold by square yards and pounds, in the state during the reporting period that is covered under the approved stewardship plan. A stewardship organization with more than one manufacturer may use average weight.

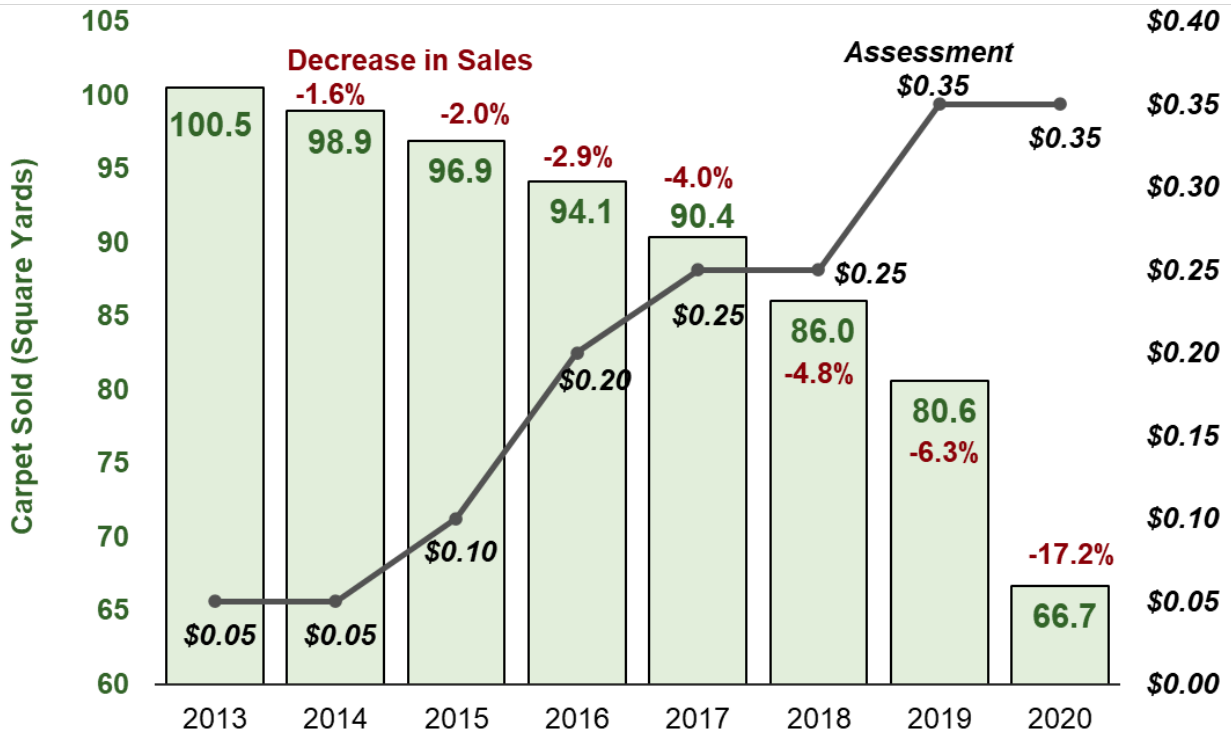
In 2020, reported annual carpet sales totaled 66.7 million square yards, or 299 million pounds, based on an updated density estimate of 4.48 pounds per square yard as noted below. Sales in 2020 were down 17% compared to reported sales in 2019 (80.6 million square yards), as shown in Figure 5-1. In all prior years of the Program since its start in 2011, sales in spring and summer (Q2 and Q3) were higher than in winter and fall (Q1 and Q4), following typical seasonal fluctuations. Q4 sales in 2019 were 18.3 million square yards, the lowest in Program history at that time. In the first two quarters of 2020, sales dipped even lower, hitting an all-time low of 14.4 million square yards in Q2 2020 as the COVID-19 global pandemic and associated economic shutdowns became widespread. In Q3 2020, sales showed a modest recovery to 18.4 million square yards, just above the 2019 year-end low point. Note not only the continuous decline in California sales, but also the accelerating rate of decline, particularly in the pandemic.

Various factors may be contributing to this decline such as flooring design trends, converting main living areas to hard surfaces with the use of area rugs, a slight decline in housing sales, and in 2020 the COVID-19 pandemic. Industry reports have noted the shift as well, including a Floor Covering Weekly article referencing [Floor Covering Industry Trends from Catalina](#), which notes: “The report stated hard surface flooring represents over half of total U.S. floor coverings sales in dollars and square feet as consumers increased their preference for luxury vinyl tile (LVT) and ceramic tile. At the same time, floor coverings buyers have significantly reduced their purchases of wall-to-wall carpet.” Another factor is the assessment itself which has a larger impact on the apartment and condo (multi-family) markets than on individual consumer (retail) purchases. It is worth noting the sales decline in California is significantly greater than in the rest of the United States, and certain segments of the market are more affected by the increased assessment.

With the noted and accelerating sales decline, consideration needs to be given to overall Program and product stewardship economics. Given that other flooring surfaces do not have a related-recycling assessment, carpet recycling assessments may increase to a point at which bottom-line pricing drives consumers to consider hard surfaces simply covered with non-recyclable rugs. Such a situation could lead to a detrimental financing impact on the Program. Conversely, other home-related

stewardship products such as paint and mattresses, do not have other widely accepted and used lower-cost wall covering or sleep product alternatives that could serve as replacements should their assessment rates increase beyond a threshold point (e.g., wallpaper costs more than paint).

Figure 5-1. California Carpet Sales Over Time



CARE most recently examined average weight per square yard in late 2018 (4.48 pounds per square yard), specifically as it relates to California sales. This figure showed a 2% increase from the prior weight of 4.39 pounds per square yard. This increase was reviewed with CalRecycle, noting that increasing use of carpet tile over broadloom in commercial applications could account for some or all of the increase.

The methodology for determining the weight per square yard was as follows: Carpet Mills were requested to fill out a survey detailing their weight per square yard sold separately of residential broadloom, commercial broadloom, and commercial tile. Mills were asked to provide the share among the three categories so CARE could calculate percentages in each market segment. As in the past, CARE used data from the top 10 Carpet Mills for the calculation. The top 10 Carpet Mills represent about 95% of all carpet sold (in dollars) in California. Originally the survey had been scheduled to be conducted in 2020 (on 2019 carpet sales); however, due to the pandemic was postponed until early 2021 (on 2020 carpet sales) and will be reflected in the 2021 Annual Report.

5.3 Carpet Discards

CCR Section 18944(a)(5)(A)2. *Amount (pounds) of post-consumer carpet that is available for collection.*

In 2020, an estimated 251 million pounds of PCC were destined for landfills and available for collection in California. Of these calculated discards, approximately 77 million pounds were gross collected (31%), of which 53 million pounds were recycled. Since the program began, Gross Collections have ranged from 27% to 34% of total estimated discards.

Discards reported each year are estimated using the calculation methods outlined in Section 5.13. Currently, CARE is continuing a study in progress to review the Discards calculation methodology, in response to findings identified in the 2018–2022 Plan. The study is reviewing the variables in the Discards formula and recommending improvements. CalRecycle was involved in the study design and continues to be consulted on findings.

5.4 Source Reduction

CCR Section 18944(a)(5)(A)3. *Amount (pounds) of carpet source reduced, if measurable.*

The California Carpet Stewardship Program uses the average weight of carpet as its primary source reduction metric and to calculate estimated Discards (see Section 5.13.1). CARE generally conducts an annual confidential survey of Carpet Mill participants to determine the average weight per square yard for commercial tile, commercial broadloom, and residential broadloom carpet. The data reported here are based on the 2019 confidential Carpet Mill survey; a 2021 update will be reflected in the next annual report. During CalRecycle's statewide waste characterization study in 2018, CARE commissioned the collection and measurement of additional samples of carpet found in disposed waste. Due to the close weight comparisons reported below between the Carpet Mill average weights and that reported from the aforementioned disposed waste sampling, CARE did not conduct their planned field assessment in 2019.

From Program inception through mid-2016, the average weight of carpet was reported as 4.2 pounds per square yard. In 2016, results from the Carpet Mill survey indicated a 4.5% increase in the average weight to 4.39 pounds per square yard; this value was used for the second half of 2016 and in 2017. The 2019 survey showed a 2% increase to 4.48 pounds per square yard. Although reasons for the increase have not been studied, factors that logically may have contributed include the continued shift from

broadloom to tile (which is typically heavier) in the commercial sector, and possibly a shift away from lower-weight “builder grades” of carpet to vinyl plank flooring, thus reducing the volume of lighter-weight goods.

In 2018, the Discards study included field measurement of carpet found in waste loads disposed at transfer stations and similar facilities throughout the state. This waste characterization research found similar density measurements to the Carpet Mill survey, with a median density of 4.4 pounds per square yard. The reported average of 4.48 from the Carpet Mill survey was used in the 2019 Annual Report and 2019 Discards formula calculation. Under the 2018–2022 Plan, the Program agreed to begin collecting additional information related to source reduction from Carpet Mills; development of an expanded source reduction survey was slated for 2019, shifted to 2020, and then delayed to 2021 due to the pandemic.

5.4.1 Carpet Mills and Source Reduction

Carpet Mills are developing innovative approaches to sustainability that will have positive impacts on carpet recycling efforts and source reduction in years ahead. Due to the large capital investments involved and market penetration, major advances typically take five to ten years from conceptualization to commercialization before benefits are fully realized. However, as they take hold in Carpet Mill product lines, results will benefit both source reduction and overall recyclability of carpet.

As previously reported, one example is the innovative backing system that facilitates the recycling of both PET and Nylon carpet. It offers mono-polymer and easily separated dual-polymer systems that eliminate calcium carbonate and latex adhesive and will contribute greatly to source reduction in coming years—reducing weight per square yard by approximately 40%. Another example is the separation of Nylon face fiber from a PET backing system that will greatly improve processing efficiency. Mohawk, working in partnership to develop this technology with DSM-Niaga, launched the first product line in 2016 (see Section 5.7). DSM-Niaga are continuing to work to expand this novel technology in the carpet sector.

One modest source reduction measure now used by many Carpet Mills has been incorporation of high-definition digital printing prior to sample preparation. One Carpet Mill reported producing over 18,000



Mill representative comparing digital print of carpet on wall to carpet tile sample.

custom face-fiber samples, and with incorporation of digital printing, production was reduced about 44% to around 10,000 samples. Industry-wide adoption of digital printing offers waste prevention savings of both production resources and landfill disposal. The adjacent image reflects the digital sample both in small roll (tile size), large format for full pattern, and final tile product size.

Similarly, several Carpet Mills have incorporated a virtual experience that allows customers to upload a photo of their room and overlay various carpet patterns to aid in selection of their new product. This digital planning tool can help in reducing carpet sample shipments.

Nearly every Carpet Mill located in the United States has dedicated efforts to minimize the environmental impact of carpet manufacturing, reducing their reliance on natural resources to make new carpet, although Carpet Mills are not currently required to report these efforts. Many Carpet Mills have expanded the third-party certifications on their product offerings and facilities, which include but are not limited to CRI Green Label Plus, Cradle to Cradle, Living Product Challenge, NSF-140, ISO 14001, Zero Landfill, and LEED. Under the 2018–2022 Plan, CARE had originally planned to launch a new required annual Carpet Mill survey in late 2020 to better track and report on source reduction practices of participants in the Program. Due to pandemic related priority shifts, this survey will be conducted in late 2021.

Examples of progress in 2020 include the following:

- In 2020, [Shaw](#) and [Tarkett](#) continued to report using California recycled PCC content in various quantities in one or more of their carpet tile product lines. Additional Carpet Mills may use recycled PCC content generated from other locations throughout the United States. Currently, it remains difficult to quantify California-derived material percentages for individual product lines, although efforts to quantify this material continue.

Bentley Mills

- California-based Bentley Mills carries: CRI Green Label Plus on all products; Cradle to Cradle Certification-Silver Level on: High PerformancePC Broadloom, AFFIXX™ Hardback Tile, AFIRMA™ Hardback Tile, AFIRMA II™ Hardback Tile, NexStep® Cushion Tile, EliteFlex™ 6' Hardback, EliteFlex™ 6' Cushion; and NSF® 140 certification on: High PerformancePC Broadloom, AFFIXX™ Hardback Tile, AFIRMA™ Hardback Tile, AFIRMA II™ Hardback Tile, NexStep® Cushion Tile, EliteFlex™ 6' Hardback, EliteFlex™ 6' Cushion, Optimum Barrier™ II, Optimum Barrier™ II Cushion, and Prestige PlusRC™.

- Bentley Mills participates in International Living Futures Institute's (ILFI) Declare Program, a transparency initiative designed to promote product health and awareness. The labeling denotes where a product comes from, what it is made of and where it goes at the end of its life. Products are then screened against the Red List to identify overall product health. Bentley currently shows the following products with Declare labeling: High PerformancePC Broadloom, AFFIXX™ Hardback Tile, AFIRMA™ Hardback Tile, AFIRMA II™ Hardback Tile, NexStep® Cushion Tile, EliteFlex™ 6' Hardback, and Optimum Barrier™ II.
- Bentley Mills Environmental Product Declarations (EPD) are 3rd party certified in accordance with ISO 14025 which describe the environmental characteristics (environmental impacts of raw material acquisition, energy efficiency, material content, air emissions, soil and water impacts, and waste generation) of their products and promote the growth of sustainable production. The following Bentley products are covered by EPD's: High PerformancePC Broadloom, AFFIXX™ Hardback Tile, AFIRMA™ Hardback Tile, AFIRMA II™ Hardback Tile, NexStep® Cushion Tile, EliteFlex™ 6' Hardback, and EliteFlex™ 6' Cushion.
- Bentley Mills also carries Health Product Declarations (HPD™) on six of their product platforms. HPD is a tool for reporting of product contents and ingredients with relationship to human and ecological health, and is a supplement to the EPD. Bentley products covered by HPD's: High PerformancePC Broadloom, AFFIXX™ Hardback Tile, AFIRMA™ Hardback Tile, AFIRMA II™ Hardback Tile, NexStep® Cushion Tile, and EliteFlex™ 6' Hardback.
- Bentley Mills is also the first manufacturing facility of any kind to earn LEED for Existing Building certification from the U.S. Green Building Council. After initially receiving LEED-EB Silver status in 2007, they went on to recertify in 2013 and achieve LEED EB-Gold level.
- [Bentley Mills' Sustainability Overview](#) information can be found at this link.

Dixie Group

- Dixie Group ensures every product produced is certified by CRI's Green Label Plus Indoor Air Quality Testing Program.
- Dixie's AtlasMasland products (commercial) manufactured in their Alabama facilities carry NSF/ANSI-140 2015 Sustainability Assessment for Carpet meet Gold level certification. Select modular products are Platinum certified.
- Dixie's AtlasMasland believes in transparency. That is why all broadloom and modular products carry a 3rd-Party-certified Life Cycle Analysis, Environmental Product Declaration and Health Product Declaration. Over 90% of their

broadloom products are third-party certified Gold by NSF/ANSI 140 Sustainable Carpet Assessment. All modular carpet products meet NSF/ANSI 140 Gold, and solution dyed yarn products finished on the Sustaina™ Backing System are Platinum certified.

- Dixie Group waste prevention efforts include a self-addressed postage-paid label sample return program for the return, reuse, or recycling of SOS carpet samples. This insures the customer has an option to keep the samples out of the landfill, once they have served their purpose; recyclable CAD renderings of custom carpet samples are responsible for eliminating more than 30,000 pounds of yarn waste annually.
- Dixie Group's all manufacturing facilities undergo a 3rd party annual environmental inspection to insure we are using energy wisely and in compliance with all regulations.
- Dixie Group's manufacturing facilities in Alabama also divert over 3.5 million pounds of manufacturing waste from landfills each year, for reprocessing into their original composition or into other products, such as carpet padding, and products used in the plastics industry.
- Dixie Group's AtlasMasland commercial division recycled 300,000 pounds of post-consumer carpet in 2020.
- Dixie Group's Atmore, AL commercial plant was heavily laden with products that either used yarn that had to be skein dyed prior to tufting or the carpet was piece dyed after tufting. In 2013 the marketing direction focused on developing new products that used solution dyed yarns. After yarn and carpet dyeing were removed from the Atmore, AL facility, natural gas usage plummeted 81% and water usage was down 96%.
- Dixie Group continually strives to improve the sustainability story of their products and to constantly look for new and innovative ways to reduce our environmental impact. During the year 2019 they developed their new, PVC, urethane free Sustaina™ Backing System which is a uniquely breathable cushioned backing, that is free of all red-listed components, and carries 77% plus total recycled content. Solution Dyed modular products using the Sustaina™ Backing System are NSF/ANSI 140 Platinum Certified.
- Dixie Group's AtlasMasland commercial facilities in Alabama purchase enough renewable energy credits to cover 100% of their energy usage each year.
- [Dixie Home Sustainability information](#) and [Dixie's AtlasMasland Commercial Sustainability information](#) can be found at these links.

Engineered Floors

- **Engineered Floors** verifies the material health and environmental responsibility of all their products using Environmental Product Declarations (EPDs) and Health Product Declarations (HPDs) based upon third-party verified Life Cycle Assessment data. Products meet the following standards and certifications: CRI Green Label Plus, Floor Score, NSF, USGBC, WELL and are manufactured in an ISO 14001-2015 certified facility.
- Engineered Floors Kinetex® Textile Composite Flooring is certified NSF/ANSI 140 Platinum; Nexus® Modular, PremierBac® Plus and TitanBac® Plus are all certified NSF/ANSI 140 Gold.
- Engineered Floors was among the first floor covering Manufacturers to obtain voluntary third-party verification. All Kinetex® products carry a third party verified DECLARE label and are Red List Free.
- Engineered Floors was certified in 2019 as 95% Waste Diversion from Landfill resulting in over 1 million pounds of waste yarn being redirected from landfill, reimaged, and redesigned into a new product line called Paradigm Shift. Paradigm incorporates recycled Nylon and reclaimed Nylon, and consists of at least 50% pre-consumer recycled content from reclaimed materials.
- Engineered Floors Kinetex® carpet tile contains no less than 45% post-consumer recycled content, with one 24"x24" tile equaling 27 plastic water bottles. Kinetex® is NSF/ANSI-140 Platinum certified and has a Red List Free DECLARE label.
- Engineered Floors in 2007 developed the industry-leading R4® Program—Return, Reuse, Recycle, Reduce—to facilitate the recycling of all carpet, LVT, and Kinetex samples and architect folders that are no longer needed. Samples are either returned to sample inventory for reuse on other projects or they are recycled. On average, Engineered Floors' commercial division (J+J) reuses/recycles 5,000 pounds of samples each month.
- Engineered Floors' commercial division, **[J+J, 2019 Sustainability Report](#)** can be found at this link.

Interface

- Interface currently offers many product lines with recycled content far above NSF-140 Platinum standards, some as high as 85% recycled content. Interface has identified ten product lines with California recycled PCC in excess of 10%. See product listing at **[carpetrecovery.org/products/](https://www.carpetrecovery.org/products/)**.

- Interface, Inc. introduced their Mission Zero in 1994 with a goal of no negative impact by 2020, having achieved that in 2019, their Climate Take Back mission objective is to reverse global warming. Interface has reduced waste landfill by over 83% in working toward their Zero Waste goal.
- Interface's standard carpet tile products offer a minimum of 73% total recycled content with our GlasBac® backing and a minimum of 87% with our GlasBacRE backing.
- Interface was the first North American carpet manufacturer to publish a third-party Environmental Product Declaration and notes 99% of their products globally have a third party verified Environmental Product Declaration (EPD).
- Interface has Health Product Declarations on the following carpet tile products: CQuestGB, CQuestBio and BioX, GlasBac, GlasBacRE, ReadyBac, and CushionBac Renew.
- Interface announced Carbon Neutral Floors™ across its entire global product portfolio, which is key toward meeting its goals to become restorative to the planet. Their CQuest™ Backings line is an improvement upon their GlasBac™ backing which includes pre- and post-consumer recycled materials, bio-based additives, a non-vinyl backing made with biopolymers, net carbon negative recycled fillers as well as varying concentrations of carbon negative materials.
- Interface's newly built headquarters in Atlanta, GA, achieved LEED Platinum status. Interface also holds LEED certifications on showrooms and offices in Atlanta, Chicago, San Francisco, Santa Monica, Seattle, as well as in Brazil, Canada, China, India, and United Arab Emirates. Interface has also pursued LEED certifications on their manufacturing facilities in Georgia, Thailand, Spain,
- [Interface's Sustainability Overview](#) can be found at this link.

Milliken

- Milliken Floor Covering was awarded International Living Future Institute's (ILFI) first 3rd Party Verified, Red List Free Declare Label for any product globally. Additionally, all Milliken carpet tile and broadloom carpet manufactured in North America are 3rd Party Verified, Red List Compliant/Red List Free.
- Milliken's WellBAC™ Comfort and WellBac™ Comfort Plus cushion backed carpet tiles are Cradle to Cradle Certified Silver. All Milliken WellBAC™ comfort modular carpet in the United States contains between 10-46.5% post-industrial recycled content and 0-13% post-consumer recycled content.

- Milliken has reached the NSF/ANSI-140 certification levels on the following products: ESP Backed Carpet Tile –Platinum; ES Cushion Back Carpet Tile – Gold; and Commercial Broadloom – Gold.
- Milliken achieved LEED Commercial Interiors Gold certification for their showrooms in Chicago and New York.
- Milliken Floor Covering has committed to and conducted Life Cycle Assessments against the ISO 14040 Environmental Management Standard before leaving the drawing board for 100% of the commercial flooring solutions they produce globally and is in the process of completing LCAs for all new products, including those for residential interiors.
- Milliken’s WellBAC™ cushion backed carpet tiles are warrantied for life against adhesive breakdown due to moisture vapor emissions. This warranty allows for installation on concrete slabs without moisture testing and without RH or PH limits. Milliken’s Site Related Solutions program eliminates the need for additional moisture mitigation products including sealing the concrete slab, leading to a dramatic reduction in the need for harsh chemicals which can lead to VOC’s and other environmental impacts.
- Milliken WellBAC™ carpet tiles contribute to The WELL Building Standard in the following categories: VOC Reduction, Healthy Entrance, Fundamental Material Safety, Moisture Management, Toxic Material Reduction, Enhanced Material Safety, Cleanable Environment, Beauty and Design I, Material Transparency
- Milliken’s La Grange, GA, manufacturing facilities are all ISO-14001 – the highest global standard for environmental responsibility. Milliken’s 2025 goal is zero waste to landfill.
- Milliken Flooring’s US manufacturing facilities have sent zero process waste to the landfill for over 20 years.
- Milliken announced in 2019 it had partnered with PureCycle Technologies to restore used polypropylene (PP) plastic to 'virgin-like' quality with their patented recycling method. One of the major feedstocks for the PureCycle partnership is recycled carpet backing from California. The output of the first plant in Ohio is pre-sold for 20 years and the technology is expected to be scaled globally.
- **Milliken’s Sustainability Overview** can be found at this link.

Mohawk

- Mohawk has developed a Sustainability Certification Document, which covers certifications for the following: HPD, Declare, ILFI Living Product Challenge, USGBC, Mindful Materials, PVC Free, Environmental Product Declaration, NSF 140, % Post-Consumer content, % Pre-Consumer content, Low Emitting Products, Manufacturing Location, and Global Greentag. The [tracking document noting Product Platforms](#) covered can be viewed at this link.
- Mohawk’s carpet tile styles manufactured at their Glasgow, Virginia plant on the EcoFlex NXT, EcoFlex NXT AIR or EcoFlex Matrix backings all have met the stringent requirements for the ILFI’s Living Product Challenge Certification. Never before has this level of certification within the Living Product Challenge been accomplished by a product manufacturer. Mohawk describes its [Living Product Challenge](#) efforts on this webpage.
- Mohawk’s Air.O product line, working with DSM-Niaga, is composed of 100% PET contains no polypropylene backing, no latex adhesive, no calcium carbonate filler, or harmful VOCs. This hypoallergenic carpet product, with an integrated pad, offers reduced material inputs, reduced complexity at the source while increasing recyclability at the end of life (see Section 5.7).
- Mohawk is the first manufacturer to create a “Living Site” that ensures more than 300 carpet tile products meet the stringent requirements of the Living Product Challenge, petal-certified flooring solutions by the International Living Future Institute. Further information on [Mohawk’s Redefining Innovation](#) work can be found at this link.
- Mohawk has attained LEED v4 Gold Commercial Interiors certification and WELL Certification at the Platinum level for their New York show room. Mohawk also holds LEED Gold certifications for the Mohawk Flooring Center in Calhoun, GA; the Mohawk Group showroom at the Chicago Merchandise Mart; and their showroom space within Mohawk’s commercial carpet tile manufacturing plant in Glasgow, VA.
- Mohawk Group achieved WELL Health Safety Rating through the International WELL Building Institute for all its commercial showrooms. Mohawk was awarded the WELL Health-Safety Rating at the Light Lab in Dalton, Georgia, the Mohawk Group Personal Studio in Chicago and its showrooms in Chicago, Dallas, New York City, San Francisco, Seattle, and Toronto following the successful completion of a third-party documentation review by GBCI to confirm it has met the feature specific intents and requirements.

- Mohawk's Nutopia 2.0, Owls, Pattern And Symmetry, Smart City, Sunweave and Lichen products are at a minimum NSF 140 Gold, CRI Green Label Plus, and Petal certified through the Living Product Challenge and utilize EcoFlex NXT or Matrix carpet backing which are Red List-free. In total, Mohawk has over 500 Red List-free products.
- Mohawk's SmartCushion, manufactured with 90% recycled content is environmentally friendly and LEED Certified. This product adds 20 years to the abrasive wear warranty, extending the overall life of the carpet.
- Mohawk is "**Working Toward Zero**" by encouraging facilities to pursue zero waste to landfill (ZLF) certification which requires a plant to recycle or reuse 90% or more of its manufacturing process waste. To date, over 40 Mohawk facilities have earned this certification (this includes carpet and other flooring facilities).
- Mohawk's dedication to recycling has been captured in an artful way via their commissioned "**Overflow: Make a Wave of Change with Mohawk Group**" **art installation** by artist Basia Goszczynska, with a video descriptor at this link.
- **Mohawk's Sustainability Overview and most recent Sustainability Report** and **Mohawk product transparency information** can be found at these links.

Shaw

- **Shaw's** re[TURN]® Reclamation Program has recycled nearly 1 billion pounds of carpet since 2006. All EcoWorx® products have a toll-free number or website printed on the back: 800-509-SHAW or ShawRecycles.com. Shaw will transport and recycle EcoWorx tile or broadloom carpet at no cost.
- Shaw, in 2020 expanded their efforts to include synthetic turf reclamation for their NXTPlay™ performance pad. Shaw's NXTPlay performance shock pad is made from reclaimed and recycled turf fields and is Cradle to Cradle Certified® Bronze.
- Almost 90% of the products Shaw makes are Cradle to Cradle Certified, having been assessed for material health, material reuse (recycled content and recyclability), water stewardship, renewable energy and carbon management, and social fairness. This journey began with Shaw's EcoWorx carpet tile in 1999 and continues across the company's product line today. A complete list of Shaw products C2C certifications can be found at **[c2ccertified.org](https://www.c2ccertified.org)**.
- Shaw, in late 2019, announced the achievement of LEED Silver New Construction designation for their carpet tile manufacturing and recycling facility in Adairsville, Georgia (known as T1). This location joins Shaw's existing portfolio of LEED certified buildings including Plant 72 and Plant 95 (existing corporate administrative buildings) and the Shaw Family Health Center (new construction)

in Dalton, Georgia; a carpet tile manufacturing facility in Nantong, China; the Shaw Create Centre in Cartersville, Georgia; a Shaw Contract Group sales office in Shanghai, China, and showroom in San Francisco; and Patcraft's showroom in Chicago, Illinois.

- Shaw, since 2009, has recycled and converted billions of plastic bottles into carpet each year. Shaw's Clearly Bold Platinum residential products feature an average of 50% post-consumer recycled content. The company also uses recycled plastic bottles in its EcoLogix® carpet tile backing, its new COMFOR3T trade show carpet and numerous needlebond carpet products. As Shaw invested \$250 million in its Andalusia, AL, manufacturing facility, the company expanded upon innovative technology used in other Shaw facilities to be able to process more recycled PET and to use a broader range of plastic bottles.
- Shaw is focused on continually reducing its operational and embodied carbon footprints. In 2020, Shaw achieved its goal to reduce its greenhouse gas emissions intensity by 40 percent -- nine years ahead of its 2030 goal. (Based upon emissions per pound of finished product, compared to a 2010 baseline.) At the same time, Shaw has expanded the number of Environmental Product Declarations (EPDs) available for its products and has published a number of updates to reflect the lower embodied carbon footprint of its current commercial tile product offerings.
- Shaw additionally ensures their products meet indoor air quality performance for VOC (Volatile organic compounds) emissions using Green Label Plus, FloorScore and GREENGUARD certification programs. Health Product Declarations (HPDs) and Declare labels provide product ingredient and disclosure information.
- Shaw's Sustainable Sourcing Policy and practices help ensure that Shaw's commitment to Cradle to Cradle and the Ten Principles of the UN Global Compact are extended to its supply chain. No matter where or by whom a product or ingredient is made, it is held to the same high standards, with a commitment to sustainability.
- [Shaw's 2020 Sustainability Report](#) can be found at this link.

Tarkett

- Tarkett, in 2019, launched a new "Change to Win" strategic plan which puts circular economy at the heart of their strategy and business model.
- Tarkett achieved their Living Product Challenge Certifications on their commercial soft surface products in 2018. Also, Tarkett's ethos® Modular with Omnicoat Technology™ in 2018 met or exceeded every requirement in the City

of San Francisco’s widely recognized comprehensive carpet purchasing requirements; more information on [San Francisco “Solutions at Work”](#) is available at this link.

- Tarkett’s ethos® Modular with Omnicoat Technology™ backing, already a Cradle to Cradle Silver product, is International Living Future Living Product Certified. It is also NSF 140 Platinum. A Material Health Statement and an ILFI DECLARE was published for ethos® as well. ethos® is “Living Building Challenge Compliant” as it contains no red list chemicals and contains 28-43% post-consumer recycled content.
- Tarkett’s commercial carpet backings ethos® Modular with Omnicoat Technology™, Powerbond® Cushion, Powerbond® Medfloor, ER3® and Flex-Aire® Cushion have a Type III Environmental Product Declarations available.
- Tarkett’s commercial backings Powerbond® Cushion, Powerbond® Medfloor, ER3® and Flex-Aire® Cushion are NSF-140 Gold level. Tarkett’s anti-soil treatment, Eco-Ensure, is a water-based, non-fluorinated, anti-soil chemistry was re-certified Cradle to Cradle Material Health, Platinum level.
- Tarkett’s ErgoStep® broadloom carpet contains up to 10% post-consumer recycled content, LifeLONG® contains 28–40% overall recycled content and Powerbond includes 7–32% overall recycled content with a minimum 7% postconsumer content.
- Tarkett’s ReStart® take-back and recycling program captures and recycled post-consumer carpet, a portion of which was collected from California and effectively recycled into ER3 product. The ethos® Modular carpet tiles contain between 48 and 64% total post manufacturing and post-use recycled content. During the recent San Francisco Moscone Center renovation, Tarkett recycled 153,574 pounds of carpet.
- Tarkett’s commitment to ISO 14001 certification achievement encompasses 85% of their facilities worldwide, including 9 commercial flooring manufacturing facility in North America. Tarkett has had 98% of raw materials 3rd party verified through the Cradle 2 Cradle criteria to maintain their commitment to healthy materials. And Tarkett set a goal for all products to achieve an average of 30% recycled content by 2030, compared to 10% in 2018. Tarkett is committed to less impact to the planet. They have recently updated processes at their Dalton facility which resulted in an 86% reduction in water usage.
- [Tarkett’s Sustainability Overview](#) can be found at this link.



Tarkett staff stacking carpet tiles during renovation of Moscone Center in San Francisco.

5.5 Increasing Gross Collection

CCR Section 18944(a)(5)(A)4. *Amount (pounds) of post-consumer carpet collected, by weight, during the reporting period.*

Gross collection figures⁴ include estimated pounds of PCC removed from the waste stream and initially kept out of the landfill for reuse, recycling, or waste-to-energy (WTE) through collection, sorting, and processing activities conducted in coordination with consumers, retailers, installers, landfills, transfer stations, and material recovery facilities (MRFs). In 2020, despite CARE’s expanded DoS locations which captured just slightly more PCC than 2019, the Program saw an overall 6% annual decrease in estimated Gross Collections (77 million pounds in 2020, down from 82 million pounds in 2019), making up 31% of estimated annual discards (see Figure 5-2). CARE’s addition of 20 new DoS locations in 2019 and ten in 2020, allowed it to capture just over 10.2 million pounds in 2020 compared to 10.1 million in 2019. Conversely, the private collection network collected 67.2 million pounds in 2020, down from 71.9 million pounds in 2019. These reductions are a direct result of the pandemic.

The primary driver for the initiation of collections from carpet retailers and related flooring contractors has generally been the sale of new carpet. A related, and growing, driver is the sale of hard surface flooring as consumers continue with the design trend transition from soft to hard surface flooring. Tenant Improvements (TI) and Demolition in the commercial sector are also collection drivers – each of which slowed considerably due to the pandemic; however, the degree to which these factors contribute to recoverable generation is presently unknown as direct donation for reuse to organizations such as Habitat for Humanity is not reported to CARE, and TI/Demolition often includes significant dirt, dust, or moisture, which can render much of the carpet nonrecyclable. High labor costs are often cited as the key limiting factor reason in relation carpet not being removed prior to total TI or demolition work.

As new carpet sales continued their ongoing quarter over quarter decline – including an especially marked pandemic related drop in Q2, collections relatedly declined directly due to the drop in sales as well as discontinuation of collection in some areas due to staffing challenges. According to a November 18, 2019, [Floor Covering Weekly article](#) on industry reporting on industry trends, “Manufacturer sales were sluggish during 2019 due to an overhang of inventories accumulated from the rush to import Chinese-made flooring in late 2018 to beat rising tariffs, the report stated. At the same time, demand

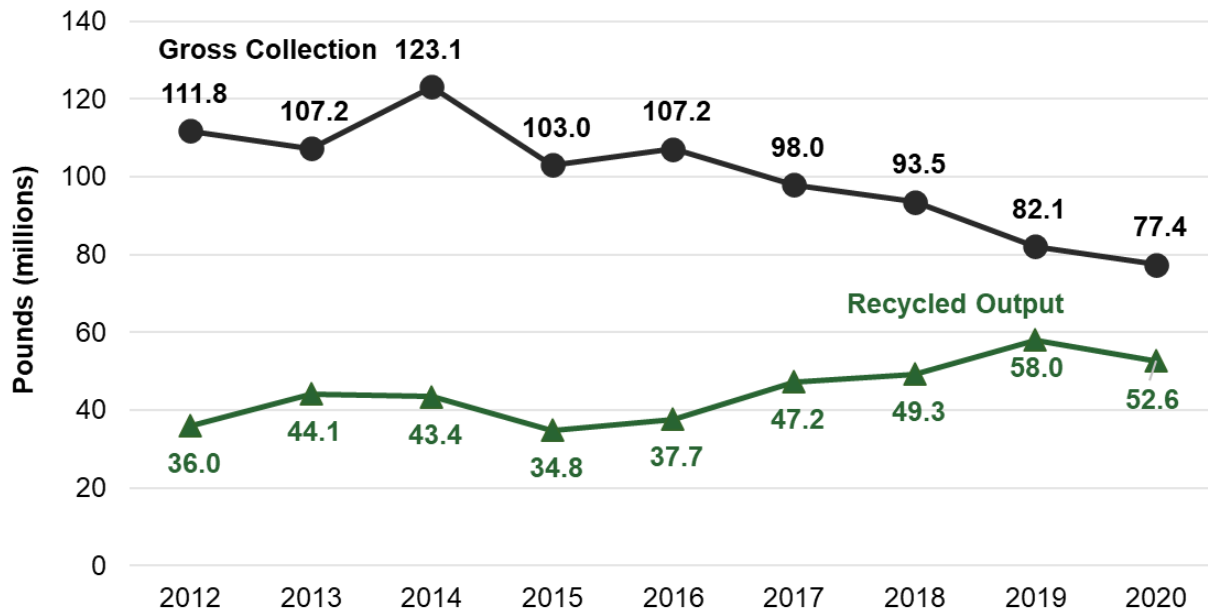
⁴ Gross Collections figures in 2020 include collections facilitated by both participating CSEs through their private collection network (67.2 million pounds), as reported to CARE through monthly reporting, and the CARE public Drop-off Sites (10.2 million pounds). Gross Collections may be estimated based on average weights, while disposition figures are based on precise weights of materials managed.

was adversely affected by a weak housing market caused by rising interest rates in 2018. As a result, the residential replacement market could decline during 2019.” That type of reporting correlates with an overall drop in Gross Collections despite a growing number of private collection sites and CARE public Drop-off Sites.

The assessment is affecting low-end sales in particular, which is where most collection takes place. Since there is far less material available for collection in historically rich streams (multi-family), despite the decreasing gross, the increasing percentage is a major accomplishment.

While demand for PCC carpet materials from manufacturers remained steady in some sectors, others were significantly impacted by pandemic shutdowns. Challenges meeting the demand that did exist, were compounded on several sides by business shutdowns leading to decreased sales, and a number of solid waste/recycling facilities suspending many of their recycling collection efforts. With a continued decline in carpet sales and a need to increase the Recycled Output, collections need to grow significantly in strategically new ways—through both private collections at both smaller-volume locations and more hard surface retailers, as well as public Drop-off Sites. A key component of this expansion will be expanded outreach to retailers as well as both soft and hard surface installers in an effort to increase participation in carpet recycling. While efforts were getting underway in early 2020, the pandemic effectively halted most activity beginning in March.

Figure 5-2. Performance Over Time for Gross Collections and Recycled Output



*Figure Notes: **Gross Collection** applies a new calculation methodology beginning in 2017 to avoid potential double-counting of pounds shipped*

domestically and reported by participating processors. Figures previously reported for prior years are unchanged.

Recycled Output includes Reuse plus Type 1, Type 2, and PC4 (used as a raw material) Recycled Output pounds. Pounds diverted from landfill through international shipments, or via energy recovery (CAAF and/or Kiln and WTE) are only reported within pounds diverted.

Since the Program's inception in July 2011 through the end of 2020, a cumulative total of 952 million pounds of PCC (30% of discards) has been gross collected to date. Of this material, 415 million pounds or approximately 44% of Gross Collections were converted into Recycled Output since July 2011. Over the same period, nearly 78% of Gross Collections were net-diverted from landfill totaling an estimated 739 million pounds, inclusive of Recycled Output. Of the pounds collected, approximately 22% were sent back to the landfill as PCC that could not be recycled (e.g., small pieces, unidentified polymers, contaminated, mixed fibers, dirty loads) or as processing waste.

Despite the decline over time in annual Gross Collections, it should be noted that Recycled Output efficiency (Yield) climbed from 2016 through 2019 before dipping slightly in 2020. In 2020, Yield decreased slightly to 68% from 70.6% in 2019, though it remained above the 2022 goal of 60%.

5.5.1 Gross Collection Activities

To improve collection by Collector/Sorters, increase carpet recycling awareness, and encourage participation, the Program implemented and/or continued the following Gross Collection growth activities:

- Recycling coordinator outreach, including virtual meetings in late 2020, with **local government** and private waste facility representatives throughout the state to distribute promotional materials and support increased collections.
- Extensive local government outreach, resulting in **10 new public Drop-off Sites** supporting 4 new participating counties.
- Expanded total public collection sites to **83 participating Drop-off Sites** in 2020, an increase of 14% from 2019.
- To increase on-site collections at retailer locations and/or drive collections at nearby Drop-off Sites, **conducted 650 in-person "visits," mostly by phone**, promoting new Dropoff Sites in each region, as new sites launched throughout the term (see Section 8.3).
- Distributed promotional materials electronically where possible, or via direct shipments, to increase installer program awareness and available recycling

options **reaching over 486 installers and 27 contractors** prior to shutdowns. Following the March 2020 shutdowns, installer tablings were essentially halted.

In 2020, despite the COVID-19 global pandemic, the Program continued to make significant progress in outreach and engagement with stakeholders involved in carpet collection. Expanded detail on these activities can be found in Chapter 8.

5.6 Disposition

CCR Section 18944(a)(5)(A)5. Disposition, that is, amounts reused, recycled, incinerated for energy recovery or disposed of in a landfill; of collected post-consumer carpet, by pounds, during the reporting period.

Reported disposition of carpet collection in 2020 includes reuse, recycling (Recycled Output), energy recovery, exports, and environmentally safe landfill disposal. All data presented in this section is based on data from Collector/Sorters (CSEs), Tier 1 Processors, Tier 2 Manufacturers, and Carpet Mills submitted to the California Program and its independent accounting firm (Aprio) and does not reflect any disposition activities occurring outside the Program. Data veracity is underpinned by Agreed Upon Procedures (AUP) conducted regularly with program participants. National data are provided by Program members, as reported in CARE's annual survey. (Disposition is summarized in Section 4.11.)

5.6.1 Reuse

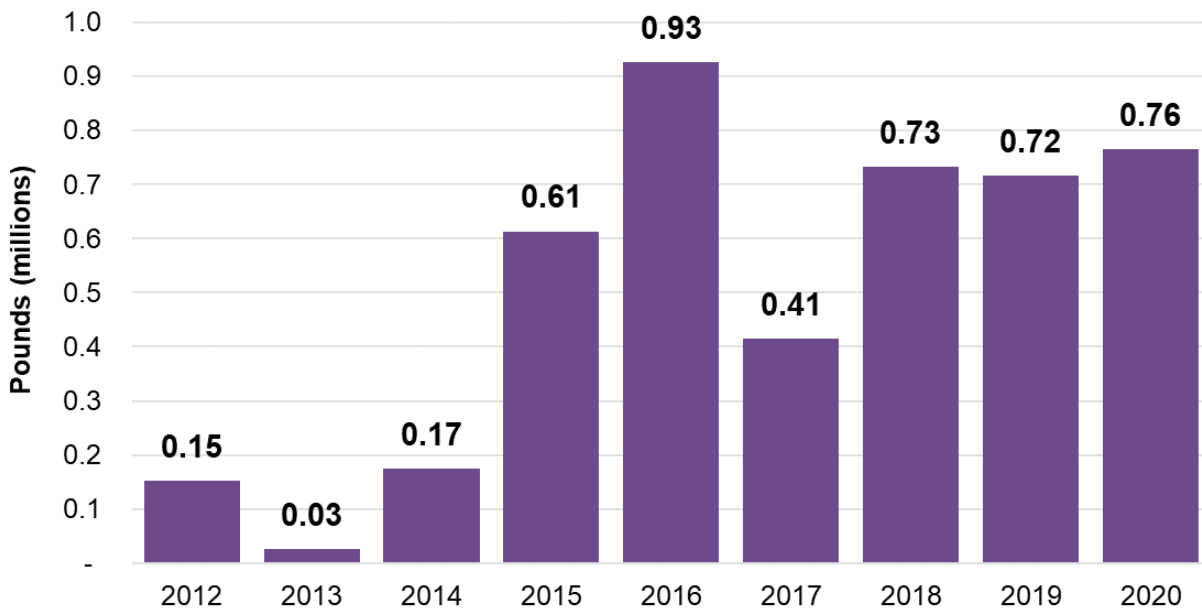
Reuse represents a small portion of total annual carpet discards and historically has been difficult to track reliably. The carpet tile/broadloom Reuse subsidy put in place in 2015 was aimed at Collector/Sorters and Tier 1 Processors. During 2020, there were five key Collector/Sorter stakeholders serving on the front lines of carpet and carpet tile recovery who are well-positioned to sort materials and identify the best opportunities for reuse over recycling. However, during 2020 many reuse outlets were shuttered for extended periods of time. Further, it is widely known, through basic online research for used carpet tile (e.g., eBay, Craigslist, OfferUp, Facebook Marketplace) as well as contractor direct to readily available outlets such as Habitat for Humanity, that reuse pounds tracked under this subsidy does not reflect all the reuse occurring in the carpet ecosystem.

The \$0.10 subsidy for carpet and tile reuse (initiated in 2015), along with the \$0.05 tile reuse/recycling pilot subsidy added in 2018, supports reuse and enables the Program to report on reuse quantities supported by these subsidies. Reuse in 2020 totaled 764,941 pounds, about a 6% increase from 716,819 pounds in 2019 (see Figure 5-3). Reuse in 2020 represented 1% of Gross Collections and 0.3% of discards.

CARE expected to see a significant increase in carpet tile reuse, as well as recycling with the notification that an experienced flooring industry professional and former carpet recycler would be locating their Collector/Sorter tile collection operations in Southern California. However, their business growth efforts around materials sourcing has been slower than anticipated. Planet Recycling, an Arizona-based carpet collector and now part of Aquafil USA, in partnership with Interface, energized their carpet tile processing operation after overcoming equipment challenges. Inventory sorting for recycling did lead to a boost in carpet tile for reuse as well. Their operation is now streamlined, running well, and expected to continue contributing significant tile reuse and recycling growth in 2021 and beyond.

Realizing that stockpiles of previously owned carpet tiles at used materials locations such as Habitat for Humanity and others, can create a logjam in the reuse flow stream, CARE has offered to provide marketing assistance in an effort to increase sales opportunities such that more carpet tiles for reuse can be delivered to locations. To date, no offers have been taken up.

Figure 5-3. Reported Reuse Over Time



The standard size of carpet tiles and the ease with which various styles and colors can be mixed and matched were also factors in making tiles desirable for reuse applications. **Carpet tile reuse rose about 24%** to 736,349 pounds in 2020 from 593,353 pounds in 2019. Of the reported carpet reuse in 2020, 96% was carpet tile.

Broadloom carpet is more challenging to reuse than carpet tile because it is typically cut to size; often cut into smaller segments to ease removal; comes in many colors, designs, and styles; and can be hard to clean (especially pet stains) or refurbish. However, there

are some opportunities for reuse, especially when the carpet is relatively new and has experienced low traffic. While local community organizations like Habitat for Humanity may install gently used carpet such as from trade shows that use carpet for only a few days or weeks, reuse demand for broadloom carpet has been inconsistent over time.

In 2015, the California Program reported its first pounds of broadloom carpet sold, donated, or shipped for reuse totaling 33,220 pounds or 5% of total 2015 reuse. In 2020, broadloom carpet reuse totaled 28,592 pounds, a 77% decrease from 123,466 pounds in 2019.

In response to decreased reuse in 2017, the Program introduced a new Collector/Sorter-based pilot subsidy effective January 1, 2018, targeting carpet tile—the most readily reusable portion of the PCC waste stream. The pilot subsidy offers an additional \$0.05 per pound for carpet tile collected, sorted and shipped, and sold or donated for either reuse or recycling. As noted above, carpet tile reuse rose to 593,353 pounds in 2019, its highest level to date, and increased to a new high of 764,941 in 2020 despite the global pandemic.

5.6.2 Recycled Output

Recycled Output includes the portion of gross collected PCC after processing (e.g., shredding, hammer-milling, depolymerization) that is shipped and sold as material to be used in manufacturing new or secondary products made with post-consumer recycled carpet content. The Program's Recycled Output is calculated as the sum of all Type 1 and Type 2 Recycled Outputs (including PC4 and carcass), plus reuse. It is worth noting that Type 2 Recycled Output has been essentially zero for the last few years as there is little value in this class of material.

Recycled Output for 2020 totaled 53 million pounds, a decline of 9% from its historic high of 58 million pounds reported for 2019. This reflects the previously noted processor capacity opening and expansion challenges/delays as well as the impacts of the COVID-19 global pandemic on recycling activities and California's economy. Recycled Output as a percentage of total discards (Recycling Rate) increased to an annual average of 21% in 2020, up from 19% in 2019 (see Table 3-1). By the end of 2019, the Program reached its highest quarterly recycling level to date at 22.4%. In 2020, the effects of the COVID-19 global pandemic limited expected increases in recycled, but year-end the Program reached a new high of 23.2% in Q4. Since the Program's inception in July 2011, a cumulative total of 415 million pounds of PCC (13.1% of all estimated discards) have been recycled. As noted above, CARE estimated the Recycling Rate would have been 25% had the pandemic not interrupted operations. Further information about the efforts to increase Recycled Output can be found in Section 5.8, *Increasing Recycled Output*.

A major new positive impact on Recycled Output is the development of PET fiber into agglomerated pellets (shown in right-hand image below), which are committed to a large-scale molecular recycling end-market outlet converting the material to ultimate end-product uses such as textiles, ophthalmic eyewear frames, tool handles, automotive clearcoats and other consumer product packaging.



PET fiber (left) and PET agglomerated pellets (right).

With the discontinuation of a major manufactured decking outlet for PET, due to a business sale, it was initially anticipated that the transition to a new dimensional lumber manufacturing platform would startup in late 2019. Operational delays, coupled with COVID-19 challenges, further delayed the projected start up from late 2020 to Q1 2021. It goes without saying that end market demand drives collections and improves overall Program impact. This, and the aforementioned market demand challenges which truly are beyond the control of CARE are that which the Program endeavors to foresee and respond to appropriately.

5.6.3 Incineration

No incineration was reported in 2020, nor since 2016.

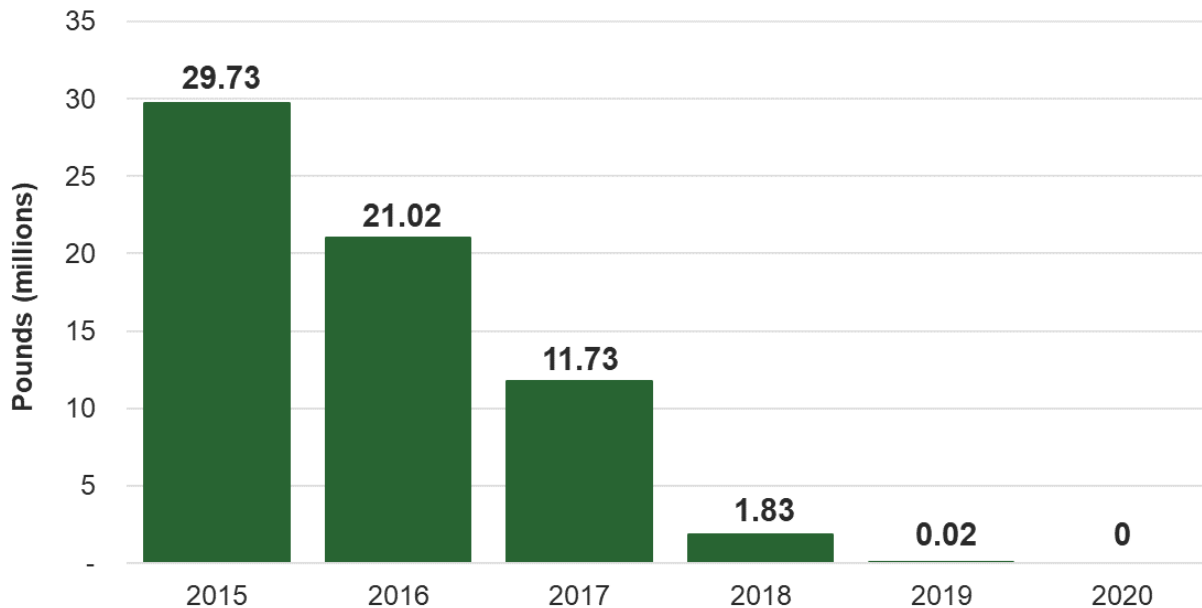
5.6.4 Energy Recovery

The California Carpet Stewardship Plan 2018–2022, under which this report is developed, supports the management of post-consumer carpet in a manner consistent with the state's solid waste hierarchy and Carpet Stewardship Law. Two categories of energy recovery methods were used in the past to help manage PCC not diverted through reuse, recycling, or international sales: Carpet As Alternative Fuel (CAAF) and Kiln, which refers to the use of PCC as a fuel substitute in cement kilns and other high-temperature processes. While both of these categories qualified for subsidies under the previous 2011–2016 Plan, CARE discontinued subsidies for both CAAF and Kiln at the end of 2017. Accordingly, no subsidies were paid for CAAF or Kiln in 2020, and CARE has never paid a subsidy for Waste-to-Energy (WTE), the process of recovering thermal

energy from PCC through combustion. Although WTE is not supported by Program subsidies at this time, it does provide an alternative to landfill for unrecyclable portions of the PCC waste stream.

Energy recovery continued to decrease in 2020, in line with the Program’s goal to increase materials management methods higher in the waste hierarchy. In 2020, the amount of PCC going to energy outlets dropped to zero, down from 19,061 pounds in 2019 (see Figure 5-4). In 2020, energy recovery represented 0% of net diversion.

Figure 5-4. Energy Recovery Over Time



CAAF and Kiln

Subsidies for CAAF and Kiln were discontinued at the end of 2017. In 2020, CAAF and Kiln dropped to zero, down 100% from their already-low 2019 levels of 1,720 pounds of carpet handled through CAAF and 17,341 pounds going to Kiln (see Table 5-2).

Waste-to-Energy (WTE)

In 2020, WTE continued to stay at zero for the second consecutive year (see Table 5-2). PCC disposed as WTE is typically unusable material resulting from the recycling process that would otherwise be sent to the landfill. Although WTE is not considered Recycled Output, it can be viewed as PCC diverted from landfills inside and outside of California. WTE is not part of the subsidy program but is considered by the Program to be higher use than going to the landfill. Collected material sent to landfill also decreased in 2019, as noted the section below.

Table 5-2. Energy Recovery by Method (million pounds)

Use	2018	2019	Change	Change (%)
Kiln	0.017	0	-0.017	-100%
CAAF	0.002	0	-0.002	-100%
WTE	0	0	0.000	N/A

5.6.5 Disposal

Per the 2018–2022 Plan (page 45), the formula used for calculating Disposal is Discards (251.5 million pounds) minus Recycled Output (52.6 million pounds), for a total of 198.9 million pounds. With the passage of AB 1158, a review of the Discards calculation was proposed in the 2018–2022 Plan, and such a study is in progress. For this report, the formula for the Discards calculation remains unchanged (see Section 5.13.1 for details).

In 2020, Tier 1 Processors reported the total Processor pounds sent to landfill for disposal as 10.3 million pounds, down 36% from 16.1 million pounds in 2019 (see Table 3-1). Materials sent to landfill are generally classified as unusable PCC materials collected during the Gross Collections process or generated as an unusable byproduct of production or processing that is not converted to Recycled Output or managed through an energy recovery, CAAF, Kiln, or WTE utilization process.

5.7 Increasing Recyclability

CCR Section 18944(a)(5)(A)6. Describe efforts to increase recyclability of carpets.

Yield is calculated as the ratio of Gross Collections converted into Recycled Output, expressed as a percentage of Gross Collections. Yield serves as the primary metric used to measure changes in recyclability, which refers to how easily carpets can be separated into their component parts and ultimately recycled. As Yield increases, a higher percentage of Gross Collections are converted into Recycled Output, indicating an increase in overall recyclability of PCC collected. Increased Yield is currently driven primarily by improvements in downstream collection and processing efficiency, as well as technology innovations improving Recycled Output performance and development of new secondary products.

In addition, many Carpet Mills continue efforts to increase recyclability at the source of manufacture, which may serve to further benefit carpet recyclability in future years. Example actions taken by Carpet Mills that may provide benefits for source reduction and/or increased recyclability are summarized in Section 5.4.1. An industry-funded,

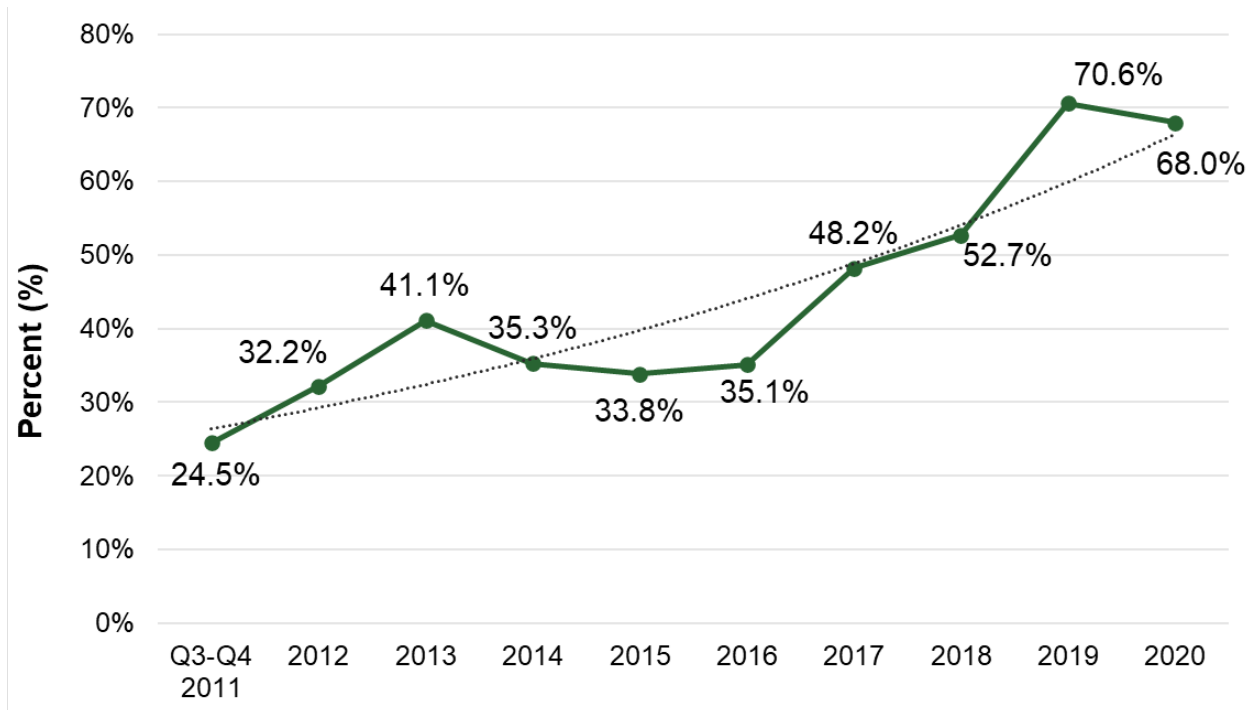
voluntary back-stamping initiative led by CRI began in 2015 with the goal of full adoption by the end of 2016 is estimated it covers approximately 94% of carpet sold in California. These labeling improvements are designed to identify material types and continue to increase recyclability of PCC over time. The status of this initiative is discussed in Section 4.1.

Overall recyclability as indicated by Yield decreased slightly this year to 68% of Gross Collections, down slightly from the Program's high to date of 71% in 2019 but still well above the 2022 target of 60% (see Figure 5-5). Finding ways to reuse or recycle all components of carpet is central to increasing Yield. A key contributor to these Yield gains involved finding outlets for post-consumer carpet calcium carbonate (PC4).

The Program continues to expand understanding of how to use these materials in a safe and effective manner, which is an evolving process with regard to science, technology, and regulations. CARE initiated studies at both the University of California at Davis and Humboldt State University (working with GHD Engineering) to gain further insights. That work has been published on CARE's website and shared in E-News. Following are links to the [Report](#) and related [Appendices](#). As knowledge and understanding expanded, CARE worked to develop draft guidelines addressing in-ground and on-ground applications of PCC materials. The draft guidelines were released in September 2019 and published on the [CARE website](#). The Program expects that as recycling of backing materials continues to increase (PC4) and processor sifting processes improve, Yield will continue to rise.

Figure 5-5 indicates an increase in Recycled Output percentage since the start of the Program, and the dotted line represents an exponentially weight curve fit illustrating the strong growth trend. The increase is largely driven by the expanded use of PC4, thus avoiding that material being sent to landfill. It is worth noting that the PC4 subsidy is between 8 to 17 times that of the value of virgin calcium carbonate based on market feedback on what it takes to move this recycled material.

Figure 5-5. Percent of Gross Collections Converted to Recycled Output (Yield)



Under the Program, CARE historically has relied on Carpet Mills as the primary driver for major design changes and improvements in the recyclability of carpet and carpet tile. Such developments are considered long-term and will take years to manifest in the marketplace. Once the new carpet is introduced into commerce, it takes another period of time, typically 5 to 20 years, to show up in the recycle stream. The Program’s recyclability efforts in 2019 continued to focus on increasing Yield and supporting development of secondary products that use Recycled Output, primarily through technical assistance to Collector/Sorters, Tier 1 Processors, and Tier 2 Manufacturers. In addition, CARE works to identify, qualify, and report on technologies that will improve carpet recyclability over the long-term, including working with Carpet Mills to increase recyclability and source reduction.

Of the Gross Collections of carpet in 2020, Tier 1 Processors reported the percentage of each polymer by type. With the exception of Nylon 6, which increased by 6 percentage points (from 26% to 32%), percentages by fiber types in 2020 remained fairly similar to 2019 levels, with changes of only 1 to 3 percentage points up or down (see Figure 5-6). PET fiber remained the largest share, with nearly half of Gross Collections at 45% in 2020. Nylon 6 was the next largest portion, with approximately one-third of Gross Collections, at 32% in 2020. Nylon 6,6 represented 15% in 2020, and Polypropylene was 5%. Wool (0%) and other/mixed fibers (2%) remained a relatively insignificant portion of the PCC waste stream. Note that the face fiber percentage breakdown is estimated and may vary based on which fibers move in the recycling marketplace.

In late 2017, CARE began tracking Type 1 Recycled Output by fiber type with the launch of the new Nylon 6 Tier 2 Manufacturer subsidy, providing CARE with a better understanding of Nylon 6 Recycled Output demand as a feedstock for new recycled carpet products. In 2020, California sales of new carpet by face fiber ranged from approximately 46% PET (up from 39% in 2019); 35% Nylon 6 (down from 37%); 9% Nylon 6,6 (down from 12%); 5% Polypropylene (same as 2019); and 5% other mixed and natural fibers (down from 7%).

5.7.1 Key Plan Drivers on Recyclability and Closed-Loop Recycling

CARE made a commitment in the 2018–2022 Plan to continue encouraging Carpet Mills to increase recyclability and closed-loop recycling approaches. Two foundational Processor facility developments discussed were as follows:

- A new facility anticipated to come online in mid-2018, which committed to focus specifically on the recycling of Nylon 6 from commercial broadloom carpet. The intent expressed was expanding both Nylon 6 broadloom fiber recovery and tile processing for California beginning in 2019.
 - **Status:** This facility, **XT Green**, supported with a CARE equipment grant, has experienced extraordinary delays impacted by the China trade war and tariffs, power provision challenges and most recently production shutdowns in Wuhan, China, due to COVID-19. This facility had power service upgraded by late 2019; however, no equipment has been installed as of 2020, and the facility remains not operational. CARE began action to recover \$125,000 in grant funds in late 2020. (Note: This was successfully completed in Q2 2021.)
- A fiber producer committed to recycling Nylon 6 in Phoenix with plans for additional capacity in California for 2019.
 - **Status:** The **Aquafil–Phoenix** facility is operational in their production of whole Nylon 6 carpet and Nylon 6 fiber; however, unanticipated operational challenges have resulted in capacity output at less than half of that which was projected. It is known that carpet fibers processed at this facility are ultimately processed and recycled into their post-consumer carpet recycled ECONYL® yarns along with other Nylon 6 products, which Aquafil reports are used by more than 100 Carpet Mills in Georgia.

The \$12-million, 36-million-pound capacity **Aquafil–Woodland** facility in California, with partially CARE grant-funded equipment installed, was expected to be operational by June 2019 with 50 new jobs. However, due to the devastating Northern California wildfires, PG&E was not able to deliver sufficient power to partially energize the facility until late Q3 2020.

The facility is not expected to be fully operational until Q3 2021, more than two years after its planned opening.

Each of these operations was considered an important way to grow and expand closed-loop recycling of carpet fiber to carpet fiber and was a key element in the strategy to reach 24% recycling by the beginning of 2020. Had any one of these operations come online as scheduled and met design capacity, the Recycled Output would have met or exceeded the target. If all had become operational, CARE could have reported a dramatic increment above 24%. Despite CARE grant funding and technical assistance offered, these are not CARE-run facilities, and thus are not under CARE's control. A number of factors outside the control of the recyclers, CARE, and CalRecycle were at play, including devastating wildfires and the disastrous COVID-19 pandemic. CARE continues to stay as proactively engaged as is feasibly possible to support facilities as they become operational and provide greater overall capacity and closed-loop recycling materials to benefit the manufacture of carpet.

CARE estimates that if the COVID-19 pandemic had not interrupted the markets, and the Aquafil Woodland Plant would have been operational for part of 2020, the Recycling Rate would have easily exceeded the 24% target.

Figure 5-6. Reported Percent Fiber by Type in Gross Collections Over Time

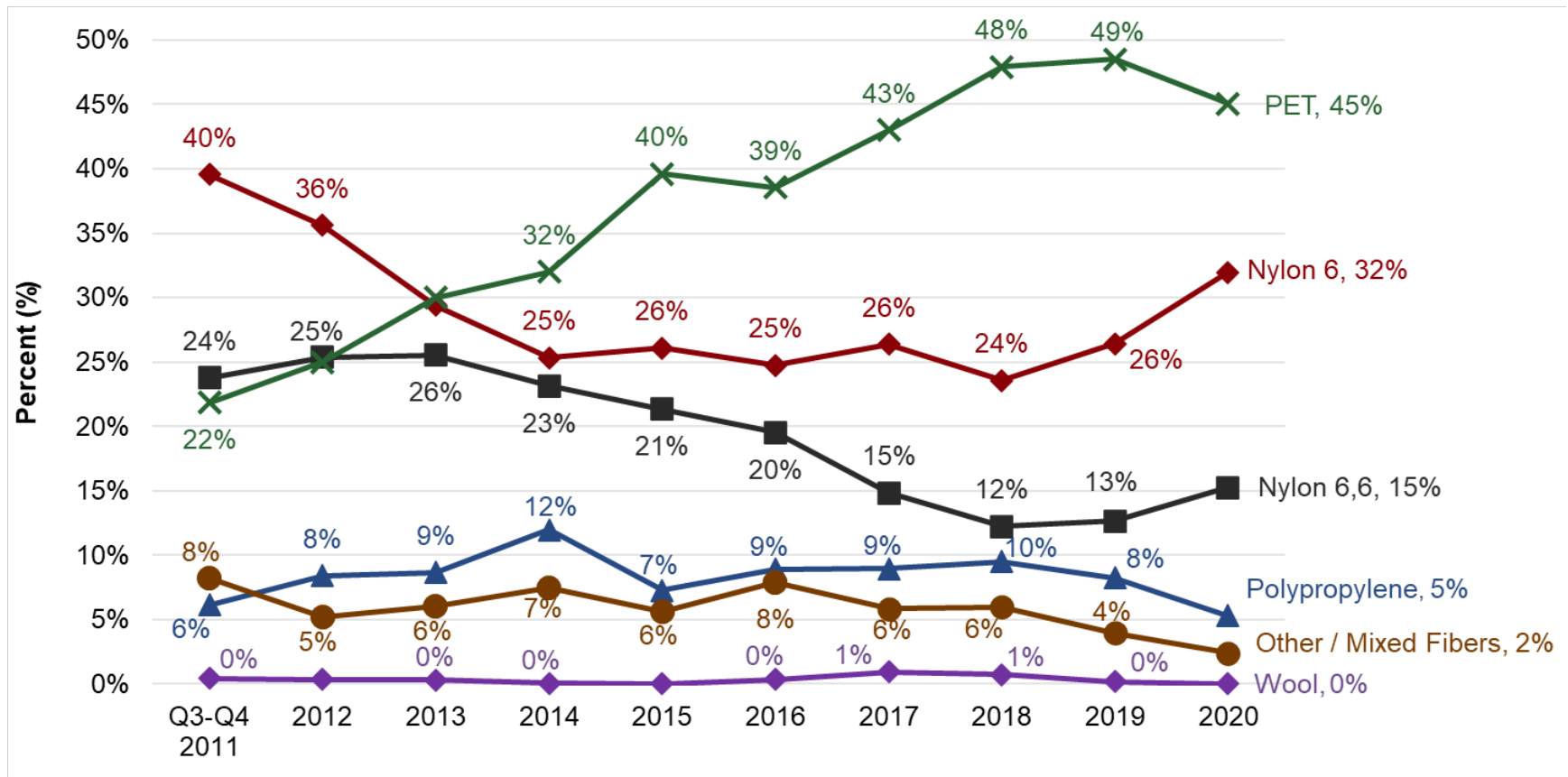
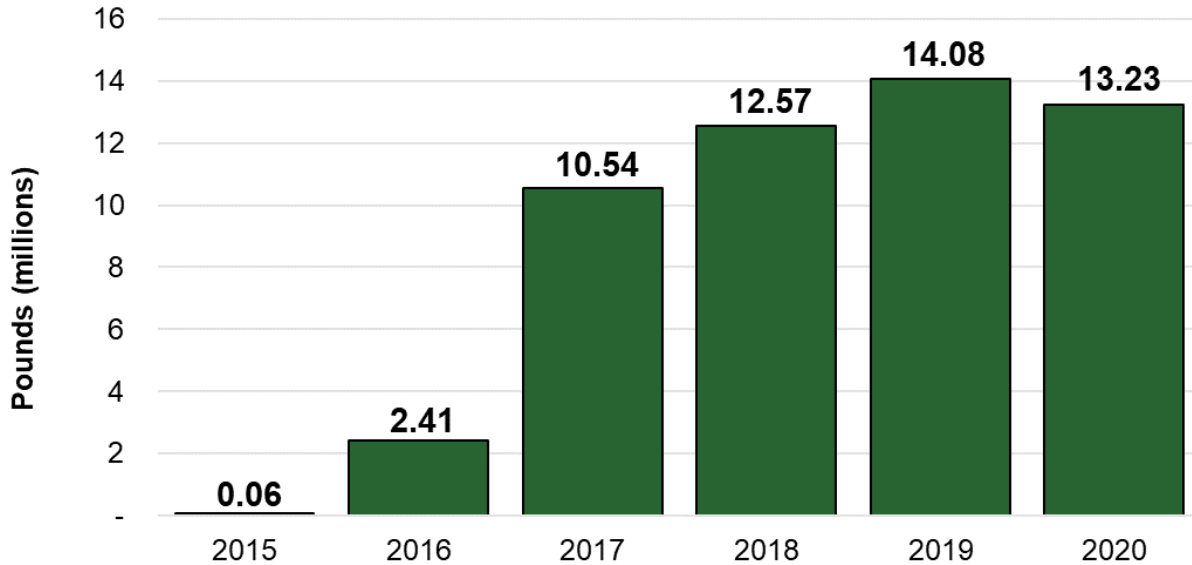


Figure Note: Effective with the new online database, CARE has refined its analysis and this chart has been modified to reflect this analysis. Additionally, data are based on reported collection percentages by recyclers of California PCC. Data may not be accurate due to preferential selection of higher-value fiber types.

In 2020, the Program continued its efforts to increase the portion of Gross Collections converted and used as Recycled Output through the incentives described below.

PC4 Subsidy. With 13.23 million pounds recycled, PC4 Recycled Output decreased in 2020, down 6% from its high of 14.08 million pounds recycled in 2019 (see Figure 5-7), in line with decreases in Gross Collections during the pandemic.

Figure 5-7. Calcium Carbonate (PC4) Pounds Over Time



Grant Program. The impact from grants implemented in Cycle 1 (2016–2017) continued to support increases in recycled Yield from raw carpet both directly and indirectly. Secondary products from companies such as SafePath Products continue to incorporate PC4, and new products have also been in development. Similarly grants supporting Processors ability to screen PC4 has supported their continued expansion of end-market opportunities for various grades (by screening) of PC4 materials.

The Program has learned the direct impact of grants following a 2018 pause while the Plan was being rewritten and CalRecycle denied CARE’s request to allow grant funding release. This unfortunate pause effectively delayed planned PCC collections and additional Recycled Output until 2019, with rollover impacts to subsequent years. Expanded grants discussion with detail can be found in Chapter 6, *Market Development*.

- **Technical Assistance.** Product development work, based on the concept of feedstock conversion, continued in 2020. This work involves adding PCC material into the recipes of existing secondary products, displacing rubber or plastic to reduce the product cost, improve the scent, or increase performance. Because carpet backing material accounts for more than 40% of carpet weight,

efforts continued to focus on finding uses for PC4 and a variety of other materials. Technical assistance continues to involve providing support for potential new Processors and Manufacturers to join the Program, understand the subsidy and incentive structure, improve the quality or quantity of Recycled Output, and move into new product markets (see Chapter 6, *Market Development*).

- **Highest Recyclability Processor Subsidy.** With the implementation of AB 1158, requiring definition and incentivizing those materials determined to meet Highest Recyclability criteria, a new Processor subsidy was introduced which has facilitated an increased capture of lower yield Nylon 6 commercial broadloom.

- **Highest Recyclability Subsidy:** In Q1 2019, CARE introduced a \$0.05 per pound Processor subsidy, which remained at that value in 2020. The subsidy is consistent with the provision that, “Any grants or subsidies provided for the recycling of postconsumer carpet shall be structured to incentivize the recycling of carpet materials that have the **highest recyclability.**”

Current materials meeting the defined criteria scoring (see Section 5.16.1) are Nylon 6 and Nylon 6,6 and carpet tile. Processor pounds of Nylon 6 in 2020 increased 25% over 2019, and Nylon 6,6 pounds decreased 28% for the same period. Anecdotally, there was an increase in the recovery of commercial Nylon broadloom, which has a lower recovery rate due to its low fiber yield and often continuous loop construction, which in turn significantly slows production. A 93% increase in carpet tile recycling was also reported in 2020.

It is worth noting that CARE anticipates the definition of Highest Recyclability may be refined in the future based on market developments and innovations in molecular recycling.

- **Recycled Product Manufacturer Subsidies.** Starting in 2018, the Program modified the two subsidies offered for manufacturers of recycled products containing PCC Recycled Output, in an effort to provide further fiber type detail.
 - **PET/PTT and PP Recycled Product Subsidies** (formerly known as Non-Nylon collectively): Since the Program began in 2011, the Program has experienced growth in PET carpet discards. The \$0.25 per pound subsidy has continued to have a positive impact on recycled product use of Non-Nylon material in secondary products. Despite the 2018 loss of a major PET outlet to decking lumber, two significant PET fiber and new agglomerated pellet outlets have come online. PET/PTT and PP totaled

20.6 million pounds in 2020, up 8% from 19.1 million pounds in 2019 (see Figure 5-16 on page 146).

- **Nylon 6 Recycled Product Subsidy:** Launched as a pilot in 2017, the Tier 2 Manufacturer subsidy for Nylon 6 supports Recycled Output used in the manufacture of recycled products. The Nylon 6 subsidy was made permanent in the 2018–2022 Plan.

5.8 Increasing Recycled Output

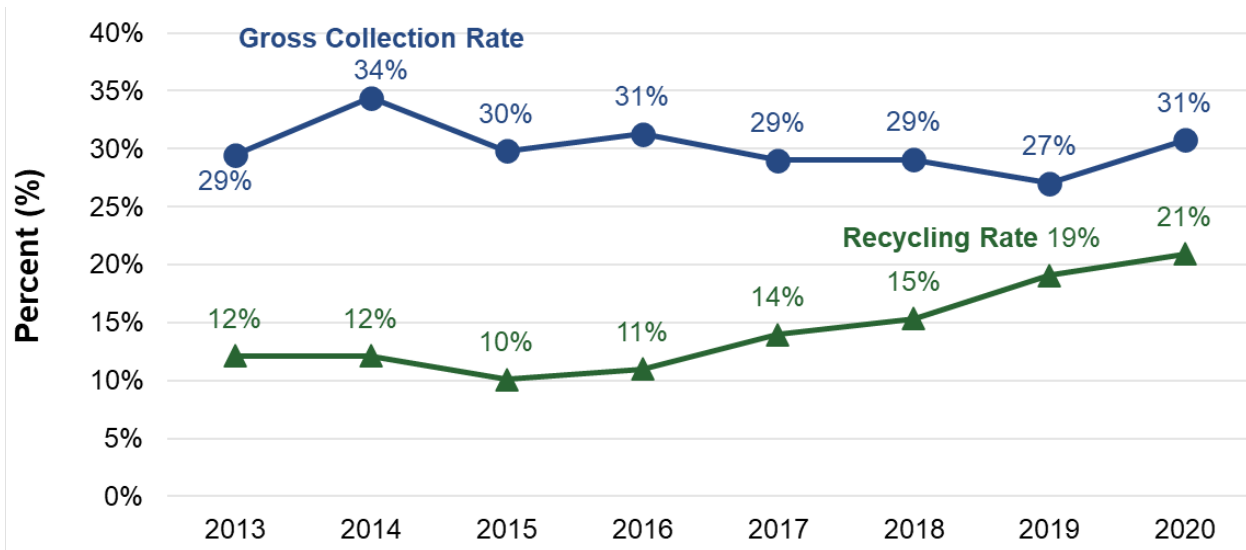
CCR Section 18944(a)(5)(A)7. Describe efforts to increase recycling of post-consumer carpet.

Recycled Output composes the portion of Gross Collections that is successfully converted from PCC to an end-use product, or feedstock for a secondary product. The Program uses a subsidy structure that compensates Tier 1 Processors based on the number of pounds of materials converted to Recycled Output, and Tier 2 Manufacturers based on how much Recycled Output they use in their recycled-content products. These subsidies play an important role in stimulating short-term growth as well as stabilizing the overall industry during times of change. Enabling growth in Recycled Output, growth in product options, and market pull-through are the key drivers in the efforts to increase PC carpet recycling.

The Recycling Rate (Recycled Output as a percentage of total discards) increased to 21% in 2020, an 11% increase from 19% in 2019 (see Figure 5-8). In 2020, the quarterly recycling rate dipped to 19.8% in Q2, reflecting severe economic slowdowns in that stage of the COVID-19 global pandemic. Recycling increased to 20.5% in Q3 and then reached a new high of 23.2% in Q4. Since the Program's inception in July 2011, a cumulative total of 415 million pounds of PCC (13.1% of discards) have been recycled.

Reiterating a prior narrative, if any of several grant-supported processing operations had come online as planned in 2020, the reported recycling rate in Q4 would have easily met or exceeded 24%. New processing capacity is finally expected to ramp up in 2021 and increase Recycled Output.

Figure 5-8. Gross Collection Rate and Recycling Rate Over Time



During 2020, as a component of the required Differential Assessment analysis, CARE conducted an in-depth evaluation on the recycling rate of various fibers as well as carpet material types. While the full Differential Assessment analysis report is due to CalRecycle in June 2021, some high-level takeaways provide clear feedback for areas of needed improvement. Included in that analysis was the percent of market share the various fibers (e.g., wool less than 1%, mixed fiber x%) and carpet materials (e.g., tile and broadloom) command in relation to their overall recycling rate. The most significant standout difference was the overall low recycling rate of carpet tile when compared to broadloom.

Figure 5-9 reflects three years of data, from 2018 to 2020, on the Recycling Rates for carpet tile which is presently only at 5%, when compared to the various broadloom categories of Nylon 6 at 25%, Nylon 6,6 at 42%, Polypropylene at 24% and PET at 21%. Following that, Figure 5-11 provides a view of the Recycled Output pounds for each of those respective categories over time with tile contributing less than 2 million pounds over time while broadloom PET and Nylon 6 combined contribute most significantly to Recycled Output achievement.

Figure 5-9. Recycling Rate by Broadloom Carpet Type and Carpet Tile

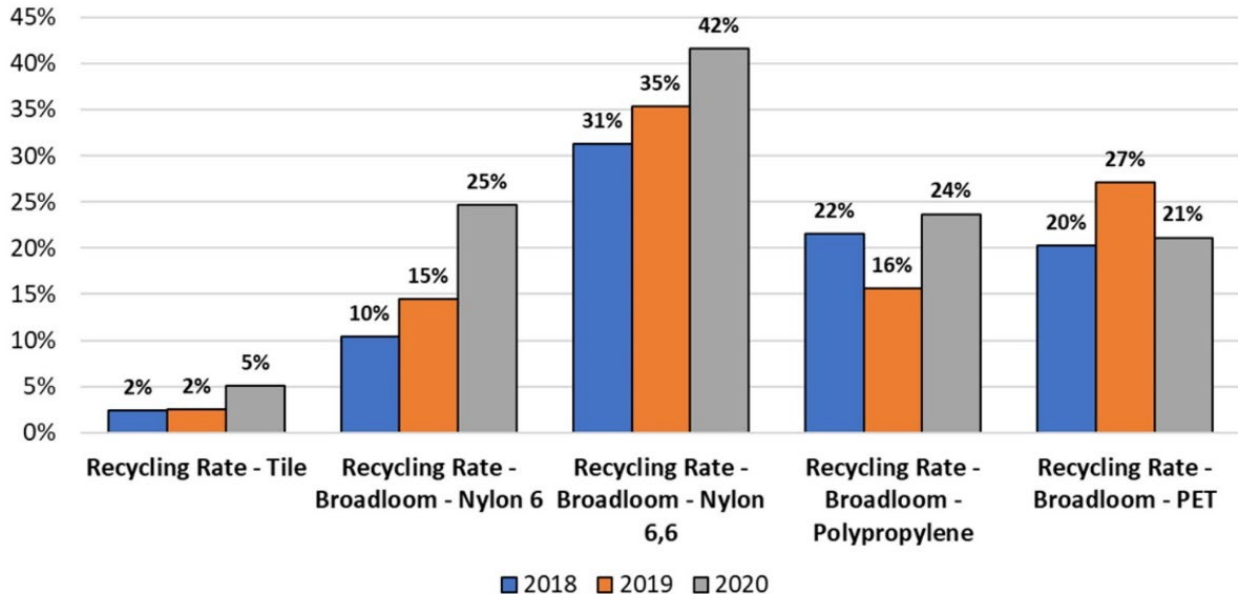
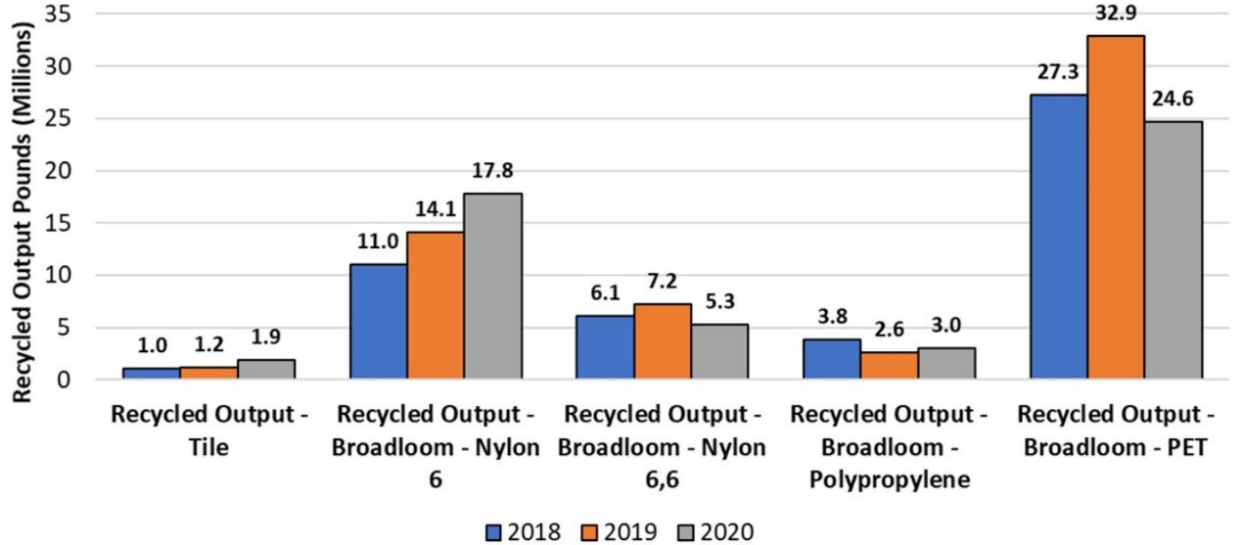


Figure 5-10. Recycled Output by Broadloom Carpet Type and Carpet Tile (million pounds)

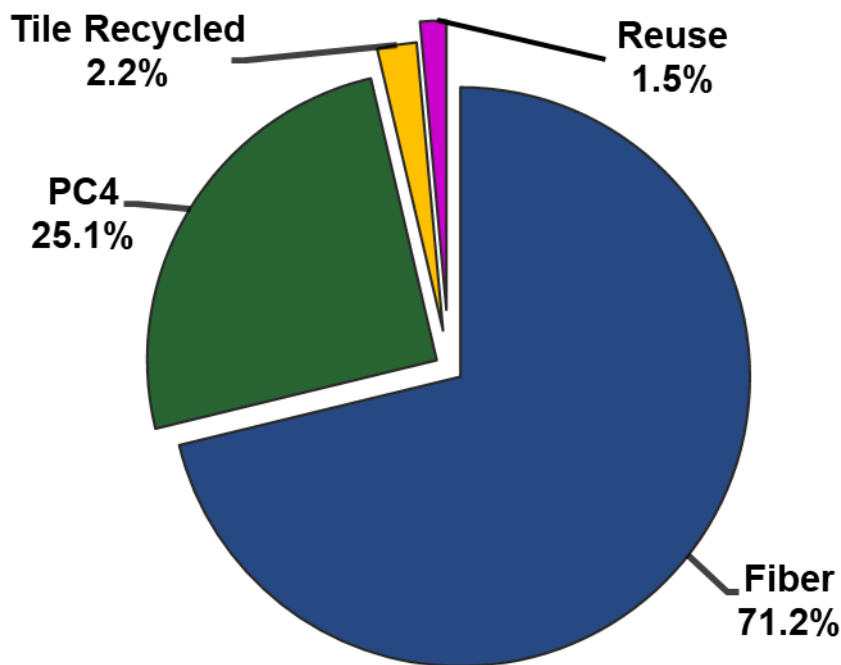


As described in Chapter 6, grants since 2017 have helped expand Recycled Output in California, though declines from other Processors and Manufacturers have hampered the growth. In 2020, gains of 4.0 million pounds of new Recycled Output were more than offset by 9.4 million pounds of lost RO in the same period (see Figure 4-16). As markets continue to develop, new Recycled Output capacity holds promise for increased RO in future years. The Program continues to offer support in the form of

subsidies and other incentives to support and accelerate growth in Recycled Output, especially within California. Grants are contributing significantly to this growth. Recycled Output is the sum of all Type 1 + Type 2 + PC4 Recycled Outputs + Reuse. The primary components of Recycled Output in 2020, as illustrated in Figure 5-11, include Fiber, PC4, Carpet Tile, and Reuse. Depolymerization, Carcass, and Filler were zero in 2020 and are not shown in the figure below.

Recycled Output =
Type 1 + Type 2 + PC4 Recycled Outputs + Reuse

Figure 5-11. Recycled Output Components

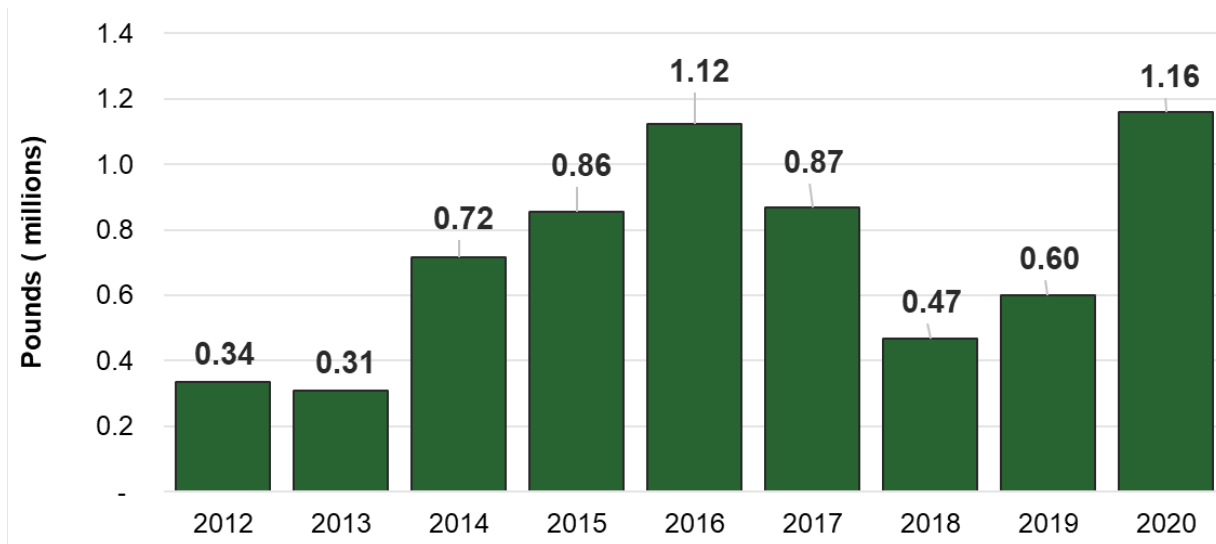


The largest component of Recycled Output continues to be Fiber, at 71.2% of total RO in 2020. Pounds of Fiber decreased to 37.5 million pounds, down 12% from 42.4 million in 2019. The second largest component reflects the growing market for PC4 backing material, which grew from only 0.2% of Recycled Output in 2015 to 25.1% in 2020. The PC4 subsidy of \$0.17 per pound for Tier 1 Processors, combined with grant awards and technical assistance, has supported growth over time in PC4 pounds recycled.

The remaining components included carpet tile recycling and reuse. Recycled carpet tile made up 2.2% of 2020 total Recycled Output, up from 1% in 2019. The Program’s subsidy for carpet tile recycling has been in place since 2015. Carpet tile recycled increased in 2020 to 1.16 million pounds (+93%), up from 0.60 million pounds recycled in 2019 (see Figure 5-12).

A significant increase in carpet tile recycling had been anticipated with support of a Cycle 2A grant to Interface, which was projected to handle more than 10 million pounds of California carpet tile. However, delayed release of grant funding until Plan approval and unanticipated technical issues delayed tile processing start-up. While it was anticipated that full capacity production and significantly increased carpet tile processing would be realized in 2020, ongoing operational challenges coupled with the pandemic resulted in less than 20% of the projected output.

Figure 5-12. Carpet Tile Recycled (million pounds)



Reuse composed the remaining 1.5% of Recycled Output in 2020, compared to 1.2% in 2019. Reuse in 2020 totaled 764,941 pounds, about a 7% increase from 716,819 pounds in 2019 (see Figure 5-3 and Section 5.6.1). The addition of a new Southern California Collector/Sorter, focusing on carpet tile, contributed to the increases in both reuse and recycling of carpet tile during 2020.

Table 5-3 below is intended to clarify definitions of **Recycled Output**, **Recycling Rate**, and **Yield** and summarize relevant metrics.

Table 5-3. Recycled Output, Recycling Rate, and Yield Definitions and Metrics

Term	Definition	Metric
Recycled Output (RO)	The sum of Reuse and the material that results from the industry-recognized processing (shredding, shearing, hammer-milling, depolymerization, etc.) of PCC from a Processor. Examples of Recycled Output include fiber, shredded carpet tile, depolymerized chemical components, carpet filler, PC4, etc. The Program currently distinguishes between two types of material: Type 1 Recycled Output and Type 2 Recycled Output materials (see Definitions in Appendix 10.13 for further explanation).	Recycled Output decreased to 52.6 million pounds in 2020, a 9% decrease from 58 million pounds in 2019.
Recycling Rate	The proportion of carpet discards converted into Recycled Output , expressed as a percentage of carpet discards. The Program’s recycling rate goal is 24% by 2020.	The Recycling Rate increased to 21% in 2020, up from 19% in 2019. The quarterly recycling rate reached a new high of 23.2% in Q4 2020, approaching the goal of 24% by 2020.
Yield	The ratio of Gross Collections converted into Recycled Output , expressed as a percentage of Gross Collections; also referred to as Gross Collection conversion rate. Yield is used as the primary metric to measure changes in carpet recyclability.	Yield decreased in 2020 to 68% of Gross Collections (GC), down slightly from 71% in 2019, though it remained well above the target of 60% by 2022.

Table Note: Appendix 10.13, Definitions, describes these terms in more detail.

5.9 Increasing Overall Diversion

CCR Section 18944(a)(5)(A)8. Describe efforts to increase diversion of post-consumer carpet from landfills.

Overall diversion of post-consumer carpet (PCC) from landfills is a principal objective of the Program, especially as technology, infrastructure, and awareness of carpet recycling continue to evolve. **Net diversion** is defined as the difference between Gross Collections net of any materials sent to landfill. Materials diverted from landfill include Reuse, Recycled Output (Type 1 + Type 2 + PC4 + Carcass), CAAF and Kiln, Waste-to-Energy (WTE), and exported whole carpet. Carpet cushion/pad is excluded from carpet diversion figures but does constitute additional landfill diversion as an auxiliary co-benefit of the Program (see Table 3-1 for pounds of cushion/pad diverted). The Program tracks and calculates both net diversion and reported diversion, as described below.

Net diversion is an estimate based on the estimated pounds of PCC collected and reported by recyclers minus the amount of all whole carpet (PCC) and Processor waste sent to landfill. In 2020, net diversion was calculated to be 67 million pounds, or 27% of discards and 87% of Gross Collections. This is a 1% decrease from the 66 million pounds of net diversion in 2019, which was 22% of discards and 80% of Gross Collections.

Reported diversion is the sum of Reuse, Recycled Output (Type 1 + Type 2 + PC4 + Carcass), CAAF and Kiln, WTE, and exported whole carpet. Cushion is excluded. Net diversion does not equal reported diversion for two reasons. First, Gross Collections are based on estimates, not actual shipments or sales, while Recycled Output is based on actual weights. Second, a substantial amount of material may be retained in inventory as whole carpet, processed materials, or other outputs in progress that are not yet accounted for as finished material outputs. In 2020, the total reported diversion (not including cushion/pad) equaled 53 million pounds, a 10% decrease from 58 million pounds in 2019. Table 5-4 and Table 5-5 show reported diversion by type and percentage.

In 2020, the largest component of reported diversion was fiber/depolymerization, at about 37 million pounds, or 13% of discards. In 2020, 100% of material in this category was fiber. The second largest component of reported diversion was PC4 Recycled Output at 13 million diverted pounds (4.4% of discards). With much lower quantities were Reuse at 0.8 million pounds (0.3% of discards), recycled tile at 1 million pounds (0.4% of discards), exports at 0 pounds, carcass at zero pounds, and energy recovery at zero pounds.

Carpet cushion/pad is additive diversion, which is a co-benefit of carpet recycling efforts. In 2020, 9.4 million pounds were reported diverted from the landfill. The

Program indirectly diverts carpet padding or cushion (mainly polyurethane foam, also known as rebound) at several sites where the padding material is accepted with PCC as a separate recyclable material. A market exists for these materials, though it varies. Being able to recycle both co-generated materials at the same time provides drop-off convenience for installers, retailers, contractors, and consumers, which in turn supports Program participation and thus carpet recycling. Revenue from sale of captured polyurethane padding augments financial performance of the Program recyclers.

Figure 5-13 reflects CARE's success in increasing the diversion of post-consumer carpet from landfills. Capacity expansion, materials processing improvements, and end-market development have been key factors that have resulted in Yield improvements and overall increased Recycled Output. CARE's Yield rate of 68% in 2020 helped divert material from the landfill.

Figure 5-13. Disposal Over Time (Discards Minus Recycled Output)

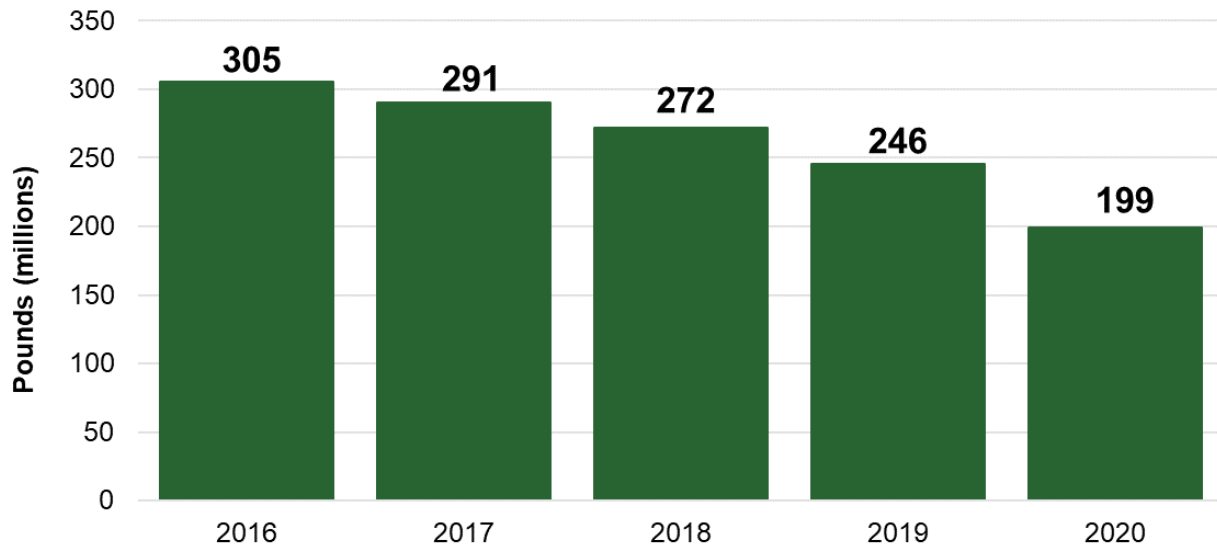


Table 5-4. Reported Diversion by Type (million pounds)

Diversion from Landfill by Type	2011 (Q3+Q4)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Reuse	0	0.152	0.026	0.174	0.614	0.926	0.414	0.734	0.717	0.765
Tile Recycled	0.044	0.336	0.310	0.717	0.856	1.122	0.867	0.469	0.599	1.159
Fiber / Depoly	11.486	34.007	43.719	43.397	34.762	34.219	36.288	36.002	42.999	38.620
PC4	0	0	0	0	0.061	2.412	10.538	12.571	14.077	13.230
Filler	0.522	1.983	0.390	0	0	0	0	0	0	0
Carcass	0	0.160	0	0	0	0.169	0	0	0.214	0
Kiln	0	0.044	0.048	9.255	6.854	3.417	1.948	0	0.017	0
CAAF	0	0	0.137	0	0	0.054	0.017	0	0.002	0
WTE	7.444	11.417	20.331	21.311	22.880	17.548	9.762	1.832	0	0
Exports	1.712	7.953	4.330	11.228	7.846	2.272	2.791	0.609	0.467	0
Carpet Cushion/Pad	0.692	6.108	2.914	4.804	6.901	6.765	5.894	9.056	8.492	9.334

Table 5-5. Reported Diversion by Percentage

Diversion from Landfill by Type	2011 (Q3+Q4)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Carpet Discards (million pounds)	181.036	356.977	363.567	357.671	345.197	342.787	337.748	321.587	303.836	251.480
Reuse	0.0%	0.0%	0.0%	0.0%	0.2%	0.3%	0.1%	0.2%	0.2%	0.3%
Tile Recycled	0.0%	0.1%	0.1%	0.2%	0.2%	0.3%	0.3%	0.1%	0.2%	0.4%
Fiber / Depoly	6.3%	9.5%	12.0%	12.1%	10.1%	10.0%	10.7%	11.2%	14.2%	12.7%
PC4	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	3.1%	3.9%	4.6%	4.4%
Filler	0.3%	0.6%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Carcass	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%
Kiln	0.0%	0.0%	0.0%	2.6%	2.0%	1.0%	0.6%	0.0%	0.0%	0.0%
CAAF	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
WTE	4.1%	3.2%	5.6%	6.0%	6.6%	5.1%	2.9%	0.6%	0.0%	0.0%
Exports	0.9%	2.2%	1.2%	3.1%	2.3%	0.7%	0.8%	0.2%	0.2%	0.0%

5.10 Environmental Impacts

CCR Section 18944(a)(5)(A)9. Describe other environmental impacts as data are available, e.g., greenhouse gas emissions. Descriptions of any enforcement actions or problems related to plan implementation.

This section addresses greenhouse gas (GHG) emissions associated with management of carpet discards as well as safeguards for the use of Recycled Output, such as land application of calcium carbonate from post-consumer carpet (PC4).

5.10.1 Greenhouse Gas Emissions and Reductions

The U.S. Environmental Protection Agency (USEPA) has identified recycled carpet as a material with significant potential for greenhouse gas reductions. Establishing and supporting a robust carpet recycling industry can contribute to GHG reductions in California. GHG reductions related to Program activities in 2020 were calculated utilizing the Excel-based USEPA [Waste Reduction Model](#) (WARM).

As noted in prior annual reports, due to the reduction in domestic depolymerization of Nylon 6 (with the shutdown of Evergreen Nylon Recycling), less energy-intensive mechanical practices are replacing the use of chemical conversion practices, resulting in a net reduction of greenhouse gas emissions for every pound of carpet recycled compared to previous years. Due to these industry changes, the GHG estimates in this report may be underestimated since it is not clear if the existing WARM model reflects this decrease in high intensity depolymerization.

The carpet portion of the WARM model was last substantially updated in 2012 when the carpet industry was quite different from its composition today. In 2012, the face fiber market in the residential segment was dominated by Nylon face fiber, both Nylon 6 and Nylon 6,6. Today the market is balanced toward PET as the dominant face fiber. This will change the relative costs and benefits of carpet recycling since PET has a significantly lower carbon footprint compared to that of Nylon so the value of recycling the PET, from a carbon footprint perspective, is lower. Second, the main route for recycling Nylon 6 carpet in 2012 was the Evergreen process of depolymerization. This was a particularly energy-intensive route for carpet recycling and increased the overall carbon footprint of the recycling system significantly relative to one in which mechanical recycling is the favored route. The Nylon 6 is still depolymerized by Aquafil in Slovenia in Europe, but the process is different and is more energy-efficient because the inert backing components of the carpet are removed before the remaining polymer is added to the depolymerization reactor. Third, in 2012 the calcium carbonate in the backing was not recycled, whereas today a significant portion of it is. This would spread some of the

carbon footprint attributed to the face fiber to the calcium carbonate, although given its low value this would not change the picture significantly, even though a much larger mass of material is now being recycled.

The model’s assumptions are based on residential broadloom carpet and assume a mix of Nylon 6; Nylon 6,6; PET; and Polypropylene face fibers. WARM includes source reduction, recycling, landfilling, and combustion pathways for management of carpet. Most of the GHG emissions from end-of-life management of carpet occur from waste management, while most of the GHG savings occur from offsetting upstream raw materials acquisition and the manufacturing of other secondary materials that are recovered from carpet.⁵ The WARM analysis is based on California as the state location and uses default assumptions for landfill operations and distances to materials management facilities. Table 5-6 shows the net metric tons of carbon dioxide equivalent (MTCO₂E) emissions per short ton of carpet managed through reuse, recycling, landfilling, or combustion.

Table 5-6. Net Emissions for Carpet by Materials Management Option

Management Options	Reuse	Recycling	Landfilling	Combustion
Description	Net Source Reduction (Reuse) GHG Emissions relative to 100% virgin material	Net Recycling Emissions	Net Landfilling Emissions	Net Combustion Emissions
MTCO ₂ E per short ton of Carpet	-3.68	-2.38	0.02	1.10

Note: Negative values denote net GHG emission reductions or carbon storage from a materials management practice. Composting and anaerobic digestion are not included in WARM as feasible management pathways for carpet.

Results indicate a net reduction of 416,461 metric tons carbon dioxide equivalent (MTCO₂E) since Program inception, through diversion from landfilling, or an average annual reduction of 45,195 MTCO₂E since 2012. Total emissions reductions to date are based on the cumulative sum of net avoided emissions from July 1, 2011–December 31,

⁵ “Chapter 3: Carpet” in U.S. Environmental Protection Agency, *Documentation for Greenhouse Gas Emission and Energy Factors Used in the Waste Reduction Model (WARM): Construction Materials Chapters*, November 2020, Prepared by ICF. www.epa.gov/sites/production/files/2020-12/documents/warm_construction_materials_v15_10-29-2020.pdf

2020, using estimates generated by the Excel-based EPA WARM model (Version 15) compared to a baseline scenario in which all of the carpet material was landfilled. Using landfill for the baseline assumption is more conservative; if combustion is included in the baseline scenario, the benefits of shifting to recycling are greater. Estimated emissions savings for prior years were updated using current Program accounting data from Apris and recalculated in Version 15 of WARM. Baseline year emissions reductions, covering the period from July 1, 2011–June 30, 2012, were previously calculated and reported as 24,926 MTCO₂E; the updated estimates for 2017 and 2018 changed by less than 1%.

In 2020, recycling and source reduction of carpet resulted in the net reduction of 63,685 metric tons of MTCO₂E, a smaller reduction than in 2019, the peak year to date for GHG emissions reductions (see Figure 5-14). Table 5-7, Table 5-8, Figure 5-14, and Figure 5-15 represent the WARM Analysis, Summary, and Equivalency Results for GHG emissions reductions in 2020.

Figure 5-14. Estimated Greenhouse Gas Emissions Reductions (Metric Tons CO₂E)

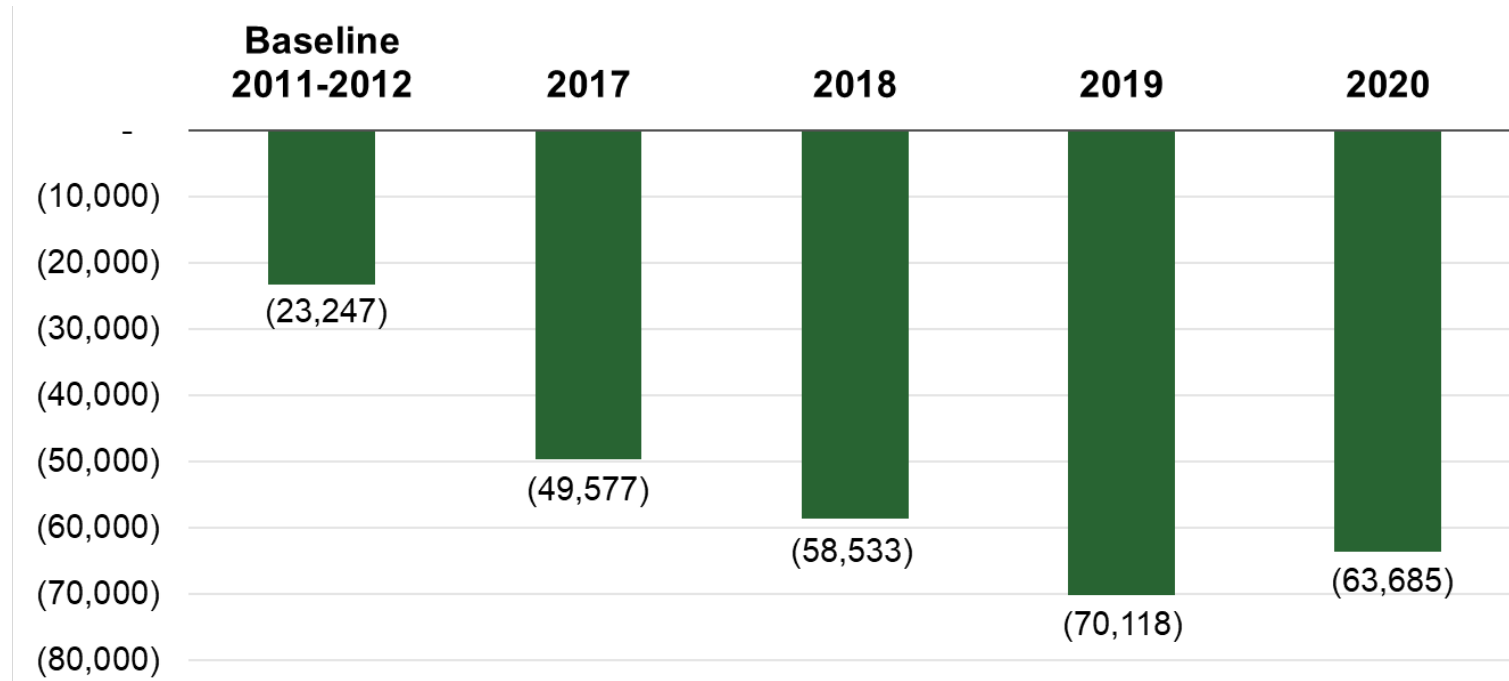


Table 5-7. WARM Analysis of Greenhouse Gas Emissions Reductions for 2020

Waste Reduction Model (WARM) Results	Metric Tons CO ₂ E
Total GHG Emissions from Baseline MSW Generation and Management	2,546.80
Total GHG Emissions from Alternative MSW Generation and Management	-61,138.63
Total Change in GHG Emissions (Alternative Minus Baseline)	-63,685.44

Table Note: CO₂E means carbon dioxide equivalent. A negative value indicates a reduction.

Table 5-8. WARM Greenhouse Gas Emissions Analysis for Baseline and Alternative Management of Carpet, 2020

Scenario	Carpet Tons Source Reduced	Carpet Tons Recycled	Carpet Tons Landfilled	Carpet Tons Combusted	Carpet Tons Composted	Carpet Tons Anaerobically Digested	Total Metric Tons CO ₂ E
Baseline	N/A	0	125,740.02	0	N/A	N/A	2,546.80
Diversion	382.47	25,925.06	99,432.49	0	N/A	N/A	-61,138.63
Net Change	+382.47	+25,925.06	-26,307.53	0	N/A	N/A	-63,685.44

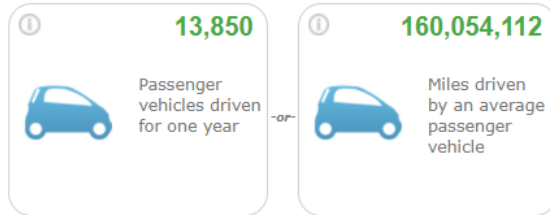
Table Notes: For explanation of methodology, see the [EPA WARM Documentation](#). According to USEPA, emissions estimates provided by this model are intended to support voluntary GHG measurement and reporting initiatives. The GHG emissions results estimated in WARM indicate the life-cycle benefits of waste management alternatives. Due to the timing of the GHG emissions from the waste management pathways (e.g., avoided landfilling and increased recycling), the actual GHG implications may accrue over the long-term. Therefore, one should not interpret the GHG emissions implications as occurring all in one year, but rather over time.

Figure 5-15. Greenhouse Gas Emissions Reductions for 2020: Equivalencies

The sum of the greenhouse gas emissions you entered above is of Carbon Dioxide Equivalent. This is equivalent to:

63,685 Metric Tons

Greenhouse gas emissions from



Carbon sequestered by



CO₂ emissions from



Greenhouse gas emissions avoided by



Note: For more information on how the equivalencies are calculated, see USEPA's [Calculations and References](#) site.

5.10.2 Safeguards for the Use of Recycled Output

To ensure safe and legal use of Recycled Output, CARE has developed a number of guidelines and safeguards. This section addresses post-consumer carpet calcium carbonate (PC4). In response to a single-event land application of PC4 in a landowner's almond orchard (CARE was unaware of this one-time trial use prior to the event) and in compost in 2017–2018, CARE initiated research with the University of California at Davis and initiated discussions with the California Department of Food and Agriculture to assess potential environmental impacts of such uses of PC4.

In response to these developments, CARE took the following actions to strengthen safeguards for the safe and legal use of Recycled Output including PC4:

- Invested resources in the completion of a scientific study conducted by UC Davis researchers to understand the potential impacts associated with compost or land application uses of PC4. CARE will continue to support the best available science to provide ongoing guidance.
- Strengthened internal reviews of processor reported data on Recycled Output to ensure that contact information is provided, and CARE staff is familiar with receiving parties and disposition use. Product producers are responsible for securing testing and clearances for land applications and ensuring compliance with all local, state, and federal regulations.
- Discontinued allowance for incomplete reporting of Recycled Output recipient information such as placeholder recipient names or “available upon request” inputs previously allowed due to confidentiality concerns.
- Discontinued payments of PC4 in land or compost applications as of June 2018, for applications within California; use outside of California continues to be allowed per individual state guidelines. No payments were made in 2019 or 2020 for such applications.
- Recommended that any processors receiving subsidy funds for such PC4 use in compost or land applications be prioritized for AUP review.
- Developed draft guidelines for the in- and on-ground uses for PC4. The draft guidelines were presented to and reviewed by CalRecycle, and the revised guidelines were published in September 2019. An update is planned for 2021.
- In 2020, the Program continued to follow and implement the revised guidelines as published in 2019.

5.11 Increasing Market Growth of Secondary Products

CCR Section 18944(a)(5)(A)10. *Describe efforts to increase the market growth of secondary products made from post-consumer carpet.*

In 2020, the Program continued to focus on eight primary areas previously designated, as well as those subsequently defined through AB 1158, to promote the use of Recycled Output in new carpets or secondary products useful to the marketplace. These market-related strategies and incentives are discussed in greater detail in Chapter 6, *Market Development*.

The year was highlighted by Program efforts that focused on stimulating the secondary market, including the PC4 subsidy for Tier 1 Processors, further development of the Double Green™ label, and implementation of the grant program. The year saw an increase in Tier 2 Manufacturer pounds shipped and sold, to 29 million pounds in 2020, up from 26 million pounds in 2019, an 11% increase (see Figure 5-16). Tier 2 Manufacturer pounds have increased steadily since the subsidy was launched in 2013. Pounds in 2020 included a growing contribution from the Nylon 6 subsidy that started in October 2017. Nylon 6 reached over 8 million pounds in 2020, a 19% increase from the near 7 million Manufacturer pounds shipped and sold in 2019. In 2020, Nylon 6 represented about 29% of total Manufacturer pounds. Tier 2 Non-Nylon, primarily composed of PET and PP, remained strong in PET markets yet realized a sizeable drop in PP markets. During 2020, 24 companies used PCC materials in at least 95 products.

Figure 5-16. Tier 2 Manufacturer Pounds Shipped and Sold Over Time

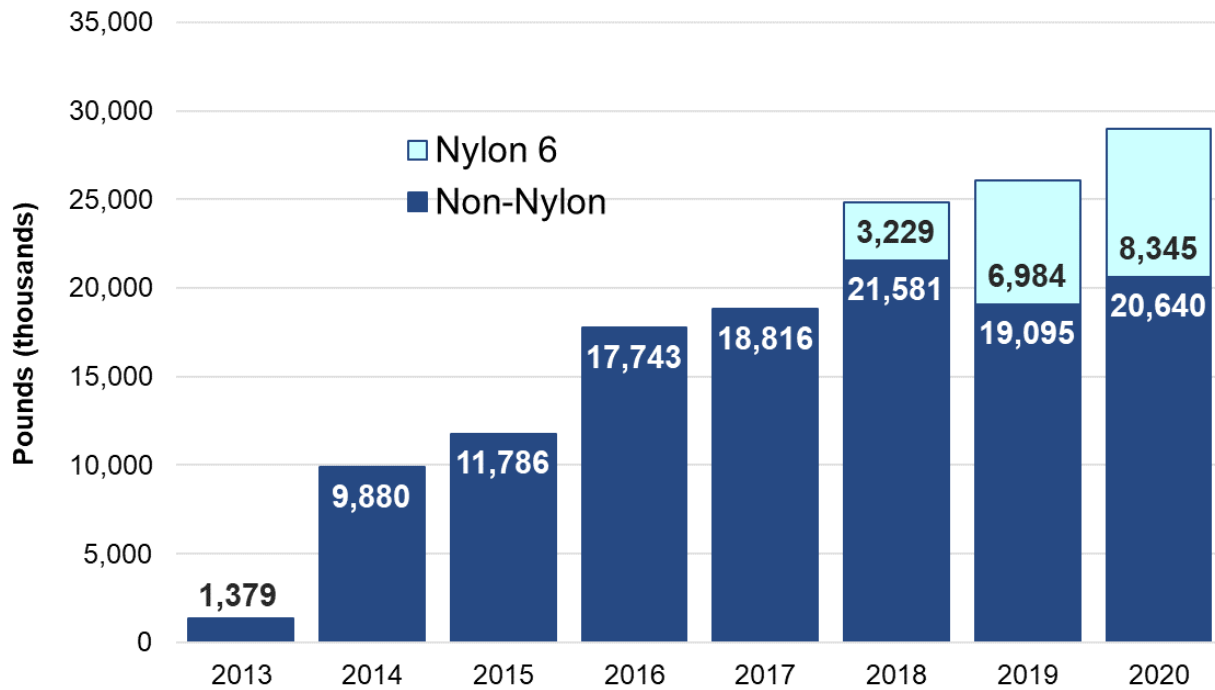


Figure Note: Beginning in Q4 2017, Tier 2 Manufacturer pounds also include recycled products made with Nylon 6.

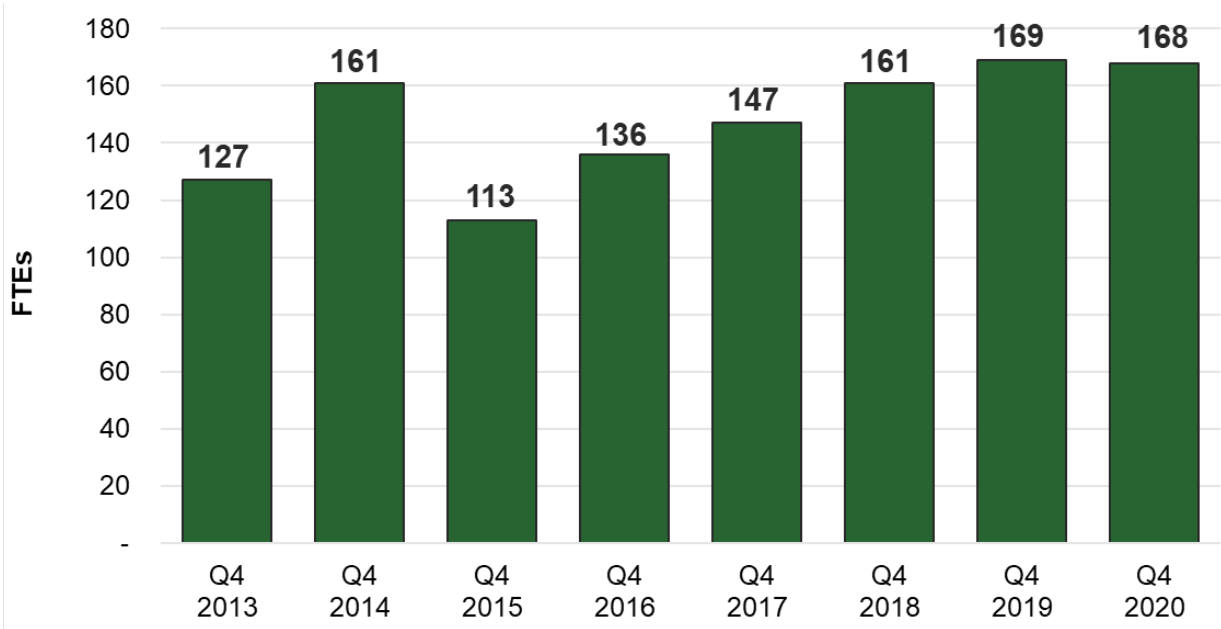
5.12 Creating Green Jobs

CCR Section 18944(a)(5)(A)11. Describe number of jobs attributable to the carpet stewardship program as data are available.

At the close of 2020, a total of 168 full-time equivalent (FTE) jobs were attributed to Collector/Sorters, Tier 1 Processors, and Tier 2 Manufacturer (see Figure 5-17), including 14 CARE staff and contractors. This is a decrease of one job from 169 in 2019, an accomplishment during the COVID-19 global pandemic that drastically altered the economy in California and worldwide. Anticipated growth was delayed due to the pandemic as well as delays in start-up of new facilities related to utility and permitting issues described elsewhere. Job growth owed to investments made in Q4 2018 and in 2019 through Cycles 2A, 2B, 2M, and 3A projected 52 new jobs starting in 2019; however, by year end only six new FTEs materialized. It should be noted that processor power delivery, CSE and Processor permit expansion delays, and Manufacturer technical challenges with new equipment presumed many of those FTE starts would take place in 2020.

It should also be noted that only those FTEs related to Tier 2 Manufacturers receiving subsidy funds from CARE are represented in the figure. FTEs related to grants awarded to non-subsidy receiving Manufacturers (e.g., PC4 users) would account for any difference.

Figure 5-17. Total FTEs Reported (at year end)



Job numbers (reported as FTEs) are only for direct jobs within California and are submitted for quarters or months when a company submits a subsidy request. The figure does not include jobs at facilities located outside California, such as Tier 1 Processors and Tier 2 Manufacturers located in other states, and CARE FTEs were included beginning in 2016. The Program also estimates that three to five indirect jobs are created for every one job resulting from the PCC recycling industry in California. Under this assumption, the industry has created more than 500 direct and indirect jobs in California. This number will increase as Recycled Output demand increases, and new Tier 1 Processors and Tier 2 Manufacturers open new facilities within California.

5.13 Measurement Methodology, Assumptions, Factors, Data Sources

CCR Section 18944(a)(5)(B)1. Report describes the measurement methodology, assumptions, conversion factors, and data sources.

Measurement methodology is described in the California Carpet Stewardship Plan. The Program recycling rate, which was 21% in 2020, is calculated as a function of total estimated discards. The formula used for calculating carpet available for diversion is summarized below.

The values used in the formula are generally updated annually based on market data gathered by Market Insights, LLC, an independent market research firm.⁶ Table 5-9 below shows the updated values used for 2020. The Program is currently conducting a study regarding the Discards formula and potential modifications.

5.13.1 Formula for Calculating Carpet Discards

Table 5-9 presents the variables for estimating carpet discards and their 2020 values.

Table 5-9. Discards Methodology Variables, 2020

Variable	Description	Value	Source
S	Sales (square yards)	66,697,484	Accounting firm (Aprio, LLP)
R	Replacement rate (%)	0.83	Market Insights, Inc.
P	Average weight of carpet per square yard (pounds)	4.48	CARE
D	Pounds of carpet from demolition projects not replaced (%)	0.006	Market Insights, Inc.
DS	Deselection: Pounds of carpet removed but not replaced by carpet (%)	0.008	Market Insights, Inc.

⁶ Market Insights, LLC, *U.S. Carpet Market Size for Recycling Program Tracking with California, Illinois, and Minnesota Markets Detailed* (February 17, 2020).

Table 5-10 shows the formula and calculations used to estimate discards in 2020, with descriptions of each variable below.

Table 5-10. Discards Formula Calculations for 2020

2020 Total
= $S * R * P * (1 + D + DS)$
= $66,697,484 * 0.83 * 4.48 * (1 + 0.0060 + 0.008)$
= 251,480,037 pounds
= 251.5 million pounds

S = Sales: Carpet sales (square yards) in California for the reporting period. Sales data comes from the independent accounting firm Aprio, which collects the confidential sales data from the Carpet Mills registered with CARE.

R = Replacement: Percentage of carpet that is replacement—that is, carpet replacing existing carpet. This rate is derived as the weighted average from the residential and commercial sectors and is reported by Market Insights, LLC.

P = Density: Average weight of carpet per square yard. CARE gathers and analyzes raw industry data (via a confidential Carpet Mill survey) to calculate the weighted averages of carpet weights of broadloom and tile used in the commercial and residential sectors.

D = Demolition: Pounds of carpet from demolition projects that were not replaced. This includes the weighted demolition rate (75% residential broadloom, 15% commercial broadloom, and 10% commercial carpet tile). *D* is converted to pounds by multiplying the percentage by the product of $S * R * P$ —that is, applying the demolition percentage to the replacement quantity by weight. The demolition data are gathered by Market Insights, LLC. Note that demolition represents the teardown of a building. The actual volume of carpet resulting from this process is estimated.

DS = Deselection: Pounds of carpet removed but not replaced by carpet—that is, the removal of carpet for the replacement by another flooring material. Deselection ($DS = \text{Replacement in pounds} * \text{Deselection rate}$) is estimated to be approximately 0.8%, based on review of historical trend data. (Note: recent work suggests this source of PCC may be more significant than previously assumed. Further refinement is underway in 2020.)

The current formulas also take into account the following:

- Trimmings discarded during the installation process are accounted for within total carpet sales figures, as reported quarterly by participating Carpet Mills.
- Imported carpet discards are excluded from data in this report, as Tier 1 Processors report only California carpet materials collected, recycled, and disposed. (Imports represent a small percentage of carpet sales in California.) Reported California carpet shipments by Carpet Mills are verified through regular Agreed Upon Procedures (AUP) reviews by Aprio.

During review of the draft 2017–2021 Plan, CalRecycle raised concerns regarding the Discards formula calculations. CARE acknowledged that this formula and approach to discards, which has been in use since the Program’s early days, results in a very different figure than is estimated in CalRecycle’s statewide waste characterization study. In response, CARE initiated a study and discussions with CalRecycle, CARE, and Cascadia Consulting Group (including statisticians) to review relevant information regarding the estimation of carpet discards. Delivery of the report was delayed, due to the pandemic, by agreement with CalRecycle until June 30, 2021.

Preliminary data from this Discards study has validated certain components of the established formula while raising questions on others. CARE has recognized that the Deselection parameter in particular needs adjustments to reflect the rapid rise of luxury vinyl tile (LVT) in the marketplace and other changes. CARE continues to review the findings to date with CalRecycle in 2020 and 2021 and is working with the agency to finalize modifications and implement them going forward, including in the upcoming five-year Plan.

5.14 Performance Trends Over Time

CCR Section 18944(a)(5)(B)2. Report demonstrates that over time source reduction, reuse, and recycling increased, while environmentally safe transformation and land disposal decreased.

Figure 5-18 summarizes performance trends over time with regard to four key indicators:

- Gross collections.
- All material sent back to landfill by Collector/Sorters and Tier 1 Processors (includes both sort and processing waste).

- Recycled Output (portion of Gross Collections that qualifies as Reuse, Recycled Output Type 1, Recycled Output Type 2, PC4, or Carcass).
- Net diversion (balance of Gross Collections minus materials sent to landfill).

Figure 5-18. Collection, Recycled Output, Net Diversion, and Landfill Waste Trends

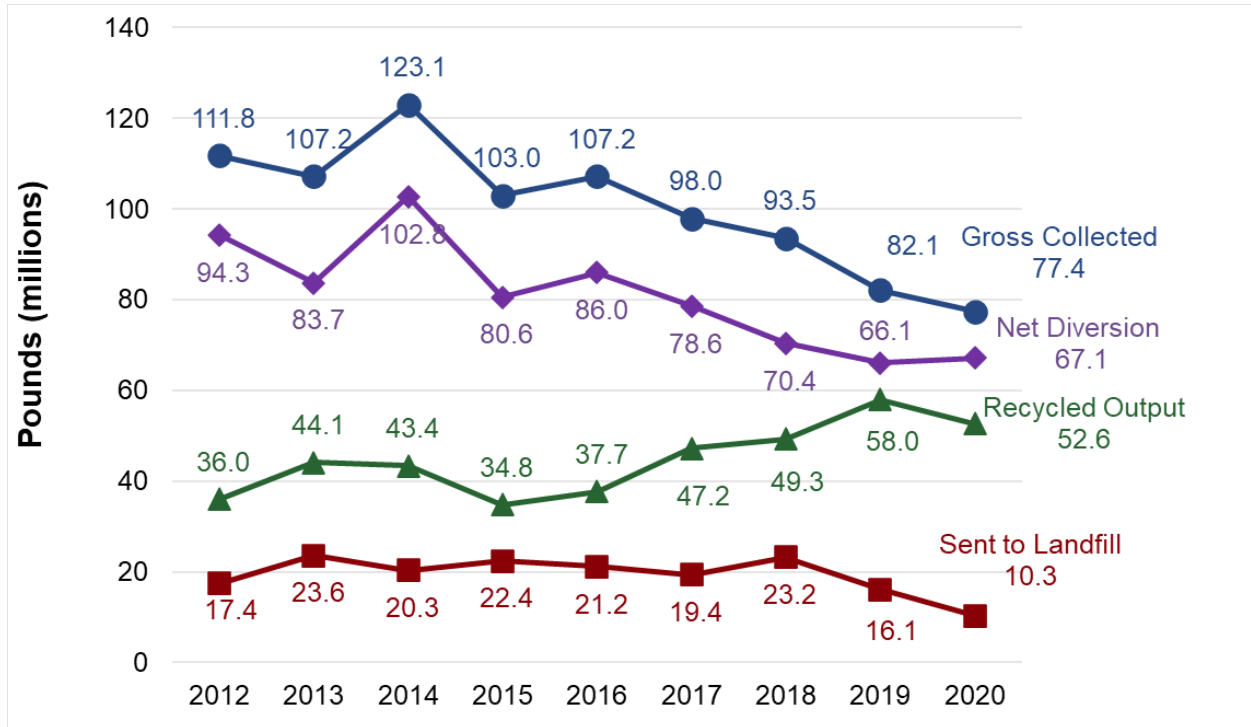


Figure 5-18 illustrates the history of the Program since 2012. External macroeconomic and industry factors triggered a sharp decline in Gross Collections, Diversion, and Recycled Output during 2015. Since a program low in 2015, Recycled Output and the corresponding recycling rate has recovered and continued to grow each year until 2020. In 2020, Recycled Output decreased as a result of overall business operations in late Q1 and all of Q2 which were impacted by the pandemic, which included business shutdowns and furloughs, restricted PCC feedstock flows, workforce hiring challenges, business travel restrictions and related equipment import challenges.

Since the collection of discards is generally associated with the sale of new carpet, as sales continue to decline, Gross Collection also declines. The Recycled Output increased due to increasing yields as uses for PC4 were brought online.

In 2020, the Program reached a 21% annual recycling rate, up from 19% in 2019. The quarterly recycling rate dipped to 19.8% in Q2, started recovering with 20.5% in Q3, reaching a new Program high of 23.2% in Q4. Typically, the recycling figures fluctuate seasonally, with lower collection and recycling of materials usually seen during fall and winter (Q1 and Q4) compared to spring and summer (Q2 and Q3), which also tracks

with sales trends for new carpet. The 2020 pattern aligns with the societal impacts of the COVID-19 pandemic hitting hard in Q2 with widespread closures and shelter-in-place orders. In light of the typical seasonal pattern, the 23.2% peak in Q4—in what is usually a lower period—bodes well for future recycling growth along with recovery from the COVID-19 pandemic. For more understanding of the COVID-19 impacts and missed capacity expansions, see Section 4.9, Capacity.

Program changes over time compared to the baseline year (July 2011–June 2012) and other relevant years include the following:

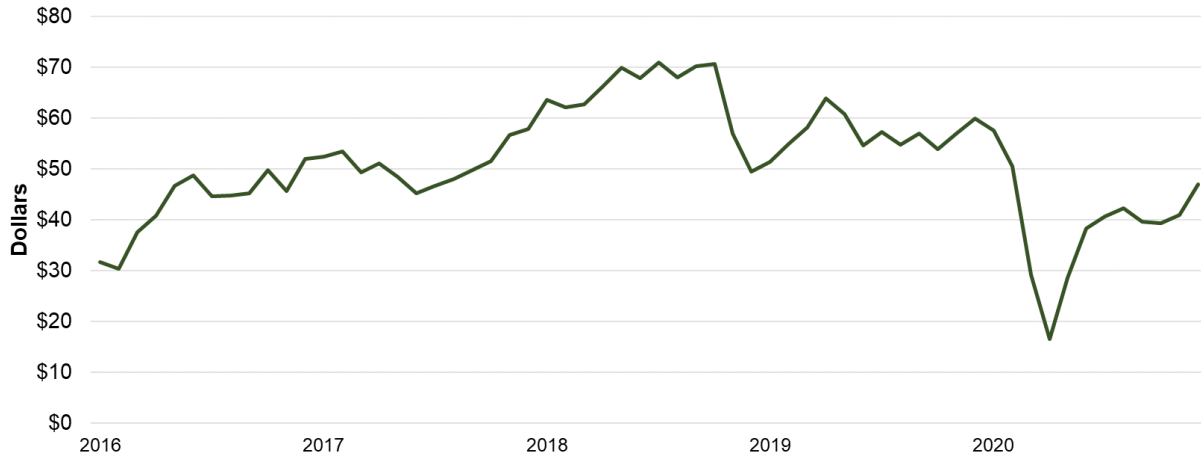
- Nearly eightfold increase in **Reuse** from 98,000 pounds in the baseline year to 765,000 pounds in 2020.
- 91% increase in **Recycled Output** from 28 million pounds baseline to 53 million pounds in 2020.
- Increased **Recycling Rate** from 8% in the baseline year to 21% in 2020 and a quarterly high of 23.2% in Q4 2020.
- **Net diversion** ranging from a baseline of 78 million pounds (22% of discards) to a high of 103 million pounds in 2014, before declining to 67 million pounds (27% of discards) in 2020.
- A 54% decrease in **process waste to landfill** from the baseline of 22 million pounds to 10 million pounds in 2020.
- Major reduction in **energy recovery** as diversion, with zero pounds in 2020, a drastic decrease from the baseline of 15.7 million pounds.
- A 39.6% **reduction in estimated disposal** (Discards minus Recycled Output) from a baseline of 329 million pounds to 199 million pounds in 2020.
- Fluctuating **Gross Collections** from 28% of discards in the baseline year to a high of 34% in 2014 and estimated at 31% in 2020.
- **Jobs** have fluctuated substantially over time as new players come into and out of the carpet recycling marketplace and as the Program has improved its job data collection. The baseline year recorded jobs as high as 724 in Q2 2012. This data point is now considered suspect as it likely included reporting of recyclers from outside California. More recently, the Program has worked to ensure that only California jobs are reported and that the metric is FTEs (full-time equivalents), not employees. Since the reported low of 57 in Q3 2015, year-end job counts (Q4) have risen consistently to reach 169 FTEs in Q4 2019. In the pandemic of 2020, a few jobs were lost, but by year-end, they had nearly returned to prior levels, reaching 168 in Q4 2020 thanks in large part to the COVID Action Plan implemented in March 2020.

- **Recycled carpet content products** totaled 95 products from 24 manufacturers in 2020, up 73% from 55 products in 2019. It should be noted, manufacturers are tallied from both those receiving subsidies and those who do not receive subsidies but are listed in the CARE Recycled Products Catalog. Additionally, products included also include pellets and polyols.
- New **public carpet recycling Drop-off Sites** were added over time, expanding convenient collection opportunities throughout the state. The Program had 83 public Drop-off Sites in 2020, compared to zero sites at the start (baseline) and 73 sites in 2019. See Section 4.2 for more details.
- Implemented **numerous new education and outreach efforts** since 2011, including contacting retailers on compliance and carpet recycling opportunities; surveying installers on barriers to carpet recycling; providing widely viewed installer carpet recycling videos; conducting outreach to local government and installers on Drop-off Site opportunities; raising awareness on carpet recycling; promoting “buy recycled” products; providing information on grants and subsidies and conducting consumer and contractor outreach through booths at regional home improvement shows. See Chapter 8, *Outreach & Education*, for more details.

5.15 Progress Toward Achievement of Goals

CCR Section 18944(a)(5)(B)3. Report covers progress toward achievement of all goals in the approved stewardship plan.

The Program has shown consistent improvement throughout 2020 (+10% in 2020 and on average 20% per year every year since 2015). However, real-world external market conditions—including the COVID-19 global pandemic, a steep drop in the price of oil (the primary driver of virgin material pricing for carpet fiber), and a constrained export market related to China’s National Sword policies and pandemic-related shipping and supply chain delays—have posed ongoing challenges. As noted previously, permit delays, power delivery failures and equipment/technical processing issues have also put a strain on recycler output. These factors have made use of virgin (oil-based) materials more cost-effective, pushed more post-consumer plastics into the domestic market, and created commodity competition for PCC-recovered polymers. As in seen in other recycling market slumps, the climb back up takes far longer than the decline. Figure 5-19 shows a dramatic drop in oil prices in fall 2018 and an even greater drop with the global pandemic in 2020. The carpet recycling community believes oil prices must be stable at a minimum in the \$80–85 per barrel range to drive carpet recycling.

Figure 5-19. Price of Crude Oil in Dollars per Barrel Over Time

Source: U.S. Energy Information Administration, Cushing, [OK WTI Spot Price FOB](#) (dollars per barrel).

California’s overall recycling rate and mature recycling infrastructure—initially spurred through the passage of AB 939 in 1989—have also been adversely affected by the COVID-19 pandemic, China’s policies, the price of oil, and other macroeconomic challenges affecting global recycling commodities markets. As previously noted in CalRecycle’s 2017 State of Disposal and Recycling report:

“Recycling does not happen in a vacuum. Recycled materials need to compete with virgin materials in the manufacturing sector. According to the Center for International Environmental Law, the energy sector is investing \$164 billion for 264 new/expanded plastic production facilities in the United States. By 2025, production of virgin ethylene and propylene may increase by about a third. Plentiful, cheap virgin material could undermine source reduction efforts, undercut prices for recovered plastics....”

Thus, it should seem reasonable that a carpet stewardship recycling program would also be negatively impacted by these forces. However, despite significant macroeconomic and capacity throughput challenges, the California Program continues to trend upward, with 2020 reaching Program high gains in the carpet recycling rate by year end (23.2% in Q4 2020).

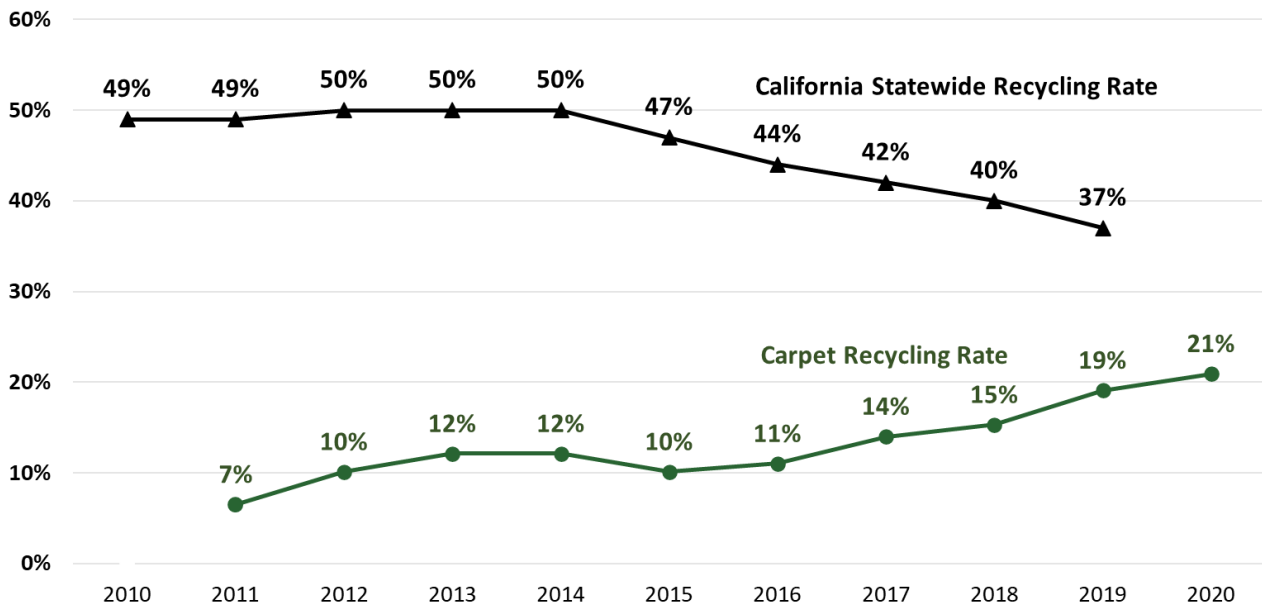
To provide perspective, CARE plotted the recycling rate over the life of the Program in Figure 5-20 and showed California’s overall statewide recycling rate for comparison. While CARE recognizes that additional work remains to be done, the Program’s annual recycling rate increased to 21% in 2020, with Q4 hitting 23.2%, from its dip to 10% in 2015, despite ongoing challenges in the broader national and international recycling community and a global pandemic. Conversely, during that same period, and for many

of the same reasons, California has experienced a 10-point decline in the statewide recycling rate (from 47% to 37%) over the last four years of reporting.

While the plastics market impact from China’s National Sword, along with similar efforts from other Southeast Asian countries, may likely continue for some time, the Program has continued to show an increasing annual recycling rate since 2015. In comparing the Carpet Stewardship Program to the overall recycling rate in California, as shown below, CARE believes that the Program has continued to show conservative, yet steady and reliable, progress despite market setbacks. The current 2021 forecast is to exceed the 26% Recycling Rate target.

The increase from 10% carpet recycling in 2015 to 21% in 2020 is equivalent to growth of more than 20% per year on average.

Figure 5-20. Comparison of Recycling Rates for Materials Statewide and for Carpet



Changes made in 2015–2016 to improve the Program’s responsiveness to fluctuating market conditions laid the foundation for capacity expansion and the growth in recent years. In 2020, the Program continued to benefit as these changes took hold in the market, including the following:

- New capacity and recycled-carpet-content products supported by grant funds.
- Increased convenient collection public Drop-off Sites.

- Expanded private collection sites for flooring professionals.
- Expanded education and outreach, particularly installer education and Buy Recycled product promotion.
- Stakeholder collaboration through the California Carpet Advisory Committee.

In October 2017, the passage of AB 1158 adjusted CARE's original program goal of reaching 24% by December 31, 2020, to a statutory mandate of reaching 24% by January 1, 2020, effectively reducing the timeframe for achieving this goal by a full year. The Program reached its highest quarterly recycling rate to date in Q4 2020 at 23.2%, missing the original CARE proposed in the 5-Year Plan by only 0.8%. This was accomplished despite numerous Processor setbacks, challenging macroeconomic conditions, and a disastrous pandemic affecting recycling markets and the overall economy in California and globally. The Program continues to work diligently to achieve the next recycling rate goal of 26% by December 31, 2021, which it is on target to reach in 2021. It should be noted that example Table A9-1 in the approved 2018–2022 Plan (page 328) reflects that the recycling rate for full year 2019 was projected at 21%. As described earlier in this report a number of operations failed to meet their targeted start dates due to factors beyond anyone's control. Any one of those entities would have propelled results to meet the 24% recycling rate for Q4.

The Program adopted both annual and five-year goals in the 2018–2022 Plan, which was formally approved in February 2019. The delay in approval of Grant Cycles 2 and 3 until late 2018 and the shortened timeline have hindered progress toward the 24% goal, though the Program reached its highest recycling level of 23.2% in Q4 2020, even though Q4 is typically a time with lower carpet sales and collections. CARE firmly believes the 24% goal would have easily been achieved if not for the major setbacks previously noted in capacity expansion. The Plan set a goal of 26% recycling in 2021 and 27% by the end of 2022, and the Program is on track to achieve these goals.

5.16 Program Goals Added in AB 1158

AB 1158 added new goals in three areas, which are addressed in the following sections:

- **Highest Recyclability**
- **Ineligible Program Expenditures**
- **Carpet Advisory Committee and State Agency Procurement**

5.16.1 Highest Recyclability, Union Trainings, Advisory Committee

PRC Section 42972(a)(4). Include a funding mechanism... that provides sufficient funding to carry out the plan... including incentives or grants to state-approved apprenticeship programs for training apprentice and journey-level carpet installers in proper carpet recycling practices. Any grants or subsidies provided for the recycling of postconsumer carpet shall be structured to incentivize the recycling of carpet materials that have the highest recyclability.

The CARE 2018–2022 Plan includes significant commitments to increasing carpet recycling by way of installer education and training. Opportunities emerged based upon conversations with representatives from District Councils 16 and 36, representing the floor covering locals in Northern and Southern California. In 2019, CARE staff worked with International Union of Painters and Allied Trades (IUPAT) DC16 representatives to refine training materials for union installers. One-hour interactive trainings were given by CARE staff to four classes of apprentice installers in the fall 2019, reaching a total of 64 early-career installers. This training was refined and expanded in 2020 to include multiple trainings and a specialized collection service, whereby installers will “learn by doing.” The COVID-19 pandemic severely interrupted the scheduled timeline; however, it is planned that installer apprentices will prepare carpet for recycling by using a container on-site at the union headquarters, which will also be open for use by other area installers. By working with early-career installers, CARE hopes to encourage best practices for recycling for many years to come. (Section 8.4 provides additional information on Union training efforts.)

CARE budgeted for, initiated contact, developed, and delivered carpet recycling trainings for apprentice and journey-level carpet installers with the California statewide soft-flooring Union representatives. CARE conducted installer tabling events and training in 2018 and 2019 and is planning for a statewide expansion of its training program. See Section 8, *Outreach & Education*, for specific details.

As noted in the 2018 Annual Report, the Carpet Stewardship Law requires grants or subsidies provided for the recycling of PCC to be structured to incentivize the recycling of carpet materials that have the “highest recyclability.” In response, the Program—with input from the Advisory Committee, industry, and CalRecycle—developed a list of recyclability criteria based on carpet market expertise and recycling technology experience. Table 5-11 on the following page (which appears as Table 6 on page 116 of the 2018–2022 Plan) summarizes criteria and weightings for different carpet types. Decisions related to grants and subsidies are designed to incentivize Highest Recyclability. Further detail on Highest Recyclability can be found in the Market Development Section of the Plan.

Based upon the initial scoring for Highest Recyclability, Commercial Carpet Tile (Nylon 6 and Nylon 6,6) and Residential Broadloom (Nylon 6 and Nylon 6,6) were the highest scoring. However, it should be noted that prior to the Highest Recyclability requirement, Nylon 6 and Nylon 6,6 had strong market pricing on their own; thus, this ranking effectively mandated that CARE pay higher subsidies on a material with already strong market pricing economics. Chapter 6 of this report provides more information on how grant scoring and preferences were modified to meet the Highest Recyclability requirement.

Now that chemical recycling is expanding into other mainstream polymers, CARE plans to work to refine and evolve the definition of Highest Recyclability.

Table 5-11. Highest Recyclability Criteria: Composite Results with Weighting (see Appendix 10.6 for accessible version)

Highest Recyclability	Wt.	N6	N6,6	PET	PTT	PP	Wool	PC4	Tile N6	Tile N6,6	B'loom N6	B'loom N6,6	B'loom Wool
Criteria	Wt.	Res	Res	Res	Res	Res	Res	Other	Com	Com	Com	Com	Com
Ease of deconstruction*	15	105	105	105	105	105	105	75	150	150	30	30	105
Safely recycle all layer similar or higher material performance*	15	60	150	150	60	105	60	75	150	150	75	75	60
Cost-effectiveness*	10	50	100	20	10	10	40	20	80	80	10	10	40
Energy-saving*	5	20	25	45	45	45	45	10	45	45	20	20	45
Identification of resin type*	5	50	50	50	50	50	45	50	45	45	45	45	45
Extent of subsidy required	10	40	100	20	20	40	0	20	100	100	30	30	0
Reusability	5	10	10	0	0	0	15	5	50	50	15	15	15
Markets available for products	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
a. Closed-loop recycle back into carpet	10	100	0	0	30	0	0	0	100	100	0	0	0
b. Non-carpet closed-loop (recycled multiple times)	10	30	60	60	60	60	0	30	100	100	0	0	0
c. Downcycled (one-time)	10	50	40	40	50	40	0	90	0	0	0	0	0
Volume available	5	30	15	15	5	15	0	45	35	20	20	20	0
TOTAL	100	545	655	505	435	470	310	420	855	840	245	245	310

Table Notes: Highest Recyclability v12 7-07-18 (also appears as Table 6 on page 116 of the 2018–2022 Plan).

*Items referenced by AB 1158. **Wt.** = Weighting. **Res** = Residential. **Com** = Commercial. **Mat'l perf.** = Material performance. **B'loom** = Broadloom.

5.16.2 Ineligible Program Expenditures

PRC Section 42972(c)(6). *A carpet stewardship organization shall not expend funds from the assessment for any of the following purposes:*

- (a) Penalties imposed pursuant to Section 42978.*
- (b) Costs associated with litigation against the state.*
- (c) Engineered municipal solid waste conversion, as defined in Section 40131.2, the use of cement kilns to burn carpet, or transformation, as defined in Section 40201.*

CARE has committed and affirms that no assessment fee funds shall be expended on penalties or litigation against the State of California. This has been validated by third-party financial and performance audits, as well as CalRecycle Program audits to specifically evaluate Program spending.

Subsidies for both Carpet As Alternative Fuel (CAAF) and Kiln were discontinued as of December 31, 2017.

5.16.3 Carpet Advisory Committee and State Agency Procurement

PRC Section 42972.1(a). Appointment of an Advisory Committee which shall make recommendations of carpet stewardship plans submitted to CalRecycle. *[summary version; not full text]*

PRC Section 42972.1(b) Stewardship plans, plan amendments and annual reports shall be reviewed prior to submittal to CalRecycle. CARE is required to provide written explanation if they are unable to incorporate, or when they will be able to incorporate, Advisory Committee recommendations into a plan, plan amendment or annual report. *[summary version; not full text]*

PRC Section 42982. *The Department of General Services shall, to the extent feasible and within existing resources, take appropriate steps, including, but not limited to, revising relevant procurement rules, to ensure both of the following requirements are satisfied:*

- (a) Postconsumer carpet that is removed from state buildings is managed in a manner consistent with the purpose of this chapter.*
- (b) Carpet purchased by a state agency contains a minimum amount of postconsumer content that shall be determined by the Department of General Services and published in the State Contracting Manual by July 1, 2018.*

Section 3.4.2 addresses the formation and work of the Carpet Advisory Committee. In accordance with PRC Section 42972.1, CARE submits draft stewardship Plans, Plan Amendments, and Annual Report drafts to the Advisory Committee for review no less than 30 days before submitting materials to CalRecycle. CARE seeks to incorporate Advisory Committee comments where appropriate and responds in writing to Advisory Committee recommendations that are not incorporated into Plan or Annual Report materials.

The Program acknowledges the state's desire and ongoing efforts to ensure carpet recycling from its own facilities and to support carpet recycling through procurement policies, despite not having adequate regulatory enforcement needed to ensure recycling and procurement.

6 Market Development

CCR Section 18944(a)(6). The annual report shall include a description of possible market development activities to incentivize the market growth of secondary products made from post-consumer carpet.

6.1 Introduction

CARE continued with its long-standing commitment in providing market and product development assistance, as well as in affording substantial support, both through technical assistance and grants, for California-based capacity expansion. Key to CARE's market development and product expansion efforts have been the consistent and reliable expertise in the following areas: Technical Assistance via Assets Unlimited (Frank Endrenyi), Grants Management and Coordination via Abbie Beane, Marketing and Communications Strategies via Gigantic Ideas Studio and direct staffing from CARE Product and Market Development Manager Rob Thiess.

CARE's product/market development strategies include:

- Development/Support of new recycled carpet products produced in California.
- Exploration of alternative uses for existing carpet products.
- Increasing the number of manufacturers producing recycled carpet products in California and the numbers of PCC collectors in California.
- Increasing the volume of used PCC materials that Tier 2 Manufacturers utilize in their recycled carpet products in California.
- Engaging with public entities and groups that are required to purchase "Green Products" to increase interest and build market demand in purchasing recycled carpet products through the creation of a sustainable products website (CARE.Ecomedes.com).
- Building market demand with companies outside of California to utilize and incorporate PCC materials into their current or additional product lines when additional volume is available.
- Participation in multiple tradeshow events via presentations, and/or displays, often with recyclers present to promote their products – virtually in most cases.
- Extensive confidential consulting with Eastman Chemical Company on their Carbon Renewal project and future Methanolysis PET Depolymerization plans.
- Recycler engagement with PureCycle Technologies to qualify post-consumer PP carpet fiber.

- Dialog with Rise Composite Technologies (formerly Fiberon) on their plant reconfiguration for use of PET fiber in engineered lumber.
- Extensive and on-going dialog and support for recyclers in general on feedstocks, processing technology and market opportunities.

CARE continues to provide technical and business development assistance to Processors, Manufacturers, and their potential customers on a confidential basis. Current product and market development work is being driven by three operational California processors looking to open additional markets:

- **Aquafil–Woodland**, CA: This new PCC processor made efforts to operationalize its plant throughout 2020, and the plant is expected to become fully operational in the second half of 2021.
- **Circular Polymers**, Lincoln, CA: Circular Polymers continued to expand its capacity to accept California-sourced PCC and expand markets, including its partnership with Eastman Chemical. Circular Polymers also began accepting commercial broadloom carpet for processing and made plans to build a line to process carpet tiles after extensive testing in partnership with Broadview Group International, LCC. Testing was funded in part by CARE.
- **Los Angeles Fiber Company**, Vernon, CA: Los Angeles Fiber significantly expanded its yield in 2020 and made efforts to complete its new dust collection plant, which will further expand yield and create a better work environment. LA Fiber is also expanding its capacity to accept commercial broadloom PCC.

As previously reported, the introduction of Eastman Chemical as a new and very high impact market demand outlet for recycled PET carpet materials began in Q1 2019. After technical issues around material handling, transport, and unloading, modifications were addressed. Expansion of capacity to take densified PET occurred in 2020 and is expected to continue growth in 2021. Figure 6-1 provides an overview of the Eastman process for PET materials.

Figure 6-1. Manufacturing Lifecycle for Eastman Chemical PET Pellet Use

Creating value from waste: new life for reclaimed plastic



Figure Note: Graphic provided by Eastman Chemical Company; used with permission.

2020 activities continued to center on maintaining and building upon the successful product and market efforts CARE has established for California post-consumer carpet (PCC) material in the following ways:

- A multi-phase outreach effort to contact all the California companies currently manufacturing products containing post-consumer recycled material, in an effort to expand PCC market outlets for California Processors.
- Continuation of outreach to California-based recycled product Manufacturers (Tier 2) to look at additional ways to support expansion efforts to incorporate more volumes of PCC in their current product lines.
- Additional support given to each 2020 grant recipient, in the form of product development, market development, product placement, and marketing/promotion consulting.
- Development and refining of the CARE.Ecomedes.com sustainable products website to support California's State Agency Buy Recycled Campaign (SABRC) program and Procurement Professionals operating in the State of California and beyond. This will also be targeted toward General Contractors and Demolition Contractors that bid on State projects. Further detail can be found on the [SABRC website](#).

- Green Hive Group and SaN Pallets, Cycle 2A grantees, continued to work on opening markets for new products that successfully completed the testing phase. Both have now secured customers that will allow them to take regular volumes of California-sourced PC4 and fiber.
- Visions Environmental, GC Products, necoTech, 3B Protection, and CMJ Systems, all CARE testing grantees, completed or continued testing of California PCC in new products. 3B Protection continued to work on securing contracts for its security blocks and barriers, and Visions Environmental secured two customers for its lightweight aggregate and 400 Walmart stores for its decorative landscape product line, both containing PC4.
- GC Products development of new products utilizing PCC mixtures has helped them to expand their decorative façade products and enabled them to enter new markets.
- UC Davis has presented additional areas of study on the use of PC4 as the supplement or replacement of raw material in concrete sand and Portland Cement. This would include heat treatment and other ideas to make the material more readily usable as a Type V General Purpose concrete additive. Decisions on if/how to pursue are under evaluation.

Based on the progress above, future opportunities include:

- Marketing outreach for environmental sustainability and State procurement professionals via education of the SABRC and SAGE (State Agency Green Employee) programs.
- Securing an additional category to include: “carpet derived products” listed on the SABRC website. CARE continues to stand in support of legislation that will establish “carpet derived products” as the twelfth SABRC category. Such legislation would also look for an enforcement mechanism to provide consequences for agencies failing to reach their SABRC mandated goals. An ongoing challenge for CalRecycle. As an added build, CARE has worked to connect our various Manufacturers to local government bid opportunities by introducing them to RFP/RFQ platforms such as Planet Bid.
- A Carpet-Derived Products category would include, but not be limited to acoustical materials, architectural elements, carpet, carpet cushion, insulation for buildings, insulation for product shipment, flooring systems, flooring underlayment, mats, manufactured lumber, pallets, parking stops, spill absorbency, and wheelchair ramps.
- CARE continues to expect an increase in product testing and manufacturing in 2021, as a result of the grant cycles funded since 2016 and new capital and testing projects funded in 2021. Grant funding for collections will also be

prioritized. Product expansion areas include pallets and end caps, sports turf, cushion for the automotive industry, blast and ballistic proof protection barriers, construction mixes, non-woven filtration and sound deadening media, absorbents, fiber carpet underlayment, decorative architectural products, asphalt mixes, decorative landscape products and the molecular break-down of PET fibers to create new building blocks for additional industries.

- CARE also expects to increase processing and collections significantly in 2021 based on new grant cycles and capital investments made in new and existing processing facilities and collections operations since 2016. More specifically, the completion and start-up of Aquafil's operations in Woodland, California, after an unanticipated and uncontrollable COVID-19 related delays. Aquafil's full production is anticipated to be online in the second half of 2021.

6.2 Stimulating the Market

In 2020, historical successes in product development work based on the concept of feedstock conversion continued. This involves adding PCC material into the recipes of existing secondary products, displacing higher costing rubber or virgin plastic in various percentages to reduce product cost, improve the scent, or increase performance. Because carpet backing material accounts for about 40% of carpet weight, ongoing efforts have focused on finding uses for the backing components mixture (Polypropylene, latex, calcium carbonate) collectively referred to as Post-Consumer Carpet Calcium Carbonate (PC4) in a variety of other products. California Program initiatives continued to validate the use of PCC materials in 2020, including:

- Subsidy of \$0.17 per pound for Tier 1 Processors producing PC4 non-fiber Recycled Output continued. Use of PC4 in a variety of products prevented over 13.2 million pounds from landfill disposal.
- Cycle 1A and 1B grants (2016–2017) that funded processing equipment and product testing (see Section 6.2.1) have continued to produce results into 2020. Included in this are American Fiber Cushion, CLEAR/Circular Polymers, SafePath and Sierra Rubber Products. These projects produced more than 12.5 million pounds in recycled or manufactured output in 2020.
- Cycle 2A and 2B grants (2018–2019), released in October 2018 continued to make varying degrees of gains in 2020. Product and Processing awardees included: Aquafil, Arropol, Circular Polymers, Green Hive Group, Los Angeles Fiber Company, SaN Pallets, and Visions Environmental. Testing awardees include: 3B Protection, CMJ Systems, ReFiber, Swisstrax, Verdex, and Visions Environmental. More than 15.5 million pounds of Recycled Output and another nearly 1 million pounds of manufactured output was added through these

projects in 2020. More than \$3 million has been released to Cycle 2A and 2B projects in total.

- In 2019, Cycle 3A of capital grants was also introduced and funded six projects for a total of over \$1.5 million. All six projects have established or expanded processing, manufacturing, or collecting of additional California-sourced PCC. Nearly 16 million pounds of additional California-sourced PCC was collected in 2020. Approximately \$1.3 million in funding has been paid to Cycle 3A grantees.
- In 2020, Cycle 4A of capital grants funded six projects for over \$1.8 million total and increased collections and recycled/manufactured output impact is expected in 2021. Just under \$200,000 was paid in Cycle 4A funds in 2020. Cycle 3B of testing grants awarded \$240,000 to three projects: necoTech, ReFiber and GC Products. Approximately \$50,000 was paid to Cycle 3B projects in 2020.
- Ongoing outreach to companies currently using recycled content material, or have the potential to incorporate PCC.
- Marketing and promotion business assistance efforts were coordinated with GIS, where appropriate, in an effort to further facilitate materials collection, product expansion, sales, website updates and product placement assistance to companies currently using PCC.

The PC4 subsidy program continued as the two California Tier 1 Processors were able to consistently produce virtually fiber-free material to meet increasing market demands. Based on early 2020 projections, PC4 uses have increased substantially with Green Hive Group's AbsorbsWell spill kit absorbent product. Approved Grant Cycle 4A recipient, Nico Plastics working on equipment to further refine its process to further clean PC4 to make it more useable in the Ready-Mix industry. Vision Quality Coatings' light weight aggregate materials and GC Products decorative façade and line of shower niche product offerings have seen an uptick in sales resulting in greater volume use.

These grant cycles support capital improvements, product testing/development and collections/reuse that increase:

- Number and capacity of Tier 1 Processors and Tier 2 Manufacturers.
- Number and variety of recycled carpet content products available in the marketplace.
- Quantity of Recycled Output utilized in secondary products.
- Testing and development support for reformulated products, using recycled carpet content to explore new uses for PCC and ensure these products perform as required.
- Increased collection for reuse and processing of PCC through new or existing programs with infrastructure and equipment needs.

The three grant types are as follows:

- **Capital improvement grants:** In 2020, CARE released Cycle 4A under two different rounds and awarded 1.84 million to six different projects. Eligible expenses included capital improvement, infrastructure, equipment, construction, renovation or expansion of collection, processing or manufacturing facilities that manage or use California-generated PCC. It could also be used for partnerships with the aim of increasing the use of Recycled Output. The goal is to “increase the quantity (pounds) of California generated PCC that is collected, recycled, and utilized in manufacturing of Tier 2 recycled products” during 2020-21. California-based projects are prioritized for capital funding. CARE targets 75% of funds for California businesses, and since the program began, has allocated approximately 90% of funding for California-based projects. Grants also consider Highest Recyclability during proposal evaluation as required by AB 1158 and during 2020 all highest recyclability qualifying grants received a 15% weighting within a total score of 100%. Approximately 50% of grants went to projects focused on the processing of Nylon or all carpet types. The other 50% was awarded to projects recycling difficult-to-process continuous loop PCC. Cycle 4A projects are expected to produce an additional 30 million pounds in additional California-sourced PCC collections and recycled or manufactured output.
- **Product testing grants:** Cycle 3B allocated funding for projects with budgets up to \$100,000 for activities focused on product testing, research and development, and similar activities that will enhance PCC collection, recycling, and utilization in manufacturing. This applies to feedstock conversion projects, new or reformulated products, or feasibility studies for new uses of PCC materials. The goal is to provide “assistance to eligible applicants to research, develop, and test new products or reformulate existing products produced using PCC material generated in California.” Cycle 3B allocated approximately \$240,000 for three projects for 2020– 21 implementation. One Cycle 2B project was also extended through 2020 and closes on June 30, 2021. Cycle 3B targeted 75% of funding for California projects, however, approximately 60% of funding was earmarked for California-based projects due to more interest from out-of-state companies.
- **Micro-Grants for collection/reuse:** Cycle 3M offered \$100,000, with a maximum of \$15,000 per project, to California public agencies, nonprofits, public or private businesses, CARE Drop-off Sites and CSEs for new and existing collection or reuse programs in 2020. The goal is to achieve additional collection or reuse through infrastructure improvements (localized hauling) and/or equipment (weather covers). Seven Micro-Grants were awarded in 2020 to Drop-off Sites and CSEs totaling nearly \$93,000. Approximately \$70,000 was paid in 2020 and grantees will begin reporting additional California-sourced PCC pounds collected as a result of the project in 2021. Projects close on June 30, 2021. Due to the continuing need to increase collections and bring on new

Drop-off Sites, particularly in counties without one site, Cycle 3M stayed open through 2020 as a commitment to enhancing convenient collection efforts. Cycle 3M awardees include two counties without public Drop-off Sites and two flooring retailers using a specialized trailer to source-separate PCC for recycling at job sites.

In 2020, Cycle 1M and Cycle 2M collection project impacts added over 8 million new pounds of California-sourced PCC.

Awarded capital improvement and product testing projects represent a significant expansion in California PCC capacity through enhanced or new operations at California as well as out-of-state facilities. Materials recycled include carpet tile backing (both PVC and polyolefin), Nylon 6 and Nylon 6,6, PET, PP, and PC4 carpet backing materials.

Awarded Cycle 3M Micro-Grant projects represent a projected additional annual 3.2 million pounds of collection starting in 2021.

In 2020, CARE continued to manage pilot grant funding (originally Cycle 1A awarded in 2016 for \$225,000) for one California company which is not yet operational and was on a third and final grant extension through the end of 2019. Due to not meeting their 2019 objectives, CARE reabsorbed \$25,000 in retained funds for this project. CARE made the decision to reclaim all of the \$225,000 grant funds in 2021.

All criteria for the solicitation of grants (announced via RFP), as well as the criteria used in judging, are posted to the [CARE website](#) grants page and are readily available. In 2020, CARE switched to an online reporting and payment system in order to streamline the process for awardees.

A final note on grants: The process of awarding grants is engaged with an independent technical review committee and follows a formal protocol. The Committee brings complimentary expertise and experience to the process. However, CARE recognizes this is not an exact science. CARE has continued to refine protocols over the last several years. In addition, to tighter follow-up and tracking of those who do not hit their volume or timing targets, CARE engages in site visits, consultation, and grantee AUPs. The Grants Manager periodically convenes a review to evaluate performances vs. proposal and contract commitments.

6.2.1 Highest Recyclability

***PRC Section 42972(a)(4).** Any grants or subsidies provided for the recycling of postconsumer carpet shall be structured to incentivize the recycling of carpet materials that have the highest recyclability.*

As of January 1, 2018, the Carpet Stewardship Law requires grants or subsidies provided for the recycling of PCC to be structured to incentivize the recycling of carpet materials that have the “highest recyclability.” Neither the statute nor the regulations specifically define this term, nor do they specify that this provision overrides other goals in the statute, including achieving the goal of a 24% recycling rate by 2020.

As noted in the 2018–2022 Plan, CARE has developed a methodology for analyzing highest recyclability. In turn, that analysis informs an evaluation of the Program’s subsidy and grant structure to ensure that subsidies and grants are incentivizing the recycling of those carpet materials with the highest recyclability, while also ensuring compliance with the entirety of the Carpet Stewardship Law.

CARE, in consultation with the Advisory Committee and CalRecycle, developed a table of recyclability (Plan Table 16C, reflected as Table 5-11 on page 159 in this report) criteria based on PCC market expertise and recycling technology experience regarding the form and purity requirements for various markets.

In late 2018 discussion regarding chemical recycling of PET began (Carbon Renewal), and dialog was initiated to look at expanding the scope of highest recyclability to include all polymers that have closed-loop recyclability, as exemplified by Nylon 6, or recycled into other virgin equivalent products based on quality and performance. PET chemical recycling, as discussed, came to life in 2019 with long-term contractual commitments by Eastman Chemical for PET pellets produced by a California Processor. [Eastman](#) has developed a technology through which they will produce new PET materials with certified recycled content, including textiles, cosmetics and personal care, and ophthalmics. Eastman’s plant located in Kingsport, TN, was operational June 2021. Eastman’s Methanolysis depolymerization plant is anticipated to be operational in 2023. PCC derived PET is fully qualified as a feedstock for both of Eastman’s technology platforms.

The context for the Highest Recyclability definitions and the ensuing evaluation reference the mechanical processing of PCC and conversion into the first level of recovered materials (e.g., face fiber, backing fiber, PC4) for further recycling. It does not include collection and sortation, nor does it include the conversion into final products generally referred to as Tier 2 manufacturing in the Plan’s three-level recycling scheme.

It should be noted that while residential nylons and carpet tile rank presently highest in the Plan’s Highest Recyclability matrix (Table 5-11), commercial broadloom nylon

ranked very low. This is a direct result of construction (continuous loop, generally), installation methods, and processing considerations (throughput and Yield). However, it is not practical, based on CSE feedback, to track nylon commercial broadloom during the sorting process, although it is also highly desirable to enable the recycling of this class of nylon. Therefore, commercial broadloom nylons are included within the Highest Recyclability materials category, especially to facilitate the recovery of Nylon 6,6 from this stream. Finally, it is worth noting that commercial broadloom face fiber represents a relatively small impact in today's marketplace of available fiber (<10%).

With the implementation of AB 1158 requirements on Highest Recyclability, CARE voluntarily implemented a "Highest Recyclability" subsidy on Nylon 6 and Nylon 6,6 fibers of \$0.05 per pound. Throughout 2020, with the strong end-market demand for nylon coupled with the added Highest Recyclability incentive of an additional \$0.05 per pound an uptick was observed in commercial broadloom recovered for recycling, despite its lower yield and higher processing costs. Future technological advancements are quickly being adapted by our Tier 1 Processors.

To monitor and refine Highest Recyclability on an ongoing basis, and consistent with an Advisory Committee July 2018 Recommendation 1.2, in Q3 2018 CARE formed a Highest Recyclability Committee composed of knowledgeable and experienced professionals in the areas of recycling technology, business and sustainable concepts. The Highest Recyclability Committee continues to meet no less than annually to evaluate Highest Recyclability as technology and markets evolve, further refine the criteria as needed and with any updates shared with CalRecycle on an as needed ongoing basis.

Following are the description/definitions of the criteria used in Highest Recyclability Table 6 of the approved Plan.

- **Ease of deconstruction.** How easily the PCC can be processed/disassembled into "pure" material components from a mechanical perspective (e.g., glued down level loop commercial broadloom is much more difficult to deconstruct than cut pile, stretched-in residential carpet).
- **Safely recycled all layer to similar or higher material performance.** Can material components be processed into the same or higher performance products in a manner that protects human and environmental health (e.g., a material returned to the manufacture of new carpet or an under-hood plastics automotive part would be considered equal or higher value).
- **Cost-effectiveness.** How cost-effective is it to process the materials to acceptable purity (e.g., mechanical separation versus depolymerization). This is different from ease of deconstruction as it is an economic consideration (e.g., dollars per pound of output). This considers the cost per pound of Recycled Output for various types of carpet and material components.

- **Energy-saving.** Does the recycling of the material use less energy and produce lower greenhouse gas emissions (e.g., depolymerization requires higher energy use than mechanical processing). High energy use would receive a low score, and low energy use would receive a high score, inclusive of energy use to transport the material for recycling processes (typically a very small component).
- **Identification of polymer type.** How easy is it to identify face fiber types for separation. (Examples include materials more likely to include back-labeling identification of polymer type would score higher; single polymer face fiber carpet products would score higher versus mixed polymers.)
- **Extent of subsidy required.** How the current commodities market value influences the subsidy required to move the material in the marketplace. This criterion considers a variety of factors such as geographic source, costs of transportation, price of virgin materials, price and availability of post-industrial (PI) materials, price of competing post-consumer recycled content (PCRC) materials (e.g., PET bottle flake), quality, volume available, and consistency. Using the conversion cost model (summarized in the Subsidy Justification Model) where such data are available, this is the difference between the cost of recycling and the commodity's scrap value for the recycled material, plus a reasonable financial return.
- **Reusability.** How easily can the materials go to reuse, a higher level in the waste management hierarchy for post-consumer carpet.
- **Recycled into new secondary product.** If not reuse or closed-loop recycling, considers whether or not there are available market options for secondary products. Materials that do not have available markets for **secondary** products and thus have to be landfilled would score lower versus those that do have strong secondary markets. For example, Nylon 6,6 polymer has strong secondary available markets compared to wool, which currently has no known markets. Depoly for use in other virgin markets would be considered very high as a result of displacing virgin material and opening the scope for recycling-derived post-consumer materials.
- **Market potential for products upcycling.** Looking at the secondary product options for Recycled Output materials through the lens of highest and best use and potential for upcycling (recycling over and over in a closed loop versus downcycling as a single additional life). Three levels of options include:
 - **Closed-loop recycling back into carpet.** Recycling of carpet face fiber back into carpet face fiber or backing back into backing (e.g., carpet tile, depolymerized Nylon 6, PC4 if used in carpet backing).

- **Non-carpet closed-loop (recycled multiple times).** A secondary, non-carpet product that is or can be recycled over and over (or in principle) (e.g., PC4 into cement, fiber pad, car parts, insulation, decking).
- **Downcycled (one-time).** A one-time additional use of a material which then goes to landfill; this includes materials more likely to go into one-time lower-end secondary applications, such as erosion control products, cat litter, and the like.
- **Volume available.** How much of the material is available to be reused or recycled. This criterion is a lens to help understand the key drivers for Recycled Output volume, particularly from the viewpoint of the **statute's** short-term goals. For example, PET and Nylon 6 face fiber carpet represent 80% of all carpet sold, while PC4 represents 30-40% of the weight of a square yard of carpet and is in nearly all carpet made. Understanding volume availability is essential to knowing what market outlets can be built and supported on a sustained basis and has major implications for investment consideration. This is equivalent to prevalence in the waste stream.
- **Potential for high Yield.** When processed, how efficient is the processing and recovery; higher yield means higher **recyclability** and a reduction in disposal. For example: residential broadloom carpet typically has a higher yield per square yard versus a low-pile commercial broadloom carpet or carpet tile.

6.2.2 Grant Program Timeline and Actions Taken in 2020

In addition to extensive grant management tasks, additional actions included:

- Cycle 3B and 4A grant solicitations were released in 2020 with up to \$3 million in total funding available. Selections were made by an independent review committee in July 2020.
- Cycle 3M grant solicitation was revised and released to accept applications for projects up to \$15,000 throughout 2020.
- A Notice of Funds Awarded was posted for Cycle 3M, 3B and Cycle 4A awardees.
- All Cycle 3B, 3X and 4A grantees completed contracts and submitted quarterly reporting. All Cycle 3M grantees completed contracts. Extended Cycle 3A and 2B grantees continued to submit quarterly reports in 2020.
- Approximately \$1.7 million was paid out in 2020 for Cycle 2A, Cycle 2B, Cycle 2M, Cycle 3A, Cycle 3X, Cycle 3M, Cycle 3B and Cycle 4A projects.
- Cycle 4A Round 2 was released in Q4 2020 and two projects were selected for funding, however, one is on hold until certain conditions are met.

- Ongoing monitoring of past grantees continued in order to ensure commitments are met and any project hurdles are overcome.
- New case studies were created for Moto's Transportation, which is a Cycle 3A capital grantee and new PCC collector in Northern California, and for Cycle 3M grantee 916 Floors in Roseville, Calif. 916 Floors is using a specialized dump trailer to source-separate PCC at job sites.
- CARE amended its Micro Grant contracts to require that any grantees remain a CARE public Drop-off Site for at least two years after accepting an award.
- CARE initiated a process to install "We Recycle Carpet with CARE" decals on any grant-funded containers or vehicles.
- The grant contract, payment and reporting process was moved online in order to create efficiencies.
- CARE updated its auditing protocol for grantees and selected 2021 auditees.

Cycle 4A, Capital Improvement Grant Awardees

- **Aquafil ACR1**, Phoenix, AZ, \$260,000: This project focuses on cleaning and processing Polypropylene for a pelletized end product.
- **Circular Polymers**, Lincoln, CA, \$250,000: Purchase of new shredding technology to increase throughput and begin processing of level loop PCC and building of a tile processing line.
- **Green Waste Carpet Recycling**, San Jose, CA, \$70,952: Expansion of trailer and container service as well as small-volume pick-up service in the Bay Area to increase collections of all PCC types.
- **Hayward Transfer Station**, Hayward, CA, \$264,000: Expansion of container service at carpet and flooring retailers to increase collection of all PCC types.
- **Los Angeles Fiber Company**, Los Angeles, CA, \$500,000: This project will purchase and install infrastructure to expand the processing of California-sourced level loop carpet.
- **PRET Advanced Materials**, Johnsonville, SC, \$500,000: Funding will expand processing of commercial broadloom level loop carpet and backing material (PC4).

Cycle 3B, Product Testing Grantees

- **GC Products**, Lincoln, CA, \$40,000: Grant funds will be used to test PC4 in this company's current line of acoustic and architectural products.
- **necoTech**, Delaware, OH, \$100,000: Funding supports the testing of densified PCC material in asphalt applications.
- **ReFiber**, Sacramento, CA, \$100,000: Funding supports the continued testing of the technical feasibility and environmental impact of PCC material used as a transportable filtration device.

Cycle 3M, Micro Grantees

- **916 Floors**, Roseville, CA, \$15,000: Funding supports a small, easy-to-manuever trailer to source-separate PCC for recycling at flooring job sites.
- **ACES Waste**, Amador County, CA, \$10,476.44: Purchase of a self-haul container will establish the first public Drop-off Site for PCC in Amador County.
- **Bertka Flooring**, Roseville, CA, \$15,000: Purchase of a trailer for hauling all source-separated PCC material from job sites to a recycler.
- **Loyalton Transfer Station**, Sierra County, CA, \$15,000: Funding supports infrastructure to establish a staging area for the first public Drop-off Site in the county.
- **Quality Flooring Removal**, Roseville, CA, \$13,000: Funding supports a small, easy-to-manuever trailer to source-separate PCC for recycling at flooring job sites.
- **Planet Recycling**, San Diego, CA, \$15,000: Purchase of three containers for flooring retailers requesting to begin source-separating PCC for recycling.
- **SMaRT Station**, Sunnyvale, CA, \$10,234: Purchase of a self-haul container will assist CARE's public Drop-off Site for PCC in Santa Clara County.

The following is an overall summary of Capital Improvement Grants (Cycle A) from the start of the program through 2020 in addition to those listed above in Section 6.2.2 under Cycle 4A. If funds awarded were not fully paid out by the end of 2020, the actual amount paid through 2020 is noted.

Table 6-1. Summary of Capital Improvement Grants (Cycle 1A)

Cycle 1A (2016–2017)	Location	Term End	Funds Awarded
American Fiber Cushion	Dalton, GA	3/31/2017	\$250,000
Carpet Solutions	Carson, CA	End 2017	\$375,000; \$351,550 paid
CLEAR/Circular Polymers	Lincoln, CA	3/31/2017	\$500,000
SafePath Products	Chico, CA	3/31/2017	\$462,000
Sierra Rubber Products	Modesto, CA	3/31/2017	\$218,500; \$147,769 paid
XT Green	Rancho Cucamonga, CA	End 2019; extended	\$250,000; \$225,000 paid [1]

[1] This grant was terminated by CARE and the full awarded amount recovered and returned to the grant pool in Q2 2021.

Table 6-2. Summary of Capital Improvement Grants (Cycle 2A)

Cycle 2A (2018–2019)	Location	Term End	Funds Awarded
Aquafil	Woodland, CA	End 2019	\$500,000
Arropol	Dalton, GA	6/30/2020; extended	\$194,000; \$138,600 paid
Circular Polymers	Lincoln, CA	End 2019	\$500,000
Green Hive Group	Chico, CA	End 2019	\$204,234; \$192,925 paid
Interface	Woodland, CA	End 2019	\$160,021; canceled
Los Angeles Fiber Company	Los Angeles, CA	6/30/2020; extended	\$500,000; \$494,000 paid
SaN Pallets	Troy, OH	End 2019	\$250,000; \$225,000 paid
Visions Environmental	Oroville, CA	End 2019	\$260,360

Table 6-3. Summary of Capital Improvement Grants (Cycle 3A and 3X)

Cycle 3A/3X (2019–2020)	Location	Term End	Funds Awarded
Circular Polymers	Lincoln, CA	End Jan 2020 (3A); End 2022 (3X)	\$325,000 (3A); \$862,762 paid of \$900,000 (3X)
Green Waste Carpet Recycling	San Jose, GA	October 2020	\$150,000; \$113,929 paid
Los Angeles Fiber Company	Los Angeles, CA	March 2021	\$500,000 \$314,272 paid
Moto's Transportation	Sacramento, CA	October 2020	\$150,000
Planet Recycling	San Diego, CA	October 2020	\$150,000
Visions Environmental	Oroville, CA	End Jan 2020	\$290,000; \$240,633 paid

Table 6-4 and Table 6-5 summarize the overall **Product Testing Grants (Cycle B)** from the start of the program through 2020. If funds awarded have not been fully paid out by the end of 2020, the actual amount paid through 2020 has been noted.

Table 6-4. Summary of Product Testing Grants (Cycle 1B)

Cycle 1B (2016–2017)	Location	Term End	Funds Awarded
Carpet Solutions (canceled)	Carson, CA	3/31/2017	\$24,000; \$0 paid
GHD, Inc.	Santa Rosa, CA	3/31/2017	\$145,984
South Bend Modern Molding (canceled)	South Bend, IN	3/31/2017	\$50,000; \$0 paid

Table 6-5. Summary of Product Testing Grants (Cycle 2B)

Cycle 2B (2018–2019)	Location	Term End	Funds Awarded
3B Protection	Perris, CA	May 2020; extended	\$200,000
CMJ Systems	Phoenix, AZ	End 2020; extended	\$198,600; \$104,874 paid
ReFiber	Sacramento, CA	June 2020; extended	\$36,600; \$20,450 paid
Swisstrax	Indio, CA	End 2019	\$164,750
Verdex	Richmond, CA	End 2019	\$195,000; \$194,428 paid
Visions Environmental	Oroville, CA	End 2019	\$50,147; \$33,413 paid

Table 6-6 and Table 6-7 summarize **Micro-Grants for Collections/Reuse Programs (Cycle M)** from the start of the program through 2020. If funds awarded have not been fully paid out by the end of 2020, the actual amount paid through 2020 has been noted.

Table 6-6. Summary of Micro-Grants for Collections/Reuse Programs (Cycle 1M)

Cycle 1M (2017)	Location	Term End	Funds Awarded
Circular Polymers	Sacramento, CA	6/30/2018	\$10,000
Green Waste Recovery	San Jose, CA	6/30/2018	\$10,000
Napa Recycling and Waste Services	Napa, CA	End 2017	\$10,000
Planet Recycling	San Diego, CA	6/30/2018	\$10,000
Zanker Florin Perkins	Sacramento, CA	End 2017	\$10,000

Table 6-7. Summary of Micro-Grants for Collections/Reuse Programs (Cycle 2M)

Cycle 2M (2018–2019)	Location	Term End	Funds Awarded
Atlas Disposal	Sacramento, CA	6/30/2020	\$15,000
City of Berkeley	Berkeley, CA	Oct 2019	\$14,000; \$12,620 paid
City of Los Angeles	Los Angeles, CA	Oct 2019	\$13,000; \$10,026 paid
Hayward Transfer Station	Hayward, CA	6/30/2020	\$15,000; \$0 paid
Highway 59 Landfill	Merced County, CA	10/30/2020	\$13,000; \$12,604 paid
Monterey Regional Waste Management District	Marina, CA	10/30/2020	\$13,984; \$13,795 paid
Napa Recycling and Waste Services	Napa, CA	10/30/2020	\$15,000; \$0 paid
San Joaquin County	Lovelace and North County facilities	Oct 2019	\$14,064
Sun Street Transfer	Salinas, CA	10/30/2020	\$10,000
Zanker Florin Perkins	Sacramento, CA	Oct 2019	\$15,000
Zanker in San Jose	San Jose, CA	Oct 2019	\$15,000

6.3 Measuring Market Development

Market development is currently measured in two primary ways: the number of Tier 2 pounds used in the manufacture of recycled products, as reported by Tier 2 Manufacturers; and the number of products containing PCC recycled content, as self-reported by participating or non-participating manufacturers.

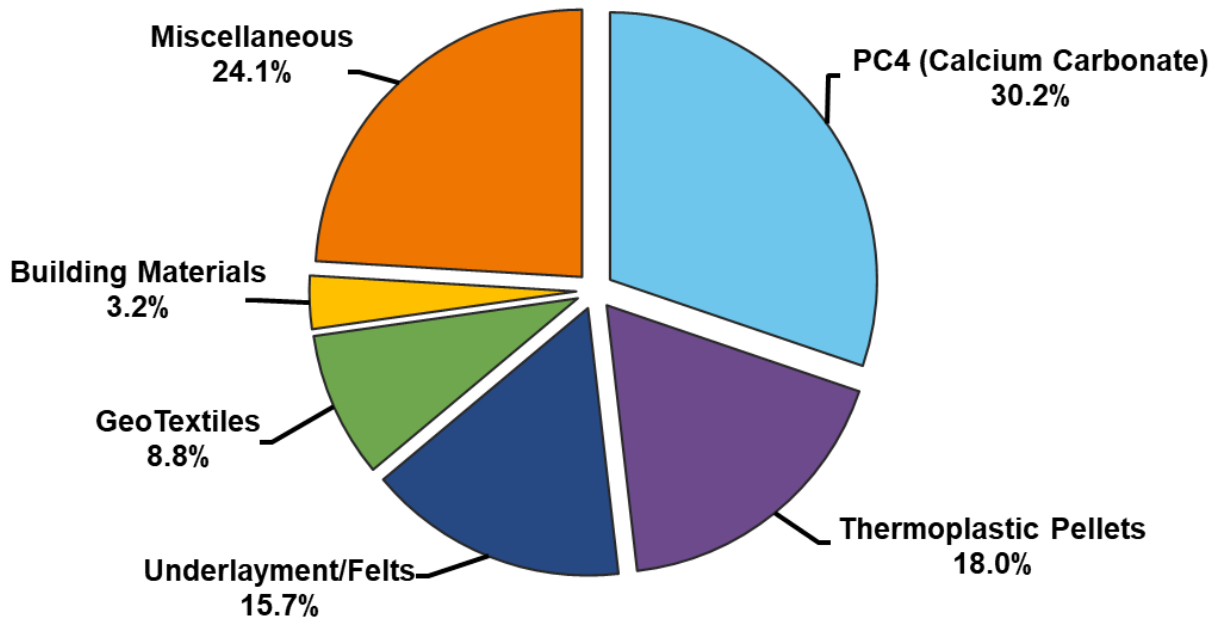
2020 saw slight increase in Tier 2 Manufacturer use of Non-Nylon Recycled Output in products that have shipped and sold. Tier 2 Manufacturer Non-Nylon pounds shipped and sold increased from 19.1 million pounds in 2019 to 20.6 million pounds in 2020, a 7.9% increase (see Figure 5-14 in Section 5.11).

As anticipated, the Tier 2 Nylon 6 subsidy, coupled with the new Highest Recyclability incentive added in 2019, continued to spur growth in 2020. The Nylon pounds shipped and sold increased to 9.9 million pounds in 2020, over the 8.5 million pounds in 2019, reflecting an increase of nearly 16.5% on Nylon shipped and sold data (see Section 5.7). This subsidy enables the Program to further track secondary use of Nylon 6 in Tier 2 manufacturing. Nylon 6,6 use in secondary products was not initially tracked by the Program, although changes in reporting adopted in mid-2018 began capturing Type 1 Recycled Output by polymer type. In addition to Tier 2 manufactured pounds, Tier 1 Processors PC4 pounds shipped and sold for use in secondary products decreased slightly from 14.1 million pounds in 2019 to 13.2 million pounds in 2020, a 6% increase.

A total of 25 Tier 2 Manufacturers registered and/or participated in the subsidy program in 2020, a 25% increase over the 20 registered and participating in 2019. It is known that additional secondary manufacturers utilize Recycled Output produced by Tier 1 Processors in the manufacture of secondary products—such as Ravago, Sierra Mat & Rubber, GC Products, SafePath Products, and Visions Paint—but may not participate in the subsidy program.

The number of Non-Nylon products shipped and sold during 2020 continued to increase, offering a variety of products by Tier 2 Manufacturers. Subsidies for Non-Nylon payouts in 2020 increased again by more than 10% over 2019. Participating Tier 2 Manufacturers reported 6 unique Non-Nylon product categories as illustrated in Figure 6-2.

Figure 6-2. Product Output Categories



Currently reported recycled products fall into six main product categories:

- 30.2% PC4 (used in variety of products such as rubber mats, transition ramps, cement, and lightweight aggregate), down from 33.8% in 2019.
- 18.0% Thermoplastic Pellets (including Polypropylene and Nylon 6, used in a variety of new plastic products), down from 25.7% in 2019.
- 15.7% Underlayment/Felts (such as carpet cushion), down from 23.8% in 2019.
- 8.8% GeoTextiles (such as erosion control products), up from 6.7% in 2019.
- 3.2% Building Materials (such as insulation and plastic lumber), up from 1.2% in 2019.
- 24.1% Miscellaneous (such as adsorbent, bedding, and packaging), up from 8.8% in 2019.

Manufacturer listings are voluntary and may not include all available products containing California recycled PCC, especially if the manufacturer is not participating in the subsidy program.

As part of the new AB 1158 requirements, CARE has defined a minimum content percentage contained in Tier 2 manufacturing products; this is to qualify the products as a certified PCC Content Product. In response to Chapter 0 requirements for the 2018–2022 Plan, CARE completed a PCC survey of 24 companies, with 20 respondents who are presently receiving CARE manufacturer subsidies. Of those respondents, 40% reported using 50% or more PCC-content in their products. CARE supports establishing

a 10% PCC recycled content goal by 2025; however, maintaining currently established end-market uses is critical for ongoing recycling rate growth and overall market stability. The current minimum PCC weight of products begins at 3% by content and an annual minimum of 25,000 pounds. The integration of multiple products of lower weight provides a strong foundation for building broader market impact. CARE expects to slowly increase over time the minimum weight content to 10% and 100,000 pounds annually qualify as a PCC content product. All PCC content must be sourced from California.

6.4 Product Development & Available Recycled Products

The following companies took steps to develop new products using California Recycled Output in 2020:

- **Reliance Carpet Cushion** tested and secured markets for a new product application.
- **Los Angeles Fiber Company** secured and expanded a partnership with the cement industry on PC4 as a raw material.
- **Circular Polymers** expanded their work with a major chemical company to densify product which is then broken down to basic chemical building blocks for new products and materials. With the support of CARE grant funding, densification production for this outlet began in Q4 2019 and despite technical issue, successfully expanded throughout 2020.
- **Circular Polymers** expanded their work with a new application on additional products containing PC4.
- **SaN Pallets**, with the support of CARE grant funds, manufactures plastic end caps for rolled goods.

The following list shows companies that continue to offer products using California Recycled Output in 2020; California locations are listed first (a full listing including product lines is included in Appendix).

California locations:

- **Aquafil**, located in Woodland, California, and Phoenix, Arizona, uses Nylon to manufacture pellets which are eventually converted to make their ECONYL® nylon fiber for use in carpets and textiles.
- **Circular Polymers**, located in Lincoln, California, uses Nylon, Polypropylene and PET to manufacture pellets which is utilized in a variety of secondary plastic products.
- **Green Hive Group**, located in Chico, manufactures AbsorbsWell Absorbent utilizing 100% PC4. Green Hive Group is an affiliate of Safe Path Products.
- **Reliance Carpet Cushion**, located in Los Angeles, uses the recycled PET carpet materials to manufacture its EcoSoft carpet cushion.
- **SafePath Products**, located in Chico, manufactures ADA transition products out of recycled crumb rubber and incorporates PC4.
- **Sierra Mat & Rubber**, located in Modesto, produces mats, wheel stops and landscape pavers of rubber, plastic, and post-consumer carpet.
- **3B Protection**, located in Perris, manufactures ballistic and blast proof products for a wide range of applications.
- **Vision Quality Coatings**, located in Oroville, uses PC4 to manufacture light weight aggregates for the construction and decorative industries.
- **Wetsel Oviatt Recycling**, located in Elk Grove, uses Recycled Output fiber to create stormwater filtration media.

Locations outside of California:

- **American Fiber Cushion**, located in Dalton, Georgia, uses PET to manufacture carpet cushion.
- **Aquafil**'s location in Phoenix, Arizona, uses Nylon to manufacture pellets which are converted to make ECONYL® nylon fiber for use in carpets and textiles. (The company also has a new location in Woodland, California, as noted above.)
- **Bonded Logic**, located in Chandler, Arizona, uses PET to manufacturer insulating products.
- **Carpet Cycle**, located in New Jersey, manufactures **Quiet-Tech** Eco-Friendly Acoustic Insulation made of 85–90% post-consumer recycled materials,

- **Chasen**, located in New Jersey, utilizes Recycled Output fibers to manufacture acoustic and mattress insulation pads.
- **GeoHay**, located in Inman, South Carolina, uses Recycled Output in stormwater and waste management products that protect against erosion, curb inlet filters to avoid storm drain flooding, and in hydrocarbon erosion products.
- **Interface**, **Shaw**, and **Tarkett**, all located in Georgia, use recycled post-consumer carpet tile in their new carpet tiles, a closed-loop, carpet-to-carpet recycling application. In some cases, only the backing may be recycled due to contamination of the face fiber.
- **Leggett & Platt**, located in Texas, uses Recycled Output in their underlayment products.
- **MP Global Products**, located in Norfolk, Nebraska, uses Recycled Output in its carpet underlayment and insulated packaging.
- **PRET Advanced Materials**, located in Johnsonville, South Carolina, uses nylon Recycled Output, to manufacture pellets which is utilized in a variety of secondary thermoplastic products, including in the automotive industry.
- **SaN Pallets**, located in Troy, Ohio, manufactures recyclable plastic end caps out of densified PET fibers.

6.5 Market Development & Outreach

In 2020, despite pandemic-related limitations on in-person events and gatherings, CARE's Market Development Manager, Rob Thiess and other CARE Team members participated in a number of conferences and meetings on behalf of the California Program to further the conversation about recycled carpet products:

- Participated in and engaged with industry and local government professionals during the California Resource Recovery Association's (CRRRA) virtual conference.
- Conferred with CalRecycle Local Assistance and Market Development staff on [CARE.Ecomedes.com](https://www.care.ecomedes.com) website, SABRC, and Buy-Recycled efforts to plan for expanding recycled-content construction products promotion through Department of General Services staff.
- Participated in the California Association of Public Procurement Officials (CAPPO) annual conference by tabling to promote PCC containing recycled content products.
- Added link on [CarpetRecovery.org](https://www.carpetrecovery.org) website for DGS/General Contractors for the Preparation and Recycling of Carpet Tile and Commercial Broadloom.

Marketing/Communications agency Gigantic Idea Studio assisted with market development in 2020, including the efforts described in the following section.

6.5.1 Business/Marketing Assistance

As part of CARE's support for grantees, consultant Gigantic Idea Studio offered marketing/outreach advice and assistance to grantees in 2020, including the following support:

- **Circular Polymers.** Launched logo and website redesign (completed in 2021). Assisted with design and content of flyer and PowerPoint slide presentation for conferences.
- **SafePath.** Design and strategy advice on collateral and website for AbsorbsWell product.
- **3B Protection.** Edit directory submission for *Waste Advantage*.

Overall PCC Product Promotion marketing efforts included:

- Revised two digital versions of the Recycled Carpet-Derived Products catalog in March and December 2020.
- Continued work with Ecomedes.com to promote product procurement via the [CARE.Ecomedes.com](https://www.care.ecomedes.com) page; edited blog posts for the Ecomedes site and promoted their video explainer.
- Edited content and structure of CARE's presentation on procurement for SAGE and CalRecycle.
- For California Association of Public Procurement Officers (CAPPO), placed ad in CAPPO Directory, supported 2020 Conference booth, and created video promoting PCC-derived products to be featured in January 2021 conference virtual booth.

In addition to the above, Gigantic Idea Studio provided extensive support on grants-related communications, including flyers, blog posts, and a [video case study for Moto's Transportation](#), a grantee and PCC collector.

7 Financing Mechanisms

CCR Section 18944(a)(7). Financing Mechanism. *The annual report shall include a description and evaluation of the program's financing mechanism, including whether or not the funding was sufficient to recover, but not exceed, the full cost of the stewardship program. The annual report shall include, but not be limited to, the following total program cost information, and include any supporting documentation. Any proposed change in the amount of the carpet stewardship assessment fee must be submitted to the department for reapproval (See Section 18943 Criteria for Plan Approval) ...*

7.1 Total Program Cost

CCR Section 18944(a)(7)(A). Total Program Cost.

The following numbers are reported in accordance with the accrual basis accounting method:

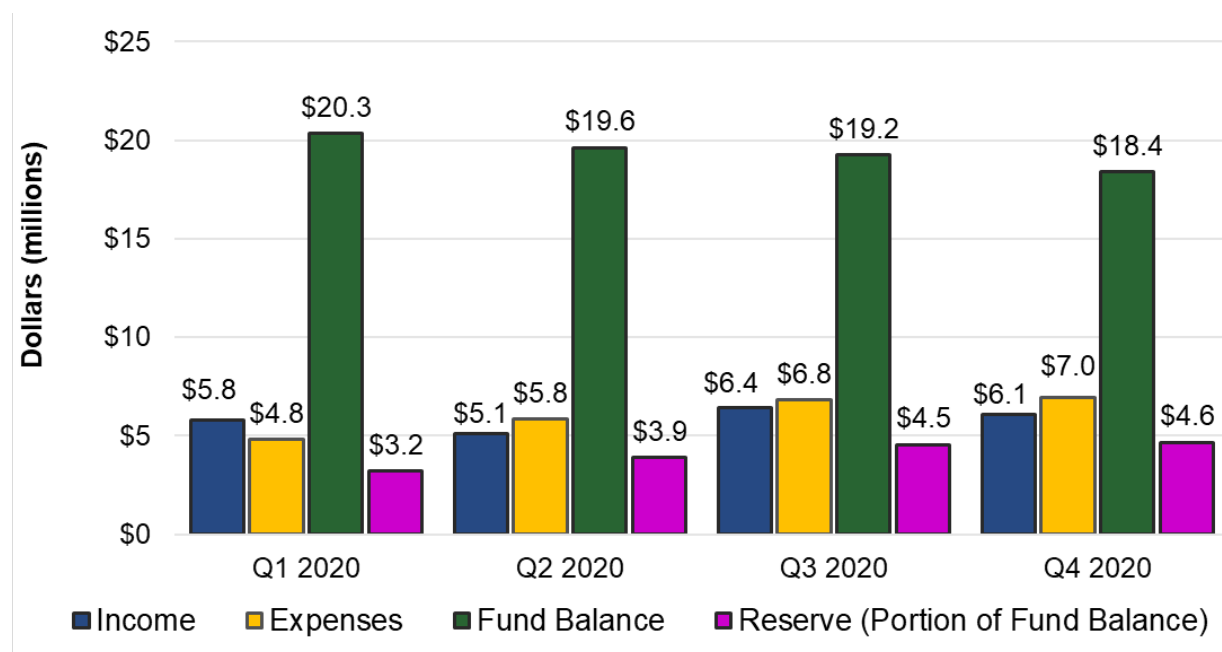
- **2020 Starting Balance: \$19.6 million**
- **2020 Total Income: \$23.4 million**, consisting of \$23.4 million in assessment remittances paid by participating Carpet Mills and interest income of \$69,276.
- **2020 Total Expenses: \$24.4 million**
 - 69.2% Program Subsidies
 - 6.7% COVID Response Special Payout
 - 2.4% Administration: includes Program Administration (0.3%) and CalRecycle Fees (2.1%)
 - 5.2% Direct: includes Salaries and Benefits (4.1%) and Support (1.1%)
 - 4.5% Drop-off Site (Collections) Program
 - 2.1% Technical Assistance
 - 4.3% Grants
 - 3.6% Education and Outreach
 - 2.0% Accounting and Legal
 - 0.0% Advisory Committee
- **2020 Ending Balance: \$18.6 million**
- **2020 Ending Program Reserve: \$4.6 million**, 24.6% of ending balance.

As outlined in CARE’s 2018–2022 Plan, funding has remained sufficient to cover all costs with an objective of spending down the Fund Balance. Over time, the excess Fund Balance has primarily been a result of two factors, lower than budgeted recycled output and thus lower subsidy payouts over time, coupled with the 2019 increase in the recycling assessment from \$0.25 per square yard to \$0.35. The excess funds were incorporated into the new 2018–2022 5-Year Plan to help ensure a balanced budget as required. In light of the worldwide business and supply chain impacts experienced by the COVID-19 Pandemic, the availability of unplanned excess funds afforded CARE the opportunity to support and sustain recyclers, preventing the potential loss of any CSEs, Processors or Manufacturers involved in the California program. Based on actual feedback from recyclers, we would certainly have seen shutdowns and possible closure of operations if CARE had not implemented the COVID Action Plan.

With the approved Plan, and through utilization of CARE’s Budget Model, the program adjusted its reserve calculation to equal a two-month average of total program expenses over the last quarter (last 3 months divided by 3, multiplied by 2). Over the 2018–2022 Plan, excess funds will be reduced such that the balance will be the calculated Plan reserve at the end of 2022.

Figure 7-1 summarizes the revenues, expenditures, and fund balance retained by quarter throughout 2020. It also summarizes the Reserve, a portion of the Fund Balance that represents most of surplus funding (see Section 7.10). Note, Program revenue is realized through the sale of new carpet which are seasonal and reflected as the reported income.

Figure 7-1. Program Remittances, Expenditures, and Balance Over Time



7.2 Cost per Capita

CCR Section 18944(a)(7)(B). Cost (\$)/capita.

Based on California's population of roughly 39.5 million people in 2020,⁷ the \$24.4 million expended in 2020 on total Program expenses accounts for approximately \$0.62 for each Californian, a 3.3% increase from \$0.60 from 2019.

7.3 Cost per Pound Collected

CCR Section 18944(a)(7)(C). Cost (\$)/pound collected.

On a total program cost basis, Gross Collections of post-consumer carpet totaled 77.0 million pounds in 2020. An average of 1.95 pounds of PCC was recovered per capita. Based on **total Program funds expended** in 2020 (\$24.4 million), the total Program cost per pound collected is \$0.32 per pound, a 7% increase over the cost per pound in 2019 at \$0.30 per pound.

Looking exclusively at the direct costs (transportation, storage, and CSE recycling fees) of the Program's public drop-off collection sites, the cost per pound collected was \$0.10 per pound in 2020, the same as in 2019 (see Section 4.2). For reference, the average per-pound costs were \$0.10 in 2019, \$0.12 in 2018, \$0.10 in 2017, \$0.16 in 2016, and \$0.17 in 2015. The average cost per pound decrease over time, despite increased PCC tonnage collected, and related hauling and recycling fees, is a direct result from an overall cost savings realized from a 2018 transition from two PCC container transport companies to one.

⁷ Per-capita estimate is based on Department of Finance population data of 39,466,855 for California as of 1/1/2021. https://dof.ca.gov/Forecasting/Demographics/Estimates/e-1/documents/E-1_2021PressRelease.pdf

Table 7-1. Average, Urban, and Rural Cost per Pound Collected Over Time

Year	Urban Cost per Pound	Rural Cost per Pound	Average Cost per Pound
2015	N/A	N/A	\$0.17
2016	N/A	N/A	\$0.16
2017	N/A	N/A	\$0.10
2018	\$0.10	\$0.17	\$0.12
2019	\$0.08	\$0.21	\$0.10
2020	\$0.09	\$0.20	\$0.10

In 2018, CARE began tracking direct costs for Urban versus Rural collection sites in the public drop-off collection program, and the per-pound costs were \$0.10 for Urban and \$0.17 for Rural. For 2020, Urban costs were \$0.09 per pound and Rural costs were \$0.20 per pound. Rural program costs are found to be higher due to smaller volumes captured over a longer period, container storage fees, and greater transport distances, which are now affected by federal Department of Transportation rules limiting driver road time. Conversely, Urban program costs generally relate to larger volumes captured in shorter time frames, lower container storage costs (containers swapped out more frequently), and shorter transport distances. Additionally, some Urban sites may choose to self-haul, a cost CARE reimburses, which often can afford a lower transport rate as well as no added container storage costs. Again, these costs reflect direct drop-off program costs, not overall Program costs (e.g., subsidies, payroll, grants).

7.4 Education/Communications Costs

CCR Section 18944(a)(7)(D). Education/Communications (% of total program cost).

To maintain engagement with multiple stakeholder groups, with widely different perspectives and agendas, the approved 2018–2022 Plan included a forecast budget for marketing, outreach, education, and communications at \$1,240,000 in 2020 (of which \$888,394 was expended). Due to COVID-19 pandemic-related Health Orders requiring business closures and work from home, Outreach Team travel costs from mid-March through the end of 2020 were heavily curtailed. 2020 expenditures under this category include the expenses for the appointed Carpet Advisory Committee, which due to pandemic-related travel restrictions, resulted in minimal funds expended in support of the Advisory Committee. Total expenditures under this category equate to 3.6% of the

total expenses incurred in 2020, down slightly from 4.7% in 2019 (see Figure 7-2 and Figure 7-3).

Although an overall budget is authorized by CARE by subcategory, actual expenditures may be adjusted over the course of each year in response to dynamic program conditions, new educational opportunities, or other factors. Overall actual education and outreach expenditures in 2020 were considerably lower than anticipated due to pandemic impacts.

While education and communications activities are designed to support program goals, the Program relies primarily on subsidy expenditures as the principal mechanism for achieving increased Recycled Output, diversion, and other program goals, consistent with figures below. Efforts continue to explore ways to tie education/outreach activities to operational performance metrics.

Figure 7-2. Total Program Expenses, 2019 and 2020

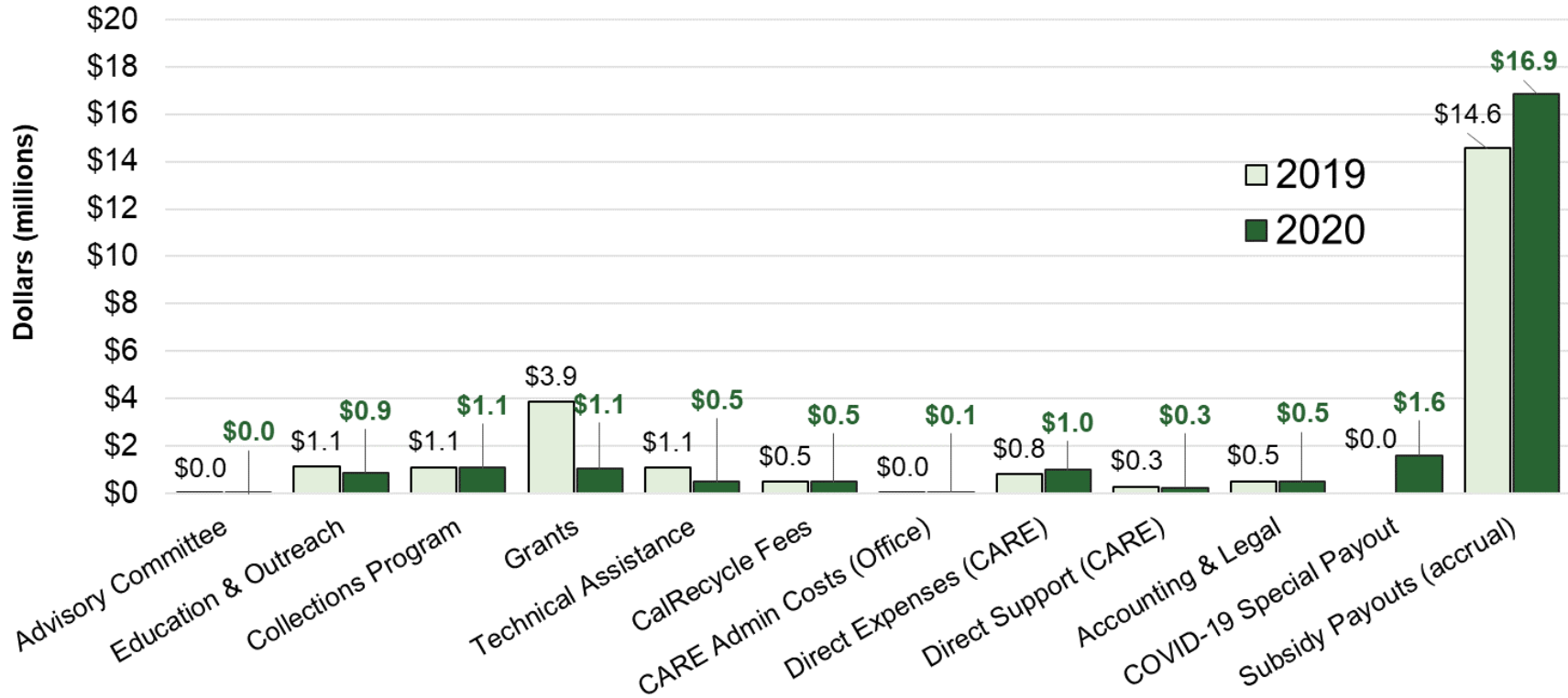


Figure 7-3. Percent of Program Expenses, 2019 and 2020

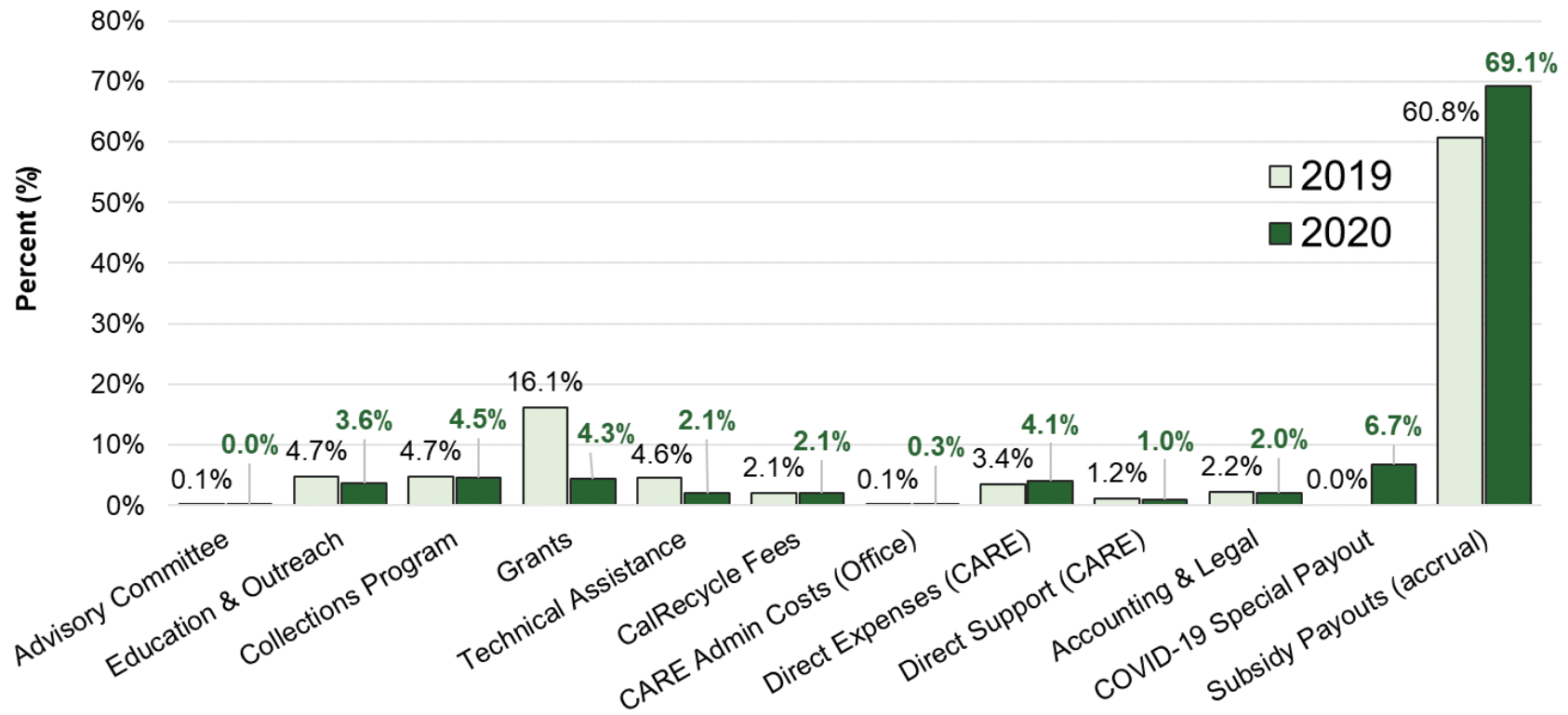


Table Note: In an effort to provide greater program expense detail in both figures above, CARE has chosen to break out general CARE Admin Costs from Direct program expenses and support.

7.5 End-of-Life Materials Management Costs

CCR Section 18944(a)(7)(E). End-of-life materials management (% of total program cost).

For the purpose of this report, end of life (EOL) is defined as activities occurring at the point when a product is discarded by the consumer or the end of the useful life of a product, whichever comes first. EOL disposition options include such activities as reuse, recycling, secondary product manufacturing, energy recovery, incineration, and landfilling. In 2020, \$19.9 million in Program resources were directed to support EOL materials management in the following amounts:

1. **Gross Collections** – In 2020, the California Program expended \$1,099,501 on operational support for 83 Drop-off Sites in 54 participating counties (see Section 4.2). This is a cost decrease of 2.4% from the \$1,126,901 spent on the Collections Program in 2019.
2. **Grants** – Cycles 3A/3X were awarded in 2019 in support of collections and capacity expansion, and approximately \$840,000 was paid out in 2020. Cycle 4A capital and collection expansion grants were also awarded in 2020, and \$197,696 was paid. \$68,234 was paid to Cycle 3M micro grantees for collection/reuse projects, and approximately \$280,000 was paid to testing project grantees in 2020 awarded under Cycle 3B in 2020 and under Cycle 2B awarded in 2018. In 2020, a total of \$ 1,385,930 of grant funds were expended, which is only 35% of the amount of funding expended in 2019 (\$3,866,319). Cycle 4A, Cycle 3B and Cycle 3M grant terms continue into 2021; remaining grant balances, including retention funds, are expected to be expended in 2021. It should be noted that accounting rules stipulate funds committed in 2020 and paid in 2021 must be accounted for in the 2020 financials.
3. **Recycling** – The bulk of Program resources support the conversion of Gross Collections into Recycled Output materials by participating Tier 1 Processors and use of generated Recycled Output as feedstock by Tier 2 Manufacturers. In 2020, \$16.9 million was paid through the following subsidies and incentives supporting recycling, as well as the COVID19 Special Payout (see Figure 7-4 and Figure 7-5):

- a. **Tier 1 Processor Subsidies**, Total: \$7.5 million.
 - **Tile recycled** by Processors: \$115,890.
 - **Type 1 Processor Recycled Output** (recycled output within ash content thresholds, currently less than 25% ash): \$4.3 million.
 - **Type 2 Processor Recycled Output** (recycled output with higher ash content thresholds, currently more than 25% ash): \$0.
 - **Highest Recyclability**: \$850,999.
 - **PC4 Processor Recycled Output** in 2020: \$2.2 million.
 - b. **Tier 2 Manufacturer Subsidies**, Total: \$7.2 million.
 - c. **Collector/Sorter Entrepreneur (CSE) Subsidies**, Total: \$2.2 million.
 - **Reporting incentive, and CSE whole carpet and tile recycling collection subsidy**: \$2.2 million.
 - **Reuse Subsidy CSEs** (broadloom and carpet tile): \$76,495.
 - d. **COVID-19 Special Payouts**, Total: \$1.6 million.
4. **Energy Recovery** – Waste-to-Energy (WTE) does not receive subsidy payouts under the current Plan. In 2020, Carpet As Alternative Fuel (CAAF) and Kiln saw no payouts. (See additional discussion related to Kiln pounds and expenditure in Section 5.6.4 and Section 7.9.1.)
 5. **Incineration** – No incineration was reported during the reporting period. No subsidies are offered for incineration.
 6. **Disposal** – Disposal figures are reported in Section 5.6.5. No subsidies are offered for disposal.

Figure 7-4. Program Expenditure Ratios (millions), 2020

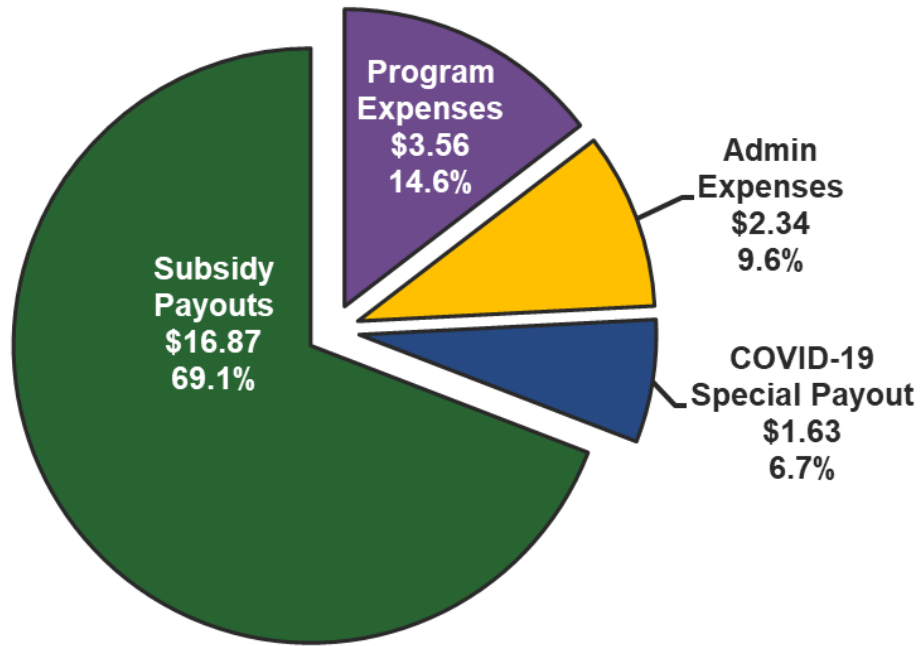
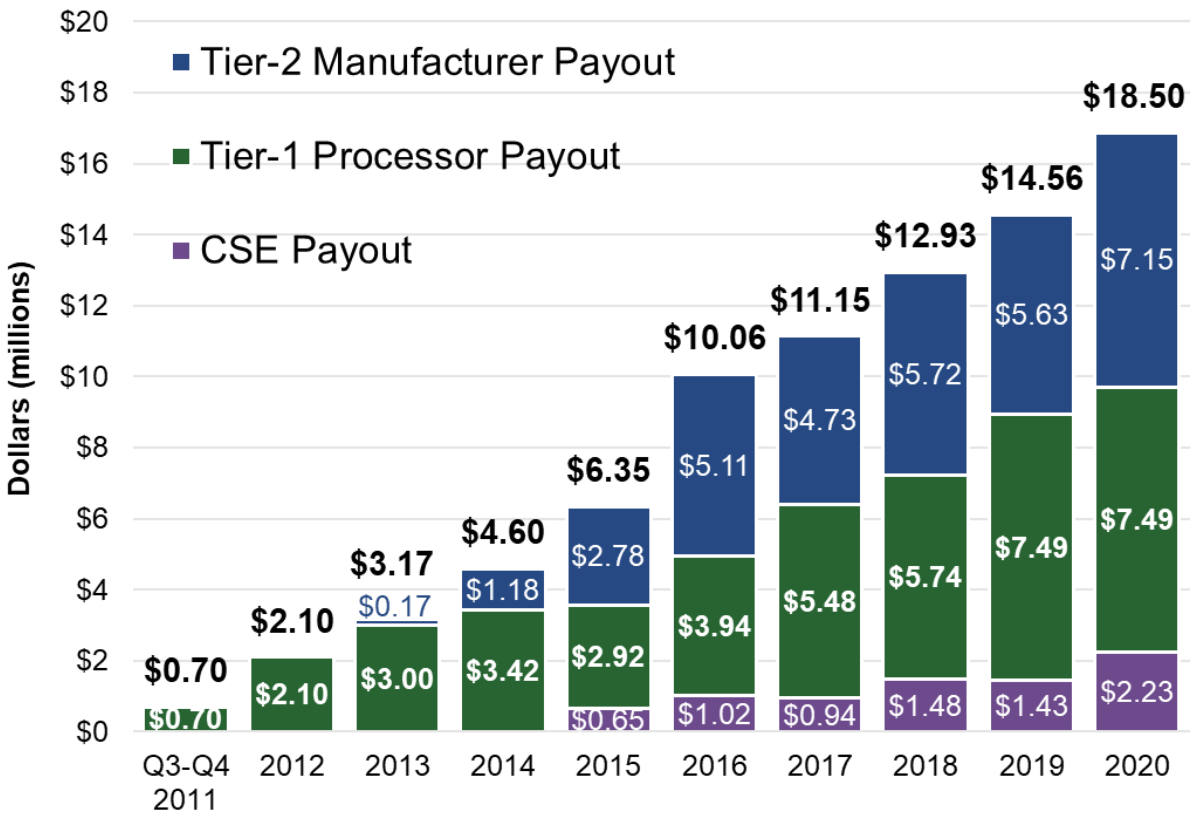
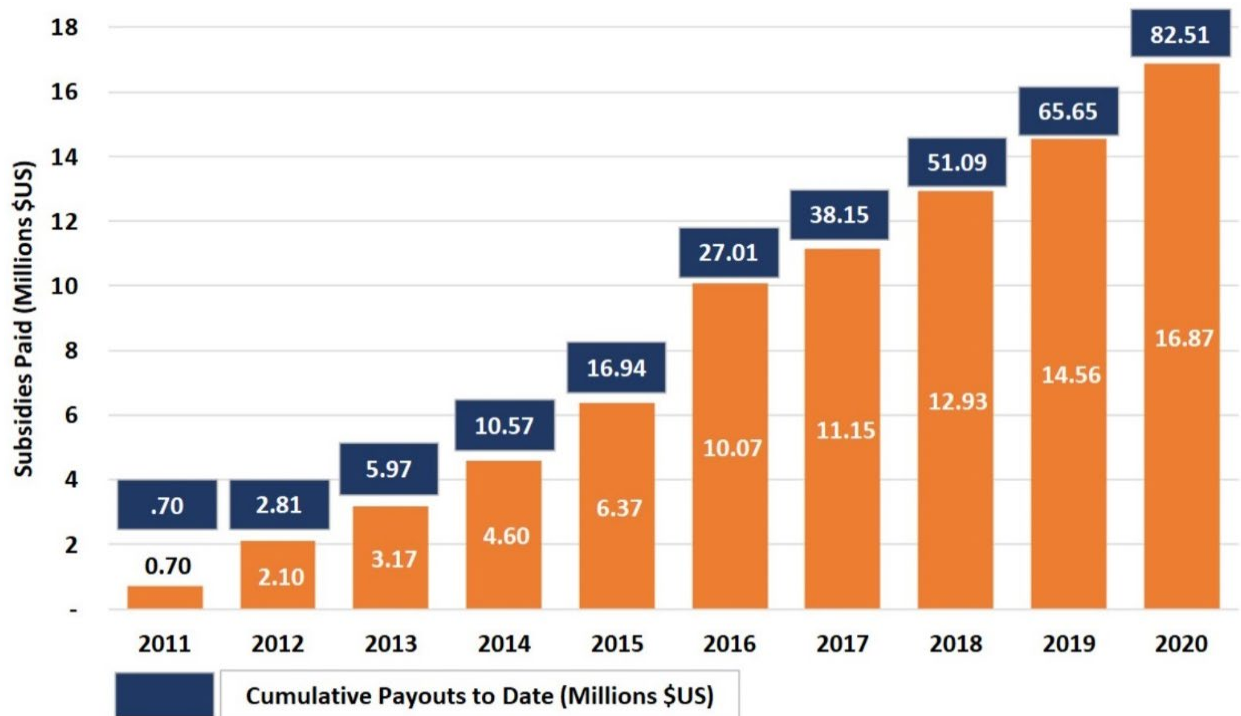


Figure 7-5. Summary of Subsidy Funds Paid to Participants Over Time by Type



Since Program inception, CARE has invested heavily in supporting the recovery and recycling of PCC, the cumulative subsidies paid out across CSEs, Processors and Manufacturers has been \$82.51 million. Figure 7-6 below reflects the annual and cumulative subsidy payouts from 2011 through 2020. The orange bars show the progressively increasing annual subsidy payouts during each respective year, while the blue rectangles above each orange bar reflect the cumulative subsidies paid out year over year through 2020.

Figure 7-6. CARE Annual Subsidy Payouts (million dollars), 2011–2020



In response to an Advisory Committee recommendation, Table 7-2 has been restructured to summarize both planned and actual pounds and expenditures according to each subsidy category. It should be noted that budgets are best estimates and vary considerably as the year progresses due to market, technology, and unexpected event forces at play.

Table 7-2. Pounds and Subsidies Paid by Type (Budgeted and Actual)

Type	Pounds Actual	Pounds Budgeted	Delta	Subsidies Paid	Subsidies Budgeted	Delta
Collector/Sorters (CSEs)						
CSE Reporting Incentive	N/A	N/A	N/A	\$35,000	\$24,000	\$11,000
Tile Recycled or Reuse SUBSIDY PILOT	2,880,193	2,056,332	823,861	\$144,010	\$102,817	\$41,193
Tile REUSE	736,349	1,546,581	-810,232	\$73,635	\$60,317	\$13,318
Broadloom REUSE	28,592	0	28,592	\$2,859	\$2,371	\$488
Broadloom Recycling Collected, Sold, Shipped	53,788,352	93,492,772	-39,704,420	\$1,972,307	\$3,278,247	-\$1,305,940
Adjustments	N/A	N/A	N/A	-\$2,335	\$0	-\$2,335
Total All Collector/Sorters	57,433,486	97,095,685	-39,662,199	\$2,225,476	\$3,467,751	-\$1,242,275
Processors						
Tile RECYCLED	1,158,904	0	1,158,904	\$115,890	\$94,341	\$21,549
Type 1 Standard	37,461,055	44,953,139	-7,492,084	\$4,271,472	\$4,878,890	-\$607,418
Total Type 1	38,619,959	44,953,139	-6,333,180	\$4,387,362	\$4,973,232	-\$585,870
Type 2 Filler/Other	0	0	0	\$0	\$0	\$0
PC4 (Calcium Carbonate)	13,230,157	16,069,385	-2,839,228	\$2,249,127	\$2,731,795	-\$482,669
Total Type 2	13,230,157	16,069,385	-2,839,228	\$2,249,127	\$2,731,795	-\$482,669
Highest Recyclability: Nylon (6 & 6,6)	17,019,983	8,514,346	8,505,637	\$850,999	\$425,717	\$425,282
Adjustments*	N/A	N/A	N/A	\$0	\$0	\$0
Total All Processors	51,850,116	69,536,870	-17,686,754	\$7,487,488	\$8,130,745	-\$643,256
Manufacturers						
Non-Nylon Payouts	20,639,844	21,500,349	-860,505	\$5,326,162	\$4,746,346	\$579,816
Nylon 6 Payouts	8,344,990	9,323,858	-978,868	\$1,643,824	\$1,376,997	\$266,827
Nylon 6,6 Payouts	1,561,943	0	1,561,943	\$184,285	\$153,000	\$31,285
Adjustments	N/A	N/A	N/A	\$0	\$0	\$0
Total All Manufacturers	28,984,834	30,824,207	-1,839,373	\$7,154,271	\$6,276,343	\$877,928
COVID-19 Special Payout	N/A	N/A	N/A	\$1,626,996	\$0	\$1,626,996
Subsidy Payouts						
Total All Subsidy Payouts	138,268,436	197,456,762	-59,188,325	\$18,494,231	\$17,874,839	\$619,392

*Non-specified budgeted subsidy amounts.

7.6 Program Administration Costs

CCR Section 18944(a)(7)(F). *Program administration (% of total program cost, including annual administrative fee for service payments to the department).*

Total program cost includes three primary elements: subsidies (69.1%), program expenses (14.6%), and administration expenses (9.6%), as shown in Table 7-3. Subsidies are the combined expenses for subsidies to Collector/Sorters, Processors, and manufacturers. Program expenses include education and outreach (E&O), collection, grants, and technical assistance.

Administrative expenses include fees to CalRecycle (2.1%), CARE administrative costs (0.3%), direct expenses (4.1%), direct support (1.0%), and legal and accounting services (2.0%). Administrative expenses include apportioned CARE Executive Director, Finance Director and Administrative Support staff, California Program Director, two California Senior Associates, California Grants Manager, California Market/Product Development Manager, California Program Coordinator. Legal and accounting services include assessment remittance reporting and fund management, subsidy reporting and payouts, Agreed Upon Procedures (AUP) reviews, legal oversight, financial audits, grant administration, and any related activities which may include annual report data generation, special analyses of data, surveys, Planful subscription fee, subscriptions to data services and information reporting, etc.

Table 7-3. Total Program Expenses in 2020

Program Expenses (thousand dollars)	Q1	Q2	Q3	Q4	2020 Total	% of Total Expenses	Budgeted Expenses	Delta Budget vs. Actual
Subsidy Payouts (accrual)	\$3,623	\$3,302	\$4,851	\$5,090	\$16,867	69.1%	\$17,886	-\$1,019
COVID-19 Special Payout	\$0	\$1,205	\$422	\$0	\$1,627	6.7%	\$0	\$1,627
Program Expenses:								
Advisory Committee	\$0	\$2	\$2	\$0	\$3	0.0%	\$40	-\$37
Education & Outreach	\$139	\$240	\$131	\$378	\$888	3.6%	\$1,200	-\$312
Collections Program	\$248	\$227	\$263	\$362	\$1,100	4.5%	\$2,000	-\$900
Grants	\$175	\$100	\$400	\$382	\$1,057	4.3%	\$4,133	-\$3,076
Technical Assistance	\$31	\$214	\$170	\$95	\$511	2.1%	\$762	-\$251
Subtotal of Program Expenses	\$594	\$782	\$966	\$1,217	\$3,559	14.6%	\$8,135	-\$4,576
Administrative Expenses:								
CalRecycle Fees	\$125	\$138	\$144	\$105	\$511	2.1%	\$1,560	-\$1,049
CARE Office Admin. Costs	\$18	\$15	\$22	\$22	\$76	0.3%	\$159	-\$82
Direct Expenses (CARE)	\$225	\$271	\$263	\$248	\$1,006	4.1%	\$990	\$16
Direct Support (CARE)	\$81	\$36	\$54	\$83	\$255	1.0%	\$500	-\$245
Legal & Accounting [1]	\$132	\$76	\$92	\$192	\$493	2.0%	\$388	\$105
Bad Debt	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	\$0
Subtotal of Admin. Expenses	\$581	\$536	\$575	\$650	\$2,341	9.6%	\$3,597	-\$1,256
Subtotal of Pgm. & Admin. Exp.	\$1,175	\$1,318	\$1,540	\$1,867	\$5,899	24.2%	\$11,732	-\$5,832
TOTAL Expenses	\$4,798	\$5,825	\$6,813	\$6,957	\$24,394	100.0%	\$29,618	-\$5,224

Table Notes: This table shows program expenses (exp.) in thousands of dollars, including subsidy payouts, Program (Pgm. or P) expenses, and Administrative (Admin. or A) expenses. [1] Accounting cost = \$386,046 and Legal = \$125,022.

The following Beaulieu narrative is included for completeness of the final record. Beaulieu Group, LLC (a Dalton-based carpet manufacturer) filed for bankruptcy in mid-July 2017. The Q2 reporting period had not yet closed, so as a result, Beaulieu did not pay their Q2 2017 assessment to CARE. In November 2017 Engineered Floors (EF) purchased the assets of Beaulieu Group. By agreement Beaulieu Trustee and CARE, the Bankruptcy Court issued an order allowing CARE to file a claim for the unpaid Q2 assessments, and CARE was able to recover 5/6 of the Q3 assessment fees that were incurred after Beaulieu filed bankruptcy along with Q4 assessment funds up to the date of the EF asset acquisition as administrative expenses. Subsequent to the EF acquisition, all assessments due on relevant sales are now paid by EF.

CARE remains an unsecured creditor for the Q2 and one-sixth of the Q3 assessment payments, which were incurred prior to Beaulieu filing bankruptcy. Any recovery of the pre-petition funds will be determined by the Bankruptcy Plan of Liquidation, which has been approved by the Court. The Plan of Liquidation proposed by Beaulieu in early 2018 provided that CARE was expected to receive approximately 8% of assessment funds due for its pre-petition claim. As a result, CARE voted against the Plan of Liquidation, which was subsequently approved by the creditors. In an effort to recover more funds, the Bankruptcy Trustee has filed suit against several members of the Board of Directors and Officers of Beaulieu Group for breach of fiduciary duty and improper distributions of funds prior to the bankruptcy filing. The Trustee has also filed claims against affiliates of Beaulieu for fraudulent transfers of funds and claims against several of Beaulieu's creditors for improper preference payments prior to Beaulieu's filing bankruptcy.

The Trustee also filed a claim against CARE to recovery (claw-back) the Q1 funds paid by Beaulieu in April 2017 as an inappropriate transfer within 90 days of bankruptcy filing. At the advice of CARE's local law firm, CARE took action to fight this claim by hiring a law firm in Atlanta who specializes in such cases.

CARE informed CalRecycle's Enforcement Branch of these developments in a timely manner and suggested CalRecycle consider filing a claim as a state agency to aid in the potential recovery of the pre-petition unpaid assessment funds. CARE kept CalRecycle informed as the case evolved.

2020 Update: On March 20, 2020, CARE was informed that the complaint to claw-back was dismissed. CARE now considers this issue closed.

7.7 Governance Costs

CCR Section 18944(a)(7)(G). *Governance (program oversight) (% of total program cost).*

Program governance is provided by CalRecycle. In 2020, the Program paid \$510,918 to CalRecycle for their role in providing governance support and oversight on behalf of the state of California, equivalent to 2.1% of total 2020 Program expenditures. The 2020 figure represents a 3.4% increase from the \$493,966 paid to CalRecycle in 2019 (2.1% of program expenses).

7.8 Total Cost to Local Government

CCR Section 18944(a)(7)(H). *Total cost to local government (if applicable).*

The Program does not currently track the costs of managing discarded carpet incurred by local governments, and it does not require any direct contribution by local governments. However, some local governments may support Program efforts, in line with their local waste diversion goals. Local governments participating in CARE's public Drop-off Site Program may see financial benefits through offset costs of trailer and bin storage fees, transportation fees, and tip fees charged by receiving CSEs and Tier 1 Processors incurred by the Program.

Local governments/disposal sites may continue to charge tip fees for carpet recycled through the Drop-off Site Program, although sites are encouraged to offer a reduced tip fee for source-separated carpet prepared for recycling. Landfill air volume savings from carpet and pad, unquantified, is an additional benefit of the Program. The Program does not provide funds to offset labor costs that may be incurred as part of participation in the Drop-off Site Program; however, it is presumed that standard tip fees charged by the sites receiving carpet adequately cover related handling costs.

7.9 Summary of Expenses

CCR Section 18944(a)(7)(I). *Amount of the assessment, aggregate assessment funds collected, how spent and amounts of each major expenditure.*

- a. *Funds, if spent on CAAF, must be supported with documentation reporting on economic and environmental impacts and that incentives shall expire, if they no longer serve a benefit.*

- b. A carpet stewardship organization shall not expend funds from the assessment for engineered municipal solid waste conversion, as defined in Public Resources Code Section 40131.2, the use of cement kilns to burn carpet, or transformation, as defined in Public Resources Code Section 40201.

Table 7-4. Summary of Program Income and Expenses by Category

Summary of Expenses	Amount/Description
Amount of Assessment	\$0.35 per square yard of carpet sold in California in 2020
Total Assessment Remittances	\$23.4 million
Total Interest Income	\$0.07 million
End-of-Life (EOL) Base Incentive Payout	\$5.2 million
PC4	\$2.4 million
Type 2 Filler/Other	\$0.0 million
EOL Bonus Subsidy Payout (Type 1)	\$0.035 million
EOL Tier 2 Subsidy Payout (base and growth incentives)	\$7.2 million
CSE Incentive Payout	\$2.2 million
EOL Gross Collection Payout (Rural County Program Storage/Transportation)	\$1.1 million
Marketing, Education, Outreach	\$0.888 million
Grant Program	\$1.1 million
Program Administration	\$1.8 million
Technical Assistance	\$0.511 million
Program Governance (CalRecycle Fees)	\$0.511 million
Total Program Cost	\$24.4 million
Cost per Pound of Gross Collection	\$0.32 per pound
Cost per Capita	\$0.62 per person

To provide clarification on Table 7-4, the Marketing, Education, Outreach category includes both Education & Outreach and Advisory Committee Expenses. Program

Administration includes CARE Administrative Office Expenses, Accounting/Legal Expenses, Direct Expenses (Salaries & Benefits), & Direct Support. Technical Assistance expenses includes Technical Assistance/consulting to recyclers, Modeling Consultant, PET Project, Testing Fees, Reporting Database & Studies.

The Program prioritizes subsidy expenditures which incentivize CSEs, Tier 1 Processors, and Tier 2 Manufacturers based on actual pounds of PCC material managed, shipped, and sold/donated. In this way, payouts are linked to direct market results increasing accountability and tying Program investments to market-based solutions. In 2020, Program expenses across several categories decreased as a result of pandemic travel restriction impacts, such as: Advisory Committee expenses and Education and Outreach. Additionally, in an effort to support and sustain CSEs, Processors and Manufacturers, CARE deployed a COVID-19 Emergency Assistance Plan which included Special Payouts and subsidy adjustments to help aid in business continuity. Please refer to Figure 7-2 and Figure 7-3 in Section 7.4 for additional information on Program expenses.

7.9.1 Economic and Environmental Impacts of CAAF and Kiln

In 2020, CAAF accounted for 0% of discards and 0% of reported diversion. Subsidies paid to CAAF totaled \$0.

Kiln utilization accounted for 0% of discards and 0% of diversion, at zero pounds which is down from approximately 17,000 pounds in 2019. Subsidies paid to Kiln totaled \$0, and 0% of total subsidy payouts. Kiln utilization as an alternative to WTE or landfill is considered a preferred disposition by CARE and is counted toward non-subsidized landfill diversion figures.

While CAAF/Kiln subsidies historically provided an economic incentive for processors to choose CAAF or Kiln disposition over landfill disposal for material components that are not able to be diverted via higher use recycling efforts, a decision was made in mid-2017 that effective January 1, 2018, all subsidies for CAAF and Kiln were discontinued.

7.10 Surplus Funding

CCR Section 18944(a)(7)(J). Surplus funding, if any, and how it will be applied to reduce program costs.

The starting fund balance at the beginning of 2020 was \$19.6 million. During the calendar year, program revenues totaled \$23.4 million, comprised of \$23.4 million in assessment remittances paid by participating mills and interest income of \$69,276. Total expenditures in the form of subsidy payouts and other expenses totaled \$24.4

million during the term, or 104.3% of remittances. At the close of 2020, the Program's total ending fund balance was \$ 18.6 million. The assessment was set in anticipation of hitting a 24% recycling rate by January 1, 2020. The Reserve changes monthly with the level of payouts.

The approved 2018–2022 Plan provides a reserve equal to a two-month average of total program expenses over the last quarter (last 3 months divided by 3, multiplied by 2).

7.11 Assessment Rate

CCR Section 18944(a)(7)(K). An evaluation of the assessment rate (% of total program cost).

Effective January 1, 2019, the assessment rate increased from \$0.25 to \$0.35 per square yard of carpet sold in California throughout the reporting period. The increased assessment was deemed necessary to fund new requirements per AB 1158, relating to expanded and enhanced subsidy increases corresponding to the targeted growth in Recycled Output pounds and other programmatic goals. The latest assessment increase represented a 40% increase in the per square yard assessment over the prior year and a 600% increase since the program started in July 2011 at \$0.05 per square yard. There was no additional assessment increase during 2020.

8 Outreach & Education

CCR Section 18944(a)(8). Outreach/Education. *List educational outreach activities in the stewardship plan. Provide a description of educational materials that were provided to retailers, consumers, carpet removers/installers, contractors, during the reporting period (provide electronic samples). Identify the method used to determine the effectiveness of educational and outreach surveys (e.g., surveys, hits on specific web pages, number of participants at events, etc.). Education and outreach materials may include, but are not limited to, signage, written materials, advertising or other promotional materials pursuant to Section 42972(a)(5) and Links to website(s) created and maintained by the manufacturer or stewardship organization.*

The California Stewardship Program carries out extensive education and outreach efforts throughout the year to multiple audiences. Activities in 2020 were conducted by the entire Program team, including CARE's Executive Director Robert Peoples, California Program Director Jacy Bolden, Senior Associates Lisa Mekis and Jared Zitron, Product & Market Development Manager Rob Thiess, Grants Manager Abbie Beane, and the environmental marketing agency Gigantic Idea Studio (GIS). Market development efforts are addressed in Chapter 6, *Market Development* and Collections related outreach is addressed in Chapter 4, *Program Outline: Collection & Recycling Sites*. Electronic samples of educational materials are presented in Appendix 10.7.

Outreach and education goals are intended to support and promote the overall Program goals. These activities include both planned and timed outreach as well as opportunistic outreach as information and events require. Outreach and educational activities include the following:

- Increase collection by informing retailers and installers about recycling opportunities, in particular CARE Drop-off Sites.
- Increase Recycled Output through stimulation of market awareness and demand for recycled products and ongoing support promoting the continued incorporation of PCC in appropriate products.
- Increase diversion by highlighting carpet reuse and recyclability opportunities.
- Support efforts to identify new opportunities for CARE Public Drop-off Sites or making such opportunities known to the private collection network.
- Raise awareness of CARE's activities in support of the carpet recycling ecosystem.

- Gather strategic information via surveys, both qualitative and quantitative as needed.

Audiences included retailers, installers, Drop-off Sites, local government, current and potential grantees, Collector/Sorters, Processors, Manufacturers, Carpet Mills, events, and consumers.

As a result of strategic grant opportunities and other market development efforts, in 2020 Program emphasis transitioned from a heavy focus on finding end markets for PCC, to collecting more carpet in order to meet demand from processors and manufacturers, especially for PET.

The COVID-19 pandemic severely impaired in-person outreach efforts to retailers in 2020. Many/most retailers closed or scaled back on hours and staff and carpet recycling took a back seat to business survival. As the year drew on and retailers adjusted to new restraints, the residential flooring sector began to experience increasingly high demand in late summer as home renovation became a popular task during the Shelter-in-Place/Safer-at-Home Health Orders, while the commercial side lagged as projects were delayed or canceled. In-person outreach by CARE was basically stopped in March 2020. Phone outreach continued apace, though making the phone “visits” as effective as in-person proved an ongoing challenge.

Activities and messages in 2020 included:

- **Retailers:** Drop-off Site opportunities, expanded encouragement of recycling pick-up service uptake for cost savings, consumer education on carpet recycling and recyclability; PCC recycled-content products; installer outreach. Focus turned to more general flooring retailers, who may be tearing out carpet and replacing it with alternative hard surface flooring. These retailers are less aware of the assessment and are more difficult to persuade to recycle.
- **Installers/Contractors:** Raise awareness of carpet’s recyclability and availability of Drop-off Sites and installers’ role in recycling. Support CARE’s outreach to Union installers.
- **Drop-off Sites:** Provision of collateral, signage, and media templates to increase customer awareness of carpet recycling at Drop-off Sites, along with marketing assistance aimed at making accurate information easily available to potential site customers (retailers, installers, contractors). On a quarterly basis individualized outreach is conducted to every Drop-off Site, and an interactive educational webinar is produced and presented to all Drop-off Sites.
- **Local government:** Promote awareness of Drop-off Site opportunities and engagement to create additional sites; awareness of carpet recyclability; provision of consumer-facing information; availability of recycled carpet content

products and grants. Opportunity to aid in meeting landfill diversion targets. Provision of CARE collateral to building departments to reach contractors. Visits to building departments, individualized meetings, and presentations offered to local government representatives and working groups.

- **Current and potential grantees:** Informing on available grants and subsidies; grant case studies. Issue of RFPs for new grant opportunities.
- **Potential PCC product purchasers:** Continuing efforts to reach the green building industry both for purchase of PCC products that may contribute to LEED points and other certifications and to educate that tear out carpet is recyclable when properly handled and prepared.
- **All audiences:** Updates on the Program, including grant opportunities, market development activities, recycling updates, CARE progress and challenges.

The Program Outreach Team's in-person efforts in 2020 included the following, described in more detail in the remainder of this chapter:

- Quarterly engagements with CARE Drop-off Sites.
- 650 in-person "visits," mostly via phone, to retailers (new Drop-off Sites and services, revisits, regular outreach).
- Over 486 installers and 27 contractors were reached in person at 26 tabling events.
- Ad campaigns: Fall 2020 Sacramento area for general public awareness; Fall 2020 Installer publications to inform about recycling options.
- Media placements: California Recycling Rate news picked up in 9 industry publications.
- Responses to individual inquiries from businesses, waste facilities, recyclers, local government, and industry.

In addition to the detailed outreach activities described above, GIS is responsible for ensuring up-to-date content for CARE's CA webpage, which includes timely posting of key documents, e-newsletters, and important notices.

8.1 Education & Outreach Strategies

The following strategies were employed by the Program in 2020:

- Ongoing retailer contacts to raise awareness of the Program's activities and new Drop-off Sites and to explain how used carpet is being transformed into useful products. Reaching out to retailers allows for contact with additional audiences, such as carpet installers and the public. Ongoing contact is needed to keep data on each retailer current (contact people, whether currently recycling, interest in container service, installer relations, etc.), to inform about assessment compliance and to ensure new retailers are aware of the assessment and their recycling options.
- New focus on non-carpet flooring retailers to reach those who are removing old carpet and replacing it with other flooring. Based upon test market interviews with hard surface installer groups, this segment is less aware of CARE, the carpet assessment and carpet recycling but is a potential source of significant collection.
- Ongoing Drop-off Site outreach and education directed toward operational, administrative, and local government participants. Quarterly outreach includes a review of the pounds collected, the weights and cleanliness of loads, technical assistance, and individualized program support along with sharing experiences.
- Ongoing contact with local government representatives to raise awareness of carpet recycling and the Program's activities and develop collaborative partnerships to increase diversion in their area in addition to outlining existing carpet recycling opportunities in their area including encouraging building departments to display carpet recycling information.
- Provided marketing assistance to manufacturers launching products containing California-derived post-consumer carpet material.
- Supported market development efforts around recycled carpet content products with a revised Recycled Carpet-Derived Products catalog and work with Ecomedes sustainable product portal. (Ecomedes provides direct, detailed, digital product information to procurement professionals at the federal, state, and local levels and to academic institutional buyers across the U.S.)
- Researched barriers and solutions to increased collection and recycling with appropriate stakeholders: ongoing retailer data collection; Drop-off Site operations survey; and COVID-19 impact survey of retailers.
- Concentrated promotional efforts in specific areas to increase carpet recycling, including a mass media campaign in the greater Sacramento area.

- Ongoing communication efforts to inform about the Program’s progress and challenges.

8.2 Drop-off Site Outreach

In addition to on-going Drop-off Site support CARE conducts a Quarterly Engagement with all CARE public Drop-off Sites. Quarterly Engagement involves the following: completion of a quarterly report by all Drop-off Sites; a phone meeting between CARE staff and a representative from each Drop-off Site to review container weights and swaps, operational challenges, and promotional materials; and presentation of a quarterly educational Drop-off Site webinar. In 2020, there were 4 webinars with a total of 238 people in attendance, slightly lower than would normally be anticipated. During one quarter, in response to pandemic workloads, CARE did not make the webinar mandatory.

8.2.1 Quarterly Engagement Webinar Topics:

- Program updates and data review: current news and collection data by quarter.
- AB 901 Reporting and Disposal Reporting System (RDRS) requirements
- Technical assistance: container loading tips, container load weights, signage placements, carpet handling in weather (rain/snow).
- Micro-Grants and Infrastructure grants: outlining grant opportunities and grant funded improvement examples.
- Recognition of Drop-off Site efforts for overall PCC volumes captured, increase in PCC volume, container loading efficiencies and promotional/outreach efforts above and beyond CARE promotions.
- Open discussion: site operational success and challenges, best practices, feedback on how the Program is working.

Marketing activities for Drop-off Sites in 2020 included updates to and distribution by request of the following pieces: (see Appendix 10.8 for sample materials): 32 bilingual signs, along with 4 in English and 2 in Spanish, 114 product catalogs and 1,500 site- or county-customized flyers.

8.3 Retailer Outreach

Almost all California-based retailers have been directly contacted and/or visited more than once since the start of in-person outreach in 2015. Multiple contacts have been made on the 2,000 or so California carpet retailers, now including at least one direct mailing from CARE and monthly E-News mailings to those who have opted in. One-to-one retailer outreach contacts, coupled with installer tablings and trainings, and a focus on regions where there are new or under-used Drop-off Site collection opportunities. 254 retailers from the original list of over 2,000 are now marked “out of business.”

2020 activities included:

- Initial retailer visits to new retailers or those who had not previously been contacted. The Outreach Team tries to confirm as much detail about current practices as possible—where does tear-out carpet go, who takes it, is it recycled, name of hauler, etc.—to record in the retailer database. New retailer visits include confirmation that the retailer understands and is in compliance with the assessment. Specific collateral outlining invoice requirements is provided.
- In June, as an additional effort to reach all retailers with good news on Program progress, a multi-page informational piece was mailed to over 2,000 California retailers, detailing the Program’s progress, describing efforts to increase and encourage collection and inform about the market for post-consumer carpet products. (See Appendix 10.8 for full size view of all pages.)
- Informing retailers of new CARE Drop-off Sites in their area and working to promote recycling services (650 in-person retailer “visits” conducted, mostly by phone). Outreach Team efforts reported particular success when showing post-consumer carpet-derived products (samples and catalog), which provided tangible confirmation that carpet is recycled into a growing number of useful products. From a 2020 outreach visit report:

“She [store owner] was excited to hear about the CARE Drop-off Site, Sunset Transfer in Irvine. The retailer no longer has trash service, they self-haul to another transfer site in Irvine. She said that if the tip fee at the Drop-off Site is around the price they currently pay for disposal; they will gladly recycle carpet moving forward. She also requested 100 brochures and product catalogs to include the customer packages they put together for each of their installs.”

- Expanding outreach to hard surface (non-carpet) retailers. CARE’s focus in prior years has been on carpet retailers, who need to be in compliance with Carpet Stewardship Law and are more aware of CARE. In a concerted effort to further expand PCC collection possibilities, a report on flooring retailers was purchased from a list broker and outreach to this segment carried out. Of the 2,000 names purchased, most were already in the CARE database or otherwise disqualified.

Of the 425 potential new hard surface retailers identified, 367 (86%) were successfully contacted; only 8 (2%) reported recycling carpet.

The majority had not heard about carpet recycling and/or were not aware of carpet recycling Drop-off Sites in their area. Common barriers to recycling included:

- Cost concerns.
- Not knowing about local Drop-off Site options.
- Location of Drop-off Sites (too far).
- The time and labor it cost to separate the carpet from mixed loads.

Over 90% of these non-carpet flooring retailers requested CARE collateral, including specific installer sheets for their respective counties, Drop-off Site maps and post-consumer carpet product catalogs. These newly found and vetted retailers are added to the CARE database and will be integrated into CARE’s ongoing retailer outreach in 2021.

- Providing collateral and encouraging uptake of recycling service. A retailer brochure includes information on products manufactured with post-consumer carpet materials along with description of the recycling process.
- Assist CARE staff with research and mapping of stakeholders (retailers, Drop-off Sites, haulers, reuse stores, supply houses, etc.) and passing on leads for new Drop-off Sites or grantees.
- Maintaining a current and accurate database of all carpet retailers in California to enhance effective and timely communications, while increasing the data points gathered. Data points relating to PCC handling, recycling interest, available space for recycling provide both team referral opportunities and program design feedback. See also Stakeholder Database in Section 8.8.5 below.

CARPET RECYCLING IN CALIFORNIA
SPRING/SUMMER 2020

WHAT'S INSIDE

- P1: CARE Supports 78 Drop-Off Sites Across the State
- P2: New Law Will Require Differential Assessment Amounts
- P3: Installer Outreach
- P3: Educating Consumers
- P3: Recycling Rate Grows
- P4: Program Expansion in 2020
- P4: More Products are Using Recycled Carpet Material
- P4: CARE Grants Support Recyclers and Product Development

Building on Success

Meetings from Carpet America Recovery Effort: As you know, CARE is the independent non-profit stewardship organization responsible for facilitating carpet recycling throughout the state of California.

As we start the next decade amid social and economic challenges, CARE would like to bring you some of the highlights of 2019. We have worked with retailers, installers, manufacturers, processors and local government to increase the amount of carpet collected, kept out of landfill and made into useful new products. There have been exciting developments and innovations that mean real progress for carpet recycling in California.

If you do not already receive the California Program's monthly e-news, please email CA@CarpetRecovery.org to subscribe. With your help we look forward to more progress in 2020.

Bob Peoples - Executive Director, CARE

Who is CARE? Carpet America Recovery Effort (CARE) is an independent carpet industry organization whose mission is to advance market-based solutions that increase landfill diversion and reuse and recycling of post-consumer carpet, and that encourage design for recyclability. CARE administers the California Carpet Stewardship Program, which is charged with meeting the requirements for carpet recycling set by California law and managed by CalRecycle.

No Assessment Increase in 2020

CalRecycle has approved CARE's California 2018-22 Five-Year Plan. The major headline for retailers: there are no plans to increase the carpet assessment — currently 35 cents per square yard — in 2020. CARE's 5-year plan (2018-2022) currently projects that the \$0.35 per square yard amount will not increase before 2022.

How is the Assessment Used?

The California carpet assessment is paid by consumers when purchasing new carpet, as required by law AB 2398. CARE is working to comply with all legal requirements, which include:

- Payment of subsidies to recyclers to enable continuous and meaningful improvement in landfill diversion via carpet collection, recycling and the manufacture of recycled-content products
- Public outreach and education
- Convenient drop-off locations for flooring professionals and contractors, most offering discounted rates

In 2018 almost 85% of assessment funds went directly to these program efforts, including subsidies, grants, marketing/outreach and the drop-off site program.

Continued on Page 2

California Carpet Stewardship Program
An initiative of CARE Carpet America Recovery Effort
CarpetRecycling.org/CA

Category	Percentage
Recycle Incentives	70%
California Admin	2%
Education & Outreach	5%
Grants, Drop-Off Sites	5%
Personnel, Other	14%

8.3.1 COVID Impact Survey

With the sudden decrease in PCC capture by Collector Sorters, coupled with broader concern for Processor volume needs, CARE rapidly researched and developed a retailer survey to assess impact. In early May, a 10-question survey was emailed to the opt-in California carpet retailer email list to gauge the immediate impact of the COVID-19 pandemic on their operations. Of 1,100 recipients, only 45 responses were received, but the immediate impact of the pandemic was made clear:

- Five retailers were closed (1 permanently):
- 33 had reduced hours/services, and 7 reported no change to operations.
- 13 out of 36 respondents reported some layoffs.
- 20 out of 31 respondents said they had received help from the federal government during this time; PPP mentioned most often.
- 8 out of 38 respondents said they had difficulty getting carpet in stock during this time.

Further conversation with retailers revealed that the mix of sectors served by retailers primarily determined pandemic business impact – for example, many retailers serving new construction and flooring contractors serving some school districts found business continued and/or expanded throughout the COVID-19 pandemic. While retail walk-in was nearly halted due to regional or statewide Shelter-in-Place/Safer-at-Home Health Orders, retailers reported that of the few customers scheduling appointments a higher percentage were actually making purchases. One Southern California retailer speculated that customers were spending money on home improvements in lieu of being able to travel for vacations.

Additional survey efforts included reaching out to a handful of contractors who primarily provide Class A tenant improvement demo work. Due to a significant decline in job work, some reported a loss of over 60% of their crew and some specifically noting an inability to recover carpet tile on some jobs due to either staffing, time and/or tighter budget constraints. Also shared by some was that Drop-off Site locations used for carpet recycling had temporarily halted or discontinued carpet collection for recycling due to COVID-19 related operational or staffing challenges.

8.4 Installer Outreach

It is critical to build visibility with flooring installers, who are often the last people to touch tear-out carpet. Installers are most often responsible for taking the carpet to a Drop-off Site; their cooperation is essential to increase the amount of carpet recycled.

Installer outreach activities included educational and promotional tabling, video promotion, fall ad campaign and Union trainings, as described below.

Tabling – Over 486 installers and 27 contractors were reached in person at 26 tabling events, held at installer supply houses and some retailers. Tablings, hosted by one to two Outreach Team members, involve a CARE branded informational display and table which includes a display monitor with carpet recycling informational video looping, DoS maps with carpet recycling instructions, PCC Recycled Product brochures, product samples and generally an inviting treat such as morning coffee and donuts for installers.

Installers were greeted, answered brief survey questions, and were given information on Drop-off Sites in their area along with carpet preparation tips. As in 2019, about 82% of installers questioned in 2020 say the carpet they tear out is not recycled, though only 45% of respondents confirm that they take carpet to landfill. See Table 8-1 for details on installer responses.



CARE Outreach Team members conducting an installer tabling event at a Supply House.

Table 8-1. Supply House Tabling Questionnaire with Responses, 2020

Question	Responses
Do you currently recycle your tear-out carpet?	No = 376 Yes = 84
Where do you take your tear-out carpet?	Landfill = 209 Retailer Container = 132 CARE Drop-off Site = 25 Other = 52
Do you know if it is recycled there?	No, it is not = 329 Yes, it is = 73 I don't know = 44
What would encourage you to recycle carpet?	Being less expensive = 190 Knowing about it = 112 Being close to job location = 80 Being close to my workplace = 11 Being close to my home = 25 Other = 21
Did you know that you might be able to save money by recycling carpet?	No = 370 Yes = 53
Are you a Contractor?	No = 88 Yes = 24
What best describes your work role – please select all that apply.	General Contractor = 22 Work with Property Managers = 1 Work for a Homeowners Association = 1 Other = 0
Do you encourage carpet recycling with your installers or crew?	No = 18 Yes = 5

Videos – English and Spanish language videos on the importance of recycling and on the preparation of carpet for recycling play a part in raising awareness of the installers' role in carpet recycling. In 2020, the two versions garnered over 34,000 views.

Industry Publication Promotion – CARE ran an ad campaign in contractor/installer-focused publications: Construction & Demolition Recycling, Floor Focus, and Floor

Covering Installer to replace some of the in-person outreach that was impossible. The ads focused on promoting CARE Drop-off Sites and reinforcing that carpet is recyclable.

Figure 8-1. Carpet Recycling Advertisement for 80 California Drop-off Sites



Union Trainings – In the fall of 2019, and as required under AB 1158, CARE began a new effort to reach more installers through a partnership with California’s Floor Covering Union. CARE staff worked with the International Union of Painters and Allied Trades (IUPAT) District Council 16 representatives to create training materials and provide trainings for Union installers throughout California. In 2020 Bay Area COVID-19 related Shelter-in-Place Health Order impacts on the Union Training Center were quite extensive. The San Leandro facility shut down in March 2020 and remained closed through April 2021. Within those limitations several interactive trainings were given by CARE staff including eleven in person and three virtual classes to apprentice installers, reaching over 100 early-career installers. CARE intends to grow this partnership and effort in 2021 and beyond. Union partnership – See Section 5.16.

Union Training Objectives

- Raise and continue to promote overall awareness that “Carpet is Recyclable.”
- Train carpet installers in proper carpet recycling practices.
- Provide hands-on workforce trainings.
- Create union specific training materials and provide train-the-trainer instruction for on-going workforce trainings.
- Ensure awareness of local options to recycle.

8.5 Consumer Outreach

Due to the COVID-19 pandemic, in-person consumer outreach planned for spring and summer primarily occurred via consumer brochures sent to and distributed by retailers and more broadly as a regional media campaign including billboards, full page newspaper ads and digital ads (attached below). A component of the digital ads included reference to [CARE's consumer-oriented Public Service Announcement](#), which can be viewed at this link. Detail on the campaign follows below in the Sacramento Regional Approach narrative in Section 8.6.2.



8.6 Regional Approach

Starting in 2017, the CARE team initiated a Regional Approach Pilot to test the effectiveness of a multi-touch strategy to educate and learn from various stakeholder groups within a geographic area, with a goal of improving collection, recycling, and awareness of carpet recycling opportunities.

After piloting various collection site and collection service opportunities, engagement, and outreach efforts in both Northern and Southern California, CARE has evolved and specifically targets the regional approach support and outreach based upon needs and related collection services and Drop-off Site availability in the area. In 2020 those pilot efforts evolved into a series of tactics targeted in the Bay Area along with ongoing

maintenance and expansion effort tactics in the greater Sacramento area and parts of Los Angeles and San Diego counties.

8.6.1 Regional Approach Objectives

- Raise and continue to promote overall awareness that “Carpet IS Recyclable.”
- Increase carpet recycling opportunities, infrastructure, and on-site services.
- Increase amount of carpet taken to Drop-off Sites instead of to landfill.
- Encourage and increase adoption of private on-site container pickup service (if/as available).
- Test effectiveness of a concentrated, multi-touch outreach effort in a particular area served by a Drop-off Site(s).

8.6.2 Regional Approach Strategies

- Expand carpet recycling opportunities, infrastructure, and services through increased number of Drop-off Sites, pick-up service, processors, and events.
- Enlist Local Government support.
- Visit all retailers in designated area; segment by currently versus not recycling; encourage non-recyclers to use new Drop-off Sites and forward information for those desiring on-site pick-up services.
- Conduct installer tabling events to raise awareness of carpet recycling practices and identify locations of local Drop-off Sites (diminished due to COVID-19 pandemic).
- When appropriate, conduct a focused mass media campaign (billboards, ads, etc.) to raise awareness that carpet is recyclable and to utilize the growing recycling resources in their area.

Tactics included presentations to local government representatives, site visits to disposal and recovery facilities, recruitment of new potential Drop-off Sites, coordination with Collector/Sorters and local service providers, phone “visits” to retailers, custom collateral detailing local recycling service options and regional Drop-off Site locations, follow-up calls, search engine ads to promote local carpet Drop-off Sites with custom landing pages summarizing relevant information, installer surveys at supply houses, and providing basic “Buy Recycled” messages. Figures with graphic results on the tracking of pounds recovered are detailed in Chapter 4.

San Francisco Bay Area Results

In 2020 there were nine CARE Drop-off Sites, increasing Drop-off Site collection by 13% from 2019 San Francisco Bay Area totals. Two new hauling businesses began offering private pick-up recycling service, bringing the total number to three haulers serving Bay Area retailers. At project onset, specialized carpet recycling pick-up service was primarily offered by only one local hauler (GreenWaste).

59 out of the 176 retailers in the San Francisco Bay Area received outreach “visits” (mostly conducted by phone). The visits included recycling information and consultation, with particular promotion of local Drop-off Sites.

Installers were contacted through five tabling events at Supply Houses reaching 64 installers and 1 contractor from the area.

In the Bay Area an area specific Drop-off Site map was created to assist in outreach.

Recycle Carpet in the San Francisco Bay Area!

ycling in the San Francisco Bay Area:

- | | |
|---|--|
| <p>1 City of Berkeley
Transfer Station
1201 Second St, Berkeley
510-981-7270</p> | <p>6 GreenWaste
Carpet Recycling
1201 North 15th St,
San Jose
408-938-4958</p> |
| <p>2 Hayward Transfer Station
3458 Enterprise Ave, Hayward
510-606-1548</p> | <p>7 Bay Counties
SMaRT Station
301 Carl Rd, Sunnyvale
408-752-8530</p> |
| <p>3 Fremont Recycling
& Transfer Station
41149 Boyce Rd, Fremont
510-252-0500</p> | <p>8 Blue Line Transfer, Inc.
500 E Jamie Ct,
South San Francisco
650-589-5511</p> |
| <p>4 Zanker Recycling
675 Los Esteros Rd, San Jose
408-938-4958</p> | <p>9 Recology San Francisco
Transfer Station
501 Tunnel Ave, San Francisco
415-330-1400</p> |
| <p>5 GreenWaste Recovery
625 Charles St, San Jose
408-938-4958</p> | |



Sacramento Area Results

Due to the availability of multiple Drop-off Sites, the presence of a major Processor and the long-anticipated opening of a second Processor, CARE mounted an awareness campaign in the greater Sacramento area in fall 2020, with the following goals:

- Increase carpet collections in Sacramento.
- Raise awareness of carpet recycling and that the Sacramento area is a great example of the carpet recycling ecosystem that is growing in the state.
- Support Processor need for more PCC.

For the campaign period (October 19 – November 22, 2020), tactics to reach the general public included:

- *Sacramento Bee* print ads – 2/week, 4 weeks, reaching 250,000 people, and digital ads estimated for 272,000 impressions.
- Digital billboard advertisements lasting six weeks and representing 13.3 million impressions.
- The Sacramento-specific special landing page to inform the public about carpet recycling options garnered over 2,200 unique pageviews during the campaign period.
- Google search and display ads had 375,000 impressions.
- YouTube video ads received >83,000 views.

Sacramento Recycles Carpet with CARE

Used well-to-well carpet can be recycled if clean and dry. If you are replacing carpet, please ask your flooring retailer or installer to recycle it.

REMOVING OLD CARPET? Ask to Recycle It!

Retailers, Installers, Carpet Collectors and Manufacturers are working together, making carpet recycling happen in the Greater Sacramento Area.

The sites below accept carpet for recycling.
For up-to-date listings, hours and rates, visit CarpetRecovery.org/CA.

<ul style="list-style-type: none"> 1 Florin Perkins Public Disposal 4201 Florin Perkins Road, Sacramento 2 Land D Landfill 8635 Fruitridge Rd, Sacramento 3 Kiefer Landfill 12701 Kiefer Blvd, Sloughhouse 4 North Area Recovery Station (NARS) 4450 Roseville Road, North Highlands 5 Yolo County Central Landfill 44090 County Road 28H, Woodland 6 Recology Vacaville Solano Recycling Facility 855 1/2 Davis St, Vacaville 7 Recology Hay Road 6426 Hay Rd, Vacaville 	<ul style="list-style-type: none"> 8 North County Recycling Center 17720 East Hamey Lane, Lodi 9 El Dorado Disposal/Waste Connections 4100 Throwita Way, Placerville 10 Western Placer Waste Management Authority 3195 Athens Ave, Lincoln 11 Circular Polymers 3390 Venture Dr, Lincoln, CA
--	--

Map key:
● CARE Drop-off Location
● Recycler Servicing Large Retailers/Installers

Thanks to Circular Polymers in Lincoln, where locally-collected carpet is being recycled into useful new products.

Learn more: CarpetRecovery.org/Sac

The public Drop-off Sites in the Greater Sacramento Area collected 1,605,140 pounds of carpet in 2020, essentially on par with 2019 collections despite COVID-19 impacts related to business closures due to local Shelter-in-Place Health Orders. Sacramento area PCC capture has remained steady year over year, 2019 to 2020, at approximately 16% of the total pounds collected at public Drop-off Sites in all of California.

Los Angeles Area Results

The Outreach Team continued retailer visits to the area around CARE Drop-off Sites in Los Angeles County. In 2020, 73 retailers were visited (mostly by phone). Retailers were particularly interested in the products made with recycled carpet material, noting this was a selling point for some customers. Installers were contacted through 10 tabling events at Supply Houses, reaching 226 installers and 4 contractors from the area.

Due to the long history of larger-volume PCC capture via Los Angeles Fiber Company's extensive private collection network, the Los Angeles Regional Approach had been designed to primarily target a smaller focused area and specifically the growth of medium-volume collection services via one particular Drop-off Site location. Tonnage captured from 2016 to 2020 increased to a peak in 2019; however, carpet collection dropped significantly in 2020 likely as part of broader COVID-19 related impacts and limitations. Further it is also believed that expanded collections by now two CARE Collector/Sorters likely impacted some Drop-off Site locations, essentially shifting pounds from public collections to private on-site pick-up services.

San Diego Area Results

With the San Diego Regional Effort starting in coordination with the local Collector/Sorter initially in 2018 and launching in late 2019, growth has been modest. In 2020, 93,440 pounds of carpet were collected from two locations, versus the 8,200 pounds collected in 2019 from the first location. 2020 had been anticipated as a Convenient Collection related growth period for outreach and collections, however COVID-19 concerns deferred those efforts to 2021. CARE has subsequently learned that the Planet Recycling Company operating in San Diego area and Phoenix was under active negotiation for sale to Aquafil USA in the fall of 2020.

8.7 Conferences

Conference attendance/exhibition was severely curtailed in 2020 due to COVID-19 and the decision for cancellation of several planned engagement opportunities.

California Resource Recovery Association (CRRA) – Ever the stalwart organization with regard to resourcefulness, CRRA transitioned to and carried out their first ever virtual conference. A session titled “California Product Stewardship Programs – Progress Report” at the CRRA’s August 2020 conference included a summary of CARE’s Carpet Stewardship Program by Bob Peoples, as a part of panel which included Batteries, Mattresses and Paint.

Due to the virtual nature of the conference, CARE staff participated in various virtual exhibit hall, lounge and networking sessions, especially pertaining to Mandatory Commercial Recycling, in an effort to engage conversation on the waste diversion benefits from carpet recycling. While a variety of proposals for deeper discussion of CARE’s carpet recycling program overall have been submitted, CARE and other product stewardship programs have found that joint EPR panel discussions help to better ensure securing presentation opportunities.



Mohawk and Shaw Market Shows

Annually Mohawk and Shaw host regional flooring product Market Shows for their customers with primary events held in Southern California with Mohawk in Huntington Beach and Shaw at Disneyland Resort in Anaheim. CARE participated and had the opportunity to engage with retailers, dealers, and distributors to promote carpet collection and recycling while also soliciting suggestions for the establishment of convenient carpet/pad collection opportunities in their respective areas. Engagement with Mill Sales



Representatives afforded CARE the additional opportunity to offer support to their flooring customers through direct connections for cost saving on-site carpet/pad pick-up services or referral to nearby CARE Drop-off Site locations. Subsequently, CARE was invited to participate in Mohawk’s Northern California Regional Show in Lodi and two Shaw events in Sacramento County and at Shaw’s Regional Distribution Center (RDC) in Union City.



Through engagement with both national leadership and state/regional Carpet Mill representatives and local RDC staff, CARE created further opportunities for expansion of both carpet recycling outreach, referrals for larger volume on-site collection services, as well as exploring opportunities for Will-Call customer recycling drop-off locations at RDC facilities.

Overall, outreach was planned to be carried out in a phased approach:

- Tabling at Major Market product shows.
- Tabling at Secondary Market and Market Sector specific product shows.
- Development and piloting of RDC Will-Call customer lounge carpet recycling displays.

- Development of carpet recycling information flyer and maps for inclusion with bill-of-lading on RDC flooring product shipments (put on hold due to COVID-19 physical materials handling safety concerns, to be reactivated in 2021).

Flooring professional Will-Call customers visit Mill Distribution Centers to pick-up both soft and hard surface flooring materials. At the suggestion of a Mill warehouse manager who saw CARE's oversized Statewide Drop-off Site map at a Market Show and said, "I want that!" CARE developed and installed a display which includes:

- Framed oversized statewide map of CARE Drop-off Sites
- Display stand for flyers with local CARE Drop-off Site map and information
- Display stand for PCC Recycled Content Product brochures

According to RDC staff members, the display and information provided have been of high interest by many of their customers.



Staff member mounting educational materials at a Mill Distribution Center.



Flooring professionals in Will-Call Customer Lounge with CARE carpet recycling informational flyer in hand.

8.8 General Outreach

In addition to audience-specific efforts detailed above, the Program continued general outreach efforts to stakeholders in 2020 including the following activities, described further below:

- Monthly E-News
- Blog posts
- Website updates
- Social media
- Constant personal contacts with the recycling community

8.8.1 Monthly E-News

The Program sends a monthly electronic newsletter to any stakeholder who opts-in to receiving. In 2020, the opt-in E-News list maintained over 2,200 recipients, with an average open rate of 27% and average click-through rate of ~10%. Industry average email open rates for nonprofit organizations of varying sizes is around 25%. Signup for CARE communications and E-News is promoted throughout the year via the website, outreach calls and meetings, quarterly updates, and in other digital and print communications.

8.8.2 Blog Articles

The California Program published 15 blog posts on the CARE site in 2020, with topics including grant case studies, program results and research announcements. Blogs are promoted via the E-News and Twitter.

8.8.3 Website Updates

GIS maintains and regularly updates the California Program website, including the blog articles noted above. As shown in Table 8-2, website traffic for California-based visitors grew significantly in 2020, with 12% more visitors and 11% more visits over 2019.

Table 8-2. California-based Traffic to CARE Website

Website Metrics	2020	2019	% change
California visitors	12,654	11,343	12%
California visits	18,116	16,312	11%
Average visit duration (seconds)	1:45	2:03	-15%

8.8.4 Social Media

CARE has a Twitter account ([@CarpetRecycle](#)) that the California program uses to publicize activities, events, and news. The account had 461 followers as of the end of 2020, an increase of 10% over 2019. CARE tweeted three to five times a week in 2020, with approximately 190 tweets garnering 48,000 impressions. Samples of CARE's direct information Twitter postings throughout the year can be found in Appendix 10.8.

In addition to Twitter, CARE maintains a YouTube channel (which can be found [here](#)) and a SlideShare account (which can be found [here](#)) to reach users who may be searching for pertinent material but not be aware of CARE. The YouTube channel hosts 12 videos, has 289 subscribers, and garnered 88,000 video views in 2020. The SlideShare account hosts 18 presentations from past public presentations and webinars.

8.8.5 Stakeholder Database

Gigantic Idea Studio maintains a robust database of Program stakeholders to track interactions and progress. In addition to general contact information, the database tracks retailers' recycling status, collateral requested and sent to retailers, installers, and Drop-off Sites, reports of in-person visits, and more. In mid-2020 a list of all flooring retailers was purchased from a list broker to get contacts for hard surface flooring retailers that may be involved in tearing out large amounts of carpet but who would not be familiar with CARE or the assessment. The purchased list had 2,800 flooring retailer businesses, many of which were already in CARE's database. Some 425 potential hard surface retailers were contacted and 358 entered into the database after an initial call confirmed the retailer was active and involved in flooring. As of the end of 2020 the CARE database had records for over 6,000 individuals, organizations, agencies, and businesses in California.

8.8.6 Media Outreach

A media release highlighting CARE's progress in 2019 along with the success of the COVID Action Plan got extensive coverage in industry press. Stories ran in *C&D Recycler*, *Floor Covering News*, *Floor Focus*, *Floor Trends*, *Plastic Recycling Update*, *Recycling Product News*, *Recycling Today*, *Waste Advantage* and *Waste Today*.



8.9 Next Steps

The Program's marketing, education and outreach effort will continue to focus on communicating about the Program and offering timely and effective support to all stakeholders. Particular areas in which the Program Team will focus include:

- **Collection growth** – Growing carpet collection is a primary focus going forward and beginning in Q4 2019. The Program Team will target the outreach, education, and promotional strategies to consistently message that properly prepared carpet can (and should) be recycled at locations throughout the state.
- **Local government** – Growing and nurturing partnerships through outreach to local government representatives and offering presentations to regional action groups.
- **Public Drop-off Sites** – Ongoing education and technical assistance. Sharing best practices as the Program evolves and with a growing number of participants.
- **Regional Distribution Centers** – Build on the original work, interrupted by the COVID-19 pandemic, to enable RDC collection sites in both Northern and Southern California.
- **Retailer outreach** – As more Drop-off Sites and container services become available, outreach will be essential to encourage uptake of these opportunities. The addition of non-carpet flooring retailers has opened significant opportunities for growing carpet collection.

- **Installer outreach** – The Plan includes ambitious goals for communicating with installers in person and via video to persuade them to recycle carpet. CARE will provide video and other collateral support and strategy as needed and develop ongoing partnership with the Floor Covering Installers Union. Further, in conjunction with non-carpet flooring retailers, expanding outreach to hard surface installers is facilitating new carpet capture opportunities.
- **Market development** – As more PCC products come online there will be opportunities for increased and targeted marketing/promotion of the products, along with marketing assistance for the manufacturers. Many of the new companies are not yet adept at marketing these products, which are often complicated to “sell.”
- **Consumer outreach** – CARE will continue targeted outreach to consumers to create a “bottom up” pressure on carpet collection and recycling.
- **Continue to stimulate the search for new ideas, approaches, and sources** for collection and diversion of post-consumer carpet.

9 Audits

CCR Section 18944(a)(9). Audits. *The annual report shall include an independent financial audit funded from the carpet stewardship assessment. The audit shall be conducted in accordance with auditing standards generally accepted in the United States of America, and standards set forth in Government Auditing Standards issued by the Comptroller General of the United States. The audit report shall also include a separate state compliance report on the carpet program requirements as directed by the department.*

The financial statements of CARE and the California Carpet Stewardship Program for the year ending December 31, 2020, were audited by independent Certified Public Accounting firm Brooks, McGinnis & Company, LLC, based in Atlanta, Georgia. CARE National Audits, which are not paid for with California Recycling Assessment monies, are available to CalRecycle Staff upon request.

The audit statements are presented in Appendix 10.14.

CARE is proud that once again, all audits were Clean, Unmodified—the best result one can achieve.

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10.1 Summary of Performance Goals, Annual Targets, and Progress to Date

Performance Goal #1: Increase the recyclability of carpet.

Primary Performance Goal: Increase Yield to 60% by December 31, 2022.

Annual Goals (end of year): 2018 (40%), 2019 (45%), 2020 (50%), 2021 (55%), 2022 (60%)

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Table 10.1.a. Performance Goal #1 Status, Baseline and 2018–2022

Year	Goal	Yield: Actual	Annual Result
Baseline	N/A	28%	<i>(performance goal not yet set)</i>
2018	40%	53%	On Track, Met, and Exceeded
2019	45%	71%	On Track, Met, and Exceeded
2020	50%	68%	On Track, Met, and Exceeded
2021	55%	<i>(future)</i>	<i>To be determined</i>
2022	60%	<i>(future)</i>	<i>To be determined</i>

Performance Goal #2: Expand and incentivize markets for products made from post-consumer carpet (PCC).

Primary Performance Goal: Increase the number of recycled-carpet-content products in the marketplace by 40% by December 31, 2020, over the 2016 baseline.

Annual Goals (end of year): 2018 (27 products; 11 vendors, 4 in California), 2019 (30 products; 12 vendors, 5 CA), 2020 (35 products; 13 vendors, 6 CA), 2021 (37 products; 14 vendors, 7 CA), 2022 (40 products; 14 vendors, 7 CA).

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Table 10.1.b. Performance Goal #2 Status, 2018–2022

Year	Recycled Product & Vendor Goals	Recycled Product & Vendor Results	Annual Result
2018	27 products 11 vendors, 4 in California	At least 27 products 12 vendors, 5 in California	On Track, Met, and Exceeded
2019	30 products 12 vendors, 5 in California	At least 77 products 16 vendors, 6 in California	On Track, Met, and Exceeded
2020	35 products 13 vendors, 6 in California	At least 95 products 24 vendors, 10 in California	On Track, Met, and Exceeded
2021	37 products 14 vendors, 7 in California	<i>(future)</i>	<i>To be determined</i>
2022	40 products 14 vendors, 7 in California	<i>(future)</i>	<i>To be determined</i>

Performance Goal #3: Increase the reuse of post-consumer carpet.

Primary Performance Goal: Increase Reuse quantities, as measured by weight, by 100% by December 31, 2022, compared to 2016.

Annual Goals (end of year): 2018 (1.0 million pounds), 2019 (1.2 million pounds), 2020 (1.5 million pounds), 2021 (1.8 million pounds).

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Table 10.1.c. Performance Goal #3 Status, 2018–2022

Year	Goal (million pounds)	Reuse: Actual (million pounds)	Annual Result
2018	1.0	0.734	On Track
2019	1.2	0.717	On Track
2020	1.5	0.765	Off Track Pandemic-related concerns shuttered many reuse outlets for an extended period in 2020.
2021	1.8	<i>(future)</i>	<i>To be determined</i>
2022	2.0	<i>(future)</i>	<i>To be determined</i>

Performance Goal #4: Increase the weight of post-consumer carpet that is recycled.

Primary Performance Goal: Increase the annual weight of Recycled Output to 84 million pounds consistent with a 27% recycling rate by December 31, 2022.

Annual Goals (end of year): 2018 (52M pounds), 2019 (69M pounds), 2020 (81M pounds), 2021 (83M pounds), 2022 (84M pounds).

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Table 10.1.d. Performance Goal #4 Status, 2018–2022

Year	Goal (million pounds)	Recycled Output: Actual (million pounds)	Annual Result
2018	52	49	On Track Catching up, delayed grant releases
2019	69	58	On Track Catching up, prior delayed grant releases. Wildfires and permit delays.
2020	81	53	Off Track Worldwide COVID-19 pandemic. Varying duration of business shutdowns began in March 2020 in California, resulting in stunted or discontinued PCC collections due to strained workforce conditions.
2021	83	<i>(future)</i>	<i>To be determined</i>
2022	84	<i>(future)</i>	<i>To be determined</i>

Performance Goal #5: Reduce the disposal of post-consumer carpet.

Primary Performance Goal: Reduce the disposal of post-consumer carpet (PCC) by 28% by December 31, 2022.

Annual Goals (end of year): 2018 (-13%), 2019 (-20%), 2020 (-24%), 2021 (-26%)

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Table 10.1.e. Performance Goal #5 Status, 2018–2021

Metric	Units (millions)	Baseline	2018 Budget	2018 Actual	2019 Forecast	2019 Actual*	2020 Forecast	2020 Actual	2021 Forecast
Sales	square yards	98	90	86	88	81	87	67	86
Discards	pounds	357	336	322	329	304	325	251	321
Recycling Rate	annual %	8%	17%	15%	24%	19%	26%	21%	26%
Recycled Output (RO)	pounds	28	52	49	69	58	81	53	83
Disposal	pounds	329	285	272	260	246	244	199	238
Reduction in Disposal	pounds	Baseline	-45	-57	-69	-83	-85	-130	-91
Disposal Rate	%	92.3%	83.3%	84.7%	75.7%	80.9%	74.2%	79.1%	73.9%
Reduction	%	Baseline	-13.5%	-17.3%	-21.1%	-25.3%	-25.9%	-39.6%	-27.7%
Performance Goal & Status	%			-13% Exceeded		-20% Exceeded		-24% Exceeded	-26% (future)

*2019 figures were updated from 2019 Annual Report; note that numbers may not sum exactly to totals due to rounding.

Performance Goal #6: Provide for increasing and reasonably convenient collection opportunities in each county.

Primary Performance Goal:

- Establish one site per 500,000 persons for any county with a population over 500,000 by the end of 2021, including a minimum of one site per county with a population over 50,000 by July 1, 2019 (exception would be any county unwilling to participate).
- Support Collector/Sorters and local service providers in increasing private pick-up service to 33% of return retailers by the end of 2021.
- Complete convenient collection study by end of 2018; synthesize results and initiate implementation of any recommended collection program adjustments by mid-2019 to include an updated 2022 goal and annual metrics deemed necessary based on study results.

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Table 10.1.f. Performance Goal #6 Status, 2018–2022

Year	Goal	Convenient Collection: Actual	Annual Result
2018	Minimum 1 site per county	53 public drop-off sites in 47 of California's 58 counties , 156 private collection sites CARE Drop-off Sites = 1 site per 738,251 people CARE DoS + Private Sites = 1 site per 187,212 people	On Track
2019	Minimum 1 site per county	73 public drop-off sites in 50 of California's 58 counties , 204 private collection sites CARE Drop-off Sites = 1 site per 541,928 people CARE DoS + Private Sites = 1 site per 142,819 people	On Track
2020	Minimum 1 site per county	83 public drop-off sites in 54 of California's 58 counties , 235 private collection sites CARE Drop-off Sites = 1 site per 479,311 people CARE DoS + Private Sites = 1 site per 125,103 people	Off Track (COVID-19 pandemic impacts)
2021	1 site per 500,000 people; 33% increase in private sites (267 sites)	<i>(future)</i>	<i>To be determined</i>
2022	<i>(not set)</i>	<i>(future)</i>	<i>To be determined</i>

Performance Goal #7: Increase processor capacity, including processor capacity in California.

Primary Performance Goal: Complete capacity study/survey by mid-year 2019; initiate implementation of recommended program adjustments by end of 2019 and set 2022 goal based on study results.

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Table 10.1.g. Performance Goal #7 Status, 2018–2022

Year	Goal	Capacity: Actual (million pounds per year)	Annual Result
2018	n/a	444.6 Total 63 in CA	On Track
2019	Increase capacity	461.9 Total (4% increase) 89 in California (41% increase)	On Track
2020	Increase capacity	490 Total (6% increase) 98.7 in California (11% increase)	On Track Conducted annual capacity survey
2021	<i>(not set)</i>	<i>(future)</i>	<i>To be determined</i>
2022	<i>(not set)</i>	<i>(future)</i>	<i>To be determined</i>

Performance Goal #8: Achieve 24% recycling rate for PCC by January 1, 2020.

Primary Performance Goal: Achieve a 24% recycling rate for post-consumer carpet by January 1, 2020, and any other recycling rate established by the Department over the term of this Plan. Future goals will be set by CalRecycle per Public Resource Code Section 42972.2(b).

Annual Goals (end of year): 2018 (17%), 2019 (24%), 2020 (26%), 2021 (26%), 2022 (27%).

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Table 10.1.h. Performance Goal #8 Status, 2018–2022

Year	Goal	Recycling Rate: Actual	Annual Result
2018	17%	15%	On Track Catching up from delayed grant releases
2019	24%	19%	On Track Q4 = 22.5%; Catching up on prior delayed grant release, failed power delivery by PG&E/wildfires, permit delays.
2020	26%	21%	On Track Worldwide COVID-19 pandemic. Varying duration of business shutdowns began in March 2020 in California, resulting in stunted or discontinued PCC collections due to strained workforce conditions. Q4 = 23.2%.
2021	26%	(future)	<i>To be determined</i>
2022	27%	(future)	<i>To be determined</i>

10.2 Summary of Subsidy and Incentive Payouts

Table 10.2.a. Summary of Subsidy and Incentive Payouts *(one-page image version, followed by accessible versions)*

Count	Subsidy/Incentives	Payout Rate	Description	Timeline/Date of Action	Addendum	Notice
Collector/Sorters (CSEs)						
1	CSE Reporting Incentive (CSE)	\$1,000/month	No change anticipated	Initiated 2014	N/A	Incentive; not subject to guaranteed timeline
2	Broadloom Recycling Collected, Sold, and Shipped	\$0.02/pound	For self-collected, sorted, sold, and shipped CA pounds.	California Program-approved under current Plan purview; retroactive to Q3 2015	3	Subject to adjustment, beginning Q4 2017
3	Reuse	\$0.10/pound	For self-collected and shipped/sold or donated carpet tile or broadloom for the purpose of reuse	Effective Q2 2015; clarified June 2015 as applicable to the reuse of both broadloom and carpet tile, and retroactive to Q2 2015	1, 3	Subject to adjustment, beginning Q4 2017
4	Tile Reuse or Recycling Collected, Sold, and Shipped (PLOT)	\$0.05/pound	For CA generated carpet tile collected, shipped and sold for recycle/reuse or donated for reuse.	Effective Q1 2018	N/A	Initiated as a 6-month pilot, effective January 1, 2018 and still in effect
5	COVID-19 Action Plan: Additional Broadloom Recycling Collected, Sold, and Shipped	0.02/pound	Initiated as an emergency fiscal support to aid cashflow for collected broadloom in direct response to COVID-19 pandemic, reviewed quarterly.	Effective March 1, 2020	N/A	Initiated as temporary pandemic related fiscal support, effective March 1, 2020, reviewed quarterly. Note, the special Covid subsidy was extended through the end of 2020 and beyond.
Tier 1 Processors						
6	Tile Recycled	\$0.10/pound	For carpet tile recycled output	Effective Q2 2015	1	Subject to adjustment, beginning Q4 2017. Note this is independent of Type 1 processed output and not subject to same.
7	Type 1 Recycled Output Payout	\$0.10/pound	Adjusted subsidy payout from \$0.06/pound to \$0.10/pound, tied to market indices; [Type 1 refers to recycled fiber output within ash content thresholds, currently less than 25% ash]	In Plan v.3.2.2 – March 2014; base payout rate adjustable, may be tied to market indicator using Models	3	\$0.06/pound subject to adjustment, beginning; Q4 2017; \$0.04/pound adjustable quarterly effective Jan. 2016.
8	Type 2 Recycled Output Payout	\$0.03/pound	Type 2 refers to recycled output with higher ash content thresholds, currently more than 25% ash.	In Plan v.3.2.2 – March 2014	N/A	Subject to adjustment, beginning Q4 2017. Note, there has been no Type 2 output in recent history.
9	Type 2 PC4 (Calcium Carbonate) Payout	\$0.17/pound	Non-fiber recycled output containing predominately calcium carbonate for use as feedstock in secondary products; currently \$0.17/pound	Change 1, effective Q2 2015; change 2, in June 2015; change 3, effective Q3 2015; [For use as a raw material (recycled output feedstock) only]	1, 3	Subject to adjustment, beginning Q4 2017
10	Commercial Broadloom	\$0.02/pound	For CA generated commercial broadloom recycled output. NOTE: this incentive is currently suspended and not in force	Initially slated to go into effect Q3 2018, but implementation suspended due to operational concerns	N/A	Scheduled to begin Q3 2018, but never implemented.
11	Highest Recyclability	\$0.05/pound	For CA generated PCC fibers meeting the Highest Recyclability parameters defined by the HR Committee (Plan Table 6), and calculated through the Subsidy Justification Model; Beginning 1/1/19, N6 and N66 broadloom and carpet tile qualify for Highest Recyclability incentive.	Effective Q1 2019	N/A	Initiated Q1 2019
12	COVID-19 Action Plan: Additional Type 1 PET and Polypropylene Payout	0.05/pound	Initiated as an emergency fiscal support for CA generated PET and PP Type 1 fiber output, in direct response to COVID-19 pandemic impacts on market conditions, reviewed quarterly.	Effective July 1, 2020	N/A	Initiated as a temporary fiscal support, effective July 1, 2020, reviewed quarterly. Note, the special Covid subsidy was extended through the end of 2020 and beyond.
Tier 2 Manufacturers						
13	Tier-2 Manufacturer Non-Nylon Payout	\$0.25/pound	For Type 1 non-nylon recycled output used as a feedstock in the manufacture of secondary products; currently \$0.25/pound	Change 1, effective Q2 2015; change 2, retroactive to Q3 2015	1, 3	Subject to adjustment, beginning Q4 2017
14	Tier-2 Manufacturer PET Payout	\$0.25/pound	For Type 1 PET recycled output used as a feedstock in the manufacture of secondary products; currently \$0.25/pound	Effective Q3 2018	N/A	Initiated July 1, 2018; as a break-out from Non-Nylon
15	Tier-2 Manufacturer Polypropylene Payout	\$0.25/pound	For Type 1 Polypropylene recycled output used as a feedstock in the manufacture of secondary products; currently \$0.25/pound	Effective Q3 2018	N/A	Initiated July 1, 2018; as a break-out from Non-Nylon
16	Tier-2 Manufacturer Nylon 6 Payout	\$0.10/pound	For Type 1 nylon 6 recycled output used as a feedstock in the manufacture of secondary products; currently \$0.10/pound	Effective Q4 2017	NA	Initiated as a 6-month pilot, effective October 1, 2017 and remains in effect
17	Tier-2 Manufacturer Nylon 6.6 Payout	\$0.10/pound	For Type 1 Nylon 6.6 recycled output used as a feedstock in the manufacture of secondary products; currently \$0.10/pound	Effective Q1 2019	N/A	Initiated Q1 2019
18	Tier-2 Manufacturer PET Pellets Payout	\$0.11/pound	For CA generated PET fiber converted into PET Pellets.	Effective Q4 2019	N/A	Initiated Q1 2019
19	Tier-2 Manufacturer Polypropylene Pellets Payout	\$0.05/pound	For CA generated Polypropylene fiber converted into Polypropylene Pellets.	Effective Q1 2020	N/A	Initiated Q1 2020 as a 12-month pilot.
20	COVID-19 Action Plan: Additional Nylon 6 Payout	\$0.15/pound	Initiated as an emergency fiscal support for Type 1 Nylon 6 recycled output used as feedstock in the manufacture of secondary products, in direct response to COVID-19 pandemic impacts on market conditions, reviewed quarterly.	Effective July 1, 2020	N/A	Initiated as a temporary fiscal support, effective July 1, 2020, reviewed quarterly. Note, the special Covid subsidy was extended through the end of 2020 and beyond.
21	COVID-19 Action Plan: Additional Nylon 6.6 Payout	\$0.03/pound	Initiated as an emergency fiscal support for Type 1 Nylon 6.6 recycled output used as feedstock in the manufacture of secondary products, in direct response to COVID-19 pandemic impacts on market conditions, reviewed quarterly.	Effective July 1, 2020	N/A	Initiated as a temporary fiscal support, effective July 1, 2020, reviewed quarterly. Note, the special Covid subsidy was extended through the end of 2020 and beyond.

Table 10.2.b. Collector/Sorters (CSEs): Summary of Subsidy and Incentive Payouts (Accessible Version)

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/ Date of Action	Addendum	Notice
1	CSE Reporting Incentive (CSE)	\$1,000/month	No change anticipated.	Initiated 2014	N/A	Incentive; not subject to guaranteed timeline
2	Broadloom Recycling Collected, Sold, and Shipped	\$0.02/pound	For self-collected, sorted, sold, and shipped California pounds.	California Program-approved under current Plan purview; retroactive to Q3 2015	3	Subject to adjustment, beginning Q4 2017
3	Reuse	\$0.10/pound	For self-collected and shipped/sold or donated carpet tile or broadloom for the purpose of reuse.	Effective Q2 2015; clarified June 2015 as applicable to the reuse of both broadloom and carpet tile, and retroactive to Q2 2015	1, 3	Subject to adjustment, beginning Q4 2017
4	Tile Reuse or Recycling Collected, Sold, and Shipped (PILOT)	\$0.05/pound	For California-generated carpet tile collected, shipped, and sold for recycle/reuse or donated for reuse.	Effective Q1 2018	N/A	Initiated as a 6-month pilot, effective January 1, 2018, and still in effect

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/ Date of Action	Addendum	Notice
5	COVID-19 Action Plan: Additional Broadloom Recycling Collected, Sold, and Shipped	\$0.02/pound	Initiated as an emergency fiscal support to aid cashflow for collected broadloom in direct response to COVID-19 pandemic, reviewed quarterly.	Effective March 1, 2020	N/A	Initiated as temporary pandemic related fiscal support, effective March 1, 2020, reviewed quarterly. Note, the special COVID-19 subsidy was extended through the end of 2020 and beyond.

Table 10.2.c. Tier 1 Processors: Summary of Subsidy and Incentive Payouts (Accessible Version)

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/ Date of Action	Addendum	Notice
6	Tile Recycled	\$0.10/pound	For carpet tile Recycled Output.	Effective Q2 2015	1	Subject to adjustment, beginning Q4 2017. Note this is independent of Type 1 processed output and not subject to same.
7	Type 1 Recycled Output Payout	\$0.10/pound	Adjusted subsidy payout from \$0.06/pound to \$0.10/pound, tied to market indices (Type 1 refers to recycled fiber output within ash content thresholds, currently less than 25% ash).	In Plan v.3.2.2 – March 2014; base payout rate adjustable, may be tied to market indicator using Models	3	\$0.06/pound subject to adjustment, beginning; Q4 2017; \$0.04/pound adjustable quarterly effective January 2016.
8	Type 2 Recycled Output Payout	\$0.03/pound	Type 2 refers to Recycled Output with higher ash content thresholds, currently more than 25% ash.	In Plan v.3.2.2 – March 2014	N/A	Subject to adjustment, beginning Q4 2017. Note, there has been no Type 2 output in recent history.

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/ Date of Action	Addendum	Notice
9	Type 2 PC4 (Calcium Carbonate) Payout	\$0.17/pound	Non-fiber Recycled Output containing predominately calcium carbonate for use as feedstock in secondary products; currently \$0.17/pound.	Change 1, effective Q2 2015; change 2, in June 2015; change 3, effective Q3 2015; [For use as a raw material (recycled output feedstock) only]	1, 3	Subject to adjustment, beginning Q4 2017
10	Commercial Broadloom	\$0.02/pound	For California-generated commercial broadloom Recycled Output. Note: this incentive is currently suspended and not in force.	Initially slated to go into effect Q3 2018, but implementation suspended due to operational concerns	N/A	Scheduled to begin Q3 2018, but never implemented.

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/ Date of Action	Addendum	Notice
11	Highest Recyclability	\$0.05/pound	For California-generated PCC fibers meeting the Highest Recyclability parameters defined by the HR Committee (Plan Table 6), and calculated through the Subsidy Justification Model. Beginning 1/1/19, Nylon 6 and Nylon 6,6 broadloom and carpet tile qualify for Highest Recyclability incentive.	Effective Q1 2019	N/A	Initiated Q1 2019
12	COVID-19 Action Plan: Additional Type 1 PET and Polypropylene Payout	\$0.05/pound	Initiated as an emergency fiscal support for California-generated PET and PP Type 1 fiber output, in direct response to COVID-19 pandemic impacts on market conditions, reviewed quarterly.	Effective July 1, 2020	N/A	Initiated as a temporary fiscal support, effective July 1, 2020, reviewed quarterly. Note, the special COVID-19 subsidy was extended through the end of 2020 and beyond.

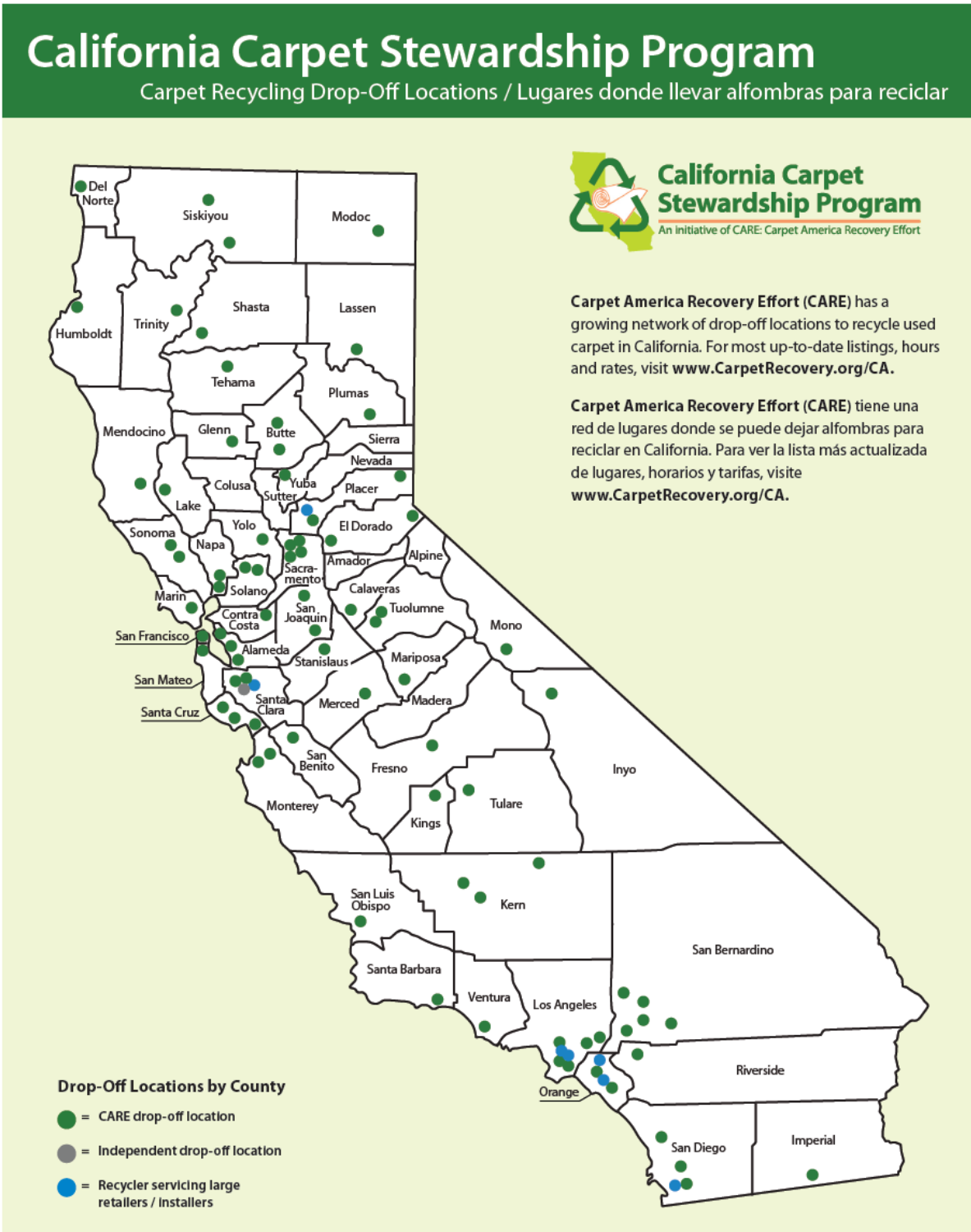
Table 10.2.d. Tier 2 Manufacturers: Summary of Subsidy and Incentive Payouts (Accessible Version)

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/Date of Action	Addendum	Notice
13	Tier-2 Manufacturer Non-Nylon Payout	\$0.25/pound	For Type 1 non-nylon Recycled Output used as a feedstock in the manufacture of secondary products; currently \$0.25/pound.	Change 1, effective Q2 2015; change 2, retroactive to Q3 2015	1, 3	Subject to adjustment, beginning Q4 2017
14	Tier-2 Manufacturer PET Payout	\$0.25/pound	For Type 1 PET Recycled Output used as a feedstock in the manufacture of secondary products; currently \$0.25/pound.	Effective Q3 2018	N/A	Initiated July 1, 2018; as a break-out from Non-Nylon
15	Tier-2 Manufacturer Polypropylene Payout	\$0.25/pound	For Type 1 Polypropylene Recycled Output used as a feedstock in the manufacture of secondary products; currently \$0.25/pound.	Effective Q3 2018	N/A	Initiated July 1, 2018; as a break-out from Non-Nylon
16	Tier-2 Manufacturer Nylon 6 Payout	\$0.10/pound	For Type 1 nylon 6 Recycled Output used as a feedstock in the manufacture of secondary products; currently \$0.10/pound.	Effective Q4 2017	NA	Initiated as a 6-month pilot, effective October 1, 2017, and remains in effect

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/Date of Action	Addendum	Notice
17	Tier-2 Manufacturer Nylon 6,6 Payout	\$0.10/pound	For Type 1 Nylon 6,6 Recycled Output used as a feedstock in the manufacture of secondary products; currently \$0.10/pound.	Effective Q1 2019	N/A	Initiated Q1 2019
18	Tier-2 Manufacturer PET Pellets Payout	\$0.11/pound	For California-generated PET fiber converted into PET Pellets.	Effective Q4 2019	N/A	Initiated Q1 2019
19	Tier-2 Manufacturer Polypropylene Pellets Payout	\$0.05/pound	For California-generated Polypropylene fiber converted into Polypropylene Pellets.	Effective Q1 2020	N/A	Initiated Q1 2020 as a 12-month pilot.
20	COVID-19 Action Plan: Additional Nylon 6 Payout	\$0.15/pound	Initiated as an emergency fiscal support for Type 1 Nylon 6 Recycled Output used as feedstock in the manufacture of secondary products, in direct response to COVID-19 pandemic impacts on market conditions, reviewed quarterly.	Effective July 1, 2020	N/A	Initiated as an temporary fiscal support, effective July 1, 2020, reviewed quarterly. Note, the special COVID-19 subsidy was extended through the end of 2020 and beyond.

ID	Subsidy/ Incentives	Payout Rate	Description	Timeline/Date of Action	Addendum	Notice
21	COVID-19 Action Plan: Additional Nylon 6,6 Payout	\$0.03/pound	Initiated as an emergency fiscal support for Type 1 Nylon 6,6 Recycled Output used as feedstock in the manufacture of secondary products, in direct response to COVID- 19 pandemic impacts on market conditions, reviewed quarterly.	Effective July 1, 2020	N/A	Initiated as a temporary fiscal support, effective July 1, 2020, reviewed quarterly. Note, the special COVID-19 subsidy was extended through the end of 2020 and beyond.

10.3 Map and List of Drop-off Sites



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CarpetRecovery.org/CA

@CarpetRecycle

Drop-Off Locations by County

Before you visit: Contact drop-off location to confirm participation, business hours, rates, types of carpet accepted and identification required.

Antes de su visita: Comuníquese con el lugar donde llevaría las alfombras para confirmar que participan, el horario de atención al público, los tarifas, los tipos de alfombra que aceptan, así como la identificación que requieren.



Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep It Dry.

Step 2: Keep It Debris Free.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Drop off Carpet for Recycling.

To find a drop-off location near you, consult this guide or visit www.CarpetRecovery.org/CA.

Before your visit, contact drop-off location to confirm participation and inquire about business hours, rates, types of carpet accepted and identification required.

Step 5: Save Money.

Recycling carpet may cost less than throwing it away. Ask if the drop-off site offers a reduced rate.

ALAMEDA COUNTY

City of Berkeley Transfer Station
1201 Second Street
Berkeley, CA 94710
510-981-7270

Fremont Recycling & Transfer
41149 Boyce Road
Fremont, CA 94538
510-252-0500

Hayward Transfer Station
3458 Enterprise Avenue
Hayward, CA 94545
510-606-1548

ALPINE COUNTY
Served by **South Tahoe Refuse Transfer Station**, see El Dorado County

BUTTE COUNTY
Neal Road Recycling and Waste Facility (NRRWF)
1023 Neal Road
Paradise, CA 95969
530-879-2352

Recology Butte
2720 South 5th Avenue
Oroville, CA 95965
530-342-4444

CALAVERAS COUNTY
Rock Creek Solid Waste Facility & Landfill
12021 Hunt Road
Milton, CA 95684
209-754-6403

CONTRA COSTA COUNTY
Contra Costa Waste Service
1300 Loveridge Road
Pittsburg, CA 94565
925-473-0180

DEL NORTE COUNTY
Del Norte County Transfer Station
1700 State Street
Crescent City, CA 95531
707-465-1100

EL DORADO COUNTY
El Dorado Disposal/Waste Connections
4100 Throwita Way
Placerville, CA 95667
530-295-2808

South Tahoe Refuse Transfer Station
2140 Ruth Avenue
South Lake Tahoe, CA 96150
530-541-5105

FRESNO COUNTY

West Coast Waste
3077 S. Golden State
Frontage Road
Fresno, CA 93725
559-497-5320

GLENN COUNTY
Glenn County Transfer Station
5700 County Road 33
Artois, CA 95913
530-624-0286

HUMBOLDT COUNTY
Hawthorne Street Transfer Station
1059 West Hawthorne Street
Eureka, CA 95501
707-268-8680

IMPERIAL COUNTY
Imperial Landfill
104 E. Robinson Road
Imperial, CA 92251
760-353-1100

INYO COUNTY
Bishop-Sunland Landfill
110 Sunland Indian
Reservation Road
Bishop, CA 93514
760-872-4126

KERN COUNTY
Bena Sanitary Landfill
2951 Neumarkel Road
Bakersfield, CA 93307
661-862-8900

Kern Valley Transfer Station
6092 Wulstein Avenue
Kernville, CA 93238
661-862-8900

Shafter-Wasco Sanitary Landfill
17621 Scofield Road
Shafter, CA 93263
661-862-8900

KINGS COUNTY
Robinson's Interiors
230 N. 11th Avenue
Hanford, CA 93230
559-582-2610

LAKE COUNTY
Lake County Waste Solutions
230 Soda Bay Road
Lakeport, CA 95453
707-234-6412

LASSEN COUNTY

Zaengles Carpet One Floor & Home
2800 Main Street
Susanville, CA 96130
530-257-7788

LOS ANGELES COUNTY
American Reclamation
4560 Doran Street
Los Angeles, CA 90039
818-552-4068

Construction & Demolition Recycling
9309 Rayo Avenue
South Gate, CA 90280
323-357-6900

Eastern Impressions/Cristal Materials
510 Carob Street
Compton, CA 90220
323-752-2026

EDCO Recycling & Transfer Signal Hill
2755 California Avenue
Signal Hill, CA 90755
562-997-1122

Grand Central Recycling & Transfer Station, Inc.
999 S. Hatcher Avenue
Industry, CA 91748
626-855-5538

LA Fiber
4920 S Boyle Avenue
Vernon, CA 90058
323-589-5637

Pomona Valley Transfer Station
1371 East Ninth Street
Pomona, CA 91766
909-643-2225

MARIN COUNTY
Marin Resource Recovery Center
565 Jacoby Street
San Rafael, CA 94901
415-485-5646

MARIPOSA COUNTY
Mariposa Landfill, Composting and Recycling Center
5593 Highway 49
North Mariposa, CA 95338
209-966-5165

MENDOCINO COUNTY
Solid Waste Systems
3151 Taylor Drive
Ukiah, CA 95482
707-234-6400

CarpetRecovery.org/CA

MERCED COUNTY

Highway 59 Landfill
7040 North Highway 59
Merced, CA 95348
209-723-4481

MODOC COUNTY

Holdorff's Recycling
605 N Court Street
Alturas, CA 96101
530-233-3723

MONO COUNTY

Benton Crossing Landfill
899 Pit Road
Crowley Lake, CA 93546
760-937-2192

MONTEREY COUNTY

Monterey Regional Waste Management District
14201 Del Monte Boulevard
Marina, CA 93933
831-384-5313

Sun Street Transfer Station
139 Sun Street
Salinas, CA 93901
831-424-5535

NAPA COUNTY

Devlin Road Transfer Station
889 Devlin Road
American Canyon, CA 94503
707-258-9005

Napa Recycling & Waste Services
820 Levitin Way
American Canyon, CA 94503
707-256-3500

ORANGE COUNTY

Eastern Impressions/Dimax Fiber Recovery
1111 E 4th Street
Santa Ana, CA 92701
714-994-1020

Republic Services
2740 E Coronado Street
Anaheim, CA 92806
714-238-3344

Sunset Transfer Station
16122 Construction Circle
Irvine, CA 92606
949-654-1562

Upstream Textiles
1228 W Collins Avenue
Orange, CA 92867
714-728-7233
Call for appointment and carpet tile recycling requirements.

PLACER COUNTY

Circular Polymers
3390 Venture Drive
Lincoln, CA 95648
908-899-3060

Eastern Regional Landfill
900 Cabin Creek Rd
Truckee, CA 96161
530-583-7800

Western Placer Waste Management Authority
3195 Athens Avenue
Lincoln, CA 95648
916-543-3960

PLUMAS COUNTY

Delleker Transfer Station
73980 Industrial Way
Delleker, CA 96122
530-832-4879

RIVERSIDE COUNTY

Robert A. Nelson Transfer Station/ Agua Mansa MRF
1830 Agua Mansa Road
Riverside, CA 92509
951-786-0544

SACRAMENTO COUNTY

Florin Perkins Public Disposal Site
4201 Florin Perkins Road
Sacramento, CA 95826
916-443-5120

Kiefer Landfill
12701 Kiefer Boulevard and Grant Line Road
Sloughhouse, CA 95683
916-876-9436

L and D Landfill
8635 Fruitridge Road
Sacramento, CA 95826
916-383-9420

North Area Recovery Station (NARS)
4450 Roseville Road
North Highlands, CA 95660
916-876-9457

SAN BENITO COUNTY

RJR Recycling
1771 San Felipe Road
Hollister, CA 95023
831-636-7756

SAN BERNARDINO COUNTY

Advance Disposal Co.
17105 Mesa Street
Hesperia, CA 92345
760-244-9773

CR&R Environmental Services

2059 East Steel Road
Colton, CA 92371
909-370-3377

CR&R Environmental Services

9828 Buckwheat Road
Phelan, CA 92371
800-336-0396

Victor Valley MRF

17000 Abbey Lane
Victorville, CA 92394
760-241-1284

West Valley MRF and Transfer Station

13373 Napa Street
Fontana, CA 92335
909-899-5501

SAN DIEGO COUNTY

EDCO San Marcos Construction Demolition Processing Facility
224 South Las Posas Road
San Marcos, CA 92078
760-744-2700

Otay Landfill
1700 Maxwell Road
Chula Vista, CA 91911
619-421-3773

Planet Recycling
187 Mace Street
Chula Vista, CA 91911
619-424-7545

SANCO Resource Recovery
6750 Federal Boulevard
Lemon Grove, CA 91945
619-287-7555

SAN FRANCISCO COUNTY

Recology San Francisco Transfer Station
501 Tunnel Avenue
San Francisco, CA 94134
415-330-1400

SAN JOAQUIN COUNTY

Lovelace Transfer Station
2323 E. Lovelace Road
Manteca, CA 95336
209-982-5770

North County Recycling Center & Sanitary Landfill
17720 E. Harney Lane
Lodi, CA 95240
209-887-3868

**¿Está su alfombra lista para ser reciclada?**

Siga los siguientes pasos simples para preparar alfombras para reciclarlas:

Paso 1: Manténgala seca.

Paso 2: Manténgala libre de desechos.
Retire las tiras con tachuelas, clavos, basura y tierra.

Paso 3: Prepare la alfombra.

- Corte la alfombra en secciones fáciles de manejar.
- Separe la alfombra de la almohadilla
- Enrolle la alfombra.
- Enrolle, amontone o doble la almohadilla para alfombra.
- Apile las losetas de alfombra modular.

Paso 4: Lleve la alfombra al lugar del reciclaje.

Para encontrar el lugar más cercano, consulte este guía o visite al www.CarpetRecovery.org/CA.

Antes de salir, llame para averiguar el horario de atención al público, los tarifas, los tipos de alfombra que aceptan y la identificación requerida.

Paso 5: Ahorre dinero.

Reciclar alfombras puede costar menos que llevarlas al vertedero. Pregunte si en el lugar donde se dejan para reciclar ofrecen una tarifa reducida.



Why Recycle Carpet?

More than 300 million pounds of carpet head to California landfills every year, where it stays for centuries without breaking down. But there is a better way: recycling.

Recycling carpet saves natural resources, conserves landfill space, and reduces dependency on fossil fuels.

Old carpet can be recycled and made into useful new products, like insulation, dimensional

lumber, carpet cushion/underlayment and new carpet.

Since 2010, over 360 million pounds of carpet have been diverted from our landfills and recycled, with support from Carpet America Recovery Effort (CARE). CARE works to create market-based solutions to increase carpet recycling and divert carpet from landfill.

Thank you for recycling!

¿Por qué reciclar alfombras?

Cada año en vertederos de California se entierran más de 300 millones de libras de alfombras, donde permanecen por siglos sin descomponerse. Pero hay una mejor manera: reciclar.

Reciclar alfombras ahorra recursos naturales, conserva espacio en los vertederos y reduce la dependencia de combustibles fósiles.

Las alfombras viejas pueden ser recicladas y convertidas en

nuevos productos útiles, como aislamiento, madera dimensional, almohadilla para alfombras y alfombra nueva.

Desde el 2010, más de 360 millones de libras de alfombra han sido derivadas de nuestros vertederos y recicladas.

¡Trabajando juntos podemos hacer más!

SAN LUIS OBISPO COUNTY

Cold Canyon Landfill
2268 Carpenter Canyon Road
San Luis Obispo, CA 93401
805-549-8332

SAN MATEO COUNTY

Blue Line Transfer, Inc.
500 E Jamie Court
South San Francisco, CA 94080
650-589-5511

SANTA BARBARA COUNTY

MarBorg Industries C&D Facility
119 N Quarantina Street
Santa Barbara, CA 93103
805-963-1852

SANTA CLARA COUNTY

Bay Counties SMaRT Station
301 Carl Road
Sunnyvale, CA 94089
408-752-8530

GreenWaste Carpet Recycling

1201 North 15th Street
San Jose, CA 95112
408-938-4958

GreenWaste Recovery

625 Charles Street
San Jose, CA 95112
408-938-4958

Zanker Recycling

675 Los Esteros Road
San Jose, CA 95134
408-263-2384

SANTA CRUZ COUNTY

Ben Lomond Transfer Station
9835 Newell Creek Road
Ben Lomond, CA 95005
831-336-3951

Buena Vista Landfill - Santa Cruz County

1231 Buena Vista Drive
Watsonville, CA 95076
831-454-5153

City of Santa Cruz Resource Recovery Facility

605 Dimeo Lane
Santa Cruz, CA 95060
831-420-6270

SHASTA COUNTY

West Central Landfill
14095 Clear Creek Road
Igo, CA 96047
530-396-2555

SISKIYOU COUNTY

Black Butte Transfer Station
3710 Spring Hill Road
Mount Shasta, CA 96067
530-926-1610

Oberlin Road Transfer Station

2420 E Oberlin Road
Yreka, CA 96097
530-842-5865

SOLANO COUNTY

Recology Hay Road
6426 Hay Road
Vacaville, CA 95687
707-678-4718

Recology Vacaville Solano

855½ Davis Street
Vacaville, CA 95687
707-448-2945

SONOMA COUNTY

Global Materials Recovery Services
3899 Santa Rosa Avenue
Santa Rosa, CA 95407
707-585-0511

Windsor Material Recovery Facility

590 Caletti Avenue
Windsor, CA 95492
707-838-2597

STANISLAUS COUNTY

The New Tin Yard
623 Kansas Ave
Modesto, CA 95251
209-522-6456

SUTTER COUNTY

Serviced by **Recology Sutter** – Yuba, see Yuba County

TEHAMA COUNTY

Tehama County/Red Bluff Landfill
19995 Plymire Rd
Red Bluff, CA 96080
530-528-1102

TRINITY COUNTY

The Floor Store (retail store)
1306 Nugget Lane
Weaverville, CA 96093
530-623-6600

TULARE COUNTY

Franey's Carpet One Floor & Home
525 N Liberty Street
Visalia, CA 93292
559-733-9990

TUOLUMNE COUNTY

Cal Sierra Transfer Station
19309 Industrial Drive
Sonora, CA 95370
209-536-1719

Sonora Recycling, LLC

18647 Eagle Ridge Drive
Sonora, CA 95370
209-536-4214

VENTURA COUNTY

Del Norte Regional Recycling and Transfer Station
111 S Del Norte Boulevard
Oxnard, CA 93030
805-385-8060

YOLO COUNTY

Yolo County Central Landfill
44090 County Road 28H
Woodland, CA 95776
530-666-8727

YUBA COUNTY

Recology Sutter – Yuba
3001 Levee Road
Marysville, CA 95901
530-743-6933

10.4 Map of Public and Private Carpet Collection Sites

The map below shows the known 318 public and private carpet collection sites in California and shows the number of sites per county. The table on the following page lists counties with their number of total sites and CARE drop-off sites.

Figure 10-1. Number of Public and Private Carpet Collection Sites by County

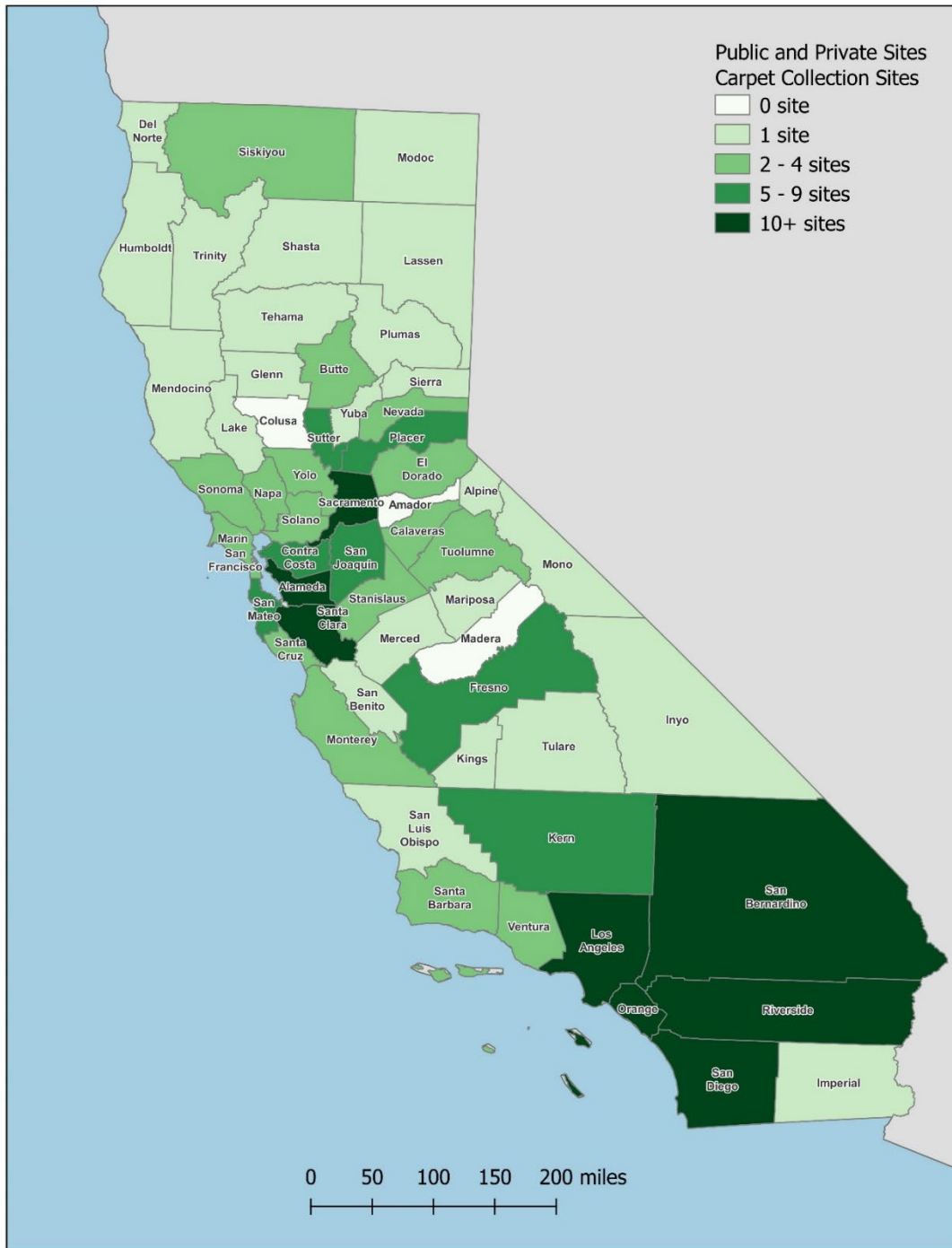


Table 10.3.a. Collection Sites in California Counties, 2020

ID	County	Total Private Sites by County	CARE Sites	TOTAL Sites
1	Alameda County #7	21	3	24
2	Alpine County	0	1	1
3	Amador County	0	0	0
4	Butte County	1	2	3
5	Calaveras County	1	1	2
6	Colusa County	0	0	0
7	Contra Costa County #9	7	1	8
8	Del Norte County	0	1	1
9	El Dorado County	3	1	4
10	Fresno County #10	5	1	6
11	Glenn County	0	1	1
12	Humboldt County	0	1	1
13	Imperial County	0	1	1
14	Inyo County	0	1	1
15	Kern County #11	2	3	5
16	Kings County	0	1	1
17	Lake County	0	1	1
18	Lassen County	0	1	1
19	Los Angeles County #1	48	5	53
20	Madera County	0	0	0
21	Marin County	1	1	2
22	Mariposa County	0	1	1
23	Mendocino County	0	1	1
24	Merced County	0	1	1
25	Modoc County	0	1	1
26	Mono County	0	1	1
27	Monterey County	1	2	3
28	Napa County	1	2	3
29	Nevada County	3	0	3
30	Orange County #3	8	2	10
31	Placer County	5	2	7
32	Plumas County	0	1	1
33	Riverside County #4	10	1	11
34	Sacramento County #8	36	4	40
35	San Benito County	0	1	1
36	San Bernardino County #5	12	5	17

ID	County	Total Private Sites by County	CARE Sites	TOTAL Sites
37	San Diego County #2	33	3	36
38	San Francisco County #12	2	1	3
39	San Joaquin County	4	2	6
40	San Luis Obispo County	0	1	1
41	San Mateo County	4	1	5
42	Santa Barbara County	1	1	2
43	Santa Clara County #6	12	2	14
44	Santa Cruz County	1	3	4
45	Shasta County	0	1	1
46	Sierra County	0	1	1
47	Siskiyou County	0	2	2
48	Solano County	2	2	4
49	Sonoma County	2	2	4
50	Stanislaus County	1	1	2
51	Sutter County*	5	0	5
52	Tehama County	0	1	1
53	Trinity County	0	1	1
54	Tulare County	0	1	1
55	Tuolumne County	0	2	2
56	Ventura County	2	1	3
57	Yolo County	1	1	2
58	Yuba County	0	1	1
59	TOTALS	235	83	318

*Sutter County served by Yuba County.

Rank by population if in top ten (for example, Los Angeles County is #1); shaded in light green.

10.5 List of Participating Carpet Mills, Subsidiaries, and Brands

Active Carpet Mills

AB 2398 Reporting

Registered Manufacturers List

Updated as of 2/25/2021 provided by Carpet Mills and modified by Aprio.

ID	Parent Company	Sub Companies	Mailing Address	City	State
1	A.M. Claret (formerly and DBA ALLIANCE TEXTILES)		218 River Drive	Cartersville	GA
2	Apache Mills (FKA Berkshire Flooring)	Berkshire Flooring, Inc.	PO Box 907	Calhoun	GA
3	Beaulieu Canada Company		335 Rue Roxton	Acton Vale	Quebec
4	Bellbridge Inc	Westbrook, Carpets of New Zealand	5401 Industrial Way	Benicia	CA
5	Bentley Prince Street (BPS Parent, Inc.)	Bentley Mills, Inc.	14641 East Don Julian Road	City of Industry	CA
6	Best Carpet Values, Inc./W.R. Inc.	Innovative Ind., S & J Carpet, Best Carpet Value	PO Box 1639	Chatsworth	GA
7	Bloomsburg Carpet Ind., Inc.		4999 Columbia Blvd	Bloomsburg	PA

ID	Parent Company	Sub Companies	Mailing Address	City	State
8	Brintons Carpets	Brintons	1000 Cobb Place Blvd. Building 200, Suite 200	Kennesaw	GA
9	CAP Carpet Inc	Aircraft Interior Products, White Oak Custom Carpets, MRM by White Oak, LLC	535 Emerson St.	Wichita	KS
10	Catalina Carpet Mills, Inc.		14418 Best Ave.	Santa Fe Springs	CA
11	Couristan, Inc.		Two Executive Drive	Fort Lee	NJ
12	Crossley Holdings of South Africa	Crossley Axminster	PO Box 1777	Greenville	MS
13	Daltonian Flooring, Inc.		115 Old Belwood Road	Calhoun	GA
14	Design Manufacturing International, LLC.		17 Vincent Circle	Warminster	PA
15	Design Materials, Inc.		241 S. 55th Street	Kansas City	KS
16	Earth Weave Carpet Mills Inc.		PO Box 6120	Dalton	GA
17	ECMC, LLC dba CM Hospitality Carpets		2304 Dalton Industrial Court	Dalton	GA
18	Egetaepper a/s.	Ege Americas Inc	Industrivej Nord 25, PO Box 190	Herning	Denmark
19	Emerald Carpet, Inc.	Emerald, Mainline	PO Box 1625	Dalton	GA
20	Emery Park Carpet Company		105 N. Industrial Blvd	Calhoun	GA

ID	Parent Company	Sub Companies	Mailing Address	City	State
21	Engineered Floors		PO Box 2207	Calhoun	GA
22	Event Carpet Pros, Inc.		14301 Alondra Blvd.	La Mirada	CA
23	Exploring, Inc. dba Brumark	Shelmarc	3655 Atlanta Ind. Dr. #100	Atlanta	GA
24	Fibreworks Corporation		2301 Brennen Business Ct.	Louisville	KY
25	Forbo Flooring Systems		8 Maplewood Drive	Hazle Township	PA
26	Foss Manufacturing Co LLC		243 Huffaker Road, NW	Rome	GA
27	Harris Flooring Group (FKA Q.E.P. and Kraus)		PO Box 704	Clarion	PA
28	iCarpetiles.com., Inc.		PO Box 6003	Louisville	KY
29	IncStores		2045 S Vineyard Ste 118	Mesa	AZ
30	Indian Summer Carpet Mills, Inc		601 Callahan Road	Dalton	GA
31	Twitchell Technical Products LLC (Infinity)	Infinity Woven Products LLC	5211 Mitchell Bridge Rd	Dalton	GA
32	Innovative Carpets, LLC		45 Legion Drive	Cresskill	NJ
33	Innovative Tile Technologies LLC		1505 Coronet Dr	Dalton	GA
34	Interface Americas, Inc.	InterfaceFLOR, LLC, FLOR, Interface Services	1000 Marietta Street NW Suite 238	Atlanta	GA
35	J Mish LLC		8 River Drive	Cartersville	GA

ID	Parent Company	Sub Companies	Mailing Address	City	State
36	Joy Carpets & Co.		PO Box 5379	Fort Oglethorpe	GA
37	Julie Industries, Inc.		PO Box 153	North Reading	MA
38	Kaleen Rugs, Inc.		1013 Bonny Oaks Dr.	Dalton	GA
39	Art Flock & Screen Inc (Kane Carpet)	Kane Carpet	214 Ditmas Avenue	Brooklyn	NY
40	Excel Carpet (Kinsley Carpet Mills)	Kinsley Carpet	PO Box 1351	Dalton	GA
41	Lancer Enterprises, Inc.	Lancer Enterprises, Inc.	PO Box 1505	Dalton	GA
42	Langhorne Carpet Co Inc.		PO Box 7175	Penndel	PA
43	Lexmark Carpet Mills, Inc.	Northwest Carpets	285 Kraft Drive	Dalton	GA
44	Mannington Mills, Inc.	Mannington Commercial	PO Box 12281	Calhoun	GA
45	Mantra Style, LLC dba Decorative Concepts		1803 Abutment Road	Dalton	GA
46	Marquis Industries, Inc.	Marquis Industries, Omega Pattern Works, Artisans Hospitality, Astro Carpet Mills	2743 Hwy 76 PO Box 1308	Chatsworth	GA
47	Mathews & Parlo Carpet Wholesalers, Inc		196 Belwood Rd	Calhoun	GA
48	Merida Meridian Inc		1 Design Center Pl. Suite 714	Boston	MA
49	Millennium Carpet Mills Inc.		PO Box 1079	Chatsworth	GA

ID	Parent Company	Sub Companies	Mailing Address	City	State
50	Milliken & Company	Milliken Flooring	920 Milliken Road, M-620 Dock B	Spartanburg	SC
51	Mohawk Industries, Inc.		160 S. Industrial Blvd	Calhoun	GA
52	Momeni, Inc.		60 Broad Street	Carlstadt	NJ
53	Colin Campbell & Sons Ltd./Nature's Carpet		55-8385 Fraser St.	Vancouver	British Columbia
54	Next Floor Inc.		1857 Sawmill Rd. #202	Conestogo	Ontario
55	Nourison Industries Inc.		5 Sampson St	Saddle Brook	NJ
56	Patriot Mills (FKA as Manassas Textiles)		PO Box 470	Adairsville	GA
57	Pharr Yarns, LLC d/b/a Phenix		1001 Enterprise Dr	Dalton	GA
58	Prestige Mills		34-01 38th Avenue	Long Island City	NY
59	R.C. Willey Home Furnishings, Inc.		2301 S. 300 W.	Salt Lake City	UT
60	RADICI USA, INC		PO Box 3143	Spartanburg	SC
61	Relative Space (Floorworks)		400 West Broadway	New York	NY
62	Revolution Mills <i>(new in Q4 2020)</i>		PO Box 3205	Huntersville	NC
63	Royal Thai Americas, Inc.		715 Curtis Parkway SE	Calhoun	GA

ID	Parent Company	Sub Companies	Mailing Address	City	State
64	Scott Group Custom Carpets, DBA Scott Group Studio		3232 Kraft Ave. SE	Grand Rapids	MI
65	Shaheen Carpet Mills	Carpets by Sierra	PO Box 167	Resaca	GA
66	Shaw Industries, Inc.		PO Drawer 2128	Dalton	GA
67	Signature Hospitality Carpet LLC	Signature Hospitality Carpets	PO Box 1328	Dalton	GA
68	Stanton Carpet Corporation	Stanton Carpet	100 Sunnyside Blvd.	Woodbury	NY
69	Stark Carpet Corp		979 Third Ave	New York	NY
70	Summit Flooring		1 Apollo Drive	Whippany	NJ
71	TaiPing Carpets Americas Inc		PO Box 249	Adairsville	GA
72	Tarkett Finance Inc.	Tarkett USA	3000 Aurora Road	Solon	OH
73	The Dixie Group, Inc.	TDG Operations, LLC, Fabrica International, Inc.	PO Box 2007	Dalton	GA
74	The Miller Davis Group		300 West 28th Street	Chattanooga	TN
75	Totally Enterprises, LLC		404 Mitchell St.	Dalton	GA
76	Ulster Carpet Mills (North America) Inc		81 Whitlock Avenue SW	Marietta	GA
77	Unique Carpets Ltd.		7360 Jurupa Avenue	Riverside	CA
78	van Gelder		300 Union Grove Road	Calhoun	GA

END OF ACTIVE LIST

Carpet Mills No Longer Active

ID	Parent Company	Sub Companies	Mailing Address	City	State	Notes
1	Carpet Crafts		PO Box 667	Dalton	GA	Inactive as of Q1 2017
2	J&J Industries, Inc.		PO Box 1287	Dalton	GA	Inactive as of Q1 2017
4	Wellington		40087 Mission Blvd #170	Fremont	CA	Inactive as of Q2 2017
3	Fortune Contract, Inc.		PO Box 2287	Dalton	GA	Inactive as of Q2 2017
5	Royalty Carpet Mills, Inc.	Camelot Carpet Mills, Pacificrest Mills, Moda	17111 Red Hill	Irvine	CA	Inactive as of Q4 2017
6	ATM Floor Covering, Inc.		PO Box 1012	Dalton	GA	Inactive as of Q1 2018
7	Riviera Carpets		402 Beamer Road	Calhoun	GA	Acquired by Jmish in Q1 2018
8	Hibernia Woolen Mills		9829 Carmenita Road, Unit D	Whittier	CA	Acquired by Stanton in Q1 2018

ID	Parent Company	Sub Companies	Mailing Address	City	State	Notes
9	Beaulieu Group LLC	Aqua, Armstrong FashionSmart, Armstrong FashionSmart B, Beaulieu, Beaulieu Commercial, Beaulieu Engineered Fabrics & Fibers, Beaulieu of America, Bliss Aligned Dealer Program, Bliss by Beaulieu, Bliss Flooring Solutions, BOA Distributor Div., BoYu, Cambridge, Citation, Compass, Coronet Carpets, Coronet SFC, Hollytex, Interloom, Laura Ashley, Property Management Solutions, Pure, Royalist, Surfaces,	PO Box 1248	Dalton	GA	Acquired by Engineered Floors in Q2 2018
10	Godfrey Hirst USA, Inc.	IDG, Carpet One, Flooring America, Pro Source, Abbey, Floors to Go, NRF, Carpets Plus, FCI, FCA	7629 Adairsville Hwy, PO Box 849	Adairsville	GA	Acquired by Mohawk in Q3 2018
11	Woolshire Carpet Mills Inc.		PO Box 66	Calhoun	GA	Acquired by Jmish in Q3 2018
12	Savnik & Company, Inc.		601 McClary Avenue	Oakland	CA	Closed for business in Q1 2019

ID	Parent Company	Sub Companies	Mailing Address	City	State	Notes
13	Perfect Flooring dba Shelmarc		3655 Atlanta Ind. Dr. #100	Atlanta	GA	Absorbed by Exploring, Inc. in Q1 2020
14	Lonesome Oak Trading Co., Inc.		PO Box 216	Chatsworth	GA	Acquired by Marquis in Q1 2020
15	Balta Group (modulyss)	Balta Rugs, ITC, modulyss, Balta Broadloom, Captiqs	6739 New Calhoun Hwy Blvd #100	Rome	GA	All sales are being reported by Bentley Prince Street (BPS Parent, Inc.)
16	Himalaya Carpets (Qinghai Himalaya Home Co., LTD)	Himalaya Carpets USA	Unit 21-22 Roman Way, Industrial Estate	Preston, PR2 5BB	UK	Stopped selling in the US in December 2020.

END OF NO LONGER ACTIVE LIST

Subsidiaries and Brands List

AB 2398 Reporting

Updated as of 2/25/2021, provided by Mills and modified by Aprio.

Subsidiaries (Alphanumeric Order)

Aircraft Interior Products
 Artisans Hospitality
 Astro Carpet Mills
 Bentley Mills, Inc.
 Berkshire Flooring, Inc.
 Best Carpet Value
 Brintons
 Carpets by Sierra
 Carpets of New Zealand
 Crossley Axminster
 Ege Americas Inc
 Emerald
 Fabrica International, Inc.
 FLOR
 Harris Flooring
 Infinity Woven Products LLC
 Innovative Ind.
 Interface Services
 InterfaceFLOR, LLC
 Kane Carpet

Kinsley Carpet
 Lancer Enterprises, Inc.
 Mannington Commercial
 Marquis Industries
 Mainline
 Milliken Flooring
 Mohawk
 MRM by White Oak, LLC
 Northwest Carpets
 Omega Pattern Works
 S & J Carpet
 Shelmarc
 Signature Carpets
 Stanton Carpet
 Tarkett USA
 TDG Operations, LLC
 Westbrook
 White Oak Custom Carpets

Brands (Alphanumeric Order)

Abby
 Advantage XL
 Adorra
 Aircraft Interior Products
 ALADDIN
 ALADDIN CCA NET
 ALADDIN COLOR CENTER
 ALADDIN COMMERCIAL
 All American Carpet Tiles

Alliance Textiles
 American Basic Natural Fusion
 American Home Fashions of California
 Antrim
 Anything Goes
 Artisan's Hospitality
 Astro Carpet Mills
 Atelier
 Atlas Carpet Mills

Atlas Masland Contract
 AVIATION COMMERCIAL
 Axminster Carpet
 Balta Tiles
 BEDFORD MILLS
 Bellbridge
 BENEFITS
 Bentley
 Berkshire Flooring
 Best of Stainmaster
 Bigelow
 BIGELOW COMMERCIAL
 Bliss
 Bloomsburg Carpet
 Bomat
 Brintons
 Cadence
 Carpets by Sierra
 Catalinahome
 Cavan Carpets
 Cherokee Carpet
 Clayton Miller
 Concepts International
 CORE ELEMENTS
 CORNERSTONE
 Coronet
 Couristan
 Creative Carpets
 Crescent
 Crossley Axminster
 Crossley of South Africa
 Crosspoint
 Davis & Davis Rugs
 Decorative Concepts
 DESIGN DISTINCTION
 Design Materials
 Desso
 Dixie Home
 Dixie International
 DOWNS
 Downs Decade
 Dream Weaver
 Duralock

DURAPOINT
 DURAWEAWE / DURAWEAWE ELITE
 Duraweave Elite
 DURKAN COMMERCIAL
 DURKAN HOSPITALITY
 Dwellings
 Earth Weave
 EcoFi
 Ecorug
 Edwards Fields
 EF Contract
 EF Hospitality
 ege
 Emerald
 Emery Park Carpet Co
 EMPIRE
 Engineered Floors Multifamily
 EnVision 66
 ESSENTIALS
 Evans & Black
 EXTREME VALUE
 EZ Carpet
 Fabrica
 Farmer's Market
 Fibreworks
 Fidneisen
 First Impressions
 Fletco
 FLOORCRAFT
 Flooringinc
 FLOORSCAPES
 FLOORSCAPES - ALD
 FLOORSCAPES - CWC
 FLOORZ
 FLOORZ ALADDIN
 FLOR
 Flotex
 Foss
 Fossshield
 GIBRALTAR
 Glen Eden Wool Carpets
 GODFREY HIRST NA
 GREEN SELECT

Gulistan
 Hagaman
 HARDING
 Harding Factory Direct
 HDC HOME DECORATION
 COLLECTION
 HEARTH & HOME
 HEATHERFIELD
 Hibernia
 Hokanson
 Hollytex
 HOME & OFFICE
 HOME FOUNDATION
 HOME SHOWCASE
 Home Solutions
 HOME VALUE
 HOMECRAFT
 HORIZON
 IMAGE
 IncStores.com
 INNOVIA / INNOVIA TOUCH
 Innovative Tile Technologies
 Interface Services
 InterfaceFLOR
 Interlude - Carpet One
 J&J Flooring Group
 Jmish
 Johnsonite
 Joy Carpets
 Kaleen Rugs, Inc.
 Kane Carpet
 KARASTAN
 KARASTAN / HELIOS
 KARASTAN AMBASSADOR
 KARASTAN CONTRACT
 KARASTAN GALLERY DES
 KARASTAN ROLL RUNNER
 KARASTAN RUG
 KARASTAN WOOL
 Kinetex
 Kinsley Carpet
 Kona Coast
 Kraus Flooring

Lancer Enterprises, Inc.
 Langhorne Carpet
 Larsen
 LEES CARPET
 Lees Studio
 Lexmark Hospitality
 Lexmark Expo
 Lexmark Living
 Lexmark Adorn
 Lexmark Tailored
 LIFFPROOF
 Lock Mat
 Lonesome Oak Trading Co.
 Loomtex
 Looptex
 Louis Dabbieri
 Low Boy
 Luxury Woven Vinyl
 Luzern Ltd
 Main Street Tile
 Mainline
 Mannington
 Mantra
 Marquis Industries
 Masland Carpets and Rugs
 Masland Contract
 Masland Hospitality
 Mathews & Parlo
 Merida
 MERIT
 Milliken
 Missoni
 Modular Mat
 modulyss
 MOHAWK
 MOHAWK COLOR CENTER
 MOHAWK COMMERCIAL
 Momeni
 MRM by White Oak, LLC
 Nature's Carpet
 Naturion
 NAUTILUS
 Next Floor

NexGen	Shaw
Nood Fashion	Shaw Contract
North River	Shaw Floors
Northstar Flooring Design	Shaw Home Foundations
Northwest Hospitality	Shaw Hospitality
Nourison	ShawMark
Nourtex	Signature Carpets
OfficeSmart	SIGNATURE SERIES
Omega Pattern Works	SIGNATURE SERIES-ALD
Ozite	SIGNATURE SERIES-HZN
Patcraft	Silspun
Patriot Mills	Silver Creek
Peerless	Simply Seamless
Pentz	Smart Transformations
Phenix	Smartback
Philadelphia	SOFTSPRING
Philadelphia Commercial	SOMERSET HOUSE
PLATINUM PLUS	Southwind Carpet
Plaza Portfolio	St. Jude Flooring
PORTICO	Stainmaster
PORTICO ESTATE	Stainmaster Core
PORTICO SELECT	Stainmaster Fashion Essentials
Premier Stainmaster	Stanton
Prestige Mills	Stark
PROPERTIES BY MOHAWK	StaticSmart
PWV	Stark Studio Rugs
Queen	Style Smart
Queen Commercial	Sutton Carpet
R.C. Willey	Tai Ping Tent
RADICI USA	Tandus Centiva
REGENCY GRANDE	The Atlas Group
RELAX IT'S LEES / LEES STUDIO	Totally Enterprises, LLC
RESISTA / RESISTA SOFT	Traffic Master
Revolution Mills	Tuftex
Rosecore	Tuva
Royal Dutch	TRUCOR
Royal Thai	Ulster Carpet Mills
RubberFlooringinc	Unique Carpets Ltd.
Scott Group Studio	Valour
SELECT A FLOOR	Vernon House
Select Elements	Vista Carpet
Selecta Floor	WEAVEPOINT
Shaheen Carpet	Weave-Tuft Carpets

White Oak Custom Carpets
WUNDA WEVE
WUNDAWEVE CARPETS
WW FLOORSCAPES
You Home Style
Evans & Black
Extreme Value
EZ Carpet
Fabrica
Farmer's Market
Fibreworks
First Impressions
Floorcraft
Floorscapes
Floorscapes - ALD
Floorscapes - CWC
Floorz
Floorz Aladdin
FLOR
Flotex
Foss
Fossshield
Gibraltar
Glen Eden Wool Carpets
Godfrey Hirst NA
Green Select
Gulistan
Hagaman
Harding
Harding Factory Direct
HDC Home Decoration Collection
Hearth & Home
HEATHERFIELD
Hibernia
Hokanson
Hollytex
Home & Office
Home Foundation
Home Showcase
Home Solutions
Home Value
Homecraft
Horizon
Image

Innovative Tile Technologies
Innovia / Innovia Touch
Interface Services
InterfaceFLOR
Interlude - Carpet One
ITC, Arc Edition, Balta Broadloom
J&J Flooring Group
Jmish
Johnsonite
Joy Carpets
Kaleen Rugs, Inc.
Kane Carpet
Karastan
Karastan / Helios
Karastan Ambassador
Karastan Contract
Karastan Gallery Des
Karastan Roll Runner
Karastan Rug
Karastan Wool
Kinetex
Kinsley Carpet
Kona Coast
Kraus Flooring
Lancer Enterprises, Inc.
Langhorne Carpet
Larsen
Lees Carpet
Lees Studio
Lexmark Adorn
Lexmark Expo
Lexmark Hospitality
Lexmark Living
Lexmark Tailored
Liffproof
Lock Mat
Lonesome Oak Trading Co.
Loomtex
Looptex
Louis Dabbieri
Low Boy
Luxury Woven Vinyl
Luzern Ltd

Main Street Tile	Premier Stainmaster
Mainline	Prestige Mills
Mannington	PROPERTIES BY MOHAWK
Mantra	PWV
Marquis Industries	Queen
Masland Carpets and Rugs	Queen Commercial
Masland Contract	R.C. Willey
Masland Hospitality	RADICI USA
Mathews & Parlo	Regency Grande
Merida	Relax It's Lees / Lees Studio
MERIT	Resista / Resista Soft
Milliken	Rosecore
Missoni	Royal Dutch
Modular Mat	Royal Thai
modulyss	Scott Group Studio
Mohawk	Select A Floor
Mohawk Color Center	Select Elements
Mohawk Commercial	Selecta Floor
MRM by White Oak, LLC	Shaheen Carpet
Nature's Carpet	Shaw
Naturion	Shaw Contract
Nautilus	Shaw Floors
Next Floor	Shaw Home Foundations
Nood Fashion	Shaw Hospitality
Northstar Flooring Design	ShawMark
Northwest Hospitality	Signature Carpets
Nourison	Signature Series
Nourtex	Signature Series-ALD
OfficeSmart	Signature Series-HZN
Omega Pattern Works	Silspun
Ozite	Silver Creek
Patcraft	Simply Seamless
Patriot Mills	Smart Transformations
Peerless	Smartback
Pentz	Softspring
Phenix	Somerset House
Philadelphia	Southwind Carpet
Philadelphia Commercial	St. Jude Flooring
Platinum Plus	Stainmaster
Plaza Portfolio	Stainmaster Core
Portico	Stainmaster Fashion Essentials
Portico Estate	Stanton
Portico Select	Stark

Stark Studio Rugs
StaticSmart
Style Smart
Sutton Carpet
Tai Ping Tent
Tandus Centiva
The Atlas Group
Totally Enterprises, LLC
Traffic Master
Tuftex
Tuva
Ulster Carpet Mills

Unique Carpets Ltd.
Valour
Vernon House
Vista Carpet
Vorwerk
WEAVEPOINT
Weavetuft
White Oak Custom Carpets
Wunda Weve
Wundaweve Carpets
WW Floorscapes
You Home Style

10.6 Data Sources for Report Figures and Tables in Accessible Format

Note that Table and Figure numbers in this Appendix are matched to those in the main report body for ease of reference.

Figure 2-1 and Figure 3-1. Timeline of COVID-19 Global Pandemic and Program Response Actions (Accessible Text Version)

COVID-19 Global Pandemic in 2020	Program's COVID-19 Response Actions in 2020	Quarterly Gross Carpet Collections
<ul style="list-style-type: none"> 3/11: WHO declares COVID-19 a global pandemic. 3/16: Shelter-in-Place Health Orders issued for Bay Area & LA County. 	<ul style="list-style-type: none"> 3/30: COVID-19 Action Plan issued. Agreed Upon Procedures (AUP) schedule suspended for 90 days. Initiative issued to pay 80% of earned monthly subsidies early. 	Quarter 1: 20.2 million pounds
<ul style="list-style-type: none"> 4/13: California Legislature announces it will not reconvene as scheduled. 6/18: Governor orders a statewide mask mandate in public spaces. 	<ul style="list-style-type: none"> COVID Action Plan implemented. April: Emergency \$1.3M cash infusion check issued to qualified subsidy participants. Collection subsidies increased by 2 cents per pound. 	Quarter 2: 14.8 million pounds
<ul style="list-style-type: none"> 7/22: Statewide cases exceed 409,000, the most in the nation. 	<ul style="list-style-type: none"> July: Second cash infusion issued. Significantly adjusted upward 4 fiber-specific subsidies due to COVID-19 market impacts. COVID Action Plan extended through the end of 2020. 	Quarter 3: 21.8 million pounds
<ul style="list-style-type: none"> 10/25: California surpasses 900,000 confirmed cases. 11/19: "Limited Stay At Home Order" issued. 12/8: State breaks one-day record for new cases (34k). 12/30: A confirmed case of the new U.K. variant reported in Southern CA. 	<ul style="list-style-type: none"> Extended 4 fiber specific Tier 1 and Tier 2 subsidies to 3/31/2021. Extended additional 2 cent per pound collection subsidy to 3/31/2021. 	Quarter 4: 20.6 million pounds

Figure 2-2 and Figure 5-19. Price of Crude Oil in Dollars per Barrel over Time (Data Table)

This figure shows changes in oil prices over time since January 2016.

Month-Year	Cushing, OK WTI Spot Price FOB (Dollars per Barrel)
Jan-2016	31.68
Feb-2016	30.32
Mar-2016	37.55
Apr-2016	40.75
May-2016	46.71
Jun-2016	48.76
Jul-2016	44.65
Aug-2016	44.72
Sep-2016	45.18
Oct-2016	49.78
Nov-2016	45.66
Dec-2016	51.97
Jan-2017	52.50
Feb-2017	53.47
Mar-2017	49.33
Apr-2017	51.06
May-2017	48.48
Jun-2017	45.18
Jul-2017	46.63
Aug-2017	48.04
Sep-2017	49.82
Oct-2017	51.58
Nov-2017	56.64
Dec-2017	57.88
Jan-2018	63.70
Feb-2018	62.23

Month-Year	Cushing, OK WTI Spot Price FOB (Dollars per Barrel)
Mar-2018	62.73
Apr-2018	66.25
May-2018	69.98
Jun-2018	67.87
Jul-2018	70.98
Aug-2018	68.06
Sep-2018	70.23
Oct-2018	70.75
Nov-2018	56.96
Dec-2018	49.52
Jan-2019	51.38
Feb-2019	54.95
Mar-2019	58.15
Apr-2019	63.86
May-2019	60.83
Jun-2019	54.66
Jul-2019	57.35
Aug-2019	54.81
Sep-2019	56.95
Oct-2019	53.96
Nov-2019	57.03
Dec-2019	59.88
Jan-2020	57.52
Feb-2020	50.54
Mar-2020	29.21
Apr-2020	16.55
May-2020	28.56
Jun-2020	38.31
Jul-2020	40.71

Month-Year	Cushing, OK WTI Spot Price FOB (Dollars per Barrel)
Aug-2020	42.34
Sep-2020	39.63
Oct-2020	39.4
Nov-2020	40.94
Dec-2020	47.02

Figure 2-3 and Figure 3-2. Recycling Rate, 2016–2020 (Data Table)

This figure shows changes in the Program’s quarterly recycling rate since 2016.

Time Period	Recycling Rate
Q1 2016	9.3%
Q2 2016	11.0%
Q3 2016	12.0%
Q4 2016	11.4%
Q1 2017	16.3%
Q2 2017	12.6%
Q3 2017	13.4%
Q4 2017	13.9%
Q1 2018	14.5%
Q2 2018	16.3%
Q3 2018	14.9%
Q4 2018	15.6%
Q1 2019	15.6%
Q2 2019	18.4%
Q3 2019	19.9%
Q4 2019	22.5%
Q1 2020	20.0%
Q2 2020	19.8%
Q3 2020	20.5%
Q4 2020	23.2%

Figure 2-4 and Figure 5-20. Comparison of California Recycling Rates for Materials Statewide and for Post-Consumer Carpet (PCC) (Data Table)

This figure shows changes in the Program's annual recycling rate compared with California's statewide recycling rate.

Year	California Statewide Recycling Rate	Carpet Recycling Rate	Recycled Output (pounds)	Discards (pounds)
2010	49%	N/A	N/A	N/A
2011	49%	7%	12,007,464	181,035,738
2012	50%	10%	35,989,586	356,976,943
2013	50%	12%	44,109,514	363,567,389
2014	50%	12%	43,396,993	357,671,462
2015	47%	10%	34,823,391	345,197,320
2016	44%	11%	37,653,664	342,786,873
2017	42%	14%	47,240,340	337,747,780
2018	40%	15%	49,307,404	321,586,925
2019	37%	19%	58,007,077	303,836,224
2020	N/A	21%	52,615,057	251,480,035

Figure 2-5. Carpet Materials Flow Diagram, 2020 (Data Table)

This figure shows the flows of carpet materials in California from collections through Recycled Output. The text in the main report describes the flows of materials, and the numbers are provided in the table below.

Carpet Flow	Million Pounds
CARE Drop-off Sites	10.2
Private Collections	67.0
Collector/Sorters: Gross Collections of PCC and Pad	77.2
Padding	9.3
Collector/Sorters: Gross Collections of PCC (less padding)	67.9
Change in CSE and Processor Inventory	5.0
Waste-to-Energy (WTE)	0
Landfill	10.3
Export	0
CAAF/Kiln	0
Total of WTE, Landfill, Export, CAAF/Kiln	10.3
Reuse	0.8
PET	18.2
Nylon 6	13.1
Nylon 6,6	3.9
Polypropylene (PP)	2.2
Carpet Tile	1.2
Carcass	0
Post-Consumer Carpet Calcium Carbonate (PC4)	13.2
Recycled Output	52.6

Figure 4-6. Greater Sacramento Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Quarterly) (Data Table)

This figure shows the pounds of carpet materials collected quarterly in the greater Sacramento area from 2016 to 2020.

Year	Time Period	Sum of Pounds
2016	Annual Total	526,570
2016	Q1	34,340
2016	Q2	220,890
2016	Q3	185,320
2016	Q4	86,020
2017	Annual Total	680,801
2017	Q1	77,721
2017	Q2	156,640
2017	Q3	127,620
2017	Q4	318,820
2018	Annual Total	2,060,536
2018	Q1	192,860
2018	Q2	524,636
2018	Q3	508,040
2018	Q4	835,000
2019	Annual Total	1,623,968
2019	Q1	362,860
2019	Q2	472,408
2019	Q3	545,380
2019	Q4	243,320
2020	Annual Total	1,605,140
2020	Q1	394,500
2020	Q2	347,740
2020	Q3	455,600
2020	Q4	407,300
Grand Total	2016 to 2020	6,497,015

Figure 4-8. Greater San Francisco Bay Area Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Quarterly) (Data Table)

This figure shows the pounds of carpet materials collected quarterly in the San Francisco Bay Area from 2019 to 2020.

Year	Time Period	Sum of Pounds
2019	Annual Total	1,070,740
2019	Q1	123,900
2019	Q2	348,640
2019	Q3	291,920
2019	Q4	306,280
2020	Annual Total	1,205,260
2020	Q1	179,620
2020	Q2	151,220
2020	Q3	336,800
2020	Q4	537,620
Grand Total	2019 to 2020	2,276,000

Figure 4-9. Los Angeles Area Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Quarterly) (Data Table)

This figure shows the pounds of carpet materials collected quarterly in the greater Los Angeles area from 2016 to 2020.

Year	Time Period	Sum of Pounds
2016	Annual Total	20,010
2016	Q1	0
2016	Q2	0
2016	Q3	12,580
2016	Q4	7,430
2017	Annual Total	92,740
2017	Q1	0
2017	Q2	26,060
2017	Q3	27,540
2017	Q4	39,140
2018	Annual Total	557,680
2018	Q1	93,060
2018	Q2	136,140
2018	Q3	133,740
2018	Q4	194,740
2019	Annual Total	1,065,240
2019	Q1	112,340
2019	Q2	175,380
2019	Q3	306,560
2019	Q4	470,960
2020	Annual Total	456,480
2020	Q1	190,500
2020	Q2	84,860
2020	Q3	135,720
2020	Q4	45,400
Grand Total	2016 to 2020	2,192,150

Figure 4-11. Greater San Diego Regional Approach Drop-off Site Pounds Collected, 2019–2020 (Quarterly)

This figure shows the pounds of carpet materials collected quarterly in the greater San Diego area from 2019 to 2020.

Year	Time Period	Sum of Pounds
2019	Annual Total	8,200
2019	Q3	0
2019	Q4	8,200
2020	Annual Total	93,440
2020	Q1	16,520
2020	Q2	45,460
2020	Q3	12,460
2020	Q4	19,000
Grand Total	2019 to 2020	101,640

Figure 4-12. Regional Approach Drop-off Site Pounds Collected, 2016–2020 (Data Table)

This figure shows the pounds of carpet materials collected annually in the regional approaches for the greater Los Angeles, San Diego, and Sacramento areas from 2016 to 2020.

Year	Sacramento Area	San Diego Area	Los Angeles Area	San Francisco Bay Area	Total Pounds Collected
2016	526,570		20,010		546,580
2017	680,801		92,740		773,541
2018	2,060,536		557,680		2,618,216
2019	1,623,968	8,200	1,065,240	1,070,740	3,768,148
2020	1,605,140	93,440	456,480	1,205,260	3,360,320

Figure 4-13. Collector/Sorter (CSE) Payouts Over Time (Data Table)

This figure shows the Program's payouts to Collector/Sorters over time.

Incentives to CSEs (million dollars)	2015	2016	2017	2018	2019	2020
CSE Payouts	\$0.65	\$1.02	\$0.94	\$1.48	\$1.43	\$2.23

Figure 4-14. Tier 1 Processor Payouts Over Time (Data Table)

This figure shows the Program's payouts to Tier 1 Processors over time.

Incentives to Tier 1 Processors (million dollars)	2011 Q3/Q4	2012	2013	2014	2015	2016	2017	2018	2019	2020
Base Plan	\$0.70	\$2.10	\$2.50	\$2.80	\$2.90	\$3.94	\$5.48	\$5.74	\$7.49	\$7.49
Growth Incentive	N/A	N/A	\$0.50	\$0.62	\$0.02	\$0	N/A	N/A	N/A	N/A
Total	\$0.70	\$2.10	\$3.00	\$3.42	\$2.92	\$3.94	\$5.48	\$5.74	\$7.49	\$7.49

Figure 4-15. Tier 2 Manufacturer Payouts Over Time (Data Table)

This figure shows the Program's payouts to Tier 2 Manufacturers over time.

Incentives to Tier 2 Manufacturers (million dollars)	2013	2014	2015	2016	2017	2018	2019	2020
Base Plan	\$0.17	\$1.19	\$2.43	\$4.44	\$4.73	\$5.72	\$5.63	\$7.15
Growth Incentive	\$0	\$0	\$0.34	\$0.67	N/A	N/A	N/A	N/A
Total	\$0.17	\$1.19	\$2.78	\$5.11	\$4.73	\$5.72	\$5.63	\$7.15

Table 4-6. Throughput and Disposition in Tons per Year (TPY), 2020 (Accessible Version)

The tables below show the Program's carpet throughput and disposition over time in tons per year, in separate tables by category.

Table 4-6a. Throughput Summary

Tons per Year	Quarter 1 (Beginning of Period)	Quarter 2	Quarter 3	Quarter 4 (End of Period)	2020 (Full Reporting Period)
Gross Collections by CSEs	1,396	965	1,100	1,081	4,542
Gross Collections by Processors	8,724	6,451	9,779	9,207	34,160
Total Gross Collections (Sum of CSEs + Processors)	10,120	7,416	10,878	10,288	38,702

Table 4-6b. Recycled Output Summary

Tons per Year	Quarter 1 (Beginning of Period)	Quarter 2	Quarter 3	Quarter 4 (End of Period)	2020 (Full Reporting Period)
Recycled Output (reuse, tile recycled, fiber, depoly, calcium carbonate, filler, carcass)	6,428	5,387	7,128	7,365	26,308
Recycled Output %	20%	20%	21%	23%	16%
Recycled Output Yield (% conversion GC:RO)	64%	73%	66%	72%	68%

Table 4-6c. Inventory—Whole Carpet Plus Processed Summary

Tons per Year	Quarter 1 (Beginning of Period)	Quarter 2	Quarter 3	Quarter 4 (End of Period)	2020 (Full Reporting Period)
Beginning Inventory	2,313	2,880	2,976	4,239	2,313
Ending Inventory	2,873	3,015	4,236	4,807	4,807

Table 4-6d. Total Diversion Summary

Tons per Year	Quarter 1 (Beginning of Period)	Quarter 2	Quarter 3	Quarter 4 (End of Period)	2020 (Full Reporting Period)
Reuse*	113	82	99	89	382
Tile Recycled*	239	131	118	93	579
Fiber / Depoly*	4,379	3,825	5,143	5,383	18,731
PC4*	1,698	1,349	1,768	1,800	6,615
Filler*	0	0	0	0	0
Carcass*	0	0	0	0	0
Kiln	0	0	0	0	0
CAAF	0	0	0	0	0
WTE	0	0	0	0	0
Exports	0	0	0	0	0
Carpet Cushion/Pad	992	877	1,463	1,334	4,667

**Included in Recycled Output.*

Table 4-6e. Out-of-State and Disposal Summary

Tons per Year	Quarter 1 (Beginning of Period)	Quarter 2	Quarter 3	Quarter 4 (End of Period)	2020 (Full Reporting Period)
Out-of-State	1,195	495	801	705	3,195
Disposal: Process Waste to Landfill	1,594	1,086	1,203	1,244	5,128
Disposal: Incineration	0	0	0	0	0

Figure 4-16. Change in Recycled Output, 2019 versus 2020 (Data Table)

This figure shows the change in Recycled Output (RO) over time, including the increase, decline, and net gain for 2020.

Recycled Output (million pounds)	Base	Change	Total
2015 Total Recycled Output	34.8	0	34.8
2016 Total Recycled Output	37.7	0	37.7
2017 Total Recycled Output	47.2	0	47.2
2018 Total Recycled Output	49.3	0	49.3
2019 Total Recycled Output	58.0	0	58.0
2020 Decline in Recycled Output	48.6	-9.4	48.6
2020 Increase in Recycled Output	48.6	4.0	48.6
2020 Total Recycled Output	52.6	0	52.6

Figure 5-1. California Carpet Sales Over Time (Data Table)

This figure shows the change over time in carpet sales in California, percent declines in sales, and rising assessment costs.

Trends	2013	2014	2015	2016	2017	2018	2019	2020
Carpet Sold, in square yards	100.5	98.9	96.9	94.1	90.4	86.0	80.6	66.7
Change in Sales, %	N/A	-1.6%	-2.0%	-2.9%	-4.0%	-4.8%	-6.3%	-17.2%
Assessment, in dollars per square yard	\$0.05	\$0.05	\$0.10	\$0.20	\$0.25	\$0.25	\$0.35	\$0.35

Figure 5-2. Performance Over Time for Gross Collection and Recycled Output (Data Table)

This figure shows the change over time in Gross Collection of carpet and Recycled Output.

Category (million pounds)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross Collected	111.8	107.2	123.1	103.0	107.2	98.0	93.5	82.1	77.4
Recycled Output	36.0	44.1	43.4	34.8	37.7	47.2	49.3	58.0	52.6

Figure 5-3. Reported Reuse Over Time (Data Table)

This figure shows the change over time in total reuse of post-consumer carpet.

Category (million pounds)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Total Reused PCC	0.15	0.03	0.17	0.61	0.93	0.41	0.73	0.72	0.76

Figure 5-4. Energy Recovery Over Time (Data Table)

The figure shows the change over time in total energy recovery from materials disposed as Carpet As Alternative Fuel (CAAF), Kiln, and Waste-to-Energy (WTE).

Total Energy Recovery	2015	2016	2017	2018	2019	2020
Million pounds	29.73	21.02	11.73	1.83	0.02	0

Figure 5-5. Percent of Gross Collections Converted to Recycled Output (Yield) (Data Table)

The figure shows the change over time in Yield, the percentage of Gross Collection converted to Recycled Output.

Gross Collection to Recycled Output (%)	2011 Q3/Q4	2012	2013	2014	2015	2016	2017	2018	2019	2020
% Converted	24.5%	32.2%	41.1%	35.3%	33.8%	35.1%	48.2%	52.7%	70.6%	68%

Figure 5-6. Reported Percent Fiber by Type in Gross Collections Over Time (Data Table)

The figure shows the change over time in reported Gross Collection by fiber type.

Fiber Percentage	2011 Q3/Q4	2012	2013	2014	2015	2016	2017	2018	2019	2020
Nylon 6	40%	36%	29%	25%	26%	25%	26%	24%	26%	32%
Nylon 6,6	24%	25%	26%	23%	21%	20%	15%	12%	13%	15%
Polypropylene	6%	8%	9%	12%	7%	9%	9%	10%	8%	5%
PET	22%	25%	30%	32%	40%	39%	43%	48%	49%	45%
Wool	0%	0%	0%	0%	0%	0%	1%	1%	0%	0%
Other/Mixed Fibers	8%	5%	6%	7%	6%	8%	6%	6%	4%	2%

Figure 5-7. Calcium Carbonate (PC4) Pounds Over Time (Data Table)

The figure shows the change over time in post-consumer carpet calcium carbonate (PC4).

Category (million pounds)	2015	2016	2017	2018	2019	2020
Calcium Carbonate	0.06	2.41	10.54	12.57	14.08	13.23

Figure 5-8. Gross Collection Rate and Recycling Rate Over Time (Data Table)

The figure shows the change over time in Gross Collection Rate and Recycling Rate (Recycled Output), including tile reuse, broadloom reuse, tile recycled, fiber, depoly, filler, carcass, and calcium carbonate (PC4).

Percent of Total Discarded	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross Collection	31%	29%	34%	30%	31%	29%	29%	27%	31%
Recycling Rate	10%	12%	12%	10%	11%	14%	15%	19%	21%

Figure 5-9. Recycling Rate by Broadloom Carpet Type and Carpet Tile (Data Table)

Carpet Type	2018	2019	2020
Tile	2%	2%	5%
Broadloom – Nylon 6	10%	15%	20%
Broadloom – Nylon 6,6	31%	35%	42%
Broadloom – Polypropylene	22%	16%	24%
Broadloom – PET	20%	27%	21%

Figure 5-10. Recycled Output (million pounds) by Broadloom Carpet Type and Carpet Tile (Data Table)

Carpet Type	2018	2019	2020
Tile	1.0	1.2	1.9
Broadloom – Nylon 6	11.0	14.1	17.8
Broadloom – Nylon 6,6	6.1	7.2	5.3
Broadloom – Polypropylene	3.8	2.6	3.0
Broadloom – PET	27.3	32.9	24.6

Figure 5-11. Recycled Output Components (Data Table)

The figure shows the components of Recycled Output by pounds and percentage.

Recycled Output Categories	2020 Pounds	2020 Percentage
Fiber	37,461,055	71.2%
PC4	13,230,157	25.1%
Tile Recycled	1,158,904	2.2%
Reuse	764,941	1.5%
Depoly	0	0.0%
Filler	0	0.0%
Carcass	0	0.0%
Total Recycled Output	52,615,057	100%

Figure 5-12. Carpet Tile Recycled (Data Table)

The figure shows the change over time in carpet tile recycled in millions of pounds.

Category (million pounds)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Carpet Tile Recycled	0.34	0.31	0.72	0.86	1.12	0.87	0.47	0.60	1.16

Figure 5-13. Disposal Over Time (Discards Minus Recycled Output) (Data Table)

The figure shows the change over time in disposal, measured as carpet Discards minus Recycled Output.

Category (million pounds)	2015	2016	2017	2018	2019	2020
Discards	345.20	342.79	337.75	321.59	303.84	251.48
Recycled Output	34.82	37.65	47.24	49.31	58.01	52.62
Disposal	310	305	291	272	246	199

Figure 5-14. Estimated Greenhouse Gas Emissions Reductions (Data Table)

The figure shows the change over time in estimated greenhouse gas (GHG) emissions reductions, in metric tons of carbon dioxide equivalent, associated with carpet recycling.

GHG Emissions (MTCO ₂ E)	Baseline 2011–2012	2017	2018	2019	2020
Greenhouse Gas Emissions	-23,247	-49,577	-58,533	-70,118	-63,685

Figure 5-15. Greenhouse Gas Emissions Reductions for 2020: Equivalency Results for 63,685.44 Metric Tons CO₂E (Data Table)

This figure shows a screenshot of the results of USEPA's greenhouse gas equivalency calculator for 63,685.44 MTCO₂E as calculated in WARM; results are provided below.

Greenhouse Gas Emissions Equivalencies	Number	Category
Passenger vehicles driven for one year	13,850	Emissions
Miles driven by an average passenger vehicle	160,054,112	Emissions
Gallons of gasoline consumed	7,166,135	Emissions
Gallons of diesel consumed	6,255,937	Emissions
Pounds of coal burned	70,390,466	Emissions
Tanker trucks' worth of gasoline	843	Emissions
Homes' energy use for one year	7,669	Emissions
Homes' electricity use for one year	11,568	Emissions
Railcars' worth of coal burned	351	Emissions
Barrels of oil consumed	147,445	Emissions
Propane cylinders used for home barbeques	2,603,442	Emissions
Coal-fired power plants in one year	0.016	Emissions
Number of smartphones charged	7,746,865,463	Emissions
Tree seedlings grown for 10 years	1,053,052	Sequestration
Acres of U.S. forests in one year	78,026	Sequestration
Acres of U.S. forests preserved from conversion to cropland in one year	435	Sequestration
Tons of waste recycled instead of landfilled	21,662	Avoided
Garbage trucks of waste recycled instead of landfilled	3,095	Avoided
Trash bags of waste recycled instead of landfilled	2,709,783	Avoided
Wind turbines running for a year	13.2	Avoided
Incandescent lamps switched to LEDs	2,413,743	Avoided

Figure 5-16. Tier 2 Manufacturer Pounds Shipped and Sold Over Time (Data Table)

This figure shows the change over time in manufacturer pounds of nylon 6 and non-nylon materials shipped and sold.

Material Types (thousand pounds)	2013	2014	2015	2016	2017	2018	2019	2020
Non-Nylon	1,379	9,880	11,786	17,743	18,816	21,581	19,095	20,640
Nylon 6	N/A	N/A	N/A	N/A	N/A	3,229	6,984	8,345

Figure 5-17. Total FTEs Reported (at year end) (Data Table)

This figure shows the change over time in Full-Time Equivalent jobs attributable to the California Carpet Stewardship Program. Numbers are for Quarter 4 of each year.

Jobs (FTEs)	2013	2014	2015	2016	2017	2018	2019	2020
Jobs at Year-end	127	161	113	136	147	161	169	168

Figure 5-18. Gross Collection, Recycled Output, Net Diversion, and Process Waste to Landfill Performance Trends (Data Table)

The figure shows the change over time in Gross Collection, Recycled Output, Net Diversion, and Process Waste to Landfill.

Category (million pounds)	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross Collection	111.8	107.2	123.1	103.0	107.2	98.0	93.5	82.1	77.4
Sent to Landfill	17.4	23.6	20.3	22.4	21.2	19.4	23.2	16.1	10.3
Net Diversion	94.3	83.7	102.8	80.6	86.0	78.6	70.4	66.1	67.1
Recycled Output	36.0	44.1	43.4	34.8	37.7	47.2	49.3	58.0	52.6

Table 5-11. Highest Recyclability Criteria: CARE Composite Results with Weighting (Data Table)

For improved this accessibility, this table is split into two sections: Table 5-11a covers criteria for carpet materials and Table 5-11b covers markets available for products. (Note that “Res” means Residential, and “Com” means Commercial.)

Table 5-11a. Highest Recyclability Criteria—Materials: CARE Composite Results with Weighting (Data Table)

Highest Recyclability Criteria	Weight	N6 (Res)	N6,6 (Res)	PET (Res)	PTT (Res)	PP (Res)	Wool (Res)	PC4	Tile N6 (Com)	Tile N6,6 (Com)	Broad loom N6 (Com)	Broad loom N6,6 (Com)	Broad loom Wool (Com)
Ease of deconstruction*	15	105	105	105	105	105	105	75	150	150	30	30	105
Safely recycle all layer similar or higher material performance*	15	60	150	150	60	105	60	75	150	150	75	75	60
Cost-effectiveness*	10	50	100	20	10	10	40	20	80	80	10	10	40
Energy-saving*	5	20	25	45	45	45	45	10	45	45	20	20	45
Identification of resin type*	5	50	50	50	50	50	45	50	45	45	45	45	45
Extent of subsidy required	10	40	100	20	20	40	0	20	100	100	30	30	0
Reusability	5	10	10	0	0	0	15	5	50	50	15	15	15

Table Notes: *Items referenced by AB 1158.

Table 5-11b. Highest Recyclability Criteria—Markets: CARE Composite Results with Weighting (Data Table)

Highest Recyclability Criteria	Weight	N6 (Res)	N6,6 (Res)	PET (Res)	PTT (Res)	PP (Res)	Wool (Res)	PC4	Tile N6 (Com)	Tile N6,6 (Com)	Broad loom N6 (Com)	Broad loom N6,6 (Com)	Broad loom Wool (Com)
a. Closed-loop recycle back into carpet	10	100	0	0	30	0	0	0	100	100	0	0	0
b. Non-carpet closed-loop (recycled multiple times)	10	30	60	60	60	60	0	30	100	100	0	0	0
c. Downcycled (one-time)	10	50	40	40	50	40	0	90	0	0	0	0	0
Volume available	5	30	15	15	5	15	0	45	35	20	20	20	0
Total of Criteria for Materials and Markets	100	545	655	505	435	470	310	420	855	840	245	245	310

Table Notes: Highest Recyclability v12 7-07-18 (also appears as Table 6 on page 116 of the 2018–2022 Plan).

Figure 6-2. Product Output Categories (Data Table)

The figure shows the categories of Product Output by pounds and percentages.

Product Output Categories	2020 Pounds	2020 Percentage
Underlayment/Felts	6,893,659	15.7%
Building Materials	1,404,465	3.2%
GeoTextiles	3,860,739	8.8%
Thermoplastic Pellets	7,858,912	18.0%
PC4 (Calcium Carbonate)	13,230,157	30.2%
Miscellaneous	10,529,002	24.1%
Total	43,776,934	100%

Figure 7-1. Program Remittances, Expenditures, and Balance Over Time (Data Table)

The figure shows the income, expenses, fund balance, and reserve (portion of fund balance) for each of the four quarters of 2020.

Category (million dollars)	Q1 2020	Q2 2020	Q3 2020	Q4 2020
Income	\$5.8	\$5.1	\$6.4	\$6.1
Expenses	\$4.8	\$5.8	\$6.8	\$7.0
Fund Balance	\$20.3	\$19.6	\$19.2	\$18.4
Reserve (Portion of Fund Balance)	\$3.2	\$3.9	\$4.5	\$4.6

Figure 7-2 and Figure 7-3. Total Program Expenses, by Dollars (millions) and Percentages, 2019 and 2020 (Data Table)

These figures show the breakdown of Program expenses by category in both dollar amounts in millions and percentages for 2019 and 2020.

Program Expense	2019 \$	2019 %	2020 \$	2020 %
Advisory Committee	\$0.0	0.1%	\$0.0	0.0%
Education & Outreach	\$1.1	4.7%	\$0.9	3.6%
Collections Program	\$1.1	4.7%	\$1.1	4.5%
Grants	\$3.9	16.1%	\$1.1	4.3%
Technical Assistance	\$1.1	4.6%	\$0.5	2.1%
CalRecycle Fees	\$0.5	2.1%	\$0.5	2.1%
CARE Admin Costs (Office)	\$0.0	0.1%	\$0.1	0.3%
Direct Expenses (CARE)	\$0.8	3.4%	\$1.0	4.1%
Direct Support (CARE)	\$0.3	1.2%	\$0.3	1.0%
Accounting & Legal	\$0.5	2.2%	\$0.5	2.0%
Subsidy Payouts (accrual)	\$14.6	60.8%	\$16.9	69.1%

Figure 7-4. Program Expenditure Ratios (millions), 2020 (Data Table)

The figure shows the categories of Program expenditures by dollar amounts in millions and percentage.

Expense Category	2020 Dollars (millions)	2020 Percentage
Program Expenses	\$3.56	14.6%
Administrative Expenses	\$2.34	9.6%
COVID-19 Special Payout	\$1.63	8.7%
Subsidy Payouts	\$16.87	69.1%
Total	\$24.39	100.0%

Figure 7-5. Summary of Subsidy Funds Paid to Participants Over Time by Type (Data Table)

The figure shows the change over time in subsidy funds paid to participants by participant and payout type.

Payout Type (dollars in millions)	2011 Q3/Q4	2012	2013	2014	2015	2016	2017	2018	2019	2020
CSE Payout	N/A	N/A	N/A	N/A	\$0.65	\$1.02	\$0.94	\$1.48	\$1.43	\$2.23
Tier 1 Processor Payout	\$0.70	\$2.10	\$3.00	\$3.42	\$2.92	\$3.94	\$5.48	\$5.74	\$7.49	\$7.49
Tier 2 Manufacturer Payout	N/A	N/A	\$0.17	\$1.18	\$2.78	\$5.11	\$4.73	\$5.72	\$5.63	\$7.15
COVID-19 Special Payout	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$1.63
Total	\$0.70	\$2.10	\$3.17	\$4.60	\$6.35	\$10.06	\$11.15	\$12.93	\$14.56	\$18.50

Figure 7-6. CARE Annual Subsidy Payouts (million dollars), 2011–2020

Year	Annual Payout	Cumulative Payouts
2011	0.70	0.70
2012	2.10	2.81
2013	3.17	5.97
2014	4.60	10.57
2015	6.37	16.94
2016	10.07	27.01
2017	11.15	38.15
2018	12.93	51.09
2019	14.56	65.65
2020	16.87	82.51

Table 7-2. Pounds and Subsidies Paid by Type (Budgeted & Actual) (Accessible Version)

This table shows pounds and subsidies paid, both budgeted and actual. For accessibility, this table is split into three sections by type: Table 7.1a shows Collector/Sorters (CSE); Table 7-2b shows Processors; and Table 7-2c shows Manufacturers, along with the total payouts for all three types.

Table 7-2a. Pounds and Subsidies Paid by Type (Budgeted & Actual), for Collector/Sorters (CSE)

Subsidy	Pounds Actual	Pounds Budgeted	Delta	Subsidies Paid	Subsidies Budgeted	Delta
CSE Reporting Incentive	N/A	N/A	N/A	\$35,000	\$24,000	\$11,000
Tile Recycled or Reuse SUBSIDY PILOT	2,880,193	2,056,332	823,861	\$144,010	\$102,817	\$41,193
Tile REUSE	736,349	1,546,581	-810,232	\$73,635	\$60,317	\$13,318
Broadloom REUSE	28,592	0	28,592	\$2,859	\$2,371	\$488
Broadloom Recycling Collected, Sold and Shipped	53,788,352	93,492,772	-39,704,420	\$1,972,307	\$3,278,247	-\$1,305,940
Adjustments	N/A	N/A	N/A	-\$2,335	\$0	-\$2,335
Total All Collector/Sorters	57,433,486	97,095,685	-39,662,199	\$2,225,476	\$3,467,751	-\$1,242,275

Table 7-2b. Pounds and Subsidies Paid by Type (Budgeted & Actual), for Processors

Subsidy	Pounds Actual	Pounds Budgeted	Delta	Subsidies Paid	Subsidies Budgeted	Delta
Tile RECYCLED	1,158,904	0	1,158,904	\$115,890	\$94,341	\$21,549
Type 1 Standard	37,461,055	44,953,139	-7,492,084	\$4,271,472	\$4,878,890	-\$607,418
Total Type 1	38,619,959	44,953,139	-6,333,180	\$4,387,362	\$4,973,232	-\$585,870
Type 2 Filler/Other	0	0	0	\$0	\$0	\$0
PC4 (Calcium Carbonate)	13,230,157	16,069,385	-2,839,228	\$2,249,127	\$2,731,795	-\$482,669
Total Type 2	13,230,157	16,069,385	-2,839,228	\$2,249,127	\$2,731,795	-\$482,669
Highest Recyclability: Nylon (6 & 6,6)	17,019,983	8,514,346	8,505,637	\$850,999	\$425,717	\$425,282
Adjustments	N/A	N/A	N/A	\$0	\$0	\$0
Total All Processors	51,850,116	69,536,870	-17,686,754	\$7,487,488	\$8,130,745	-\$643,256

Table 7-2c. Pounds and Subsidies Paid by Type (Budgeted & Actual), for Manufacturers

Subsidy	Pounds Actual	Pounds Budgeted	Delta	Subsidies Paid	Subsidies Budgeted	Delta
Non-Nylon Payouts	20,639,844	21,500,349	-860,505	\$5,326,162	\$4,746,346	\$579,816
Nylon 6 Payouts	8,344,990	9,323,858	-978,868	\$1,643,824	\$1,376,997	\$266,827
Nylon 6,6 Payouts	1,561,943	0	1,561,943	\$184,285	\$153,000	\$31,285
Adjustments	N/A	N/A	N/A	\$0	\$0	\$0
Total All Manufacturers	28,984,834	30,824,207	-1,839,373	\$7,154,271	\$6,276,343	\$877,928
COVID-19 Special Payout	N/A	N/A	N/A	\$1,626,996	\$0	\$1,626,996
TOTAL ALL SUBSIDY PAYOUTS	138,268,436	197,456,762	-59,188,325	\$18,494,231	\$17,874,839	\$619,392

Table 7-3. Total Program Expenses in 2020 (Accessible Version)

This table shows program expenses (exp.) in thousands of dollars, including subsidy payouts, Program expenses (Pgm. or P), and administrative (Admin. or A) expenses.

Program Expenses (thousand dollars)	Q1	Q2	Q3	Q4	2020 Total	% of Total Expenses	Budgeted Exp.	Delta Budget vs. Actual
Subsidy Payouts (accrual)	\$3,623	\$3,302	\$4,851	\$5,090	\$16,867	69.1%	\$17,886	-\$1,019
COVID-19 Special Payout	\$0	\$1,205	\$422	\$0	\$1,627	6.7%	\$0	\$1,627
Program Expenses:								
Advisory Committee (P)	\$0	\$2	\$2	\$0	\$3	0.0%	\$40	-\$37
Education & Outreach (P)	\$139	\$240	\$131	\$378	\$888	3.6%	\$1,200	-\$312
Collections Program (P)	\$248	\$227	\$263	\$362	\$1,100	4.5%	\$2,000	-\$900
Grants (P)	\$175	\$100	\$400	\$382	\$1,057	4.3%	\$4,133	-\$3,076
Technical Assistance (P)	\$31	\$214	\$170	\$95	\$511	2.1%	\$762	-\$251
Subtotal Program Expenses (P)	\$594	\$782	\$966	\$1,217	\$3,559	14.6%	\$8,135	-\$4,576
Administrative Expenses:								
CalRecycle Fees (A)	\$125	\$138	\$144	\$105	\$511	2.1%	\$1,560	-\$1,049
CARE Office Admin. Costs (A)	\$18	\$15	\$22	\$22	\$76	0.3%	\$159	-\$82
Direct Expenses: CARE (A)	\$225	\$271	\$263	\$248	\$1,006	4.1%	\$990	\$16
Direct Support: CARE (A)	\$81	\$36	\$54	\$83	\$255	1.0%	\$500	-\$245
Legal & Accounting (A)	\$132	\$76	\$92	\$192	\$493	2.0%	\$388	\$105
Bad Debt (A)	\$0	\$0	\$0	\$0	\$0	0.0%	\$0	\$0
Subtotal Admin Expenses (A)	\$581	\$536	\$575	\$650	\$2,341	9.6%	\$3,597	-\$1,256
Subtotal Pgm. & Admin. Exp.	\$1,175	\$1,318	\$1,540	\$1,867	\$5,899	24.2%	\$11,732	-\$5,832
TOTAL Expenses	\$4,798	\$5,825	\$6,813	\$6,957	\$24,394	100.0%	\$29,618	-\$5,224

10.7 List of Manufacturers of Products Containing PCC Recycled Materials

Table 10.7.a lists the **10 California vendor/manufacturer** names and **37 products** or product categories that include post-consumer recycled carpet materials.

Table 10.7.a. California Vendors/Manufacturers Using PCC in Recycled-Content Products, 2020

ID	Company	State	Product Name(s)	Products
1	<u>Aquafil–Woodland</u>	CA	Pellets: Nylon 6	1
2	<u>Circular Polymers</u>	CA	Pellets: PET; Nylon 6; Nylon 6,6; and Polypropylene	4
3	<u>GC Products</u>	CA	Glass Fiber Reinforced Concrete (GFRC): Ledge Shower Niche and Ceiling Access Panels; Architectural Glass Fiber Reinforced Gypsum (GFRG)	3
4	<u>Green Hive Group</u>	CA	AbsorbsWell	1
5	<u>Reliance Carpet Cushion</u>	CA	Performance 24, 28, 32 and 40 ounce weights; Performance Plus 28, 32 and 40 ounce weights; Performance Double Stick 28, 32 and 40 ounce weights.	10
6	<u>SafePath Products</u>	CA	EZ Edge Transitions – multiple thicknesses; CourtEdge: Reducers – multiple thicknesses; EntryLevel: Landings – multiple thicknesses; GreenSidewalk Repair	4
7	<u>Sierra Mat and Rubber</u>	CA	Mats, Wheel Stops, Smart Pavers	3
8	<u>3B Protection</u>	CA	Quick Assembly Wall Panels, Doors, Construction Blocks, Ready-Mix	4
9	<u>Vision Environmental</u>	CA	Stone Miracle, Parking Stops, Retaining Blocks, Landscape Stone Art, Planters, Lightweight Aggregate	6
10	<u>Wetsel Oviatt Recycling</u>	CA	Stormwater Filtration Media	1

Table 10.7.b lists the **14 non-California vendor/manufacturer** names and **58 products or product categories** that include post-consumer recycled carpet materials.

Table 10.7.b. Non-California Vendors/Manufacturers Using PCC in Recycled-Content Products, 2020

ID	Company	State	Product Name(s)	Products
1	<u>American Fiber Cushion</u>	GA	Fortitude Cushion Products: 20, 24, 28, 32, and 40 ounces; Matrix Cushion Products: 5, 6, and 8 pounds	8
2	<u>Aquafil - Phoenix</u>	AZ	Pellets: Nylon 6 and Polypropylene	2
3	<u>Bonded Logic</u>	AZ	UltraTouch Denim Insulation; UltraTouch Radiant Barrier; UltraTouch Multi-Purpose Rolls	3
4	<u>CarpetCycle</u>	NJ	Quiet-Tech Products: 1", 1.5", 2", and 2.5" thickness	4
5	<u>Chasen</u>	NJ	PET – Insulation and Mattress Padding	2
6	<u>Columbia Recycling</u>	GA	Pellets: Nylon	1
7	<u>Geo Hay</u>	SC	Erosion Control Wattles, Various Lengths: 9, 12, 15, and 18" thickness	4
8	<u>Leggett & Platt</u>	TX	Carpet Underlayment: FiberTek (18, 20, 24, 28, 32, 40 ounces)	6
9	<u>Interface Carpet Tiles</u>	GA	Cartera, Equal Measure, Human Nature, Lateral Narratives, Near and Far Net effect, Peitra, Urban Retreat, Viewpoint II	8
10	<u>Manassas Polymers</u>	GA	Pellets: Nylon	1
11	<u>MP Global Products</u>	NE	Insulayment, QuietWalk, QuietWalk LV, QuietWalk Plus	4
12	<u>RISE Composite Technology</u>	MN	RISE Siding: 2 widths + 8 Colors; RISE Trim: Nominal sizes = 9 in one color only	11
13	<u>San Pallets</u>	OH	End Caps	1
14	<u>Wellman Advanced Materials</u>	SC	Nylon Pellets (Nylon 6, Nylon 66) and Polypropylene Pellets	3

10.8 Samples of Education and Outreach Materials

Throughout 2020, CARE staff and contractors conducted Program marketing, education, and outreach to multiple audiences.

The following attachments show a sampling of these materials:

- **Drop-off site outreach and support**, including carpet recycling signs in multiple languages.
- **Installer outreach** in multiple languages and advertising in industry journals.
- **Local government outreach**, including a program overview, presentation to the California Resource Recovery Association (CRRA), and other local government resources on the CARE website.
- **Market development** materials, including a guide to products made from recycled carpet, a brochure of recycled carpet-derived products, information on grants and micro-grants.
- **E-News** sent monthly to interested stakeholders and Program participants.
- **Program support**, such as the Annual Report press release.
- **Regional approach**, including advertisements and collateral materials for the greater Fresno, Los Angeles, Monterey Bay, Sacramento, and Bay Area regions.
- **Retailer outreach**, including a service option outreach binder and point-of-sale brochure.
- **Consumer outreach**, including digital advertisements, newspaper inserts, newspaper ads, and magazine ads, in English and Spanish.
- **Blog posts** on timely topics related to carpet recycling in California.
- **Social media updates** on Program-related news items and activities.
- **Videos/public service announcements (PSAs)** on carpet reuse and recycling.

10.8.1 Drop-off Site Outreach & Support

C&D Recycling Digital Advertisements

CONSTRUCTION & DEMOLITION RECYCLING

www.CDRecycler.com

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SPONSORED FEATURE

The banner features a dark grey header with the text "Carpet CAN be recycled into useful new products!". Below this is a collage of three images: a person rolling up a carpet, a large orange box with the number "80" and "California Drop-off Sites", and a person in a blue shirt working on a wall. At the bottom left is the URL "CarpetRecovery.org/CA" and at the bottom right is the "California Carpet Stewardship Program" logo.


Recycle Carpet with CARE in California!

Carpet can be recycled into useful new products for the automotive and construction industries. In 2019, 82 million pounds of post-consumer carpet was collected in California before it could go to landfill. Bring tear-out carpet to one of 80 Carpet America Recovery Effort (CARE) Drop-off Sites.

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How Geocycle is relying on shredding technology to produce RDF to fuel its zero waste goals
October 26, 2020
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DOJ orders Waste Management to divest assets to proceed with Advanced Disposal Services acquisition
October 23, 2020
According to the DOJ, the divestiture will preserve competition in markets for small container commercial waste collection and municipal solid waste disposal in over 50 markets in 10 states. [read more](#)



Ecowaste's investment in wood processing line creates market for C&D materials
October 22, 2020
Ecowaste Industries Ltd. expands its recycling solutions for C&D waste with a wood processing line from HAAS Recycling Systems. [read more](#)

Carpet CAN be recycled into useful new products!





TAKE TEAR-OUT CARPET TO ONE OF

80

California Drop-off Sites


Did you know: Carpet can be recycled into useful new products for the automotive and construction industries!






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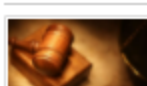
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Carpet CAN be recycled into useful new products!

TAKE YOUR OLD CARPET TO ONE OF 80 California Drop-off Sites



Get your broken Carpet Can be recycled into useful new products for the automotive and construction industries.



Why Recycle Carpet?

More than 300 million pounds of carpet head to California landfills every year, where it stays for centuries without breaking down. But there is a better way: recycling.

Recycling carpet saves natural resources, conserves landfill space, and reduces dependency on fossil fuels.

Old carpet can be recycled and made into useful new products, like insulation, dimensional

lumber, carpet cushion/underlayment and new carpet.

Since 2010, over 360 million pounds of carpet have been diverted from our landfills and recycled, with support from Carpet America Recovery Effort (CARE). CARE works to create market-based solutions to increase carpet recycling and divert carpet from landfill.

Thank you for recycling!

¿Por qué reciclar alfombras?

Cada año en vertederos de California se entierran más de 300 millones de libras de alfombras, donde permanecen por siglos sin descomponerse. Pero hay una mejor manera: reciclar.

Reciclar alfombras ahorra recursos naturales, conserva espacio en los vertederos y reduce la dependencia de combustibles fósiles.

Las alfombras viejas pueden ser recicladas y convertidas en

nuevos productos útiles, como aislamiento, madera dimensional, almohadilla para alfombras y alfombra nueva.

Desde el 2010, más de 360 millones de libras de alfombra han sido derivadas de nuestros vertederos y recicladas.

¡Trabajando juntos podemos hacer más!

SAN LUIS OBISPO COUNTY

Cold Canyon Landfill

2268 Carpenter Canyon Road
San Luis Obispo, CA 93401
805-549-8332

SAN MATEO COUNTY

Blue Line Transfer, Inc.

500 E Jamie Court
South San Francisco, CA 94080
650-589-5511

SANTA BARBARA COUNTY

MarBorg Industries C&D Facility

119 N Quarantina Street
Santa Barbara, CA 93103
805-963-1852

SANTA CLARA COUNTY

Bay Counties SMaRT Station

301 Carl Road
Sunnyvale, CA 94089
408-752-8530

GreenWaste Carpet Recycling

1201 North 15th Street
San Jose, CA 95112
408-938-4958

GreenWaste Recovery

625 Charles Street
San Jose, CA 95112
408-938-4958

Zanker Recycling

675 Los Esteros Road
San Jose, CA 95134
408-263-2384

SANTA CRUZ COUNTY

Ben Lomond Transfer Station

9835 Newell Creek Road
Ben Lomond, CA 95005
831-336-3951

Buena Vista Landfill - Santa Cruz County

1231 Buena Vista Drive
Watsonville, CA 95076
831-454-5153

City of Santa Cruz Resource Recovery Facility

605 Dimeo Lane
Santa Cruz, CA 95060
831-420-6270

SHASTA COUNTY

West Central Landfill

14095 Clear Creek Road
Igo, CA 96047
530-396-2555

SISKIYOU COUNTY

Black Butte Transfer Station

3710 Spring Hill Road
Mount Shasta, CA 96067
530-926-1610

Oberlin Road Transfer Station

2420 E Oberlin Road
Yreka, CA 96097
530-842-5865

SOLANO COUNTY

Recology Hay Road

6426 Hay Road
Vacaville, CA 95687
707-678-4718

Recology Vacaville Solano

855½ Davis Street
Vacaville, CA 95687
707-448-2945

SONOMA COUNTY

Global Materials Recovery Services

3899 Santa Rosa Avenue
Santa Rosa, CA 95407
707-585-0511

Windsor Material Recovery Facility

590 Caletti Avenue
Windsor, CA 95492
707-838-2597

STANISLAUS COUNTY

The New Tin Yard

623 Kansas Ave
Modesto, CA 95251
209-522-6456

SUTTER COUNTY

Serviced by
Recology Sutter – Yuba,
see Yuba County

TEHAMA COUNTY

Tehama County/ Red Bluff Landfill

19995 Plymire Rd
Red Bluff, CA 96080
530-528-1102

TRINITY COUNTY

The Floor Store (retail store)

1306 Nugget Lane
Weaverville, CA 96093
530-623-6600

TULARE COUNTY

Franey's Carpet One Floor & Home

525 N Liberty Street
Visalia, CA 93292
559-733-9990

TUOLUMNE COUNTY

Cal Sierra Transfer Station

19309 Industrial Drive
Sonora, CA 95370
209-536-1719

Sonora Recycling, LLC

18647 Eagle Ridge Drive
Sonora, CA 95370
209-536-4214

VENTURA COUNTY

Del Norte Regional Recycling and Transfer Station

111 S Del Norte Boulevard
Oxnard, CA 93030
805-385-8060

YOLO COUNTY

Yolo County Central Landfill

44090 County Road 28H
Woodland, CA 95776
530-666-8727

YUBA COUNTY

Recology Sutter – Yuba

3001 Levee Road
Marysville, CA 95901
530-743-6933

California Carpet Stewardship Program

Carpet Recycling Drop-Off Locations / Lugares donde llevar alfombras para reciclar

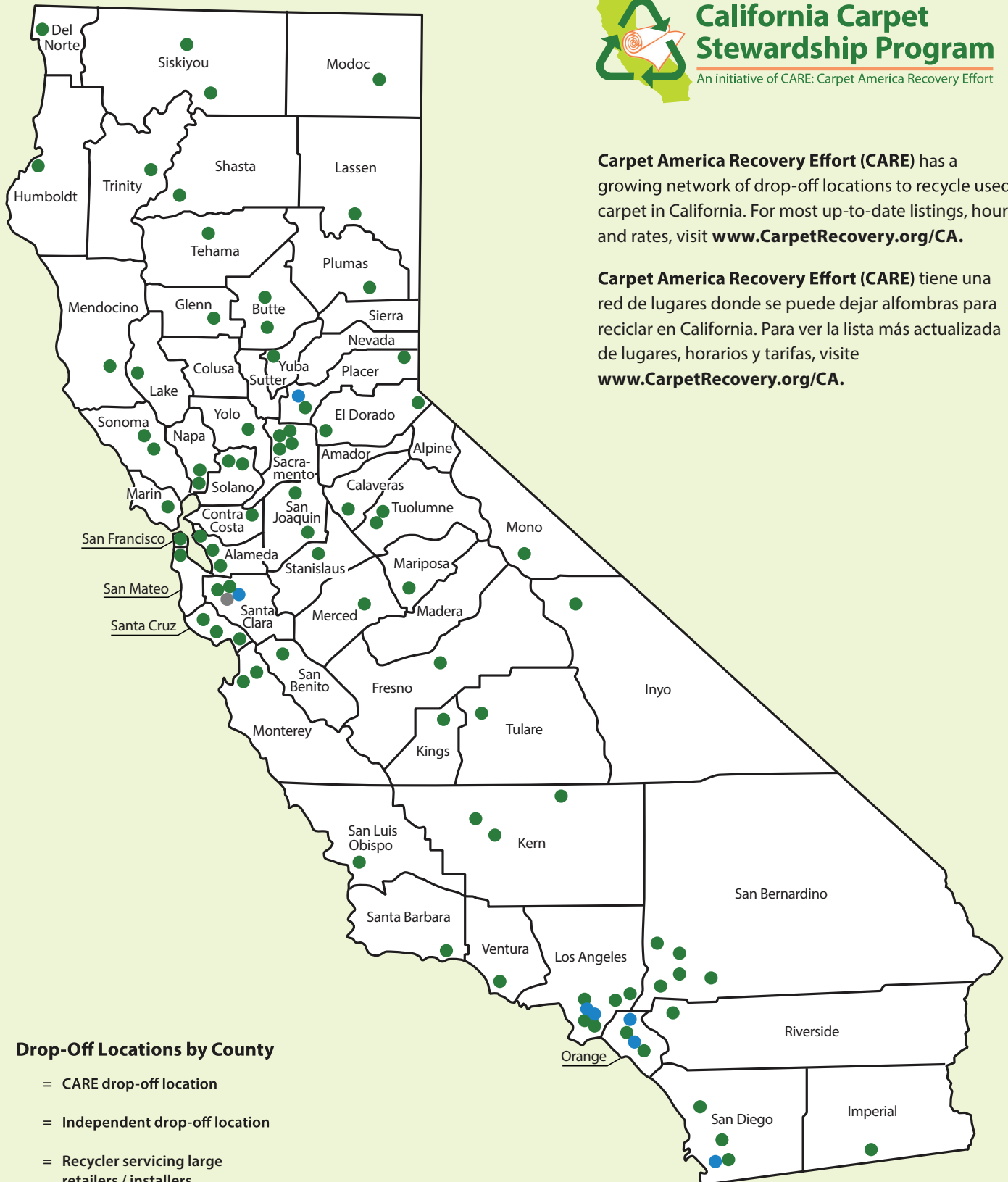


California Carpet Stewardship Program

An Initiative of CARE: Carpet America Recovery Effort

Carpet America Recovery Effort (CARE) has a growing network of drop-off locations to recycle used carpet in California. For most up-to-date listings, hours and rates, visit www.CarpetRecovery.org/CA.

Carpet America Recovery Effort (CARE) tiene una red de lugares donde se puede dejar alfombras para reciclar en California. Para ver la lista más actualizada de lugares, horarios y tarifas, visite www.CarpetRecovery.org/CA.



Drop-Off Locations by County

Before you visit: Contact drop-off location to confirm participation, business hours, rates, types of carpet accepted and identification required.

Antes de su visita: Comuníquese con el lugar donde llevaría las alfombras para confirmar que participan, el horario de atención al público, los tarifas, los tipos de alfombra que aceptan, así como la identificación que requieren.



Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep it Dry.

Step 2: Keep it Debris Free.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Drop off Carpet for Recycling.

To find a drop-off location near you, consult this guide or visit www.CarpetRecovery.org/CA.

Before your visit, contact drop-off location to confirm participation and inquire about business hours, rates, types of carpet accepted and identification required.

Step 5: Save Money.

Recycling carpet may cost less than throwing it away. Ask if the drop-off site offers a reduced rate.

ALAMEDA COUNTY

City of Berkeley Transfer Station
1201 Second Street
Berkeley, CA 94710
510-981-7270

Fremont Recycling & Transfer
41149 Boyce Road
Fremont, CA 94538
510-252-0500

Hayward Transfer Station
3458 Enterprise Avenue
Hayward, CA 94545
510-606-1548

ALPINE COUNTY

Serviced by **South Tahoe Refuse Transfer Station**, see El Dorado County

BUTTE COUNTY

Neal Road Recycling and Waste Facility (NRRWF)
1023 Neal Road
Paradise, CA 95969
530-879-2352

Recology Butte
2720 South 5th Avenue
Oroville, CA 95965
530-342-4444

CALAVERAS COUNTY

Rock Creek Solid Waste Facility & Landfill
12021 Hunt Road
Milton, CA 95684
209-754-6403

CONTRA COSTA COUNTY

Contra Costa Waste Service
1300 Loveridge Road
Pittsburg, CA 94565
925-473-0180

DEL NORTE COUNTY

Del Norte County Transfer Station
1700 State Street
Crescent City, CA 95531
707-465-1100

EL DORADO COUNTY

El Dorado Disposal/Waste Connections
4100 Throwita Way
Placerville, CA 95667
530-295-2808

South Tahoe Refuse Transfer Station
2140 Ruth Avenue
South Lake Tahoe, CA 96150
530-541-5105

FRESNO COUNTY

West Coast Waste
3077 S. Golden State
Frontage Road
Fresno, CA 93725
559-497-5320

GLENN COUNTY

Glenn County Transfer Station
5700 County Road 33
Artois, CA 95913
530-624-0286

HUMBOLDT COUNTY

Hawthorne Street Transfer Station
1059 West Hawthorne Street
Eureka, CA 95501
707-268-8680

IMPERIAL COUNTY

Imperial Landfill
104 E. Robinson Road
Imperial, CA 92251
760-353-1100

INYO COUNTY

Bishop-Sunland Landfill
110 Sunland Indian
Reservation Road
Bishop, CA 93514
760-872-4126

KERN COUNTY

Bena Sanitary Landfill
2951 Neumarkel Road
Bakersfield, CA 93307
661-862-8900

Kern Valley Transfer Station
6092 Wulstein Avenue
Kernville, CA 93238
661-862-8900

Shafter-Wasco Sanitary Landfill
17621 Scofield Road
Shafter, CA 93263
661-862-8900

KINGS COUNTY

Robinson's Interiors
230 N. 11th Avenue
Hanford, CA 93230
559-582-2610

LAKE COUNTY

Lake County Waste Solutions
230 Soda Bay Road
Lakeport, CA 95453
707-234-6412

LASSEN COUNTY

Zaengles Carpet One Floor & Home
2800 Main Street
Susanville, CA 96130
530-257-7788

LOS ANGELES COUNTY

American Reclamation
4560 Doran Street
Los Angeles, CA 90039
818-552-4068

Construction & Demolition Recycling
9309 Rayo Avenue
South Gate, CA 90280
323-357-6900

Eastern Impressions/ Cristal Materials

510 Carob Street
Compton, CA 90220
323-752-2026

EDCO Recycling & Transfer Signal Hill
2755 California Avenue
Signal Hill, CA 90755
562-997-1122

Grand Central Recycling & Transfer Station, Inc.

999 S. Hatcher Avenue
Industry, CA 91748
626-855-5538

LA Fiber

4920 S Boyle Avenue
Vernon, CA 90058
323-589-5637

Pomona Valley Transfer Station
1371 East Ninth Street
Pomona, CA 91766
909-643-2225

MARIN COUNTY

Marin Resource Recovery Center
565 Jacoby Street
San Rafael, CA 94901
415-485-5646

MARIPOSA COUNTY

Mariposa Landfill, Composting and Recycling Center
5593 Highway 49
North Mariposa, CA 95338
209-966-5165

MENDOCINO COUNTY

Solid Waste Systems
3151 Taylor Drive
Ukiah, CA 95482
707-234-6400

MERCED COUNTY

Highway 59 Landfill

7040 North Highway 59
Merced, CA 95348
209-723-4481

MODOC COUNTY

Holdorff's Recycling

605 N Court Street
Alturas, CA 96101
530-233-3723

MONO COUNTY

Benton Crossing Landfill

899 Pit Road
Crowley Lake, CA 93546
760-937-2192

MONTEREY COUNTY

Monterey Regional Waste Management District

14201 Del Monte Boulevard
Marina, CA 93933
831-384-5313

Sun Street Transfer Station

139 Sun Street
Salinas, CA 93901
831-424-5535

NAPA COUNTY

Devlin Road Transfer Station

889 Devlin Road
American Canyon, CA 94503
707-258-9005

Napa Recycling & Waste Services

820 Levitin Way
American Canyon, CA 94503
707-256-3500

ORANGE COUNTY

Eastern Impressions/Dimax Fiber Recovery

1111 E 4th Street
Santa Ana, CA 92701
714-994-1020

Republic Services

2740 E Coronado Street
Anaheim, CA 92806
714-238-3344

Sunset Transfer Station

16122 Construction Circle
Irvine, CA 92606
949-654-1562

Upstream Textiles

1228 W Collins Avenue
Orange, CA 92867
714-728-7233

Call for appointment and carpet tile recycling requirements.

PLACER COUNTY

Circular Polymers

3390 Venture Drive
Lincoln, CA 95648
908-899-3060

Eastern Regional Landfill

900 Cabin Creek Rd
Truckee, CA 96161
530-583-7800

Western Placer Waste Management Authority

3195 Athens Avenue
Lincoln, CA 95648
916-543-3960

PLUMAS COUNTY

Delleker Transfer Station

73980 Industrial Way
Delleker, CA 96122
530-832-4879

RIVERSIDE COUNTY

Robert A. Nelson Transfer Station/Agua Mansa MRF

1830 Agua Mansa Road
Riverside, CA 92509
951-786-0544

SACRAMENTO COUNTY

Florin Perkins Public Disposal Site

4201 Florin Perkins Road
Sacramento, CA 95826
916-443-5120

Kiefer Landfill

12701 Kiefer Boulevard and Grant Line Road
Sloughhouse, CA 95683
916-876-9436

L and D Landfill

8635 Fruitridge Road
Sacramento, CA 95826
916-383-9420

North Area Recovery Station (NARS)

4450 Roseville Road
North Highlands, CA 95660
916-876-9457

SAN BENITO COUNTY

RJR Recycling

1771 San Felipe Road
Hollister, CA 95023
831-636-7756

SAN BERNARDINO COUNTY

Advance Disposal Co.

17105 Mesa Street
Hesperia, CA 92345
760-244-9773

CR&R Environmental Services

2059 East Steel Road
Colton, CA 92371
909-370-3377

CR&R Environmental Services

9828 Buckwheat Road
Phelan, CA 92371
800-336-0396

Victor Valley MRF

17000 Abbey Lane
Victorville, CA 92394
760-241-1284

West Valley MRF and Transfer Station

13373 Napa Street
Fontana, CA 92335
909-899-5501

SAN DIEGO COUNTY

EDCO San Marcos Construction Demolition Processing Facility

224 South Las Posas Road
San Marcos, CA 92078
760-744-2700

Otay Landfill

1700 Maxwell Road
Chula Vista, CA 91911
619-421-3773

Planet Recycling

187 Mace Street
Chula Vista, CA 91911
619-424-7545

SANCO Resource Recovery

6750 Federal Boulevard
Lemon Grove, CA 91945
619-287-7555

SAN FRANCISCO COUNTY

Recology San Francisco Transfer Station

501 Tunnel Avenue
San Francisco, CA 94134
415-330-1400

SAN JOAQUIN COUNTY

Lovelace Transfer Station

2323 E. Lovelace Road
Manteca, CA 95336
209-982-5770

North County Recycling Center & Sanitary Landfill

17720 E. Harney Lane
Lodi, CA 95240
209-887-3868



¿Está su alfombra lista para ser reciclada?

Siga los siguientes pasos simples para preparar alfombras para reciclarlas:

Paso 1: Manténgala seca.

Paso 2: Manténgala libre de desechos.

Retire las tiras con tachuelas, clavos, basura y tierra.

Paso 3: Prepare la alfombra.

- Corte la alfombra en secciones fáciles de manejar.
- Separe la alfombra de la almohadilla
- Enrolle la alfombra.
- Enrolle, amontone o doble la almohadilla para alfombra.
- Apile las losetas de alfombra modular.

Paso 4: Lleve la alfombra al lugar del reciclaje.

Para encontrar el lugar más cercano, consulte este guía o visite al www.CarpetRecovery.org/CA.

Antes de salir, llame para averiguar el horario de atención al público, los tarifas, los tipos de alfombra que aceptan y la identificación requerida.

Paso 5: Ahorre dinero.

Reciclar alfombras puede costar menos que llevarlas al vertedero. Pregunte si en el lugar donde se dejan para reciclar ofrecen una tarifa reducida.

California Carpet Stewardship Program

Carpet Recycling Drop-Off Locations
Lugares donde llevar alfombras para reciclar

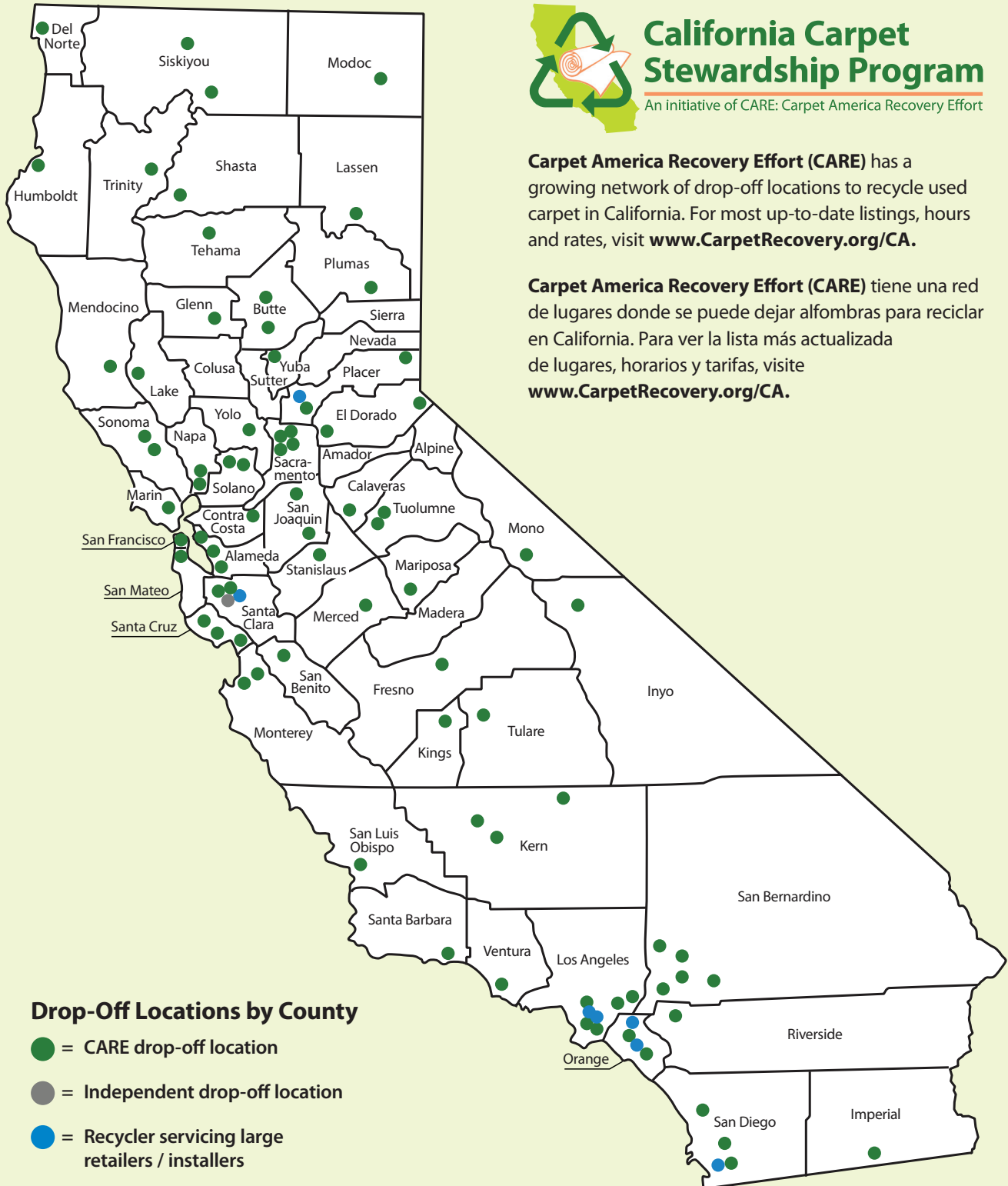


California Carpet Stewardship Program

An initiative of CARE: Carpet America Recovery Effort

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Carpet & Pad Recycling Here

Must be dry and debris-free

**Recycle
aquí alfombra
y almohadilla**

Seca y libre de escombros



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort

Carpet Recycling Here

Must be dry and debris-free

**Recycle
aquí
alfombra**

Seca y libre de escombros



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort

Carpet Recycling in California

Carpet Drop-Off Site FAQs



Carpet Drop-Off Site FAQs

What is the ideal set-up for a drop-off site to accept carpet for recycling?

Designate a drop-off area that is easily accessible to the public and also shielded from dirt and rain.

How do I make it clear where people should bring the carpet?

- Position signage: CARE provides signage for sites in English and Spanish, with other languages as requested.
- Have signage at the scale house with clear signs to direct customers to the drop-off area.
- Facility staff should be responsible for transporting from drop-off point to container.

How to prepare the carpet for transport?

Prepare Broadloom Carpet:

- Cut carpet into manageable lengths.
- Roll carpet and padding separately.
- Duct tape/tie the rolls for ease of stacking.

Prepare Carpet Tile:

- Stack tiles on a pallet
- Wrap with plastic
- Strap for transport.



How much should we charge to recycle carpet?

In our experience, sites that offer a discounted rate for separated and properly prepared carpet see greater carpet diversion. CARE suggests offering at least a 20% discount off standard drop-off rates. Rates can vary by region and waste diversion goals; some charge a C&D rate while others as little as \$5/load (regardless of size).

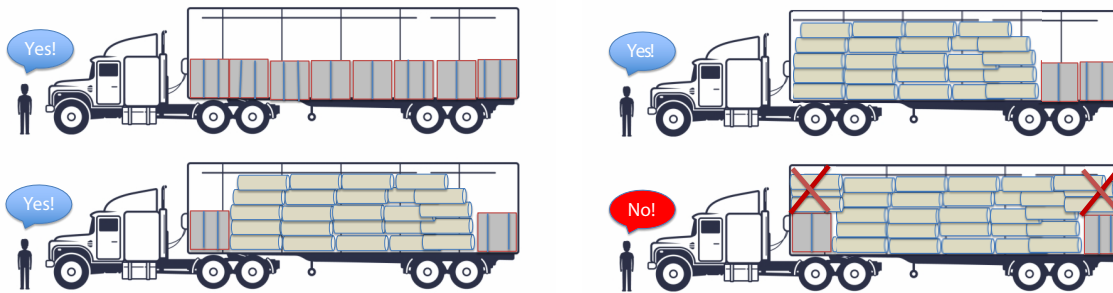
What's the best way to load a container?

Many sites find the following process leads to safe, efficient and full loading of containers:

- Starting at the back of the container, stack carpet rolls up to shoulder height.
- Then start a new row, stacked to 2 feet high.
- Use the second row like a stair and continue loading the back row to the top. Continue.

Both broadloom and tile can be loaded together into the same container. Keep the load balanced and not overweight by following these steps:

- Load the pallets of tile at one or both ends of the container.
- Load only a single layer of pallets. Do not stack a second pallet on top of another.
- Stack carpet rolls high, but not on top of the pallets of carpet tile.



How much carpet can fit into a container?

The goal is to fill the container for maximum weight, or 80% of capacity.

Target Container Weights by Size:

Container Size	Target Weight (lbs.)
28' Trailer	14,000 – 24,000
53' Trailer	27,000 - 40,000
48' Walking Floor	32,000 – 34,000
20' Cargo Container	8,000 – 10,000
40' Cargo Container	15,000 – 20,000
40 yd. Container	7,000 – 9,000

How do I order a container swap?

When your container is about 7 days from being full, it's time to request a container swap from CARE. Complete the request form at CarpetRecovery.org/California/CA-Service.

- Confirm you are requesting the correct container size.
- If you intend to change container type or size, please enter that in Notes field on the form, along with any other instructions.
- If possible, give the name and contact information of the person who will be receiving the container, ideally an operations person on-site.
- The form has an option to attach an image of your current container; that is only needed if you have been asked to do so.
- Upon submission, a CARE team member will send an email confirming the service date to the address listed in the form.

Carpet Recycling in California

Signage for CARE Drop-Off Sites



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort

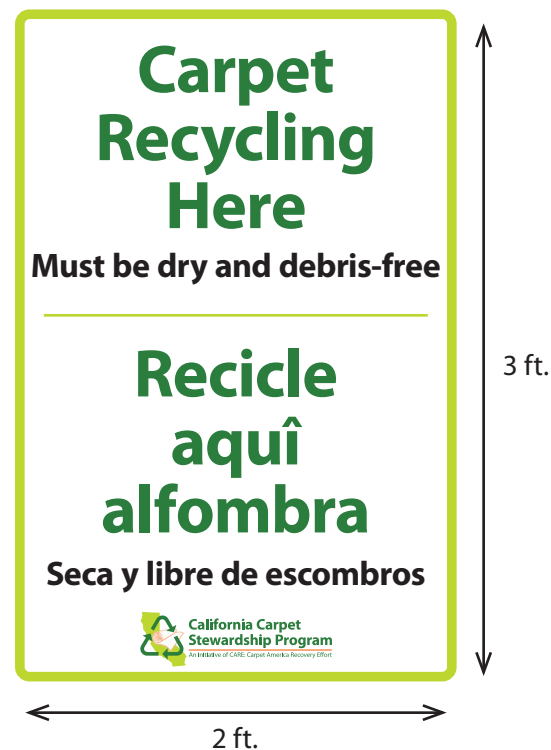
Participating CARE Carpet Recycling Drop-Off Sites can request weatherproof signs to post at the facility to help customers locate the drop-off point and provide instructions. Locations to consider include the carpet collection container or trailer, the scale house, the facility entrance or any other highly visible location.



Sign Specifications:

- Size: 2' x 3' — vertical
- 1/25" aluminum
- Lamination on printed surface
- Recommended mounting: screw to wall or onto stand-alone post, zip-tie to chainlink fence or attach to sandwich board.
- No mounting hardware included

Different sign versions and languages are available — see reverse for details.



Signage Options

1. Standard Signage

Standard signage options include bilingual signs (English/Spanish) for carpet & pad recycling and carpet only recycling. These signs are typically in stock and can be shipped quickly.



A



B

2. Custom Signage

CARE drop-off sites with signage needs that cannot be met with the available standard signs shown above can request custom signage, for example in languages other than English and Spanish. Please contact your CARE representative for details.



Interior Demo Company Addresses Big Waste Problem

California-based Interior Removal Specialists is picking up the slack to recycle more commercial interior debris.

Arlene Karidis | Jan 02, 2020

Conventional construction and demolition (C&D) recyclers divert and recycle only about 30 percent of debris from interior commercial design demo projects, according to data aggregated from 10 such operations.

These companies manage mainly road, bridge and residential materials but rarely deal with carpets, ceiling tiles and furniture waste from commercial generators. Recognizing a need to deal with the tonnage of these materials, Interior Removal Specialists (IRS) added recycling services to its business model. The South Gate, Calif., company maintains its core operation—commercial demolition work—for its bread and butter.

“We are somewhat unique in that we are a demolition contractor, hauler and recycler. We take most building components out in a full demolition project, other than main building systems like bathrooms and HVAC [heating, ventilation and air conditioning],” says Richard Ludt, director of environmental affairs at IRS.

He claims the company is the only one of its kind in the U.S. to run a recycling facility that only takes commercial interior debris. Building materials are broken down, hauled to its facility, sorted and then moved on for reuse or recycling.

In the beginning, IRS got involved because its jobs are at night when buildings are closed, and haulers who worked off hours were hard to come by. So, the company’s first move was to get a roll-off truck and containers.



A few years later, it bought property and opened its own recycling yard. This investment made sense because IRS had been paying waste companies to help it meet California's diversion mandate for businesses, which at the time was 50 percent. But the contractors IRS worked with weren't actually diverting that amount from IRS' loads, according to Ludt. So, next the company got a full solid waste facility permit.

In 2018, IRS did almost 11 million square feet of demolition work and generated about 58,000 tons of debris. About 80 percent of it was recycled or reused.

"What bothered us is most of what is not recycled makes up the majority of what's toxic in the C&D waste stream. For instance, on a standard floor in an office, you would take out about 24 tons of gypsum from drywall. If it goes to a landfill, it can make 6 tons of hydrogen sulfide gas, which produces odors and emissions. But if gypsum is mixed in soil, it can improve soil's permeability. So, we ship it to a processor who uses it for agricultural purposes," says Ludt.

Among the most toxic materials the company deals with is manufactured lumber, such as particle board and plywood, which contain pesticides, preservatives, fire retardants and other potentially dangerous substances.

If these materials are landfilled, those chemicals enter groundwater. So, it's sent to waste-to-energy plants when possible and used to make fuel.



There is an art to the demolition process to ensure materials can be salvaged. Companies that smash and comingle will end up with too much contamination. If carpet, in particular, is not removed before drywall is taken down, the gypsum penetrates it, rendering it non-recyclable.

Carpet America Recovery Effort (CARE) runs the California Carpet Stewardship program, which was launched to help find markets for post-consumer carpets and provide subsidies to recyclers, including IRS.

It's important that the carpet remains clean and as dry as possible. But this doesn't always happen, says Bob Peoples, CARE executive director.

"Often, C&D companies don't remove carpets until toward the end of the job in order to suppress dust. Meanwhile, contractors drive equipment over the surface, which embeds debris. But IRS has a mindset that's different from the average demolition contractor. They capture it clean and undamaged and find a way to get a second life from it," says Peoples.

Carpet tiles, which are mainly in commercial settings, are more readily reused than larger pieces, as they are easy to handle and are often well maintained by commercial cleaning services, so they have a reuse value.

“IRS is looking for the highest and best use of these materials. And they are helping us with our objective in California to keep carpet materials out of landfill ,” says Peoples.



Leading Edge Consulting Services, based out of California, specializes in Leadership in Energy and Environmental Design (LEED) and Energy Star certification for commercial buildings. The company also does waste audits and other work to help clients achieve sustainability goals.

Its clients work with IRS to track and increase their diversion rates and ensure material is disposed of correctly.

“They ensure materials like light bulbs and batteries aren’t in streams that they don’t belong in, while some companies haul whatever is in the recycling bin, which could be mercury or other potentially harmful substances,” says Katie Freeze, sustainability coordinator for Leading Edge.

The consulting firm also helps businesses wanting to do green projects tap into materials donated by IRS. This could be countertops, flooring, lighting fixtures and other items that would be waste, which IRS brings to its warehouse. The company donates 30 to 60 tons a month to organizations that pick up materials from them.

Leading Edge recently hosted an Earth Day event for one of its clients who used all salvaged materials from IRS to make carnival games.

“We used carpet for a miniature golf green, we used wood two-by-fours to build structures to make games and we used glass bottles for a bottle toss,” says Freeze.

From a demo company’s perspective, says Ludt, “At the end of the day, it’s possible to make money and be environmentally conscious. We are profitable while keeping toxic material out of landfill. If we can do it as a demolition company, any other company can, too.”


Source URL: <https://www.waste360.com/recycling/interior-demo-company-addresses-big-waste-problem>

Onboarding Video

This video describes how a CARE drop-off site In California works to recycle carpet. Collection, carpet types, container loading, and resources are covered. The video is meant to inform new drop-off site staff about how to work with CARE to maximize the amount that can be recycled. Visit carpetrecovery.org/CA.



10.8.2 Installer Outreach



Home [Videos](#) [Floor Trends](#) [FCI](#) [Contact Us](#) [Subscribe](#) 10/27/2020

Top Story



[Shaw Announces a Private Market Season Experience](#)

All SHOWCASE 2021 events will be private, personalized and by appointment only, offering retailers a customized market experience.



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Carpet Recycling in California

Alpine & El Dorado Counties



California Carpet Stewardship Program

An initiative of CARE: Carpet America Recovery Effort



Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep it Dry.

Step 2: Keep it Debris Free.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

South Tahoe Refuse Transfer Station

2140 Ruth Avenue, South Lake Tahoe

Mon – Sat 8:00 a.m. – 5:00 p.m.

Closed on holidays

(530) 541-5105



South Tahoe Refuse
& Recycling Services



Why Recycle Carpet?

More than 320 million pounds of carpet are buried in California landfills every year, where it stays for centuries without breaking down. But there is a better way: recycling.

Recycling carpet saves natural resources, conserves landfill space, and reduces dependency on fossil fuels.

Old carpet can be recycled and made into useful new products, like traffic signs, insulation, new carpet and carpet padding.

In 2010 California passed a Carpet Stewardship law to increase carpet recycling. Since then over 100 million pounds of carpet have been diverted from our landfills and recycled. By working together, we can do more!

This program is supported by Carpet America Recovery Effort (CARE). CARE works to create market-based solutions to increase carpet recycling and divert carpet from landfill.

Thank you for recycling!

Reciclaje de alfombras en California

Alpine & El Dorado Counties



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Por qué reciclar alfombras?

Cada año en rellenos sanitarios de California se entierran más de 320 millones de libras de alfombras, donde permanecen por siglos sin descomponerse. Pero hay una mejor manera: reciclar.

Reciclar alfombras ahorra recursos naturales, conserva espacio en los rellenos sanitarios y reduce la dependencia de combustibles fósiles.

Las alfombras viejas pueden ser recicladas y convertidas en nuevos productos útiles, como letreros de tránsito, aislamiento, alfombra nueva y almohadilla para alfombras.

En 2010 California aprobó una Ley de Administración de Alfombras para aumentar el reciclaje de alfombras. Desde entonces, más de 100 millones de libras de alfombra han sido derivadas de nuestros rellenos sanitarios y recicladas. ¡Trabajando juntos podemos hacer más!

Este programa es apoyado por el Programa de Recuperación de Alfombras de Estados Unidos (Carpet America Recovery Effort o CARE). CARE trabaja para crear soluciones basadas en el mercado para aumentar el reciclaje de alfombras y evitar que las alfombras vayan al relleno sanitario.

¡Gracias por reciclar!

¿Está su alfombra lista para ser reciclada?

Siga estos pasos simples para preparar alfombras para su reciclaje:

Paso 1: Manténgala seca.

Paso 2: Manténgala libre de desechos.

Retire las tiras con tachuelas, clavos, basura y tierra

Paso 3: Prepare la alfombra.

- Corte la alfombra en secciones fáciles de manejar
- Separe la alfombra de la almohadilla
- Enrolle la alfombra
- Enrolle, apile o doble la almohadilla para alfombra
- Apile las losetas de alfombra modular

Paso 4: Recicle alfombras en:

South Tahoe Refuse Transfer Station

2140 Ruth Avenue, South Lake Tahoe

Lun. a sáb. 8:00 a.m. – 5:00 p.m.

Cerrado los días festivos

(530) 541-5105



South Tahoe Refuse
& Recycling Services

Carpet Recycling in California

Sonoma County



California Carpet Stewardship Program

An initiative of CARE: Carpet America Recovery Effort



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Thank you for recycling!

Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep it Dry.

Step 2: Keep it Free of Debris.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

Windsor Material Recovery Facility

590 Caletti Avenue, Windsor

(707) 838-2597

Mon – Sat 7:00 a.m. – 4:00 p.m.

Step 5: Save Money.

Ask your facility about the reduced rate for recycling carpet.

Reciclaje de alfombras en California

Sonoma County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Está su alfombra lista para ser reciclada?

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- Enrolle la alfombra
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Lun. a sáb. 7:00 a.m. – 4:00 p.m.

Paso 5: Ahorre dinero.

Pregunte a su centro sobre la tarifa reducida para reciclar alfombras.



¿Por qué reciclar alfombras?

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Carpet Recycling in California

Alpine & El Dorado Counties



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



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Step 2: Keep it Debris Free.

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Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

South Tahoe Refuse Transfer Station

2140 Ruth Avenue, South Lake Tahoe

Mon – Sat 8:00 a.m. – 5:00 p.m.

Closed on holidays

(530) 541-5105



South Tahoe Refuse
& Recycling Services

Reciclaje de alfombras en California

Alpine & El Dorado Counties



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



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¡Gracias por reciclar!

¿Está su alfombra lista para ser reciclada?

Siga estos pasos simples para preparar alfombras para su reciclaje:

Paso 1: Manténgala seca.

Paso 2: Manténgala libre de desechos.

Retire las tiras con tachuelas, clavos, basura y tierra

Paso 3: Prepare la alfombra.

- Corte la alfombra en secciones fáciles de manejar
- Separe la alfombra de la almohadilla
- Enrolle la alfombra
- Enrolle, apile o doble la almohadilla para alfombra
- Apile las losetas de alfombra modular

Paso 4: Recicle alfombras en:

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2140 Ruth Avenue, South Lake Tahoe

Lun. a sáb. 8:00 a.m. – 5:00 p.m.

Cerrado los días festivos

(530) 541-5105



South Tahoe Refuse
& Recycling Services

Carpet Recycling in California

Kern County



Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep it Dry.

Step 2: Keep it Debris Free.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

- **Bena Sanitary Landfill**, 2951 Neumarkel Road, Bakersfield
 - **Kern Valley Transfer Station**, 6092 Wulstein Avenue, Kernville
 - **Shafter-Wasco Sanitary Landfill**, 17621 Scofield Road, Shafter
- All facilities are open daily 8:00 a.m. – 4:00 p.m. except holidays.
Kern Valley closed to the public on Wed. Call (661) 862-8900.

Step 5: Save Money.

Ask your facility about the reduced rate for recycling carpet.



Why Recycle Carpet?

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Thank you for recycling!

Reciclaje de alfombras en California

Kern County



¿Está su alfombra lista para ser reciclada?

Siga estos pasos simples para preparar alfombras para su reciclaje:

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Paso 3: Prepare la alfombra.

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- Separe la alfombra de la almohadilla
- Enrolle la alfombra
- Enrolle, apile o doble la almohadilla para alfombra
- Apile las losetas de alfombra modular

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- **Bena Sanitary Landfill**, 2951 Neumarkel Road, Bakersfield
- **Kern Valley Transfer Station**, 6092 Wulstein Avenue, Kernville
- **Shafter-Wasco Sanitary Landfill**, 17621 Scofield Road, Shafter

Todas las instalaciones están abiertas diariamente de 8:00 a.m. a 4:00 p.m. excepto días festivos. Kern Valley está cerrado al público los miércoles. (661) 862-8900

Paso 5: Ahorre dinero.

Pregunte a su centro sobre la tarifa reducida para reciclar alfombras.



¿Por qué reciclar alfombras?

Cada año en rellenos sanitarios de California se entierran más de 320 millones de libras de alfombras, donde permanecen por siglos sin descomponerse. Pero hay una mejor manera: reciclar.

Reciclar alfombras ahorra recursos naturales, conserva espacio en los rellenos sanitarios y reduce la dependencia de combustibles fósiles.

Las alfombras viejas pueden ser recicladas y convertidas en nuevos productos útiles, como letreros de tránsito, aislamiento, alfombra nueva y almohadilla para alfombras.

En 2010 California aprobó una Ley de Administración de Alfombras para aumentar el reciclaje de alfombras. Desde entonces, más de 100 millones de libras de alfombra han sido derivadas de nuestros rellenos sanitarios y recicladas. ¡Trabajando juntos podemos hacer más!

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¡Gracias por reciclar!

Carpet Recycling in California

Orange County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



Why Recycle Carpet?

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Thank you for recycling!

Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep it Dry.

Step 2: Keep it Debris Free.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

Republic Services

2740 E Coronado Street, Anaheim

(714) 238-3344

Mon – Fri 5:30 a.m. – 5:00 p.m.

Sat 6:00 a.m. – 2:00 p.m.



Reciclaje de alfombras en California

Orange County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Está su alfombra lista para ser reciclada?

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- Enrolle la alfombra
- Enrolle, apile o doble la almohadilla para alfombra
- Apile las losetas de alfombra modular

Paso 4: Recicle alfombras en:

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2740 E Coronado Street, Anaheim

(714) 238-3344

Lun. – vie. 5:30 a.m. – 5:00 p.m.

Sáb. 6:00 a.m. – 2:00 p.m.



¿Por qué reciclar alfombras?

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¡Gracias por reciclar!

Carpet Recycling in California

San Bernardino County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



Why Recycle Carpet?

More than 300 million pounds of carpet are buried in California landfills every year, where it stays for centuries without breaking down. But there is a better way: recycling.

Recycling carpet saves natural resources, conserves landfill space, and reduces dependency on fossil fuels.

Old carpet can be recycled and made into useful new products, like traffic signs, insulation, new carpet and carpet padding.

In 2010 California passed a Carpet Stewardship law to increase carpet recycling. Since then over 100 million pounds of carpet have been diverted from our landfills and recycled. By working together, we can do more!

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Thank you for recycling!

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Step 1: Keep it Dry.

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Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

CR&R Environmental Services

2059 E Steel Road, Colton

Mon – Fri 8:00 a.m. – 4:00 p.m.

(909) 370-3377



Step 5: Save Money.

Ask your facility about the reduced rate for recycling carpet.

Reciclaje de alfombras en California

San Bernardino County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Está su alfombra lista para ser reciclada?

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Pregunte a su centro sobre la tarifa reducida para reciclar alfombras.



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Carpet Recycling in California

San Bernardino County



**California Carpet
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Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

CR&R Environmental Services

9828 Buckwheat Road, Phelan

Mon – Fri 8:00 a.m. – 4:00 p.m.

(800) 336-0936



Step 5: Save Money.

Ask your facility about the reduced rate for recycling carpet.

Reciclaje de alfombras en California

San Bernardino County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Está su alfombra lista para ser reciclada?

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Paso 5: Ahorre dinero.

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¿Por qué reciclar alfombras?

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¡Gracias por reciclar!

Carpet Recycling in California

Santa Clara County



**California Carpet
Stewardship Program**

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Step 2: Keep it Free of Debris.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

Zanker Recycling

675 Los Esteros Road, San Jose

Mon – Fri 6:00 a.m. – 4:45 p.m.

Sat 8:00 a.m. – 3:45 p.m.

(408) 263-2384



Reciclaje de alfombras en California

Santa Clara County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Por qué reciclar alfombras?

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Reciclar alfombras ahorra recursos naturales, conserva espacio en los rellenos sanitarios y reduce la dependencia de combustibles fósiles.

Las alfombras viejas pueden ser recicladas y convertidas en nuevos productos útiles, como letreros de tránsito, aislamiento, alfombra nueva y almohadilla para alfombras.

En 2010 California aprobó una Ley de Administración de Alfombras para aumentar el reciclaje de alfombras. Desde entonces, más de 100 millones de libras de alfombra han sido derivadas de nuestros rellenos sanitarios y recicladas. ¡Trabajando juntos podemos hacer más!

Este programa es apoyado por el Programa de Recuperación de Alfombras de Estados Unidos (Carpet America Recovery Effort o CARE). CARE trabaja para crear soluciones basadas en el mercado para aumentar el reciclaje de alfombras y evitar que las alfombras vayan al relleno sanitario.

¡Gracias por reciclar!

¿Está su alfombra lista para ser reciclada?

Siga estos pasos simples para preparar alfombras para su reciclaje:

Paso 1: Manténgala seca.

Paso 2: Manténgala libre de desechos.

Retire las tiras con tachuelas, clavos, basura y tierra

Paso 3: Prepare la alfombra.

- Corte la alfombra en secciones fáciles de manejar
- Separe la alfombra de la almohadilla
- Enrolle la alfombra
- Enrolle, apile o doble la almohadilla para alfombra
- Apile las losetas de alfombra modular

Paso 4: Recicle alfombras en:

Zanker Recycling

675 Los Esteros Road, San Jose

Lun. – vie. 6:00 a.m. – 4:45 p.m.

Sab. 8:00 a.m. – 3:45 p.m.

(408) 263-2384



Carpet Recycling in California

Sonoma County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



Is Your Carpet Ready for Recycling?

Follow these simple steps to prepare carpet for recycling:

Step 1: Keep it Dry.

Step 2: Keep it Free of Debris.

Remove tack strips, nails, trash and dirt

Step 3: Prepare the Carpet.

- Cut carpet into manageable sections
- Separate carpet from pad
- Roll carpet
- Roll, stack or fold carpet pad
- Stack carpet tile

Step 4: Recycle Carpet at:

Republic Services/Global Materials Recovery Services

3899 Santa Rosa Avenue, Santa Rosa

Mon – Sat 7:00 a.m. – 5:00 p.m.

Sun 8:00 a.m. – 4:00 p.m.

(707) 585-0511

Step 5: Save Money.

Ask your facility about the reduced rate for recycling carpet.



Why Recycle Carpet?

More than 320 million pounds of carpet are buried in California landfills every year, where it stays for centuries without breaking down. But there is a better way: recycling.

Recycling carpet saves natural resources, conserves landfill space, and reduces dependency on fossil fuels.

Old carpet can be recycled and made into useful new products, like traffic signs, insulation, new carpet and carpet padding.

In 2010 California passed a Carpet Stewardship law to increase carpet recycling. Since then over 100 million pounds of carpet have been diverted from our landfills and recycled. By working together, we can do more!

This program is supported by Carpet America Recovery Effort (CARE). CARE works to create market-based solutions to increase carpet recycling and divert carpet from landfill.

Thank you for recycling!

Reciclaje de alfombras en California

Sonoma County



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



¿Está su alfombra lista para ser reciclada?

Siga estos pasos simples para preparar alfombras para su reciclaje:

Paso 1: Manténgala seca.

Paso 2: Manténgala libre de desechos.

Retire las tiras con tachuelas, clavos, basura y tierra

Paso 3: Prepare la alfombra.

- Corte la alfombra en secciones fáciles de manejar
- Separe la alfombra de la almohadilla
- Enrolle la alfombra
- Enrolle, apile o doble la almohadilla para alfombra
- Apile las losetas de alfombra modular

Paso 4: Recicle alfombras en:

Republic Services/Global Materials Recovery Services

3899 Santa Rosa Avenue, Santa Rosa

Lun. – sáb. 7:00 a.m. – 5:00 p.m.

Dom. 8:00 a.m. – 4:00 p.m.

(707) 585-0511

Paso 5: Ahorre dinero.

Pregunte a su centro sobre la tarifa reducida para reciclar alfombras.



¿Por qué reciclar alfombras?

Cada año en rellenos sanitarios de California se entierran más de 320 millones de libras de alfombras, donde permanecen por siglos sin descomponerse. Pero hay una mejor manera: reciclar.

Reciclar alfombras ahorra recursos naturales, conserva espacio en los rellenos sanitarios y reduce la dependencia de combustibles fósiles.

Las alfombras viejas pueden ser recicladas y convertidas en nuevos productos útiles, como letreros de tránsito, aislamiento, alfombra nueva y almohadilla para alfombras.

En 2010 California aprobó una Ley de Administración de Alfombras para aumentar el reciclaje de alfombras. Desde entonces, más de 100 millones de libras de alfombra han sido derivadas de nuestros rellenos sanitarios y recicladas. ¡Trabajando juntos podemos hacer más!

Este programa es apoyado por el Programa de Recuperación de Alfombras de Estados Unidos (Carpet America Recovery Effort o CARE). CARE trabaja para crear soluciones basadas en el mercado para aumentar el reciclaje de alfombras y evitar que las alfombras vayan al relleno sanitario.

¡Gracias por reciclar!

10.8.3 Local Government Outreach



CAPPO Attendee Survey

Name: _____

Organization: _____

Title: _____

1. Are you involved with researching/approving the procurement of products:

I have final decision on all product purchase decisions.*

I contribute to product purchase decisions.*

*What is your approximate annual procurement budget: \$ _____

I do not have input on product purchase decisions. The person at my organization who does is (name/email): _____

2. How important is environmental sustainability to your product procurement decisions:

Very important

Somewhat important

Not important

Comments?

3. Are you familiar with the Ecomedes.com website?

Yes

No

Not sure

4. Do you use a web portal to research products for procurement?

Yes, I use Ecomedes

Yes, I use (provide name/url of portal): _____

I do not use a website to research products.

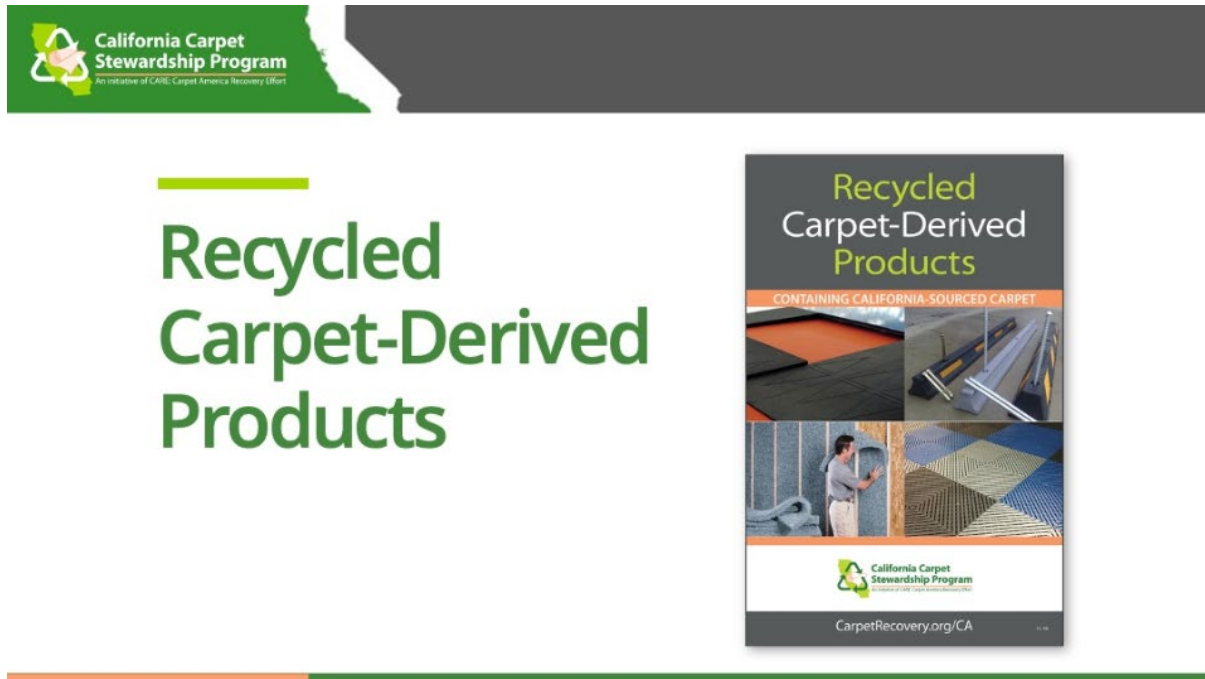
Comments?

Thank you! Please provide your business card.

10.8.4 Market Development Materials

Video Promoting Recycled Carpet-Derived Products

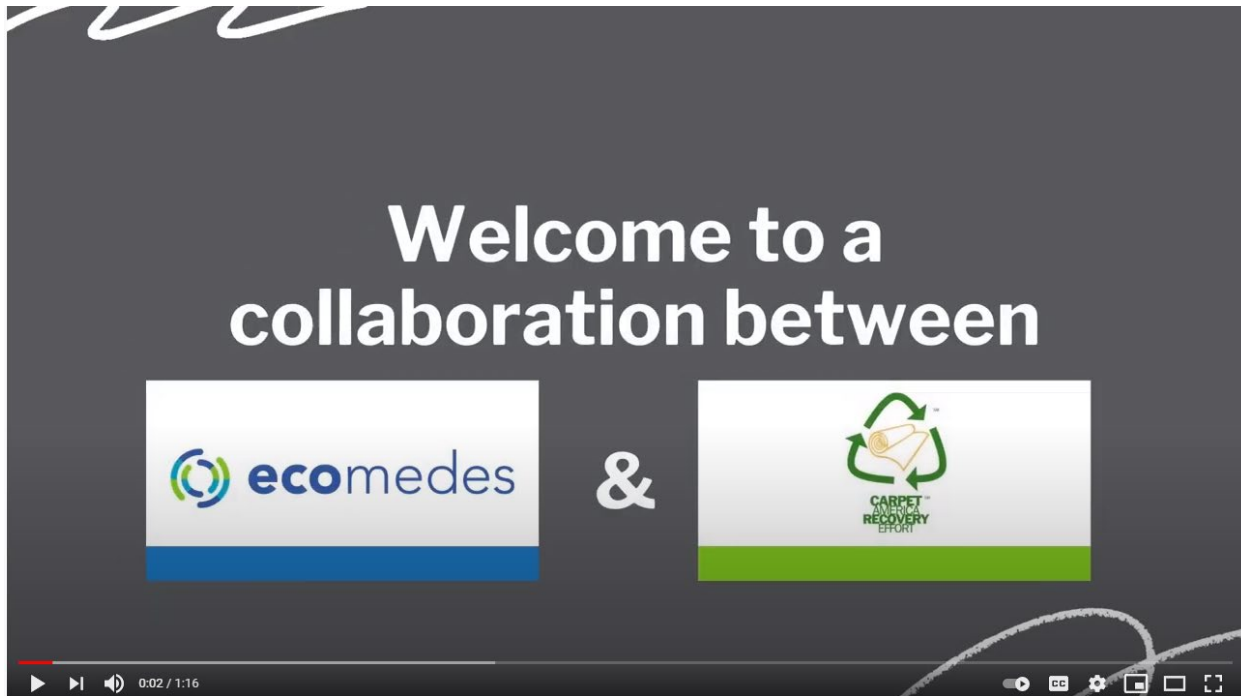
Video created to explain CARE's role in carpet recycling and promote the use of recycled carpet-derived products.



Product Procurement – Ecomedes/Care Partnership

As part of its efforts to increase demand for recycled carpet, CARE has partnered with [Ecomedes.com](https://www.ecomedes.com), a database of sustainable products designed for procurement professionals to reduce building operating costs and environmental impacts. Contractors, architects, building owners and others use Ecomedes to source and procure the best products to save time and money while improving the economic, environmental, and social performance of their buildings. Each product listing provides a basic description along with information on recycled content, certifications, and manufacturer takeback. On the [Ecomedes page for CARE](#) you can browse by product category and company and also search based on third-party standards and ecolabels such as Double Green, Green Label Plus, and UL GREENGUARD.

<https://youtu.be/EjhD2a3zSJA>



Moto's Transportation Case Study

Large retailers, generating post-consumer carpet, can benefit from an on-site container specifically for carpet and pad recycling. Moto's Transportation, an established hauling/transport company in the Sacramento area, created an avenue for local retailers to dispose of post-consumer carpet, generating an additional capacity to their services. The CARE capital grant funded the purchase of 12 trailers to place at local retailers and two trucks to haul carpet for processing at a local recycler.

<https://youtu.be/NcQSsMOW14k>

The Business of Carpet Recycling

CARE GRANTEE STORY: Moto's Transportation



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort

0:01 / 1:26



Carpet Recycling in California

Grants



Micro-Grant Program for Carpet Collection/Reuse

Carpet America Recovery Effort (CARE) announces a new round of Micro Grants designed to increase the collection and reuse of California post-consumer carpet (PCC).

Funds will be awarded for infrastructure projects and/or purchase of equipment for California sites that support the operational logistics of properly collecting and/or reusing California PCC under a new or established program.

Eligible Applicants

- Public entities, such as California cities, counties, public school districts, public colleges and universities, special districts, parks and recreation districts, and state agencies (including offices, departments, bureaus and boards).
- Joint Powers Authorities (JPA) if the JPA Agreement includes solid waste responsibilities.
- Public or private businesses such as transfer stations, recycling centers and disposal sites.
- CARE drop-off sites, Collector Sorter Entrepreneurs and Processors are encouraged to apply.
- Nonprofit entities such as reuse stores.

Maximum Grant: \$15,000

Deadline to apply: December 31, 2020 (applications reviewed on a continuous basis)

For Details and Application Form: www.CarpetRecovery.org/CA-Grants

About Carpet America Recovery Effort (CARE)

Carpet America Recovery Effort (CARE) is a voluntary, non-profit organization dedicated to increasing the landfill diversion, reuse, and recycling of waste carpet, through market-based solutions that benefit the economy as well as the environment.

Since 2011 the California Carpet Stewardship Program has been engaged with increasing carpet diversion and recycling and supporting new markets for recycled post-consumer carpet products in accordance with state law AB 2398. CARE has been the state's designated Carpet Stewardship Organization since the law went into effect. The Carpet Stewardship law generates funding to meet the goals of AB 2398 through an assessment of \$0.35 per square yard on carpet sold in California.



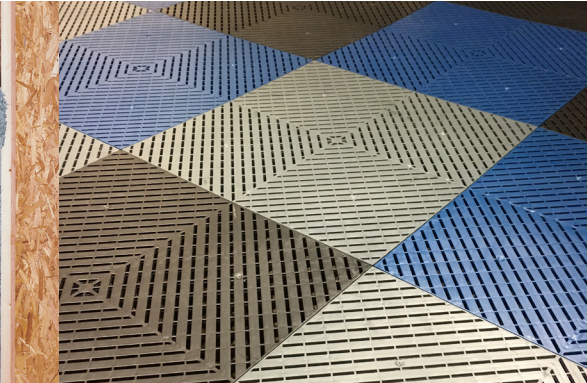
Micro Grants fund projects such as this covering — installed at Napa Recycling — that keeps post-consumer carpet clean and dry while it is staged for loading into a trailer to be sent to a recycler.

03-20

CarpetRecovery.org/CA-Grants

[@CarpetRecycle](https://twitter.com/CarpetRecycle)

Recycled Carpet-Derived Products



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort



Over 300 million pounds of carpet head to California landfills every year—carpet that could be recycled into useful new products. The California Carpet Stewardship Program is working to encourage and promote environmentally-friendly uses for carpet. This catalog lists products that contain California post-consumer carpet material. They are high quality and competitively priced, and make an excellent addition to any project.

Some of the products listed are Double Green™. Double Green™ is a certification program developed and administered by Carpet America Recovery Effort (CARE) to encourage landfill diversion, and the manufacture and purchase of products containing recycled post-consumer carpet. See CarpetRecovery.org/DoubleGreen for details.

We encourage you to consider including these products in your next construction, landscaping or architectural projects. See the CARE website for draft guidelines on in/on ground applications. By creating a market for post-consumer carpet material, more carpet will be diverted from landfill and recycled.

Thank you.

California Carpet Stewardship Program

CarpetRecovery.org/CA

Several products are listed on Ecomedes.com, a database of sustainable products designed to reduce building operating costs and impact. Contractors, architects, building owners and others use Ecomedes to source and procure the best products to save time and money while improving the economic, environmental and social performance of their buildings.

Product Presentations Available

Please contact Rob Thiess, RThiess@CarpetRecovery.org, to schedule a presentation on post-consumer carpet products for your organization.

Company Index:

American Fiber Cushion	2
Bonded Logic	3
GC Products	4
Geo Hay	5
Green Hive Group	6
Interface	7
Miura Board	8
MP Global Products	9
Quiet-Tech Recycling	10
Reliance Carpet Cushion	11
SafePath Products	12
San Pallets	13
Sierra Mat & Rubber Company	14
3B Protection	15
Visions Environmental	16

American Fiber Cushion

CARPET CUSHION



Products:

- **Fortitude Cushion Products**
- **Matrix Cushion Products**

Our manufacturing process creates a pad with excellent sound and impact ratings for a quieter home, along with improved insulation to save energy.

Applications:

Hospitality, retail, transportation, homegoods

Specifications:

CRI Green Label Plus (GLP)

Contributes to earning credits on LEED projects.



[AmericanFiberCushion.com](https://www.AmericanFiberCushion.com)

CONTACT:

Jack Weitz

MaiJW@aol.com

Jada West

Jada.West@AmericanFiberCushion.com

(706) 217-1900

Bonded Logic

CONSTRUCTION INSULATION



Products:

- **Ultra Touch Denim Insulation**
- **Ultra Touch Radiant Barrier**
- **Ultra Touch Multi-Purpose Rolls**

UltraTouch™ Denim Insulation contains 90% post-consumer recycled natural fibers and provides extremely effective sound absorption and maximum thermal performance. It is a Class-A Building Product and meets the highest ASTM testing standards for fire and smoke ratings, fungi resistance and corrosiveness.

Applications:

Thermal and acoustical insulation products across multiple industries.

Specifications:

Contributes to earning credits on LEED projects.

BondedLogic.com

CONTACT:

Tod Kean

Tod@BondedLogic.com

Sean Desmond

SeanD@BondedLogic.com

(480) 812-9114

GC Products



ARCHITECTURAL ELEMENTS



Products:

- **Architectural Glass Fiber Reinforced Gypsum (GFRG)**
- **Glass Fiber Reinforced Cement (GFRC)**

GC Products, Inc. is a custom manufacturer whose products bring complex architectural designs to life using recycled, reinforced materials. Using GFRG and GFRC, GC Products creates solutions for all construction sectors. GC Products

Inc is the industry-leading manufacturer of Glass Fiber Reinforced Gypsum (GFRG) and Glass Fiber Reinforced Cement (GFRC) architectural products. Products include GFRG/GFRC columns, panels, ceilings, and more, as well as signs, trims and other custom architectural designs used in both commercial and residential architecture.

Applications:

Commercial, retail, hospitality, institutional and residential construction.

Specifications:

All GFRG complies with ASTM C1381 Standard Specification for Molded Glass Fiber Reinforced Gypsum Parts and ASTM C1467 Installation of Molded Glass Fiber Reinforced Gypsum Parts.

All GFRC complies with ASTM 1666 Standard Specification for Alkali Resistant (AR) Glass Fiber for GFRC and Fiber-Reinforced Concrete and Cement.

The glass fiber is composed of no less than 90% post-consumer recycled products and post-consumer recycled aggregates.

GCProductsInc.com

CONTACT:

Michael Coburn

MCoburn@GCProductsInc.com

(916) 645-3870

GeoHay



Products:

- **GeoHay erosion and sediment control wattles, various lengths, also branded as GutterBuddy, SiltSentry, HanesGeo and Ferguson.**

GeoHay products are made from recycled carpet and exceed the EPA's regulations for stormwater discharge and sediment control. They work exclusively or as a complement to an application where high performance is required.

Made from 100% recycled carpet (all brand names include recycled plastic Tex Tubes).

Applications:

Construction, Stormwater, Landscaping, Industrial

Specifications:

Contributes to earning credits on LEED projects.

WATER MANAGEMENT PRODUCTS



GeoHay.com

CONTACT:

Chip Moody

Chip@GeoHay.com

(864) 472-7000 Ext. 105

Green Hive Group



Products:

- **AbsorbsWell**

Made from 100% recycled content, AbsorbsWell's concentrated formula takes up less storage space while taking care of any spill situation. A lighter and more effective alternative to diatomaceous earth, AbsorbsWell rapidly soaks up spills of motor oil, antifreeze, brake fluid, solvents and other oil-based stains and acrylics.

Applications:

Police, Security, Auto Supply and Hardware Stores, Chemical Plants

Specifications:

Both third-party chemical analysis and product testing concluded that the recycled material is safe, effective and a competitive alternative to "mined" materials.

SPILL ABSORBENT



Absorbswell.com

CONTACT:

Timothy Vander Heiden

TimV@SafePathProducts.com

(530) 893-1646

Interface

Interface®

Products:

Includes GlassBacRe backing with the following products:

- **Cartera**
- **Equal Measure**
- **Human Nature**
- **Lateral Narratives**
- **Near & Far Net Effect**
- **Peitra**
- **Urban Retreat**
- **Viewpoint II**

Interface's innovative modular carpet tile is suitable for virtually every commercial environment. We offer our Carbon Neutral Floors™ program as a standard to every customer, at no extra cost, to help them meet their own sustainability goals, while also allowing them to reduce the emissions impact of their own projects or spaces.

Applications:

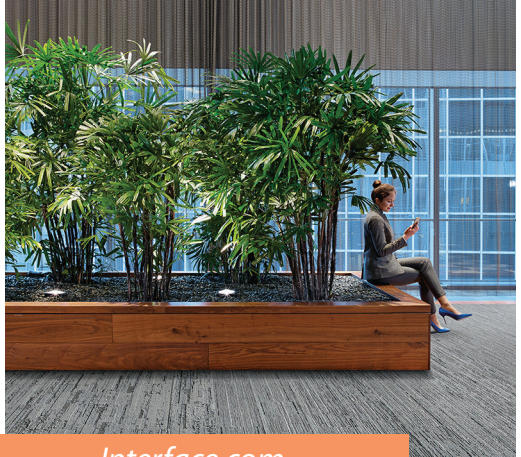
Commercial environments

Specifications:

Each product includes a GreenCircle Environmental Facts Label, which evaluates over 30 environmental claims; its rigorous process relies on recognized standards from ANSI, ISO and ASTM, as well as established certifications referenced by LEED v4.

All Interface products are carbon neutral across the product life cycle.

MODULAR CARPET TILES



[Interface.com](https://www.interface.com)

CONTACT:

Eric Nelson

Eric.Nelson@Interface.com

(404) 877-5026

Miura Board



Products:

- **Board Decking**
- **Sheets**
- **Siding**

Miura Board is a 100% recycled alternative to wood and plastic, made by upcycling plastic scrap and post-consumer carpet. Highly durable, it withstands constant pressure, impact, and wear. Because of its unique manufacturing process and the absence of wood in its composition, Miura Board™ drastically extends the service life of outdoor fixtures, thereby slashing maintenance costs without the need for costly installation fixtures. Fully recyclable.

Applications:

- Warehouses
- Roofs
- Cargo vehicle flooring
- Boardwalks
- Marinas
- Stadium bleachers
- Ramps
- Kennels

Specifications:

- Recyclable
- 100% recycled materials.
- Contributes to earning LEED credits on construction projects.

WOOD SUBSTITUTE



MiuraBoard.com

CONTACT:

Steve Schiamara

Info@MiuraBoard.com

(409) 200-7110 Ext. 3

MP Global Products

FLOORING UNDERLAYMENT AND PACKAGING



Products:

- **Insulayment**
- **QuietWalk**
- **QuietWalk LV**
- **QuietWalk Plus +**

Sound reduction, moisture protection, compression resistant.

Made with post-Industrial and post-consumer materials.

Fiber from carpet/textile industries.

Applications:

Residential/Commercial Building Construction

Specifications:

QuietWalk conforms to the SCS Content Standard v7-0. Indoor Advantage™ Gold.

Contributes to earning credits on LEED projects.



MPGlobalProducts.com

CONTACT:

Amy Pritchett

Info@MPGlobalProducts.com

(888) 379-9695

Quiet-Tech Recycling

ACOUSTIC INSULATION BATTS



Products:

- **Quiet-Tech**

Quiet-Tech is an acoustic batt insulation made of 85-90% post-consumer recycled materials. It is Class-A Fire rated, SCS Gold Certified, and completely free of formaldehyde. This eco-friendly product works as an acoustic insulator for interior wall partitions by dampening sound transmission between rooms. It provides the means to safely remove, collect and recycle commercial and residential carpet and acoustic ceiling tile.

Applications:

Acoustic Insulation, Construction

Specifications:

SCS Gold Certified, Health Product Declaration (HPD)

Contributes to earning credits on LEED projects.

NSF Environmental Product Declaration



[QuietTechRecycling.com](https://www.QuietTechRecycling.com)

CONTACT:

Elizabeth Amrose

EizabethAmrose@QuietTechRecycling.com
(973) 732-4858

Reliance Carpet Cushion

RELIANCE
ECO CARPET CUSHION



Saving Our Planet One Square Yard At A Time

Products:

- **Performance, Performance Plus: 24, 28, 32 and 40 oz per square yard weights**
- **Performance Double Stick: 28, 32 and 40 oz per square yard weights**

Reliance Eco Carpet Cushion is manufactured from 100% post-consumer recycled carpet fiber and is 100% recyclable, with no chemical additives. Highly rated acoustic/ noise reduction capabilities. Will not support bacteria and microscopic life — non allergenic.

Applications:

Residential, Commercial and Hospitality

Specifications:

Contributes to maximum number of LEED credits for “Materials and Resources: 100% Post-Consumer Carpet Fiber-Recycled Content M.R. 4.1 and 4.2” USGBC.

Meets or exceeds all Green Labeling Emissions Criteria.

Local Regional Materials M.R. 5.1 and 5.2 USGBC.

Low Emitting Materials EQ 4.3 USGBC.

CARPET CUSHION PADDING, UNDERLAYMENT



RelianceCarpetCushion.com

CONTACT:

Bob Reiss

Bob@RelianceCarpetCushion.com

Jackie Momoli

Jackie@RelianceCarpetCushion.com

(323) 321-2300

SafePath Products



ADA RAMPS,
WALK REPAIR SYSTEMS



SafePathProducts.com

CONTACT:

Timothy Vander Heiden

Info@SafePathProducts.com

(530) 893-1646

Products:

- **EZ Edge™ Transitions**
- **CourtEdge™ Reducers**
- **EntryLevel™ Landings**
- **GreenSidewalk Repair™**

SafePath Products is one of the largest suppliers of transition products, including ramps, landings, seismic surface transitions, flooring reducers and other industrial and residential products for ADA access code compliance. We were the first company to patent and produce recycled transition products and continue to be a leader in developing "green" products. We are the largest manufacturers of recycled ADA and FHA transition products in the United States. All products are 100% made in the USA.

Applications:

Schools, Residential, Gymnasiums, Commercial, Stadiums, Multi-Family, Transit, Parks

Specifications:

Ramps/Transitions are ADA compliant (Independent Engineering Report)

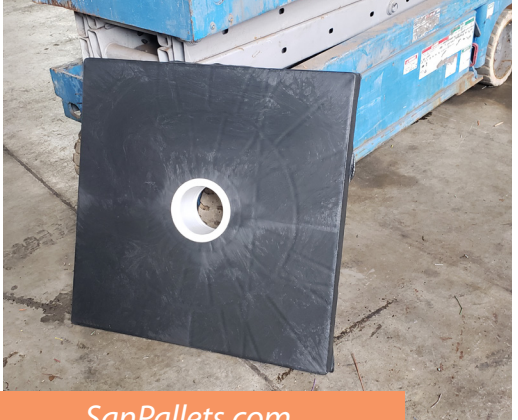
SCOF Rated (Independent Engineering Report)

PC4 Tested by Wallace Labs for SDS sheet certification

Contributes to earning credits on LEED projects.

San Pallets

END CAPS



Products:

- **End Caps**

End Caps, also called End Boards, are used to protect rolls of plastic from being damaged during shipment or storage. San Pallets offers a roll suspension packaging solution for customers in the polyester film and plastic flexible packaging industries. Utilizing recycled carpet material, our manufactured endcaps are both durable and recyclable and perform in the most demanding environments.

Plastic pallets utilizing post-consumer carpet material will be available soon.

Applications:

For use by the polyester film and plastic flexible packaging industries

SanPallets.com

CONTACT:

Brian Sofia

BSofia@SanPallets.com

(937) 902-4585

Sierra Mat & Rubber Company



MATS, SMART PAVERS,
AND WHEEL STOPS



SierraRubberProducts.com

Products:

- Mats,
- Wheel Stops
- Smart Pavers

Working from our Modesto manufacturing facility, the addition of post-consumer carpet material to our rubber mats improved their quality, making them both more durable and resilient. Our wheel stops are lightweight, durable and last longer than concrete stops.

CONTACT:

Loren Jessop

LorenJ@YosemiteNursery.com

(209) 824-0341

Sierra Mat's pavers create a highly permeable and anti-skid walking surface, safe and ideal for high traffic areas.

Applications:

Landscaping, parking stops, entryway mats

Specifications:

Contributes to earning credits on LEED projects.

3B Protection



**BALLISTIC, BLAST & FORCED
ENTRY CONSTRUCTION
MATERIALS**



3BProtection.com

Products:

- **Quick assembly wall panels**
- **Doors**
- **Construction blocks**
- **Ready-mix**

Protect fixed assets from ballistics, forced entry, blast, seismic, and extreme weather events. Modular doors, panels and blocks install easily to provide top-grade security and protection. Custom designs available; protect cell towers, battery packs, buildings, safe rooms. Doors and wall panels include minimum 25% recycled post-consumer carpet material.

CONTACT:

Dominic Dillon

D.Dillon@3BProtection.com

(949) 316-7561

Applications:

Schools, Government buildings, Guard facilities, Military bases and housing, Emergency shelters (FEMA) and hangars, Munitions storage and armories, Mobile towers and power units, Hospitals, Airports and Mass Transit hubs.

Specifications:

Mortar-less wall stress-tested against rapid 60 round 7.62mm projectiles and passed certification for Level 9 ballistic protection

Fire rated to endure at least one hour of high temperature fire without allowing for the spreading of flames.

UL Level 7, 8, 9, 10

Visions Environmental



Products:

- **Stone Miracle™ decorative colored aggregate**
- **Retaining blocks**
- **Landscape Stone Art, Planters**

Stone Miracle colored-stone aggregate is suitable for decorative landscape projects and comes in four standard colors. It is available in .5 cu ft bags, 9 cu ft bags and 1 cu yd bags. The retaining blocks are used as bins for sand or rock; they measure 2' wide by 2' high by 5' long.

Applications:

Decorative Landscape Projects and Storage Bins

Specifications:

Contributes to earning credits on LEED projects.

Manufactured by Visions Environmental, a subsidiary of Visions Quality Coating.

LIGHTWEIGHT AGGREGATE AND RETAINING BLOCKS



StoneMiracle.com

CONTACT:

Jess Elshere

Jess@VisionsQualityCoatings.com

(916) 564-9121

(916) 413-6361 Cell

How Is Carpet Recycled?

Carpet recycling is a multi-phase process. Carpet is collected, sorted by fiber type, and processed into various feedstocks—fiber, pellets and backing material (post-consumer carpet calcium carbonate, or PC4)—that is then used to manufacture the products in this catalog.

The companies below use innovative processes to create these feedstock materials out of California-sourced carpet:

AQUAFIL

Aquafil.com

CIRCULAR POLYMERS

CircularPolymers.com

COLUMBIA RECYCLING

ColumbiaRecyclingCorp.org

LA FIBER

LA Fiber.com

LEGGETT & PLATT

Leggett.com

WELLMAN PLASTICS

WellmanPlastics.com

Is recycled carpet material right for you?

Companies incorporating recycled post-consumer carpet (PCC) in their products report improved product quality and reduced cost. If you are looking for a lightweight, durable feedstock for your products, contact Rob Thiess, RThiess@CarpetRecovery.org to request a free sample, test results or more information.



Recycled Post Consumer Carpet material is available as PC4—Post-Consumer Carpet Calcium Carbonate—as well as fiber and pellets.



CARPET AMERICA RECOVERY EFFORTSM

Developing market-based solutions for the recycling & reuse of post-consumer carpet

Carpet America Recovery Effort (CARE) is a non-profit organization whose mission is to advance market-based solutions that increase landfill diversion and reuse and recycling of post-consumer carpet, and that encourage design for recyclability.

CARE administers the **California Carpet Stewardship Program**, which is charged with meeting the requirements for carpet recycling set by California laws AB 2398 and AB 1158 and managed by CalRecycle.

For more information, please visit the CARE website at **CarpetRecovery.org/CA**.



**California Carpet
Stewardship Program**

An initiative of CARE: Carpet America Recovery Effort

10.8.5 E-News

Monthly E-News messages for January through December 2020 are included on the following pages.

California Carpet Stewardship Program January 2020 Update



California Carpet Stewardship Program

An initiative of CARE: Carpet America Recovery Effort

New Product Spotlight: Green Hive Group's AbsorbsWell

CARE grantee Green Hive Group announces the launch of AbsorbsWell, an exciting new product that could significantly increase demand for post-consumer carpet material. AbsorbsWell is a powerful absorbent that safely soaks up petroleum, oil, brake fluid, antifreeze and solvent spills. Designed for use in automotive, factory and oil industry settings, AbsorbsWell is made from 100% recycled California carpet. AbsorbsWell's high density means that less material is needed to absorb a variety of spills, besting competing products. Green Hive Group was awarded a [CARE Capital Improvement grant](#) in 2018 to support development of bagging technology for the product.



AbsorbsWell from Green Hive Group

Green Hive Group CEO Tim VanderHeiden notes, "We discovered AbsorbsWell's amazing properties by accident when a spill happened at our facility; developing this absorbent has been an exciting process. We are working with partners to get it on the shelves by Spring 2020."

To learn more, request a sample and to watch a promotional video, visit AbsorbsWell.com.

Task Plan Submitted to CalRecycle

On January 13, 2020, CARE submitted timelines that it shall meet to fulfill the remaining requirements of the Stewardship Plan's Chapter 0 and new statutory requirements established by the enactment of Assembly Bill 729.

[CARE's memo can be read here](#) (under Program News).

Carpet Collection Set To Expand in 2020

After many years of building and developing markets for products made from recycled carpet, demand for used carpet is now growing and CARE is supporting an aggressive expansion of collection programs and services.

For retailers and installers not yet recycling used carpet, options may include:

- Self-Haul: Asking installers to take old carpet to a CARE drop-off site.
- On-Site Service: Contracting with a CARE carpet collector or local hauler to place a collection container for carpet at carpet businesses.

If you have a suggestion for a convenient collection site near you, email CA@CarpetRecovery.org.

New Drop-Off Site Added

CARE is pleased to announce one new carpet recycling drop-off site:

- **Republic Services**, Anaheim, Orange County

There are currently 73 CARE-supported drop-off sites in the state, serving 50 counties.

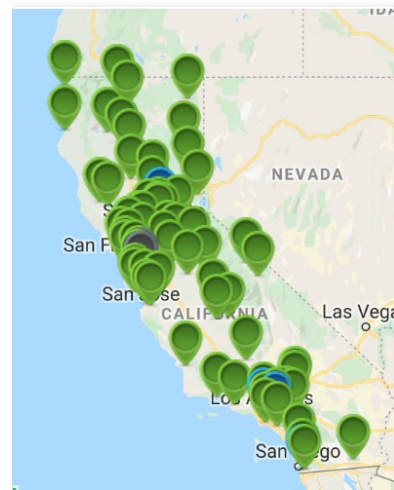
CARE supports drop-off sites by providing at no cost:

- A container for collection,
- Third-party hauling to bring carpet material to recyclers,
- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.

To see if there is a CARE sponsored drop-off site in your county, visit the [drop-off site map here](#).

In addition to public drop-off sites, CARE works with the recyclers who operate more than 160 private network collection sites around the state.

To learn more about how to set up a carpet recycling drop-off site in your area, please contact CA@CarpetRecovery.org.



CARE on the Road

The CARE team attended regional sales events put on by carpet manufacturers Mohawk Industries and Shaw Industries in southern California in January. Jacy Bolden and Jared Zitron took the opportunity to talk with distributors, retailers and manufacturer representatives about carpet recycling, with special emphasis on increasing collection for recycling.



Jacy and Jared at the Mohawk Industries sales event

Participants were surveyed about whether they currently recycle, barriers to recycling and where installers pick up carpet before installation. CARE also tabled at a similar event this month in Roseville, near Sacramento.

CARE Conference, May 12-13, to Showcase Recycling Innovations

Plastics industry experts, collectors, processors and manufacturers will gather for the 18th Annual CARE Conference on May 12-13, 2020 in Downtown Portland, Oregon.



Join us in Portland

The Conference theme this year is "Carpet Recycling Comes of Age." Don't miss the opportunity to hear about innovations in the carpet recycling industry, new and existing products created with post-consumer carpet, developments in the carpet industry, the VPS program and more.

[See the agenda](#) and [register today](#).

If you are interested in sponsoring or exhibiting at the 18th Annual CARE Conference, please contact Anthony Cline at ACline@CarpetRecovery.org.

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California Carpet Stewardship Program February 2020 Update



California Carpet Stewardship Program

An initiative of CARE: Carpet America Recovery Effort

CARE Grants 2019: \$6 Million Funding for Capital, Testing and Improved Collection

2019 was a significant year for the CARE California Carpet Stewardship Grants Program, which is designed to help boost the state's carpet recycling rate, provide additional infrastructure for the carpet recycling industry and support the creation of new products that will grow demand for carpet recycling for years to come. In 2019 CARE awarded **14 capital equipment grants to 10 companies** for recycling, manufacturing/finished product capacity and collection expansion and **six testing grants to six companies** for recycled product testing. Twelve **micro grants went to 12 post-consumer carpet (PCC) collection sites** across California between 2018 and 2019 to help facilitate collection site efficiencies and convenient collection. These Cycle 2 and Cycle 3 awards totaled more than \$6 million, and more than 90 percent of funds were distributed to California-based companies. Four new processors or manufacturers using California PCC and five new California PCC collectors came online through the grants program.



CARE grant-funded aggregate crushing equipment at Visions Environmental, Oroville

[Read more here.](#)

New Manufacturer Welcomed: GC Products

CARE welcomes new member [GC Products](#), a leading manufacturer of Glass Fiber Reinforced Gypsum and Glass Fiber Reinforced Cement architectural products, based in Lincoln, CA. GC Products creates custom columns, panels, ceilings, shower niches and more, as well as signs, trims and other architectural designs used in both commercial and residential architecture. They are incorporating post-consumer carpet calcium carbonate (PC4), recovered from the backing of recycled carpet, into their product offerings.



"Carpet Recycling Comes of Age" at the CARE Conference this May

Plastics industry experts, collectors, processors and manufacturers will gather for CARE's 18th National Conference, "Carpet Recycling Comes of Age" on May 12-13, 2020 at the Embassy Suites in Downtown Portland

Entrepreneurs pay only \$100 to attend the full Conference; Government and Corporate attendees save \$100 if registered by February 28.



Join us in Portland

[Register here.](#)

[Book the Embassy Suites here.](#)

Why not take a **mini vacation** in Portland and enjoy:

May 13 (after the conference)
Oregon Brewery Trail Bike Tour

May 14
Gorge Waterfall Tour
Portland Japanese Garden & Lan Su Chinese Garden Tours

Indicate your interest in these events when you register; payment will be accepted on-site. To learn more: email [Wes Nelson](#) about the Brewery Trail Bike Tour; email [Anthony Cline](#) about the May 14 activities.

[See the agenda](#) and [register today](#).

If you are interested in sponsoring or exhibiting at the 18th Annual CARE Conference, please contact Anthony Cline at ACline@CarpetRecovery.org.

Milliken and PureCycle Collaborate on Recycling Innovation

A unique partnership article in *National Geographic* details the challenges of plastic waste and recycling, and how those challenges are being addressed via a collaboration of carpet manufacturer [Milliken](#) and [PureCycle Technologies](#). John Layman of PureCycle Technologies has "developed a revolutionary process to remove color, odor, and contaminants from polypropylene plastic waste and transform it into a 'virgin-like' resin, which is the basis for plastic products." PureCycle's technology focuses on polypropylene, the second-most used plastic in the world. A senior polymer scientist at Milliken & Company contributed a set of plastic additives that increased the viability of PureCycle materials. CARE grantee Circular Polymers is a supplier of recycled carpet fiber to PureCycle.

[Read more here.](#)

Report on Engineering Uses of Recycled Carpet Material Released

CARE has published a report compiled by GHD, Inc. that documents testing and use of Recycled PET Carpet (RPC) material for civil engineering uses. Based on previous feasibility studies, the report covers two pilot studies of applications of RPC on filtration applications and erosion control. While there were promising initial results, there were also constituents of concern identified that warrant further investigation. Through ongoing research and development, CARE continues its efforts to identify potentially viable RPC uses via development of incentive plans/grant programs to promote the establishment and sustainability of new, environmentally safe RPC markets.

[Read the report here.](#)

CARE on the Road

Mill Product Shows - In addition to ongoing visits to drop-off sites and retailers and tabling at installer supply houses, this month the CARE California team was invited to staff several Northern California Product Shows for both Mohawk and Shaw. Representatives from both companies worked to ensure their customers had an opportunity to ask questions about the Carpet Stewardship Program, learn about recycled carpet products, find new, nearby carpet drop-off sites, give feedback on desired collection locations and get connected with collectors for convenient on-site carpet collection service.



The CARE team tabled at Mohawk and Shaw product shows this month.

Government Procurement Events - CARE's Market Development Team exhibited at the annual California Association of Public Procurement Officials (CAPPO) Conference this month. With a key focus on promoting the recyclability of carpet and including carpet recycling in demo and renovation bid specs. CARE also promoted the growing number of products made from recycled carpet material.

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California Carpet Stewardship Program March 2020 Update



COVID-19 Update: Conference Canceled, Services & Subsidies Continue

CARE's concern for all of our stakeholders and staff is our top priority as we all respond to the COVID-19 pandemic. We will continue our operations in accord with public health instructions and encourage our community members to do the same. For our recyclers: rest assured that CARE plans to continue the reporting and subsidy payout system without interruption. In terms of collection, please contact individual CARE drop-off sites for updates on closures or service changes. See the [California map here](#) for contact information.

CARE is working internally and with CalRecycle to develop a suite of actions to aid the recycling community through this challenging time. Action is expected soon; we will issue a special bulletin when details are finalized.

2020 Conference Canceled

The CARE Conference, scheduled for May 12-13 in Portland, Oregon, has been canceled. We hope to consider scheduling a meeting in the fall, either as the annual entrepreneur meeting or a hybrid meeting, likely in late October.

We Are Here for You

CARE's staff is working from home and is available for email/phone communications. See the [California staff list](#) for roles and contact information.

Thank you for your patience as we work our way through this difficult situation. Please check [our website](#) and [follow us on Twitter](#) for the latest news and announcements.

New Grant Cycle Open for Applications

CARE's California Carpet Stewardship Program is launching three new grant cycles to establish and improve California-sourced PCC processing, manufacturing, product development, collection and reuse.

- The Capital Improvements Program (Cycle 4A) is offering a total of \$2 million with maximum grant awards of \$500,000.
- The Product Testing Program (Cycle 3B) has allocated \$500,000 with maximum grant awards of \$125,000.



Grantee SafePath Products purchased equipment to manufacture ADA-compliant ramps and transitions that incorporate post-consumer carpet material.

- The Micro Grant Program for Collection/Reuse (Cycle 3M) is offering a total of \$200,000 with maximum grant awards of \$15,000.
- [See current grant cycle solicitations here.](#)

Cycle 4A and Cycle 3B will accept applications through June 1, 2020 and Cycle 3M will accept applications through 2020. All projects must be completed by September 30, 2021.

Past grants have made important contributions to improving collection and recycled output rates. See [full list of past awardees here.](#)

Direct questions to CARE grants manager Abbie Beane at ABeane@CarpetRecovery.org.

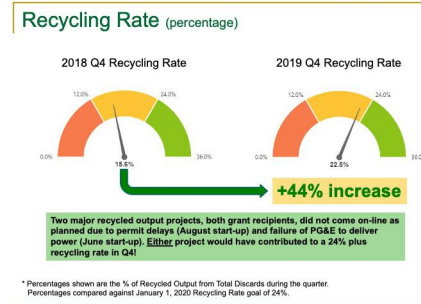
Q4 Results: Another Record Recycling Rate

Despite the challenges we face today, we should not forget the good work that was done in 2019. So we report here, for the record, our latest results. In Q4 2019, CARE's California Carpet Stewardship Program reports another record quarter for the recycling rate and continues a dramatic increase in performance.

Unfortunately, two major recycled output projects, both CARE grant recipients, were unable to start up during 2019 due to factors beyond their control, including permit delays and failure of PG&E to deliver power. This impacted the Recycling Rate for Q4, which reached a Q4 high of 22.5 percent, but short of the 24 percent goal. Either of these projects individually would have resulted in surpassing a 24 percent recycling rate. Nevertheless, this rate represents a 44 percent increase over Q4 2018.

While the normal Q4 seasonal slowdown was observed and considering sales of new carpet set another new low, recycled output remained strong. In terms of collection, Q4 ended with 73 public drop-off sites, an increase of 20 sites over the end of 2018. CARE 2019 collections were up 28 percent over 2018, and the number of counties serviced rose by three to fifty.

For full details, [see the presentation here.](#)



Recycling rate in Q4 2019 is up 44 percent from Q4 2018

New Drop-Off Sites Added

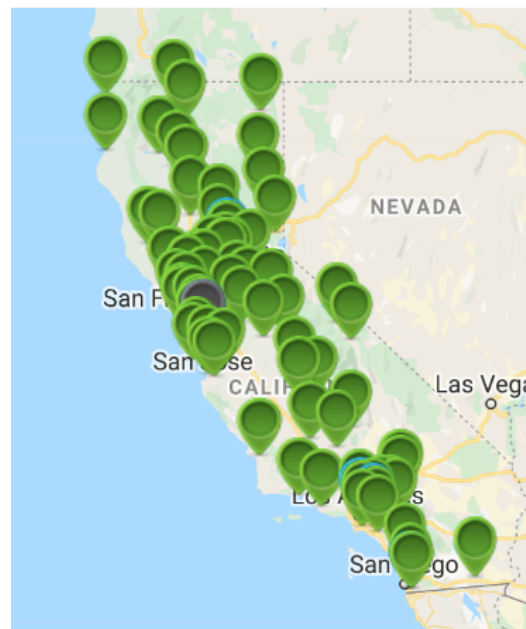
CARE is pleased to announce four new carpet recycling drop-off sites:

- [Kern Valley Transfer Station](#), Kernville, Kern County
- Republic Services/Global Materials Recovery Services, Santa Rosa, Sonoma County
- [Shafter-Wasco Sanitary Landfill](#), Shafter, Kern County
- [Zanker Recycling](#), San Jose, Santa Clara County

There are currently 77 CARE-supported drop-off sites in the state, serving 51 counties.

CARE supports drop-off sites by providing at no cost:

- A container for collection,



CA Drop-off Sites

- Third-party hauling to bring carpet material to recyclers,
- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.

To see if there is a CARE sponsored drop-off site in your county, visit the [drop-off site map here](#).

In addition to public drop-off sites, CARE works with the recyclers who operate more than 160 private network collection sites around the state.

To learn more about how to set up a carpet recycling drop-off site in your area, please contact CA@CarpetRecovery.org.

Program Highlights Posted

CARE has published a [four-page flyer](#) that describes the California Carpet Stewardship Program and recent progress, aimed at informing retailers. The Spring 2020 Highlights [can be viewed online here](#).

The flyer will be mailed to all California retailers later in the year when the COVID-19 situation abates.



Spring 2020 Highlights flyer

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California Carpet Stewardship Program April 2020 Update



CARE Rolls Out COVID-19 Action Plan for California Recyclers

CARE has taken a series of emergency actions to support and assist the California carpet recycling industry as effects of the COVID-19 pandemic threaten the industry's survival. Ten actions were approved by CARE's oversight committee and reviewed with CalRecycle. Actions include a one-time payment to recyclers, a temporary, 90-day increased collection subsidy payment, accelerated payment schedule and relaxed reporting and proposed loan payment requirements.

CARE Executive Director Bob Peoples notes, "CARE took immediate action recognizing cashflow is critical to the recycling community. In addition to over \$1.2 million in one-time special subsidy payouts, CARE has also issued more than \$450,000 in early subsidy payments for March. Our recyclers are struggling in the face of the unprecedented pandemic. Since we have no feel for how deep the impact will be, nor how long it might last, we had to move quickly."

For complete details, see [CARE's letter to CalRecycle](#).

CARE will be monitoring the situation carefully and considering if additional actions need to be taken. See the [Action Plan announcement here](#).

Grant Cycles Open to Support Infrastructure, Product Testing and Collection/Reuse

Last month, CARE announced a new cycle of grants for capital infrastructure, product testing and micro grants for collection/reuse. Solicitation details and application materials for the three open cycles can be [found here](#).

In particular, the Micro Grants Program is designed to increase the collection and reuse of California post-consumer carpet (PCC). Funds will be awarded for infrastructure projects and/or purchase of equipment for California sites that support the operational logistics of properly collecting and/or reusing California PCC under a new or established program.



A weather cover keeps carpet clean and dry at grantee Napa Recycling.

The micro grant cycle is open to a variety of California applicants, including:

- Public entities, such as California cities, counties, public school districts, public colleges and universities, special districts, parks and recreation districts, and state agencies (including offices, departments, bureaus and boards).
- Joint Powers Authorities (JPA) if the JPA Agreement includes solid waste responsibilities.
- Public or private businesses such as transfer stations, waste haulers, recycling centers and disposal sites.
- CARE drop-off sites, Collector Sorter Entrepreneurs and Processors are encouraged to apply.
- Nonprofit entities, such as reuse stores.

The maximum micro grant is \$15,000 and applications will be accepted through December 31, 2020. Funds will be awarded on a first-come, first-served basis. One company may apply for multiple awards but only one award will be considered per new or established site.

[Learn more here.](#)

Direct questions to CARE grants manager Abbie Beane at ABeane@CarpetRecovery.org.

CRI's Voluntary Product Stewardship Program to Shut Down in June

On April 23, the Carpet and Rug Institute announced the suspension of the \$4 million voluntary product stewardship (VPS) program, which had been paying subsidies to carpet recycling firms in all states other than California from an annual fund provided by carpet mills. The VPS funding will end June 30. CARE has administered the program since its inception in 2014 but was not involved in this decision.

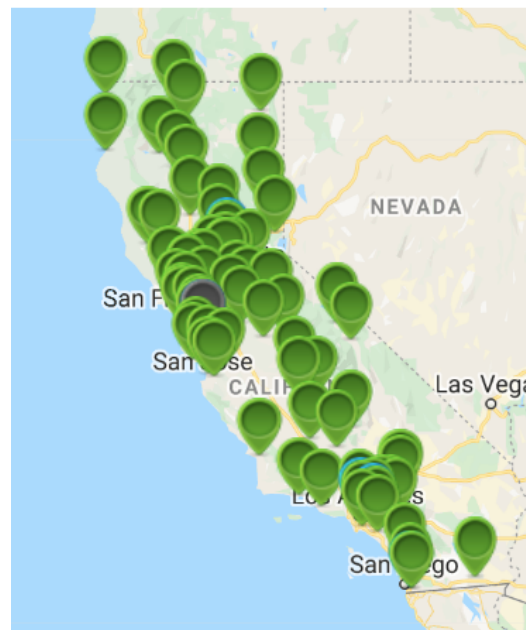
The suspension of the VPS is not expected to affect the California Carpet Stewardship Program, which is funded via an assessment of \$0.35 per square yard of carpet purchased in the state.

[Read the full statement](#) from CRI President Joe Yarbrough.

Drop-off Sites Operate Despite COVID Challenges

Most of CARE's 77 carpet recycling drop-off sites are still operating as essential businesses during the stay-at-home order. While many sites report reduced hours, services and labor, most are still open and accepting carpet. Some sites are reporting an increase in self-hauled loads during the stay-at-home period. See the [California drop-off site map](#) and contact the individual sites for hours and operations.

Carpet can be recycled into a variety of useful products, as outlined in the most recent [Catalog of Recycled Carpet-Derived Products](#). CARE is seeking to increase the number of drop-off sites in order to meet the demand for recycled carpet material in order to manufacture these products.



CARE California Drop-off Sites

To see if there is a CARE sponsored drop-off site in your county, visit the [drop-off site map here](#).

To learn more about how to set up a carpet recycling drop-off site in your area, please contact CA@CarpetRecovery.org.

CARE to Conduct Retailer Survey to Determine COVID Impact for Recyclers

In early May, CARE will be emailing a survey to all California carpet retailers. The brief questionnaire will help CARE quantify the impact of the COVID pandemic and will allow recyclers to plan for their recycling volumes. Participating retailers will receive a summary of the results upon request.

We hope all retailers will participate in order to gain the fullest picture of the situation.

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California Carpet Stewardship Program May 2020 Update



COVID-19 Action Plan Aids California Recyclers

CARE has developed and deployed a [10-point Action Plan](#) to support and assist our carpet collectors and processors as effects of the COVID-19 pandemic threaten the industry's survival.

"The Action Plan has aided our recycling community by assisting with cash flow, reduced administrative burdens, and links to important information regarding CDC guidelines and the CARES Act," notes CARE Executive Director Bob Peoples. "Plan feedback has been very positive as recyclers struggle to maintain adequate raw material supply due to reduced sales, coupled with increased market demand for products. Our attention now turns to reopening of business and how CARE can support our recyclers as well as retailers and flooring professionals handling tear-out carpet in that process."

For retailers and flooring professionals, CARE is targeting efforts to further expand available carpet drop-off locations and facilitating landfill disposal savings by connecting retailers/flooring professionals with carpet collectors in their area. Visit [CARE's drop-off site map](#) or [email CARE](#) regarding referrals for on-site collection options.

CARE will be monitoring the situation carefully and considering if additional actions need to be taken. See the [Action Plan announcement here](#).

Local Governments Spread the Word: Carpet CAN be Recycled!

Many members of the public and even building industry professionals do not know that carpet can, and is, being recycled into [useful new products](#). Even during the stay-at-home orders, most carpet recycling drop-off sites are still open, though with reduced hours/services.

In particular, local government staff can help get the word out now and in the future as the restrictions are lifted:

- Add carpet recycling instructions to your agency's website
- Display Carpet Drop-Off Site literature at your Building Department or Public Works offices.

- Post about carpet recycling to your jurisdiction's social media channels.
- Include a carpet recycling requirement in upcoming policy statements, C&D ordinances and hauler agreements.
- Add carpet recycling as a requirement to new carpet project/procurement specifications.

For assistance with any of the above (including sample language for websites, newsletters and social media), see the [CARE Local Government web page](#) or email CA@CarpetRecovery.org.



Retailer Survey: Businesses Affected by COVID

CARE is conducting a [survey of California flooring retailers](#) in an attempt to quantify the impact of COVID-19 and how the situation affects recyclers. Initial results show about one-third of responding retailers reported layoffs. Almost all respondents reported lower carpet sales in April 2020 vs April 2019; two-thirds of respondents said that sales were lower by 50 percent or more. About two-thirds of initial respondents reported having received assistance from the federal government during this period.

The survey is still open until May 25; retailers are invited to [click here to participate](#).

Participating retailers will receive a copy of the final results if they provide an email address.

New Drop-off Site Added

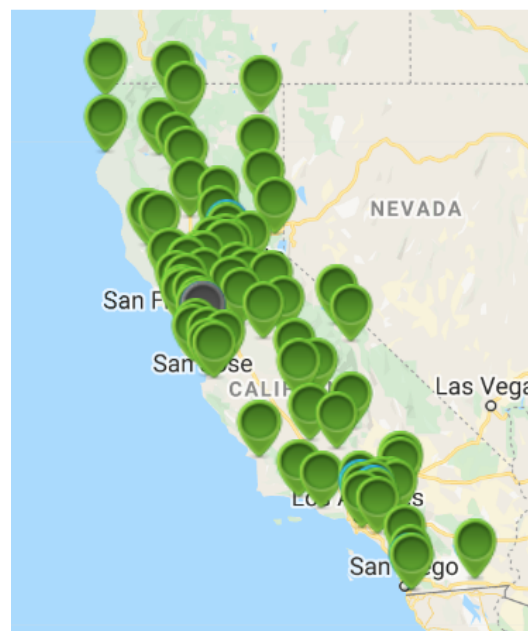
CARE is pleased to announce another new carpet recycling drop-off site:

- [Eastern Impressions](#), Santa Ana, Orange County. They accept carpet and pad at their facility and provide on-site collection for both carpet and pad, especially supporting locations with space constraints.

There are currently 78 CARE-supported public drop-off sites in the state, serving 51 counties.

CARE supports drop-off sites by providing at no cost:

- A container for collection,
- Third-party hauling to bring carpet material to recyclers,



- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.

To see if there is a CARE sponsored drop-off site in your county, visit the [drop-off site map here](#).

In addition to public drop-off sites, CARE works with the recyclers who operate more than 160 private network collection sites around the state.

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COVID-19 Action Plan Extended

Following positive feedback from stakeholders, CARE has extended two policies laid out in the [COVID-19 Action Plan](#) in late March. The following actions have been extended for an additional 90 days through September 2020:

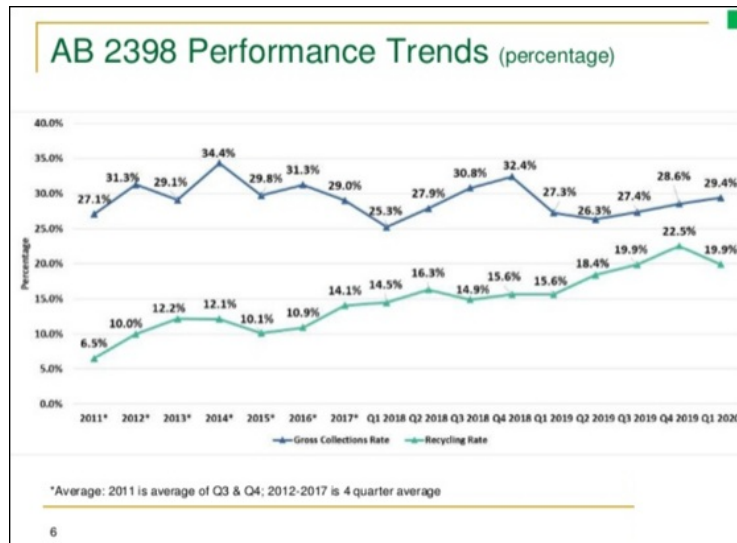
- Pay 80% of earned subsidies after initial reporting by recyclers (as opposed to the usual 40 to 45 days).
- Institute an additional temporary \$0.02/lb. subsidy for PCC collection (for a total of \$0.04/lb.) This is a temporary collection incentive to address rapidly changing market conditions.

“We have heard from recyclers that CARE’s prompt actions have helped these businesses during this challenging time,” notes CARE Executive Director Bob Peoples. “It’s gratifying to know that CARE has assisted in sustaining carpet recycling in the state during this difficult period.”

California Program Q1 2020 Results Released

The California Carpet Stewardship Program has [posted results](#) for the first quarter of 2020. CARE opened the year with momentum and great anticipation for expanding recycled output, new capacity coming online and new market opportunities.

However, carpet sales were lower than expected so that the flow of used carpet to recyclers was more difficult to secure. Coupled with ongoing permit delays and the failure of PG&E to deliver on promises to supply power to a new recycling facility, recycled output was down from Q4 2019. The last few weeks of March also saw the initial impacts of the pandemic. Q1 marked the first time since 2015 that we did not see an on-going uptick in the recycling rate.



The full impact of the pandemic will be seen in Q2 and beyond. Efforts in the second quarter are focusing on continued support for recyclers and key stakeholders as they work to rebuild their capacity and move product. Given that demand for output remains strong in several sectors, and that the auto sector is expected to rebound, CARE is still optimistic that 2020 will see renewed growth.

CalRecycle Approves CARE Contingency Plan

Following CalRecycle's June 16 public meeting, Acting Director Ken DaRosa has approved CARE's Contingency Plan per staff recommendation. The Plan is part of the requirements of AB 729 and describes how core program elements would continue in the event of revocation of the stewardship program while preserving ongoing support for the state's carpet recycling infrastructure.

View the [Contingency Plan here](#).

CARE Releases 2019 National Annual Report

CARE has released its [2019 Annual Report](#), detailing the industry's progress despite growing headwinds in 2020.

Positive news in 2019 included new members joining the recycling effort, new technology introduced, and new products being developed and brought to market. Of particular note is the advance of chemical recycling and the volume of recycled material it could command once fully implemented.

In 2019 CARE administered a \$35 million operational budget, comprising core operations to serve its members, along with the Voluntary Product Stewardship Program (VPS) and the California Carpet Stewardship Program.

VPS Program Highlights

- More than \$2 million was paid in VPS subsidies in 2019.
- Total gross U.S. collections were 335 million pounds, up from 281 million pounds in 2018.
- 98% of the post-consumer carpet collected was processed in the United States.
- VPS participants have recycled enough old carpet in the past 5 years to fill the New Orleans super bowl more than 40 times!

The Report includes updates on 2020: "Unfortunately, the carpet industry was not immune to the pandemic recession, which resulted in plant closures and more than 10,000 jobs lost or furloughed. A difficult decision was made by the carpet industry leadership to terminate the VPS program effective June 30, 2020 to help offset lost revenues. This challenge is compounded by the potential for additional COVID-19 impacts as the economy moves to restart in the latter part of Q2. Of equal concern is the loss of carpet recyclers and associated infrastructure during this recession."

California Carpet Stewardship Program Highlights

- 82.1 million pounds of post-consumer carpet was collected before it could go to landfill.
- 58 million pounds of recycled output was produced (up 18% from the 49.3 million pounds recycled in 2018).
- Recycler Yield was >70% in 2019, continuing the on-going improvements in efficiencies and landfill diversion

Over 70%
of carpet collected in California
gets recycled.

- The overall 2019 California recycling rate was 19.1%, up 25% versus 2018.

See the [2019 CARE National Annual Report](#) here.

New Drop-off Site Added

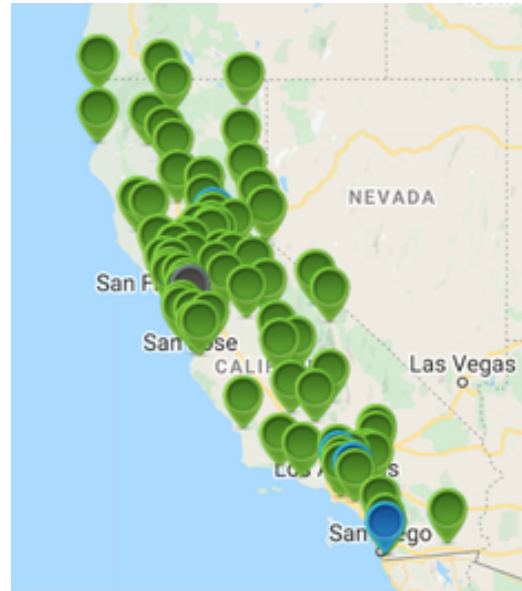
CARE is pleased to announce another new carpet recycling drop-off site:

- **[South Tahoe Refuse Transfer Station](#)**, South Lake Tahoe, serving Alpine and El Dorado Counties

There are currently 78 CARE-supported public drop-off sites in the state, serving 52 counties.

CARE supports drop-off sites by providing at no cost:

- A container for collection,
- Third-party hauling to bring carpet material to recyclers,
- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.



To see if there is a CARE sponsored drop-off site in your county, visit the [drop-off site map here](#).

In addition to public drop-off sites, CARE works with the recyclers who operate more than 160 private network collection sites around the state.

CARE Staff Profile: Jacy Bolden

Jacy Bolden was named Director of the California Carpet Stewardship Program in late 2017. Since then, she has focused on efforts to increase carpet collection while collaborating with the CARE team. Until the pandemic hit, she traveled extensively across the state to meet with stakeholders and potential partners.

A native of Nebraska, Jacy brings a wealth of relevant experience in product stewardship, waste and environmental policy as the founder of consulting firm The JBC Groups, and former executive director for an environmental nonprofit coordinating recycling, composting and recycled products.

Jacy confirms: “Working on the California Carpet Stewardship Program has certainly been an invigorating challenge, given the overall recycling market dynamics over the last few years. Our CARE Team is great and I really enjoy having the privilege of working with the dedicated recyclers involved in our program. I have developed a deep appreciation for the rich complexity of carpet recycling. From carpet container loading to new product development to legislative details – there’s never a dull moment!”



Jacy lives in Los Angeles with her husband, young daughter and Charlotte, their brand

new "Covid puppy." As a family they enjoy puppy training, exploratory walks, trips to the beach, skiing, Little League baseball games and Friday pizza nights. Jacy can be reached by email: JBolden@CarpetRecovery.org.

CarpetRecovery.org/CA

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July/August 2020

Capital and Testing Grantees Announced

CARE's California Carpet Stewardship Program has awarded three capital improvement grants, under Cycle 4A, and three product testing grants, under Cycle 3B. The capital improvement grants total \$1,260,000 and the testing grants total \$240,000.

The grantees are:

[Aquafile Group](#), Phoenix, AZ: Use of densifying system to recycle California-sourced polypropylene material. Awarded \$260,000.

[Los Angeles Fiber](#), Vernon, CA: Equipment to enable the processing of commercial broadloom California post-consumer carpet (PCC). Awarded \$500,000.

[Wellman Advanced Materials](#), Johnsonville, SC: Recycling of California PA66 commercial PCC using new technology. Awarded \$500,000.

[GC Products](#), Lincoln, CA: Testing replacement of silica aggregate with PC4 (carpet backing material) aggregate in architectural products for indoor and outdoor use. Awarded \$40,000.

[necoPlastics](#), Columbus, OH: Testing the addition of densified California PCC material to concrete and asphalt. Awarded \$100,000.

[ReFiber](#), Sacramento, CA: Continued testing of California PCC in stormwater filtration applications. Awarded \$100,000.

The capital projects are expected to produce an additional 17.5 million pounds of recycled California PCC output through the grant term, which ends on September 30, 2021. Approximately 75% of all awarded funds were in-state, as targeted in CARE's approved Stewardship Plan.

CARE expects to approve additional post-consumer carpet collection-related capital improvements grants this month and may re-release grant funds for capital improvement and/or PCC collection projects during the month of September. CARE's Micro Grants for Collection and Reuse, labeled Cycle 3M, remain open to California-based projects, which may apply for up to \$15,000 through 2020.

[Learn more on the CARE Grants page here.](#)

COVID Action Plan Expands

Since the pandemic was first recognized, CARE has acted swiftly and decisively to take actions in support of recycling businesses and to ensure continued success of the program. CARE has continued to track developments associated with the pandemic and its impact on the carpet recycling community as well as the larger economy. Several factors have resulted in significant drops in the price of both virgin and post-industrial polymers, which are the primary competition for PCC materials.

In an effort to maintain competitiveness against these declines, CARE has instituted **additional short-term, special COVID-19 related adjustments** to some of the subsidies paid to recyclers for particular materials.

Effective Q3 and Q4 2020:

- Nylon 6 Tier 2 will increase by 15 cents/lb.
- Nylon 66 Tier 2 will increase by 3 cents/lb.
- PET Tier 1 will increase by 5 cents/lb.
- PP Tier 1 will increase by 5 cents/lb.

These actions were informed by CARE's economic models and were updated according to the latest market intelligence and projections. The special COVID-19 subsidy increments are in effect for Q3 & Q4 only and are anticipated to return to the prior programmed levels in January 2021. The COVID-19 subsidy boost is not part of the regular base subsidies listed in the approved Plan and thus not guaranteed.

The complete [list of current subsidies can be found here.](#)

New Drop-off Site Added

CARE is pleased to announce one new carpet recycling drop-off site:

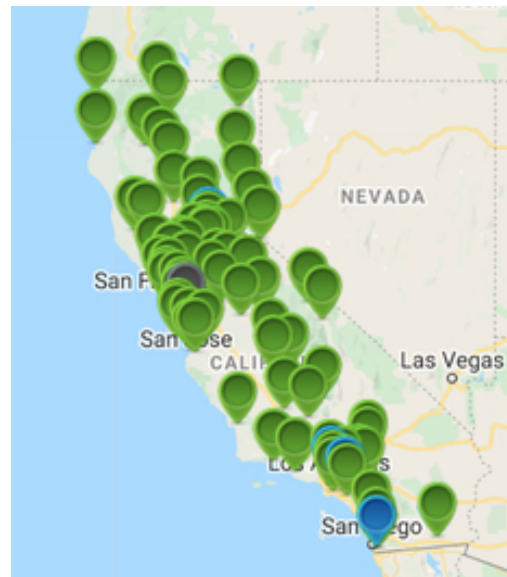
- [Windsor Material Recovery Facility](#), Windsor, Sonoma County

There are currently 79 CARE-supported public drop-off sites in the state, serving 52 counties.

CARE supports drop-off sites by providing at no cost:

- A container for collection,
- Third-party hauling to bring carpet material to recyclers,
- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.

To see if there is a CARE-sponsored drop-off site in your county, visit the [drop-off site map here.](#)



In addition to public drop-off sites, CARE works with the recyclers who operate more than 160 private network collection sites around the state.

AB 901 Reporting Update

CalRecycle and CARE have coordinated to streamline carpet reporting by establishing a single reporting entity in the Recycling and Disposal Reporting System (RDRS) to capture all post-consumer carpet (PCC) collected at CARE Public Drop-off Sites that meet the reporting criteria. Drop-off sites should report PCC outflows in the following way:

- Outflow Stream: Recycling/Composting
- RDRS Number = RD12614
- Destination (Organization Name): California Carpet Stewardship Program (CARE)
- Material type “CARPET CARPET CARPET”

Additional notes:

1. **Retailers/Dealers** that are also CARE Public Drop-off Sites are exempt from reporting to CalRecycle – CARE ensures that all of your tonnage is included in our overall reporting to CalRecycle.
2. If you **Self-Haul** your drop-off site’s carpet, report the destination as “California Carpet Stewardship Program (CARE)” (not the facility to which you deliver).

If you have any questions regarding AB 901 or CalRecycle’s RDRS, please visit <https://www.calrecycle.ca.gov/swfacilities/rdreporting>. RDRS training can be found on CalRecycle’s website here: <https://www.calrecycle.ca.gov/swfacilities/rdreporting/training/>.

Drop-off site staff with questions regarding CARE’s reporting in RDRS should contact [Cheryl Duran](#).

CARE Staff Profile: Cheryl Duran

Cheryl joined CARE as Project Coordinator in early 2019. She helps to manage logistics and operational issues for drop-off sites and recycling partners and compiles the carpet collection data that is central to the Program’s work. CARE sites are encouraged to [contact her](#) for service request issues, quarterly report questions and CARE’s AB 901 reporting to CalRecycle.

Cheryl has extensive experience in customer service-related industries and provided logistical support as a contractor for the Department of Defense. She holds an MBA degree with a focus in project management.

Born and raised in California, Cheryl’s one true love is the culinary arts – a one-time professional chef, she continues to support charitable organizations with her cooking skills.



Cheryl can be reached by email: CDuran@CarpetRecovery.org.

CARE Featured in *Floor Trends*

An interview with CARE Executive Director Bob Peoples in the August issue of *Floor Trends* magazine covers advances in recycling technology as well as the California Carpet Stewardship Program's progress and the impact of COVID-19 on the industry.

[Read more here.](#)

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September 2020
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2019 Annual Report Shows Increased Recycling Rate in CA

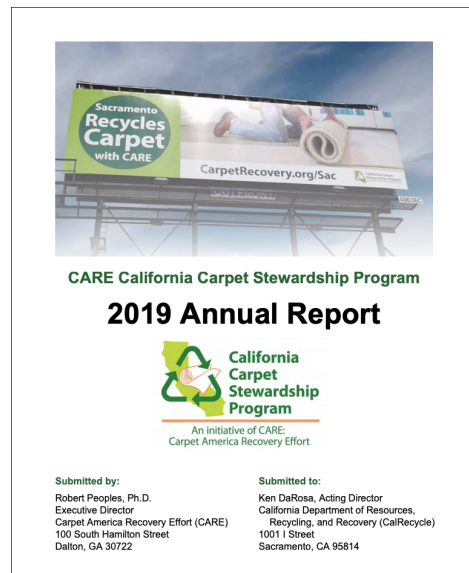
Carpet recycling in California saw significant progress in 2019, according to the just-released [California Carpet Stewardship Program 2019 Annual Report](#). While California's overall materials recycling rate has been on the decline since 2014, the California carpet recycling rate is up 58% in the same period. In addition, CARE's prompt and multi-faceted COVID-19 Action Plan has provided critical support to the industry as it faces the unprecedented pandemic-related economic and operational challenges of 2020.

According to the California Carpet Stewardship Program's 2019 Annual Report:

- Over 70% of all carpet collected was recycled, up from 53% in 2018.
- 82 million pounds of post-consumer carpet was collected before it could go to landfill.
- 58 million pounds of recycled output was produced (up 18% from 2018).
- The overall 2019 California recycling rate was 19%, up 27% over 2018. The national carpet recycling rate was 5%.

The 70% recycling rate, or yield, has grown significantly over the life of the program due to investments and CARE grants in support of product testing and processing capacity, as well as growth in markets for post-consumer carpet materials and various technological advances.

See the [California Program 2019 Annual Report here](#).



Capital and Micro Grantees Announced

CARE's California Carpet Stewardship Program has awarded two additional Capital Improvement Grants under Cycle 4A, and three Micro Grants for Collection and Reuse, labeled Cycle 3M. The Cycle 4A grants total \$334,952, and the Cycle 3M grants total \$38,234.

The capital projects are expected to result in an additional 12 million pounds of California PCC collections through September 30, 2021 and the micro projects are expected to result in an additional 900,000 pounds of California post-consumer carpet collection through June 30, 2021.

Cycle 4A

[Green Waste Carpet Recycling](#), San Jose, CA: Investment in equipment to expand collection of new California-sourced PCC pounds. This project includes piloting a collection strategy for small retailers (\$70,952).

[Hayward Transfer Station](#), Hayward, CA: Investment in equipment to expand collection of new California-sourced PCC pounds (\$264,000).

Cycle 3M

[916 Floors](#), Roseville, CA: Funds the purchase of a specialized trailer that will allow flooring contractors to source-separate PCC at job sites and haul it directly to a recycler (\$15,000).

[Bay Counties SMaRT](#), Sunnyvale, CA: Funds the purchase of a 40-yard roll-off container with a lid for this CARE drop-off site to collect and keep PCC dry year-round for self-hauling to a recycler (\$10,234).

[Quality Floor Removal](#), Roseville, CA: Funds the purchase of a specialized trailer that will allow flooring contractors to source-separate PCC at job sites and haul it directly to a recycler (\$13,000).

CARE may re-release grant funds for capital improvements and/or post-consumer carpet (PCC) collection projects during the fall. CARE's Cycle 3M will remain open to California-based projects, which may apply for up to \$15,000 through 2020.

[Learn more on the CARE Grants page here.](#)

COVID-19 Action Plan Extended

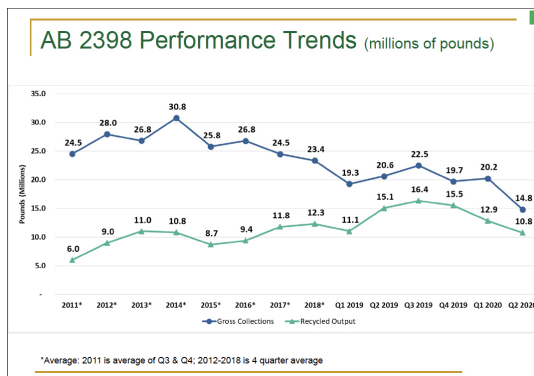
CARE's Sustainable Plan Committee has taken the following additional steps to extend and support the carpet recycling industry during the pandemic:

1. The early subsidy payment options currently set to expire will be continued through the end of 2020.
2. The additional 2 cent/lb. subsidy for collections currently set to expire will be continued through the end of 2020.
3. A subcommittee of the Sustainable Plan Committee has been formed to look at new ways to enable growing collections. CARE Executive Director Bob Peoples noted about the subcommittee's work, "We know this will be a bigger challenge and cost more, but is important as the program continues to expand. We hope to have many new ideas ready for implementation by year-end as we continue to monitor market dynamics."

[Read more about the COVID-19 Action Plan here.](#)

Q2 Program Results: Holding On in Face of COVID

CARE has released California Stewardship Program results for Q2 2020. Despite the major impact of COVID-19 in Q2, the overall recycling rate held at 19.8%, essentially flat from Q1's 19.9%. Calculation of the recycling rate is driven by both recycled output and sales of new carpet. Sales of new carpet were down to 14.4 million square yards – a historic low. This follows an already weaker than expected Q1. Both recycled output and sales were down approximately 16%.



CARE Executive Director Bob Peoples noted “While the recycled output is a significant drop, it is actually better than expected given the economic shutdown in key markets. According to CARE’s forecast, it looks like Q3 will show the beginning of a slow recovery. In addition, one major capacity project is expected to come online.”

See the [full presentation here](#).

Wildfire Update

Our hearts go out to those who have been injured and/or displaced by the current series of wildfires across our beautiful state. Drop-off sites are advised that CARE may choose to postpone a scheduled container swap service if the environment is not deemed safe.

CARE drop-off sites are unable to accept any post-consumer carpet material that has experienced fire damage, including smoke or water contamination. This material should be sent to landfill since it cannot be recycled.

Floor Focus Features Howard Sapper

Carpet retailer and industry activist Howard Sapper of Commerce, CA's [Carpet Manufacturers Warehouse](#) is featured in the August/September issue of [Floor Focus magazine](#). Sapper describes his approach to the family business founded by his great grandfather in 1918 (pictured: Al and Howard Sapper, photo courtesy the [Commerce Connection](#)).

A long-time advocate for carpet recycling, Howard Sapper is currently a member of the [California Carpet Stewardship Program Advisory Committee](#). Carpet Manufacturers Warehouse's website [has a page](#) that urges potential customers to ask about carpet recycling, and hosts a container on-site where installers leave carpet and pad for recycling. Sapper notes, "It benefits the installers because they don't have to go to landfill, and we have moved several million pounds to recycling since we started."



Sapper reviews the industry's progress:

"In the past 10 years, the carpet recycling industry has been maturing in the state. When the State of California passed AB 2398, mandating recycling of carpeting, the infrastructure was not in place. Retailers had to look hard to find a direct benefit to the recycling of carpet. Now, as the recycling industry is hungry for more end-of-life carpet, retailers who have not yet started to divert carpet should be looking into it. Costs for collection can now save retailers money over landfilling end-of-life carpet, and CARE is actively looking to grow collection efforts in the state to meet the growing demands of the recycling industry. CARE and the California Team have done an excellent job navigating the program from its inception to today. Carpet recycling is good for the environment, good for the landfill, good for your consumers, and now it's good for your pocketbook."

When COVID hit, Sapper described how they applied to the City of Commerce to stay open:

"Fortunately, we do a lot of business with property management and home sales. Howard submitted his request to stay open on these grounds, also outlining the safety protocols the business would follow during the outbreak. The City came out to check that his story was true and that his protocols were in place, and then gave him the green light."

Read more: <https://floorfocus.mydigitalpublication.com/publication/?m=62450&i=670307&p=80>

CARE Staff Profile: Abbie Beane

Grant Manager Abbie Beane has worked with CARE since 2015 on all aspects of the [Grants program](#). She designs and promotes the different grant cycles, manages grantee selection, oversees grantee activities and reporting and manages contracts and reporting. Abbie also helps with market development and collection outreach. She got into the sustainability field through working with the Product Stewardship Institute. Additional experience include working with the Offset Project (focusing on commercial/residential waste diversion and zero waste initiatives for special events) and Carmel River Watershed Conservancy, along with volunteering with Monterey County Food Bank.

Abbie worked as a sorter in the college recycling facility during her undergrad days and notes, "I've always had a passion for environmental conservation and for waste diversion in particular. This is the reason for my deep



interest in how products are designed and how innovative programs can lessen end-of-life impacts. Working with the California Carpet Stewardship Program team has given me the opportunity to be a part of increasing the current and future sustainability of this product.”

CARE Executive Director Bob Peoples said, “We are truly grateful to have Abbie on our team. Not only is she highly competent, but she is a pleasure to work with day in and day out. We have heard this from many of our recyclers.”

Spare time? What a concept. In addition to juggling her kids and work, Abbie is passionate about being outdoors and goes trail running as often as she can. A former sports and news reporter, she still avidly follows Boston area sports teams. Go Bruins!

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October 2020
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Grant Case Study Highlights Win/Win for Haulers and Retailers

A new grant [case study video](#) highlights how Moto's Transportation, an established hauling and transport company in the Sacramento area, used a CARE grant to expand its services to retailers and increase the amount of carpet collected for recycling. The \$150,000 CARE capital grant funded the purchase of 12 trailers to place at local retailers, along with two trucks to haul carpet for processing at a local recycler.



Trailers dedicated for carpet collection make source separation easier while providing retailers with cost savings from the expense of sending carpet to landfill. Moto's was able to grow from servicing ten retail customers to 30 in less than a year and collected over 7 million pounds of additional carpet for recycling in the first half of 2020.

Retailers and other for-profit entities are eligible to apply for CARE grants. See the [Grants page](#) for details.

Capital Grant Opportunity Announced

CARE is re-releasing approximately \$500,000 to award to projects for [Round 2 of Capital Improvement Grants Cycle 4A](#) (2020-21). CARE has allocated \$2 million total to award to projects throughout Cycle 4A (2020-21). Round 1 of 4A grants has been awarded — see [Grantee Announcement](#).

Projects must increase the additional quantity (pounds) of California generated post-consumer carpet collected, reused, recycled and/or utilized in the manufacturing of

recycled products during the grant term.

Grantees must achieve project completion by December 31, 2021. CARE will give preference to projects that can prove project impact promptly in 2021 and have a track record of operational success. Individual projects may apply for up to \$250,000 in Cycle 4A funds.

[See the Round 2 solicitation here.](#)

[See all past CARE grant awardees here.](#)

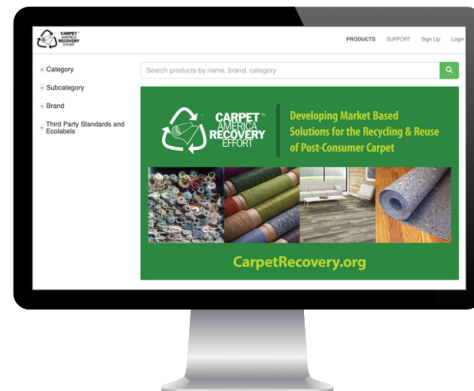
Advisory Committee Member Appointed

Jen Jackson, Toxics Reduction and Healthy Ecosystems Program Manager for the San Francisco Department of the Environment, has been appointed to the Carpet Stewardship Program Advisory Committee. The Committee provides comments and recommendations to the carpet stewardship organization (CARE) and CalRecycle based on its review of drafts of carpet stewardship plans, plan amendments and annual reports.

[Learn more here.](#)

CARE Promotes Procurement of Recycled Carpet Products

Carpet is being recycled into multiple products and product lines for the construction, maintenance and landscaping industries. To encourage adoption of these products, CARE has been working with ecomedes, a platform and website that enable the discovery, comparison, documentation and performance analysis of over 700,000 sustainable building products. In addition to a CARE-branded landing page (see right) for recycled carpet products on ecomedes, these products are also listed on the [main ecomedes database](#), where project managers can search for products, identify their green certifications and add them to their project portfolios.



Visit the [CARE ecomedes page here.](#)

CARE on the (Virtual) Road

During COVID, the CARE California team has been staying home and staying safe while working to increase carpet recycling across the state. Recent virtual presentations include:

Program Director Jacy Bolden provided an overview presentation to Waste Management's Sustainability Services team leadership on recycling and waste diversion opportunities via CARE's no-cost carpet recycling program in August. In addition, Jacy Bolden and Market Development Manager Rob Thiess have presented to hard surface flooring companies, such as LL Flooring, on savings opportunities via carpet recycling available to their flooring installation partners.

Rob Thiess will present on the procurement of products containing post-consumer carpet to the State Agency Government Employee (SAGE) group of CalRecycle later this month.

Senior Associate Lisa Mekis has switched from in-person to online training of apprentice flooring installers of International Unions of Painters and Allied Trades (IUPAT) District 16. Lisa's sessions include the correct preparation of carpet for recycling and how and where to take it. She has reached over 100 installers so far this year.

Need video suggestions? Check out the [CARE YouTube channel](#) for carpet recycling public service announcements, installer instruction videos and grant case studies.

[CarpetRecovery.org/CA](https://www.CarpetRecovery.org/CA)

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November 2020
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CARE Welcomes New Drop-Off Sites

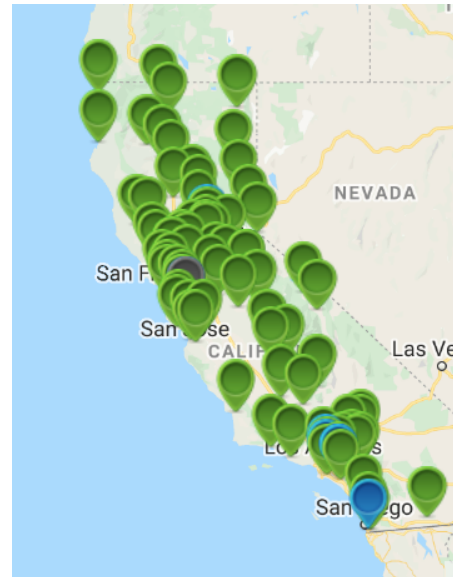
As part of our efforts to increase carpet collection for recycling across the state, CARE is pleased to announce three new carpet recycling drop-off sites:

- [CR&R Environmental Services](#), Colton, San Bernardino County
- [CR&R Environmental Services](#), Phelan, San Bernardino County
- [Neal Road Recycling and Waste Facility \(NRRWF\)](#), Paradise, Butte County

There are currently **82 CARE-supported public drop-off sites in the state, serving 53 counties.**

CARE supports drop-off sites by providing at no cost:

- A container for collection,
- Third-party hauling to bring carpet material to recyclers,
- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.



To see find the CARE-sponsored drop-off site closest you, visit the [drop-off site map here](#). If there is a location that you feel would be helpful for you and other flooring professionals near you, please [email CARE](#) with facility (e.g., supply house, landfill, transfer station, recycling facility) name and location. A CARE staff person will call you to discuss your volume, learn more about flooring professionals' needs in your area and work toward finding a solution.

In addition to public drop-off sites, CARE works with the recyclers who operate more than 160 private network collection sites around the state.

Retailer Reminder: Are You in Compliance?

Retailers are required by law to charge the current carpet assessment of 35 cents per square yard to all customers in the state. CalRecycle periodically visits retailers to check current practices. To ensure compliance:

- All invoices must have the assessment clearly and correctly labeled as a separate line item. See the approved [labels on the CalRecycle website](#).
- Retailers must purchase carpet from carpet manufacturers in compliance with the carpet stewardship law. See the [list on the CalRecycle website](#).
- Retailers must retain records for three fiscal years.

Please see the [Retailer Compliance section](#) on the CARE website for details.

Kern County Drop-Off Site Promotes Carpet Services

CARE drop-off site Kern Valley Transfer Station alerted local press that they accept carpet and the [Kern Valley Sun published the information](#). The article includes rates charged:

“Residential customers will not be charged a recycling fee. Commercial entities will be charged \$45 per ton of carpet with a 50% discount if source-separated.”

All CARE drop-off sites are encouraged to promote their services by:

- Listing carpet acceptance details on their website,
- Announcing carpet recycling via social media and
- Alerting local media that carpet is now accepted for recycling.

CARE provides [press and social media content](#) for sites to customize. For any specialized promotion or questions, please [email CARE](#) – we are happy to support our drop-off site partners in their carpet recycling promotion efforts.

Quiet-Tech Recycling Receives NSF EPD

CARE member [Quiet-Tech Recycling](#) has completed its NSF International Environmental Product Declaration (EPD) following a four-month application process that included a complete life cycle analysis. Quiet-Tech’s acoustic insulation batts are made from 35% recycled carpet from California, along with 45% recycled clothing fibers and 10% PET binder fiber. The product is widely used in both commercial and residential settings.

Quiet-Tech President Sean Ragiel told how the product got started: “The whole impetus began in 2013, when we created an insulation that can use any form of broadloom carpet. Being ‘fiber agnostic’

means that we can take any type of carpet fibers and incorporate it into our products, thus eliminating the need for sorting, which saves time and expense.”

Embodied carbon is coming more into focus as a vital metric as the construction industry reacts to pressure to reduce climate impact. The EPD allows Quiet-Tech to be listed in the [Embodied Carbon in Construction \(EC3\) calculator](#), which uses third party-verified data to compare the carbon intensity of available materials that meet required specifications.

EPDs may help building projects qualify for points through the LEED v4 in criteria for the Materials and Resources (MR) category and the International Green Construction Code. EPDs are also increasingly required in international markets for consumer and commercial products.

The detailed EPD for Quiet-Tech can be viewed here: <http://info.nsf.org/Certified/Sustain/ProdCert/EPD10446.pdf>.



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CARE COVID Action Plan Extends Industry Support into 2021

CARE's COVID-19 Action Plan, designed to help California carpet recyclers through the difficult pandemic period, has been extended through March 31, 2021. The plan updates include:

- The early subsidy payment options currently set to expire will be continued through March 2021
- The additional 2 cents/pound temporary subsidy for collections will be continued through March 2021.
- The enhanced temporary Tier 1 and Tier 2 subsidies enacted in March 2020 will be continued through March 2021.

CARE continues to evaluate the pandemic impacts and review the COVID Action Plan on an on-going basis.

Dramatic Difference

The COVID-19 impact on both sales of new flooring as well as the carpet recycling community has been significant. According to direct feedback from a stakeholder, CARE's COVID Action Plan "made a dramatic difference for all of us in the carpet recycling community. The industry stood on the precipice of imploding. The immediate and measured proactive initiatives undertaken by CARE...were not mere handouts, but tactical financial assistance measures that served to ensure market stability."

CARE enacted the [original measures in March](#) to support recycling businesses and to ensure continued success of the California Carpet Stewardship Program. The Action Plan has been a factor in the positive momentum seen in Q3 2020 (see next article.)

Q3 Results Show Industry's Resilience

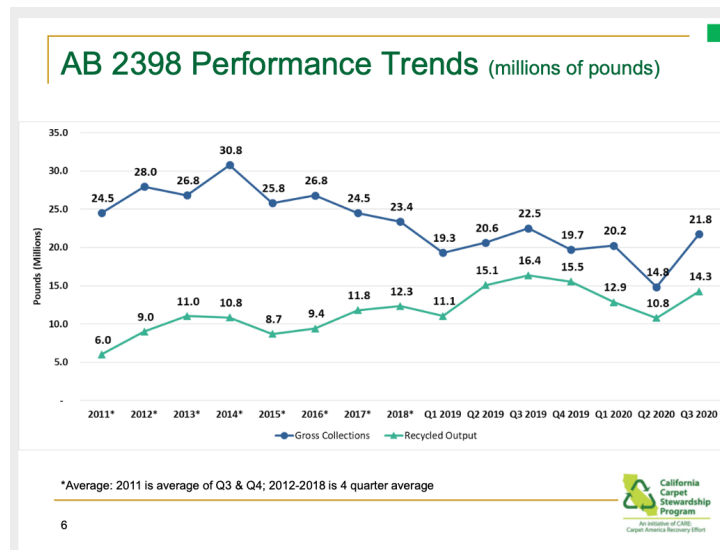
Despite the economic and operational disruptions caused by the pandemic,

California's carpet recycling rate rebounded to 20.5% in Q3 2020, up from 19.8% in the second quarter, according to CARE's latest quarterly update for the California Carpet Stewardship Program. Residential carpet sales were up versus Q2, while commercial carpet sales lagged as employees worked from home and major projects were postponed.

The Program in Q3 saw:

- 21.8 Million pounds of carpet collected (+31% vs. Q2)
- 14.3 Million pounds of recycled output (+32% vs. Q2)
- \$5.27 Million in subsidy payouts

[View the complete presentation here.](#)



Planet Recycling Acquired by Aquafil

In an important advance for carpet recycling in California and beyond, [Aquafil Group](#) has acquired Planet Recycling. Planet Recycling diverts over 10,000 tons of post-consumer carpet and carpet pad from Phoenix Valley and San Diego County landfills each year. The company's collection facilities will enhance the availability of used carpet material for the Aquafil carpet recycling facility in Phoenix and will also create a stable quantity of nylon waste to be supplied to its regeneration plant in Slovenia.

Giulio Bonazzi, Aquafil Group President and Chief Executive Officer, noted, "The integration of Planet Recycling is a big component of the company's long-term strategy and will ultimately increase the use of recycled carpet materials by Aquafil customers across the globe to create new sustainably made products."

"We are thrilled to continue our journey to build a circular supply chain with a company that has also invested in solutions to help preserve our planet for the last several decades," said Rachel Palopoli, part of the family that founded and operates Planet Recycling. Palopoli will direct the new Aquafil Carpet Recycling collection point to increase used carpet collection in Arizona and California.

[Read more here.](#)

New Head of CalRecycle Appointed

Rachel Wagoner has been appointed Director of [CalRecycle](#). Wagoner has served as Deputy Legislative Secretary in the Office of the Governor since 2019. She was Chief Consultant for the California State Senate Committee on Environmental Quality from 2009 to 2018, Research Director at the University of Illinois, Chicago School of Public Health

from 2008 to 2009 and an Advisor at the Department of Environment for the City of Chicago in 2008. This position requires California Senate approval.

Staff Profile: Rob Thiess

Product & Market Development Manager Rob Thiess joined CARE in 2019. Rob works with processors and manufacturers to grow and promote the number of products made from recycled post-consumer carpet. He also assists with CARE's convenient collection efforts.

With expertise in chemistry and industrial minerals, from 2009-2013 Rob was EVP of The Carpet Recyclers, which was named CARE's Recycler of the Year in 2012. The Carpet Recyclers recycled millions of pounds of post-consumer carpet and opened doors for the technology that is used today. In his work, Rob has recycled millions of tons of various waste streams, including wastewater sludges, precious metal-bearing filter cakes, foundry silica sand, aluminum oxides, calcium sulfites and ferrous metals. As the North American Sales Manager for KMI Group, Rob utilized PCC materials generated in California for compounding high-performance polyamide pellets used in a variety of automotive applications.



Born and raised in California, Rob is an avid photographer, car enthusiast, skater, surfer and one-wheeler who loves to be outdoors. He enjoys gardening, cooking and taking care of his three cats and is most proud of his success in raising his two healthy and successful children, Kaleb 23 and Kaitlyn, 19.



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10.8.6 Program Support

For Immediate Release



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 Bob Peoples, Executive Director, CARE
BPeoples@CarpetRecovery.org
 Phone: 706-428-2127

California's Carpet Recycling Rate Soars Annual Report Also Shows Progress in Yield and Technological Advances

Dalton, GA -- At a time of immense strain on recycling efforts across the country, carpet recycling in California saw significant progress in 2019, according to the just-released [California Carpet Stewardship Program 2019 Annual Report](#). While California's overall materials recycling rate has been on the decline since 2014, the state's carpet recycling rate is up 58% in the same period. In addition, CARE's prompt and multi-faceted COVID-19 Action Plan has provided critical support to the industry as it faces the economic and operational challenges of 2020.

According to the California Carpet Stewardship Program's 2019 Annual Report:

- The overall 2019 California recycling rate was 19%, up 27% from 2018. The national carpet recycling rate was 5%.
- 82 million pounds of post-consumer carpet was collected before it could go to landfill.
- 58 million pounds of recycled output was produced (up 18% from 2018).
- Over 70% of all carpet collected was recycled, up from 53% in 2018.

The 70% recycling rate, or yield, has grown significantly over the life of the program due to investments in product testing and processing capacity, growth in markets for post-consumer carpet materials and various technological advances.

Through subsidies, grants and technical assistance, CARE supports increased collection and processing of carpet into products containing recycled carpet material. [Twenty-five vendors currently incorporate carpet in 77 products](#) for the automotive, construction and other industries.

CARE Executive Director Bob Peoples notes, "2019 was a banner year for the carpet recycling industry in California. Rising recycling rates, exciting technological innovations such as chemical recycling, growing markets and improved efficiency led to our most optimistic outlook in years. We are facing the challenges of 2020 with new determination and see encouraging signs. We actually did better in the second quarter – during maximum shelter-in-place orders – and now believe we are moving in the right direction for the second half of 2020. Feedback from the recycling community indicates the COVID-19 Action Plan has made a major difference in cash flow and their ability to continue to operate."

Extensive COVID-19 Action Plan Preserves Recyclers

Beginning in March 2020, CARE's oversight committee approved a series of emergency actions to support and assist the California carpet recycling industry as effects of the pandemic threatened the industry's survival. Actions included extraordinary payments to

recyclers in March and June, along with increased subsidy payments to recyclers, an accelerated payment schedule and relaxed reporting and proposed loan payment requirements. A total of \$1.6 million has been provided to 15 recyclers, easing the pressure and allowing businesses to focus core efforts around collection and processing.

Download the [2019 California Carpet Stewardship Program Annual Report here](#).

About Carpet America Recovery Effort (CARE)


California is the only state with a product stewardship law for carpet. The California Carpet Stewardship Program – a project of CARE – has seen significant progress in encouraging recycling of old carpet into useful new products.

CARE is a voluntary, non-profit organization dedicated to increasing the landfill diversion, reuse, and recycling of waste carpet through market-based solutions that benefit the economy as well as the environment.

Since 2002, CARE members have diverted more than 5.6 billion pounds of carpet from landfills in the United States and promoted the use and development of products containing materials derived from carpet. CARE members include independent carpet recyclers, carpet manufacturers, dealers, retailers and suppliers and non-governmental organizations. For more information about CARE, visit www.CarpetRecovery.org.

###

Carpet America Recovery Effort | CarpetRecovery.org [View as Webpage](#)

Connect with us:


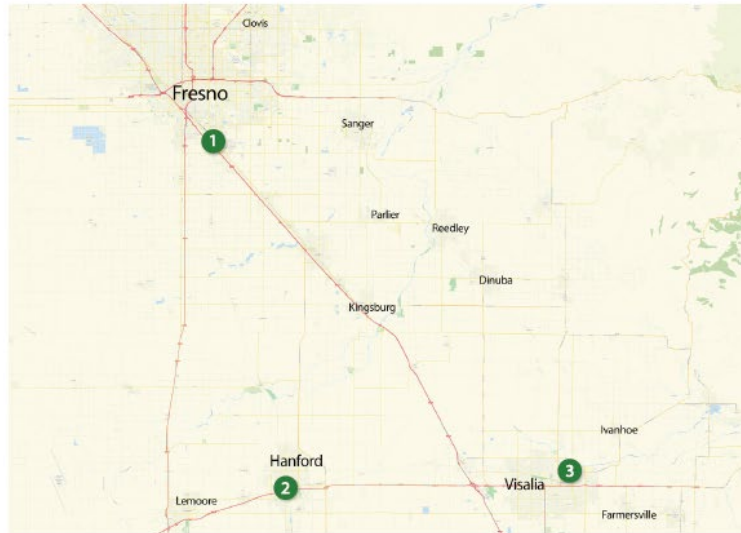
10.8.7 Regional Approach

Fresno Area

Recycle Carpet in the Greater Fresno Area!

The sites below accept carpet for recycling in the Greater Fresno Area.

- 1 West Coast Waste**
3077 S Golden State Frontage Rd
Fresno
559-497-5320
- 2 Robinson's Interiors, Inc.**
230 N 11th Ave
Hanford
559-582-2610
- 3 Franeys Carpet One Floor & Home**
525 N Liberty St
Visalia
559-733-9990



To see hours and rates, visit CarpetRecovery.org/CA. 06-20

Is Your Carpet Ready for Recycling?

- STEP 1:** Keep it dry.
- STEP 2:** Keep it free of debris. Remove tack strips, nails, trash and dirt.
- STEP 3:** Prepare the carpet.
 - ✓ Cut carpet into manageable sections
 - ✓ Separate carpet from pad
 - ✓ Roll carpet
 - ✓ Roll, stack or fold carpet pad
 - ✓ Stack carpet tile
- STEP 4:** Drop off carpet for recycling!
See map on reverse for locations.



Watch our video (English and Spanish versions) to learn how to prepare carpet and where to take it. Thank you!

CarpetRecovery.org/CA-Installers

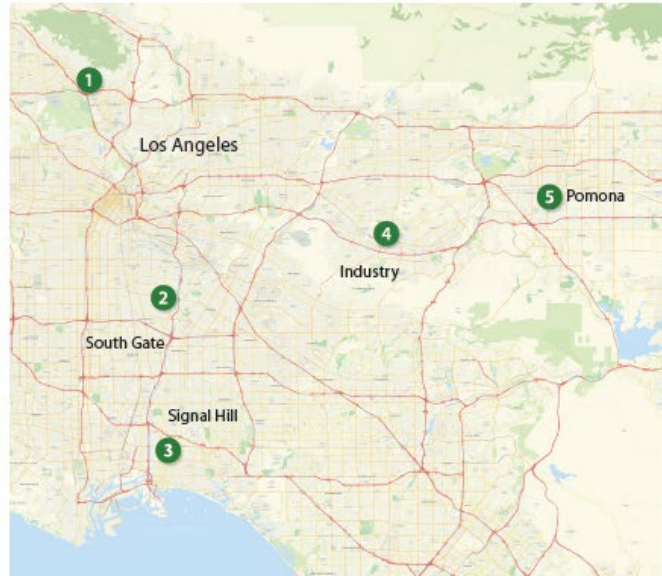


Los Angeles Area

Recycle Carpet in Los Angeles County!

The sites below accept carpet for recycling in Los Angeles County.

- 1 **American Reclamation**
4560 Doran St, Los Angeles
818-552-4068
- 2 **Construction & Demolition Recycling, Inc.**
9309 Rayo Ave, South Gate
323-357-6900
- 3 **EDCO Recycling & Transfer Signal Hill**
2755 California Ave, Signal Hill
562-997-1122
- 4 **Grand Central Recycling & Transfer Station, Inc.**
999 S. Hatcher Ave, Industry
626-855-5538
- 5 **Pomona Valley Transfer Station**
1371 East 9th St, Pomona
909-643-2225



To see hours and rates, visit CarpetRecovery.org/CA. 06-20

Is Your Carpet Ready for Recycling?

- STEP 1:** Keep it dry.
- STEP 2:** Keep it free of debris. Remove tack strips, nails, trash and dirt.
- STEP 3:** Prepare the carpet.
 - ✓ Cut carpet into manageable sections
 - ✓ Separate carpet from pad
 - ✓ Roll carpet
 - ✓ Roll, stack or fold carpet pad
 - ✓ Stack carpet tile
- STEP 4:** Drop off carpet for recycling!
See map on reverse for locations.



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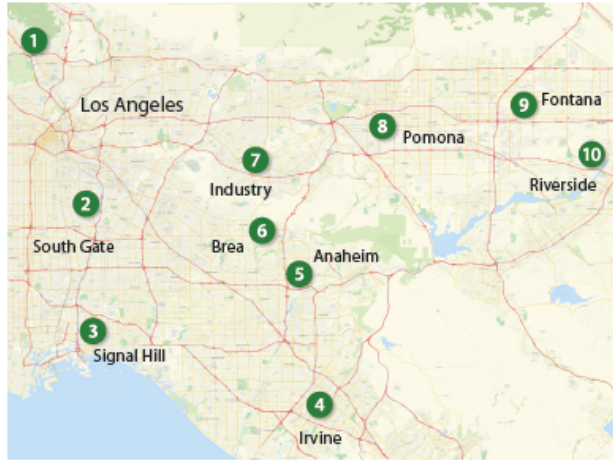
CarpetRecovery.org/CA-Installers



Recycle Carpet in the Greater Los Angeles Area!

The sites below accept carpet for recycling in the Greater Los Angeles Area.

- | | |
|--|---|
| <p>1 American Reclamation
4560 Doran St
Los Angeles
818-552-4068</p> <p>2 Construction & Demolition Recycling, Inc.
9309 Rayo Ave
South Gate
323-357-6900</p> <p>3 EDCO Recycling & Transfer Signal Hill
2755 California Ave
Signal Hill
562-997-1122</p> <p>4 Sunset Transfer Station
16122 Construction Cir West
Irvine
949-654-1562</p> | <p>5 Republic Services
2740 E Coronado St
Anaheim
714-238-3344</p> <p>6 Upstream Textiles
281 N Puente St
Brea
714-728-7233
<i>Call for appointment and carpet/
carpet tile recycling requirements.</i></p> <p>7 Grand Central Recycling & Transfer Station, Inc.
999 S. Hatcher Ave
Industry
626-855-5538</p> <p>8 Pomona Valley Transfer Station
1371 East 9th St
Pomona
909-643-2225</p> |
|--|---|



- | | |
|---|---|
| <p>9 West Valley MRF and Transfer Station
13373 Napa St
Fontana
909-899-5501</p> | <p>10 Robert A. Nelson Transfer Station/Agua Mansa MRF
1830 Agua Mansa Rd
Riverside
951-786-0544</p> |
|---|---|

To see hours and rates, visit CarpetRecovery.org/CA. 06-20

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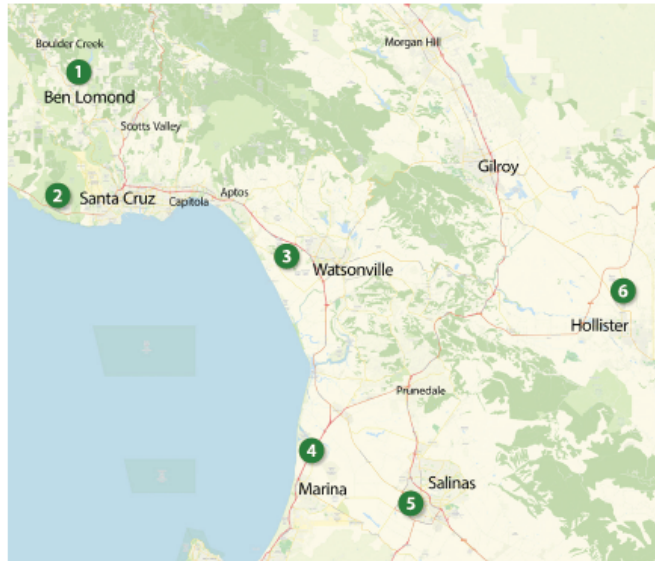
CarpetRecovery.org/CA-Installers

Monterey Bay Area

Recycle Carpet in the Monterey Bay Area!

The sites below accept carpet for recycling in the Greater Monterey Area.

- | | |
|---|--|
| <p>1 Ben Lomond Transfer Station
9835 Newell Creek Rd
Ben Lomond
831-336-3951</p> <p>2 City of Santa Cruz Resource Recovery Facility
605 Dimeo Ln
Santa Cruz
831-420-6270</p> <p>3 Bueno Vista Landfill-Santa Cruz County
1231 Buena Vista Dr
Watsonville
831-454-5153</p> | <p>4 Monterey Regional Waste Management District
14201 Del Monte Blvd
Marina
831-264-6373</p> <p>5 Sun Street Transfer Station
139 Sun St
Salinas
831-424-5535</p> <p>6 RJR Recycling
1771 San Felipe Rd
Hollister
831-636-7756</p> |
|---|--|



To see hours and rates, visit CarpetRecovery.org/CA. 06-20

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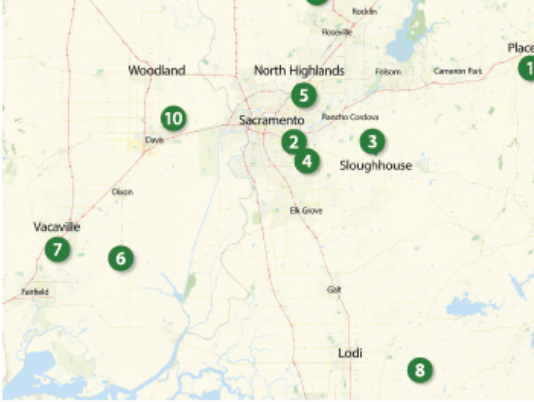
CarpetRecovery.org/CA-Installers



Sacramento Area

Recycle Carpet in the Greater Sacramento Area!

The sites below accept carpet for recycling in the Greater Sacramento Area.

- | | | |
|--|---|--|
| <p>1 El Dorado Disposal/
Waste Connections
4100 Throwita Way
Placerville
530-295-2808</p> <p>2 Florin Perkins
Public Disposal
4201 Florin Perkins Rd.
Sacramento
916-443-5120</p> <p>3 Kiefer Landfill
12701 Kiefer Blvd.
Sloughhouse
916-875-5555</p> <p>4 L&D Landfill
8635 Fruitridge Rd.
Sacramento
916-383-9420</p> | <p>5 North Area
Recovery Station
4450 Roseville Rd.
North Highlands
916-876-9446</p> <p>6 Recology Hay Road
6426 Hay Rd.
Vacaville
707-678-4718</p> <p>7 Recology Vacaville
Solano Recycling Facility
855 1/2 Davis St.
Vacaville
707-448-2945</p> <p>8 North County
Recycling Center
17720 East Harney Ln.
Lodi
209-887-3868</p> |  <p>9 Western Placer Waste
Management Authority
3195 Athens Ave.
Lincoln
916-543-3960</p> <p>10 Yolo County
Central Landfill
44090 County Rd. 28H
Woodland
Tel. 530-666-8727</p> |
|--|---|--|

To see hours and rates, visit CarpetRecovery.org/CA. 05-20

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CarpetRecovery.org/CA-Installers



Sacramento Area Billboards



CarpetRecovery.org/Sac



CarpetRecovery.org/Sac



CarpetRecovery.org/Sac





**Sacramento
Recycles
Carpet
with CARE**

CarpetRecovery.org/Sac

 **California Carpet
Stewardship Program**
An initiative of CARE, Carpet America Recovery Effort

Promoting Carpet Recycling – Sacramento Area Online & Print Ads in Sacramento Bee

Ad Run: 10/25/20 - 11/19/20

The screenshot shows the homepage of The Sacramento Bee. At the top, there is a navigation bar with 'THE SACRAMENTO BEE' logo, 'IMPACT2020' tag, and a 'SUBSCRIBE' button. Below the navigation, there are several news articles and a sponsored content ad.

Sponsored Content Ad:
 Title: Why High Potassium Can Be a Serious Risk
 By: ASTRAZENECA
 Date: OCTOBER 26, 2020 10:30 AM

News Article 1:
 Category: EQUITY LAB
 Title: Pandemic continues to impact unevenly across Sacramento region, COVID-19 poll finds
 Updated: 20 MINUTES AGO

News Article 2:
 Category: LOCAL
 Title: Citing safety threats, UC Davis Chinese researcher asks to be moved to new housing
 Updated: 1 HOUR 57 MINUTES AGO

News Article 3:
 Category: RESTAURANT NEWS & REVIEWS
 Title: The votes are in: Readers say this taco truck makes the best burrito in Sacramento
 Date: OCTOBER 26, 2020 12:06 PM

Carpet Recycling Ad:
 Title: Removing Old Carpet? Ask to Recycle It!
 Text: If you are replacing carpet, please ask your flooring retailer or installer to recycle it!
 Logo: California Carpet Stewardship Program
 URL: CarpetRecovery.org/SAC

The footer section contains several columns of links and information:

- Take Us With You:** Real-time updates and all local stories you want right in the palm of your hand. Includes links for 'THE SACRAMENTO BEE APP' and 'VIEW NEWSLETTERS'.
- SUBSCRIPTIONS:** Start a Subscription, Customer Service, eEdition, Vacation Hold, Pay Your Bill.
- LEARN MORE:** About Us, Contact Us, Newsletters, News in Education, Photo Store, Archives.
- ADVERTISING:** Place a Classified Ad, Legal Notices, Place a Digital Ad, Place a Newspaper Ad.

Sacramento Bee Full-Page Ad and E-Tear Sheet

THURSDAY, OCTOBER 25, 2018
THE SACRAMENTO BEE

Sacramento
**Recycles
Carpet**
with CARE



Used wall-to-wall carpet can be recycled if clean and dry. If you are replacing carpet, please ask your flooring retailer or installer to recycle it!

REMOVING OLD CARPET? Ask to Recycle It!

Retailers, Installers, Carpet Collectors and Manufacturers are working together, making carpet recycling happen in the Greater Sacramento Area.



The sites below accept carpet for recycling.

For up-to-date listings, hours and rates, visit CarpetRecovery.org/CA.

<ul style="list-style-type: none"> 1 Florin Perkins Public Disposal 4201 Florin Perkins Road, Sacramento 2 Land D Landfill 8635 Fruitridge Rd, Sacramento 3 Kiefer Landfill 12701 Kiefer Blvd, Sloughhouse 4 North Area Recovery Station (NARS) 4450 Roseville Road, North Highlands 5 Yolo County Central Landfill 44090 County Road 28H, Woodland 6 Recology Vacaville Solano Recycling Facility 855 1/2 Davis St, Vacaville 7 Recology Hay Road 6426 Hay Rd, Vacaville 	<ul style="list-style-type: none"> 8 North County Recycling Center 17720 East Harney Lane, Lodi 9 El Dorado Disposal/Waste Connections 4100 Throwita Way, Placerville 10 Western Placer Waste Management Authority 3195 Athens Ave, Lincoln 11 Circular Polymers 3390 Venture Dr, Lincoln, CA
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Map key:

- CARE Drop-off Location
- Recycler Servicing Large Retailers/Installers

Thanks to Circular Polymers in Lincoln, where locally-collected carpet is being recycled into useful new products.



California Carpet Stewardship Program
An initiative of CCA's Carpet America Recovery effort

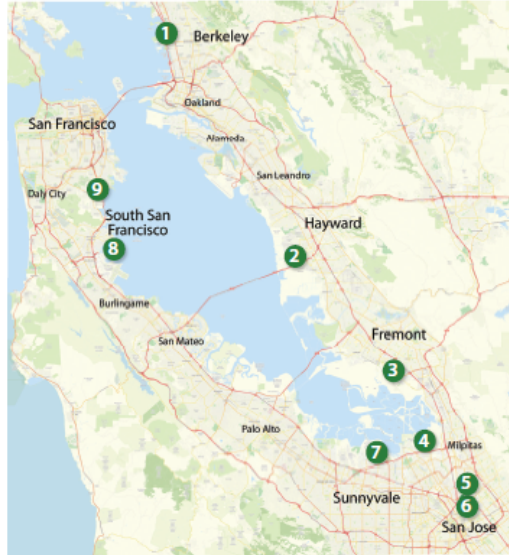
Learn more: CarpetRecovery.org/Sac

San Francisco Bay Area

Recycle Carpet in the San Francisco Bay Area!

Sites that accept carpet for recycling in the San Francisco Bay Area:

- | | |
|---|---|
| <p>1 City of Berkeley Transfer Station
1201 Second St, Berkeley
510-981-7270</p> <p>2 Hayward Transfer Station
3458 Enterprise Ave, Hayward
510-606-1548</p> <p>3 Fremont Recycling & Transfer Station
41149 Boyce Rd, Fremont
510-252-0500</p> <p>4 Zanker Recycling
675 Los Esteros Rd, San Jose
408-938-4958</p> <p>5 GreenWaste Recovery
625 Charles St, San Jose
408-938-4958</p> | <p>6 GreenWaste Carpet Recycling
1201 North 15th St, San Jose
408-938-4958</p> <p>7 Bay Counties SMaRT Station
301 Carl Rd, Sunnyvale
408-752-8530</p> <p>8 Blue Line Transfer, Inc.
500 E Jamie Ct, South San Francisco
650-589-5511</p> <p>9 Recology San Francisco Transfer Station
501 Tunnel Ave, San Francisco
415-330-1400</p> |
|---|---|



For hours and rates, visit CarpetRecovery.org/CA

01-20

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CarpetRecovery.org/CA-Installers

Carpet Recycling Presentation to Local Government/Haulers in San Francisco Bay Area Region

Local government agencies are vital partners for disseminating information on carpet recycling to retailers, transfer stations and the general public. The California Carpet Stewardship Program can provide you with information and resources to empower you to communicate with your constituents with a goal of increasing carpet recycling in your area.



Carpet Recycling in California: Challenges & Opportunities

October 2020

10.8.8 Retailer Outreach

Promoting Carpet Recycling in *Floor Focus Magazine* September through November 2020

centers. But it was really the dotcom culture that brought concrete as a finished material to the attention of designers, who were drawn to it as an authentic architectural element. This year, about three quarters of surveyed designers report

that they regularly use finished concrete in their projects, about the same percentage as the last few years. And on average it makes up about 15% of their finished floorspace.

■ FINISHED CONCRETE

The use of concrete as a finished floor has become much more prominent over the last decade in the commercial built environment, from utilitarian applications in the retail sector like home centers and large chains to more sophisticated, high-design applications in the corporate and education sectors.

This year's responses suggest that use of concrete remains fairly steady. For instance, 76% of respondents reported using finished concrete in their projects, compared to 79% last year and 72% in 2018. And among those 76%, it accounted for 15.5% of total flooring square footage this year, down from 17.2% in 2019 but up from 14.5% in 2018. And nearly 25% report not using concrete at all, up marginally from about 20% last year. Also, 11% of respondents report that concrete accounts for at least 50% of their flooring square footage, about the same as last year.

Overall, 36% of respondents say concrete use is increasing and 18% say it's decreasing, compared to 35% and 13%, respectively.

ON SPECIFYING GREEN

The greening of commercial buildings has been largely driven by the A&D community, which continues to provide the vision, ever evolving, that informs everything from construction materials to interior finishes, flooring included. As such, the flooring industry is always working toward meeting the demands of the design firms, though not always at a pace that they require. This year, 72% of designers say they're satisfied in terms of green flooring products available on the market, compared to 73% last year, 78% in 2018 and 82% in 2017—suggesting the gap may be widening between what designers want and what flooring producers are offering.

Also, 67% of surveyed designers say they need better information on the environmental profile of flooring products, and this number has been trending up—from 55% last year, 52% in 2018 and 40% in 2017. It looks like designers aren't getting what they want from manufacturers in terms of clarity and transparency. The lack of meaningful standardization so that specifiers can easily compare the green profiles of products seems to be the biggest issue.

Designers praised several firms for their green products and

The world is changing...and **CARE's California Carpet Stewardship Program** is supporting our vital recycling industry.



- **Our COVID-19 Action Plan** has provided over \$1.6 million in critical support.
- **Demand** for recycled carpet feedstock is up.
- **It's a team effort:** Retailers, installers, collectors, processors, manufacturers and government working together.
- **CARE grants** support infrastructure, product testing and improved collection.

71% of carpet collected in California is recycled.

CarpetRecovery.org/CA



California Carpet Stewardship Program
An initiative of CARE Carpet America Recovery Effort




CARPET RECOVERY

Want to know more? Contact us:
CA@CarpetRecovery.org

CARE COVID-19 Retailer Survey

Survey sent to carpet retailers to determine impact of COVID pandemic on carpet retailers, with an eye to predicting feedstock quantities going to recyclers.

California Carpet Stewardship Program
COVID-19 Retailer Survey



California Carpet Stewardship Program
An initiative of CARE: Carpet America Recovery Effort

Dear Flooring Retailer:

At this difficult time, CARE is working to understand the impact of the COVID pandemic on the carpet recycling industry. **Your responses to our brief (10 question) survey will be very helpful** and will allow recyclers to plan for their recycling volumes.

Please click the link:

[Take the survey: https://www.surveymonkey.com/r/9JXHC26](https://www.surveymonkey.com/r/9JXHC26)

If you would like to know more about CARE's recent work with carpet retailers, see our [Spring 2020 flyer here](#).

Thank you and be well!

Bob Peoples, Executive Director
Carpet America Recovery Effort

Please check [our website](#) and [follow us on Twitter](#) for the latest news and announcements.

STAY CONNECTED:

[Follow us on twitter](#)

CARPET **RECYCLING** IN CALIFORNIA

SPRING/SUMMER 2020

WHAT'S INSIDE

P2: CARE Supports 78 Drop-Off Sites Across the State

P2: New Law Will Require Differential Assessment Amounts

P3: Installer Outreach

P3: Educating Consumers

P3: Recycling Rate Grows

P4: Program Expansion in 2020

P4: More Products are Using Recycled Carpet Material

P4: CARE Grants Support Recyclers and Product Development

Building on Success

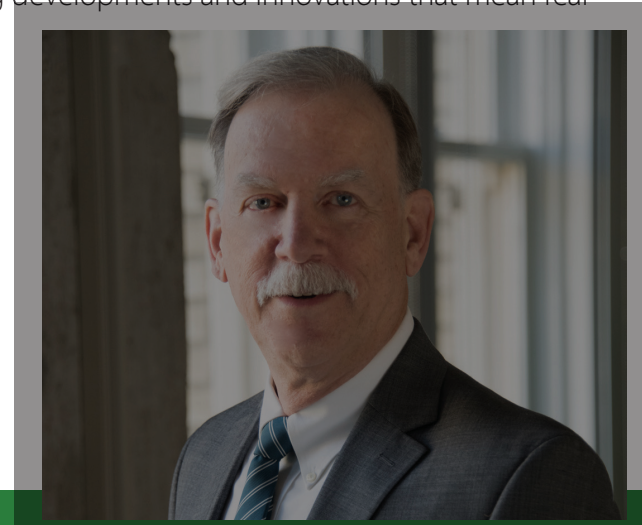
Greetings from Carpet America Recovery Effort. As you know, CARE is the independent non-profit stewardship organization responsible for facilitating carpet recycling throughout the state of California.

As we start the next decade amid social and economic challenges, CARE would like to bring you some of the highlights of 2019. We have worked with retailers, installers, manufacturers, processors and local government to increase the amount of carpet collected, kept out of landfill and made into useful new products. There have been exciting developments and innovations that mean real progress for carpet recycling in California.

If you do not already receive the California Program's monthly e-news, please email CA@CarpetRecovery.org to subscribe. With your help we look forward to more progress in 2020.



Bob Peoples – Executive Director, CARE



Who Is CARE?

Carpet America Recovery Effort (CARE) is an independent carpet industry organization whose mission is to advance market-based solutions that increase landfill diversion and reuse and recycling of post-consumer carpet, and that encourage design for recyclability. CARE administers the California Carpet Stewardship Program, which is charged with meeting the requirements for carpet recycling set by California law and managed by CalRecycle.



No Assessment Increase in 2020

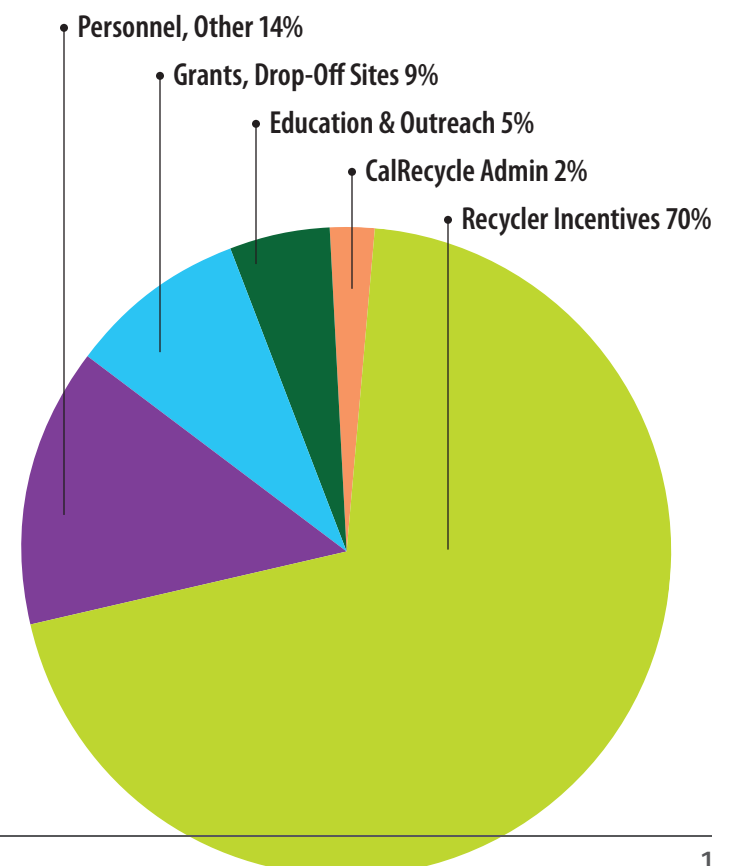
CalRecycle has approved CARE's California 2018-22 Five-Year Plan. The major headline for retailers: there are no plans to increase the carpet assessment — currently 35 cents per square yard — in 2020. CARE's 5-year plan (2018-2022) currently projects that the \$0.35 per square yard amount will not increase before 2022.

How is the Assessment Used?

The California carpet assessment is paid by consumers when purchasing new carpet, as required by law AB 2398. CARE is working to comply with all legal requirements, which include:

- Payment of subsidies to recyclers to enable continuous and meaningful improvement in landfill diversion via carpet collection, recycling and the manufacture of recycled-content products
- Public outreach and education
- Convenient drop-off locations for flooring professionals and contractors, most offering discounted rates

In 2018 almost 85% of assessment funds went directly to these program efforts, including subsidies, grants, marketing/outreach and the drop-off site program.



CONTINUED ON PAGE 2

CARE Supports 78 Drop-Off Sites Across the State

The number of CARE-supported carpet drop-off sites has grown to 78 sites in 52 of the state's 58 counties. CARE brought on 82% more sites in 2019 vs. 2018 to enhance convenience and collect even more carpet and is working to bring on more.

CARE supports drop-off sites by providing:

- A container for collection,
- Third-party hauling to bring carpet material to recyclers,
- Promotional materials for local government and the hosting facility and
- Technical assistance from CARE staff.

To find a drop-off site near you with the most up-to-date listing, hours and rates, visit CarpetRecovery.org/CA.

CARE's carpet collection partners provide convenient on-site collection service to over 150 large volume tear-out carpet generators throughout the state.

To request information for large volume on-site service or recommend that a solid waste/recycling facility near you becomes a CARE Drop-off Site, email CA@CarpetRecovery.org.

If you would like print copies of the drop-off site map, please email CA@CarpetRecovery.org.

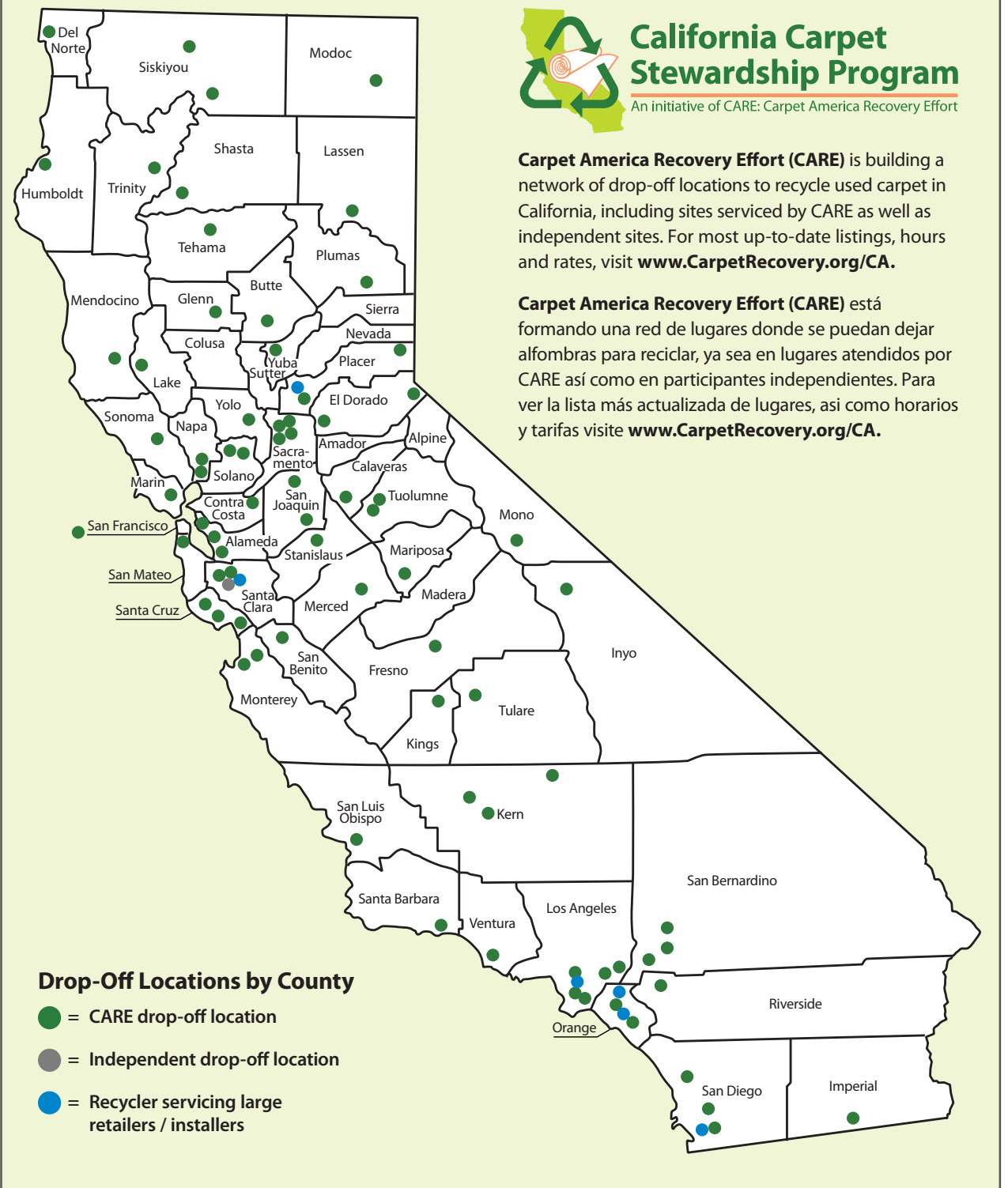


@CarpetRecycle



California Carpet Stewardship Program

Carpet Recycling Drop-Off Locations
Lugares donde llevar alfombras para reciclar



CONTINUED FROM COVER

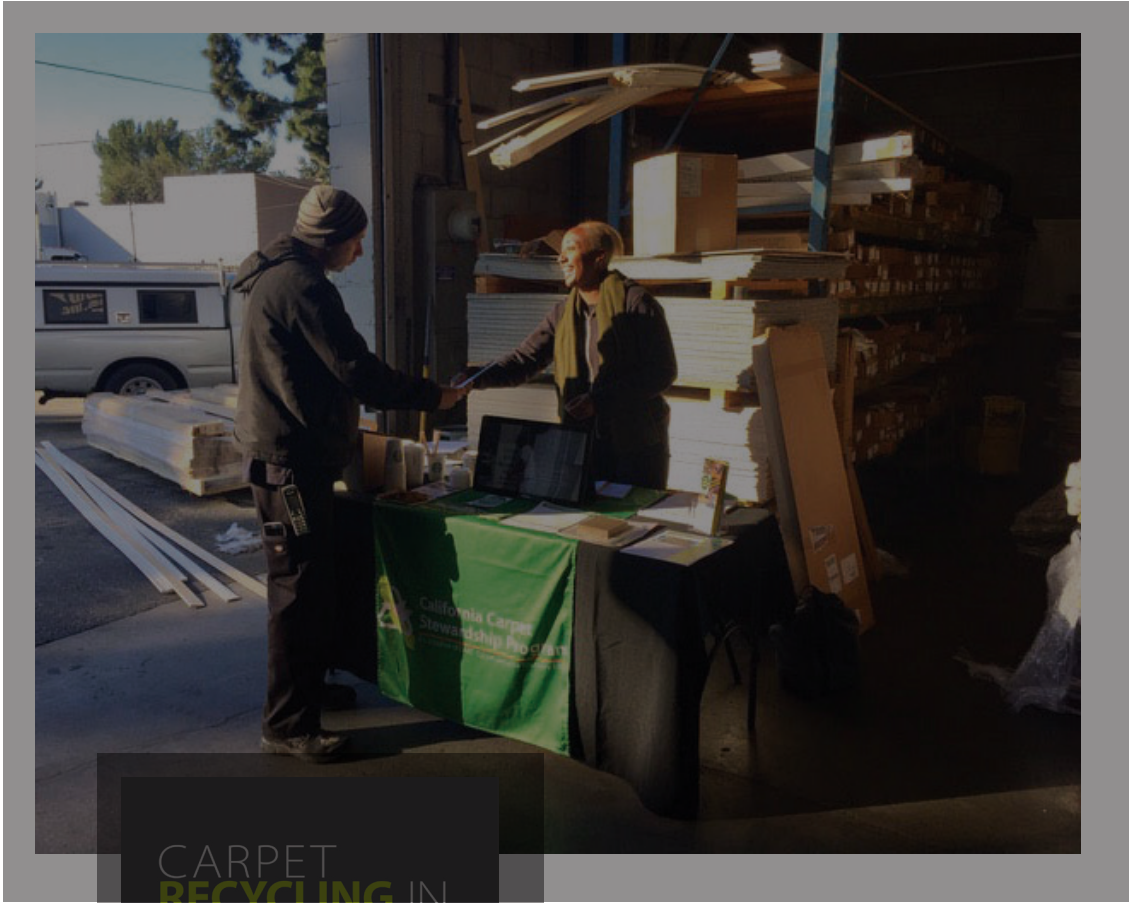
New Law Will Require Differential Assessment Amounts

A new law, AB 729, requires CARE to define and implement differential assessments, that is, an assessment rate that takes into account the financial burden a particular carpet material has on the stewardship program and the amount of post-consumer recycled content in a particular carpet. We will be working on a plan for implementing this law and will be communicating with retailers as this moves forward. Please participate with CARE and share your ideas, issues and concerns on this concept. CARE will be connecting with you soon. Be sure to sign up for our e-news to stay up to date on developments.

Installer Outreach

CARE talked with 1,400 California installers in 2019, informing them of recycling options and drop-off site locations. In normal times, our outreach team visits flooring supply houses and retailers, meeting carpet installers to talk about how to prepare and take carpet for recycling. As we figure out how to operate under the “new normal,” we will do our best to reach out via phone and email and be responsive to your feedback and information requests.

A video explaining carpet recycling geared to installers can be viewed on the CARE website at CarpetRecovery.org/CA-Installers.

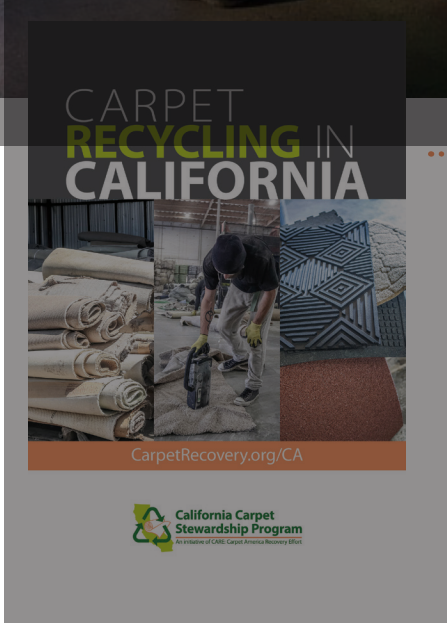


The CARE team visits supply houses and retailers to talk to installers about carpet recycling.

Educating Consumers

In April 2019, CARE partnered with product stewardship groups PaintCare, Mattress Recycling Council and Call2Recycle to create a four-page insert on how to recycle old paint, mattresses, batteries and carpet, in English and Spanish versions. Some 2.5 million copies of the insert were distributed in 25 newspapers around California as part of Earth Month.

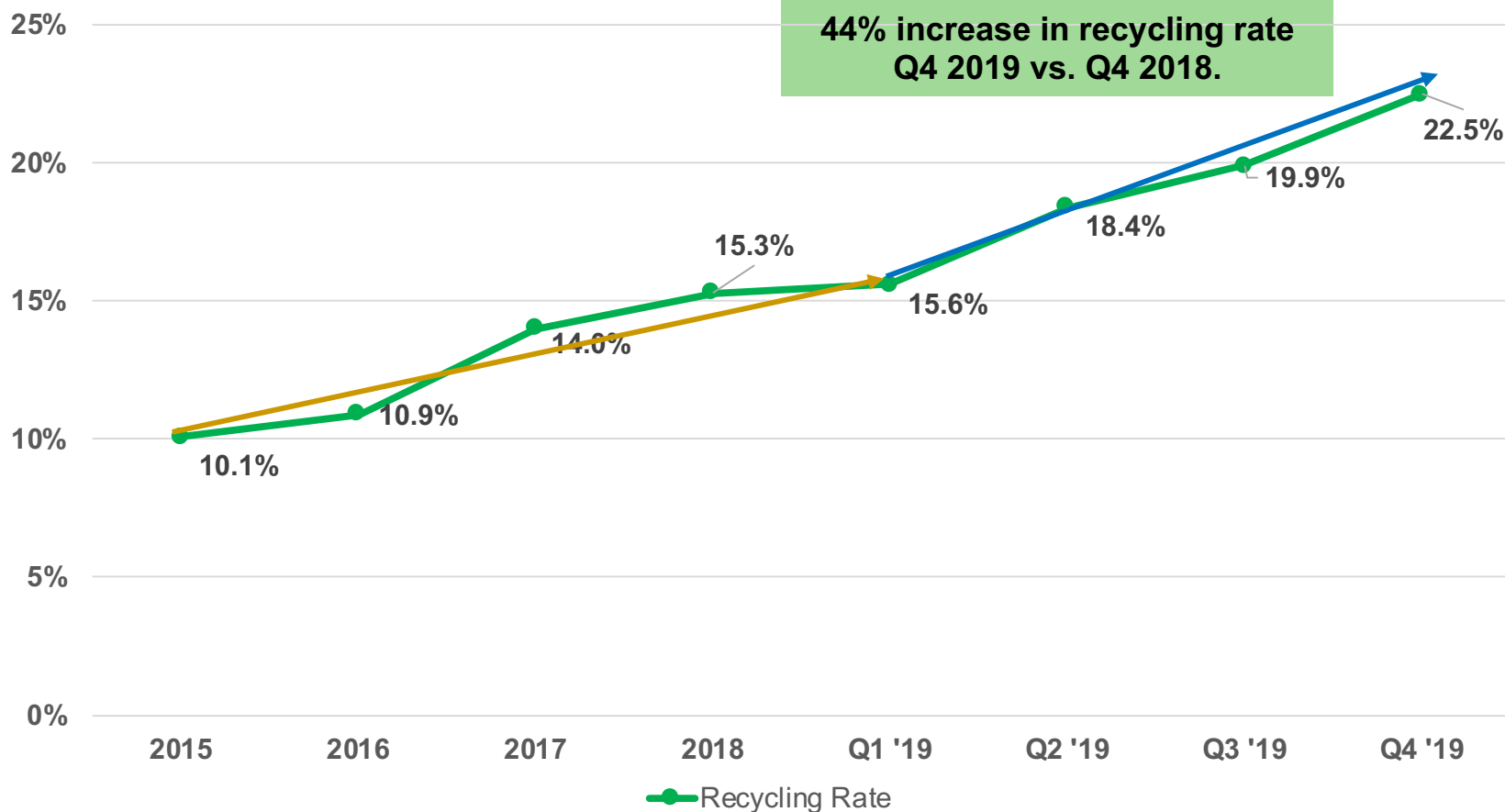
CARE offers a brochure (pictured right) for retailers and members of the public that explains the carpet assessment to consumers. To order, email CA@CarpetRecovery.org.



Recycling Rate Grows

A primary requirement of the California carpet recycling law is to increase the percent of carpet kept out of landfill and recycled into new products. CARE’s market and product development efforts have grown steadily over the years, supporting the program in reaching an all-time high recycling rate of 22.5% for Q4 2019 — a 44% increase over Q4 2018. Strong growth and ever expanding collection opportunities are underway as we work toward our goal of reaching 26% by the end of 2020.

Carpet Recycling Trends



Carpet Collection Program Expansion in 2020 — How Can We Help You Recycle?

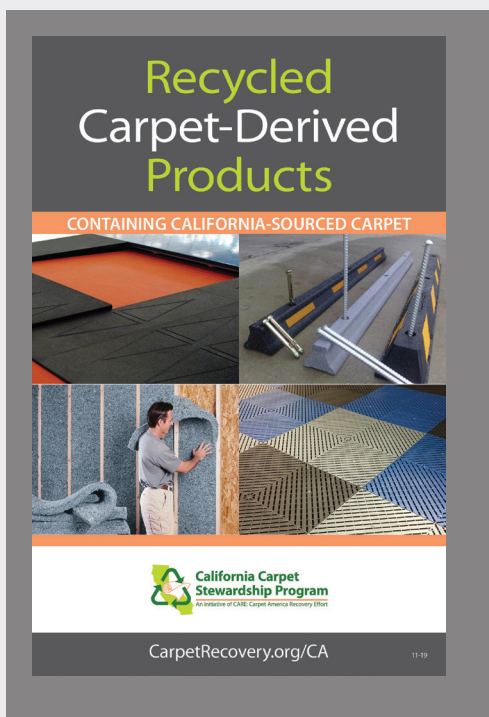
After many years of building and developing markets for recycled products made from recycled carpet, demand for used carpet is now growing and CARE is supporting an aggressive expansion of collection programs and services.

Already recycling your tear-out carpet? Thank you for all your efforts! For retailers and installers not yet recycling, your options for recycling may include:

- Self-Haul: Asking your installers to take old carpet to a CARE drop-off site.
- On-Site Service: Contracting with one of our carpet collectors, or your local hauler, to place a collection container for carpet at your business.

Most retailers find that by recycling their carpet they can realize an average savings of 20% or more on their landfill disposal costs. If you are not yet sending your carpet for recycling, or have a suggestion for a convenient collection site near you, email CA@CarpetRecovery.org and tell us how we can help you start recycling in 2020. Please drop us an email today!

Some recyclers offer covered containers to collect carpet for recycling at retail stores.



More Products are Using Recycled Carpet Material

A large percentage of assessment funds go to support businesses that collect and process tear-out carpet into fiber and pellets, and to the companies who then use those materials to create new products such as insulation, carpet pad, new carpet fiber, even car parts.

In an effort to increase demand for post-consumer carpet products, we are working with manufacturers to encourage them to include carpet material in their products to prevent carpet from going to landfill. Our new catalog of carpet-derived products showcases the variety of uses for recycled carpet. See www.CarpetRecovery.org/Products to see currently available products made with recycled carpet material, or email CA@CarpetRecovery.org to request a copy of the catalog. Procurement officers are encouraged to visit www.Ecomedes.com to find sustainable products.

Watch CARE on YouTube at [Youtube.com/c/CarpetAmericaRecoveryEffort](https://www.youtube.com/c/CarpetAmericaRecoveryEffort)

CARE Grants Support Recyclers and Product Development

In 2019, CARE made grants totaling \$1.6 million, including \$58,000 in micro grants to four organizations this year and \$1.565 million in capital improvement grants to six companies for a total of \$1,623,000. The California program expects to award up to \$3 million in grants in 2020.

Funded by the assessment paid by California consumers when buying carpet, the grants create new collection opportunities, processing facilities and product manufacturing to recycle carpet in California.

Learn more at CarpetRecovery.org/CA-Grants.



CARE grants fund improvements to drop-off sites to keep carpet clean and dry for recycling.



To ensure compliance with the assessment adjustment and to avoid civil penalties, CARE recommends that retailers take action on the following:

1. As of January 1, 2019, customer invoices must include the \$0.35 per square yard assessment.

Please note that CalRecycle requires the invoice label to follow a precise protocol. The assessment must be clearly visible on invoices or functionally equivalent billing documents as a separate line item and shall be accompanied by a brief description of the assessment or a label approved by the Department.

Below are the only CalRecycle approved labels:

- California Carpet Stewardship Assessment
- CA Carpet Stewardship Assessment
- CA Crpt Stewardship Assessment
- CA Crpt Stwdshp Asmt
- CA Carpet Assessment

For additional information regarding labeling, visit: www.CalRecycle.ca.gov/Carpet/ApprovLabels.

For a detailed explanation on how to calculate the Assessment, as well as examples for a variety of invoices, visit: www.CarpetRecovery.org/CA-retailers.

2. The scope of AB 2398 includes all carpet and carpet tile sold into California.

The Carpet Stewardship Assessment must be included on all carpet and carpet tile sold and/or shipped into California.

This includes:

- Manufactured carpet that is used in commercial and residential buildings (indoor/outdoor included)
- Commercial and residential broadloom carpet or modular carpet tiles
- Carpet does NOT include rug, pad, cushion or underlayment
- Carpet does NOT include synthetic turf

3. You are required to purchase carpet only from carpet manufacturers in compliance with AB 2398.

The California Department of Resources, Recycling and Recovery (CalRecycle) posts a notice on its website CalRecycle.ca.gov/Carpet/MfrBrands listing manufacturers that are in compliance with AB 2398. The wholesaler and retailer that distributes or sells carpet shall monitor this website. If you do not see your manufacturer on the list, please contact your manufacturer, CalRecycle or CARE.

Please recall there are civil penalties for non-compliance of \$1,000/day or up to \$10,000/day if the violation is intentional, knowing or negligent.

4. Exemptions

The law covers all carpet sold and/or shipped into the state of California. If you sell carpet to someone whose ship-to address is outside of the state of California, or outside of the United States, for example, the sale shall not include the California Carpet Stewardship Assessment. Please send the exemption form to your carpet manufacturer when completed. For a copy of the exemption form, please go to the CARE website, CarpetRecovery.org/CA-retailers.

5. Retain Records for Three Fiscal Years

Retailers must retain the following records for sales of carpet into California for a period of three fiscal years:

1. Manufacturer of the Carpet
2. Date(s) the retailer ordered or purchased the carpet from the manufacturer
3. Date(s) the retailer sold or offered the carpet for promotional purposes
4. Retailer Invoice(s) or functionally equivalent billing documents showing California Carpet Stewardship Assessment
5. Certification Letter(s) from the department if provided by a manufacturer to demonstrate that carpet from the manufacturer is or was subject to a Department-approved stewardship plan.

Remember: Effective January 1, 2019, all carpet sold and/or shipped in California is required to be assessed at \$0.35 per square yard at the point of sale.

10.8.9 Blog Posts

Blog posts in 2020 are located on the Program’s website, and samples are shown below.

CARE CA Program Q3 2020 Results Show Resilience

December 11, 2020

Despite the economic and operational disruptions caused by the pandemic, California’s carpet recycling rate rebounded to 20.5% in Q3 2020, up from 19.8% in the second quarter, according to CARE’s latest quarterly update for the California Carpet Stewardship Program. Residential carpet sales were up versus Q2, while commercial carpet sales lagged as employees worked from home and major projects were postponed.

The Program in Q3 saw:

- 21.8 Million pounds of carpet collected (+31% vs. Q2)
- 14.3 Million pounds of recycled output (+32% vs. Q2))
- \$5.27 Million in subsidy payouts.

Dramatic Difference

CARE continues to evaluate the pandemic impacts and review the Covid Action Plan on an on-going basis. The COVID-19 impact on both sales of new flooring as well as the carpet recycling community has been significant. According to direct feedback from a stakeholder, CARE’s COVID Action Plan “made a dramatic difference for all of us in the carpet recycling community. The industry stood on the precipice of imploding. The immediate and measured proactive initiatives undertaken by CARE... were not mere handouts, but tactical financial assistance measures that served to ensure market stability.”

View the complete presentation here:



CARE Grant Case Study: Moto's Transportation

September 24, 2020

Project Description



Large retailers, generating post-consumer carpet, can benefit from an on-site container specifically for carpet and pad recycling. Moto's Transportation, an established hauling/transport company in the Sacramento area, created an avenue for local retailers to dispose of post-consumer carpet, generating an additional capacity to their services. The CARE capital grant funded the purchase of 12 trailers to place at local retailers and two trucks to haul carpet for processing at a local recycler.

Location: Greater Sacramento

Timeline: June 30, 2019 – September 30, 2020

CARE Grant Amount: \$150,000

Challenges

The COVID-19 pandemic led to a slowdown in demand as some retailers temporarily closed or saw declines in business.

Project Benefits and Outcome

The volume of carpet collected increased significantly and quickly. By Q1 2020, 3.67 million additional pounds of carpet was collected and 3.59 million pounds in Q2 2020.



Nelson Moto of CARE grantee Moto's Transportation

California Carpet Stewardship Program Results, Q2 2020: Holding On in Face of COVID

September 14, 2020

CARE has released California Stewardship Program results for Q2 2020. Despite the major impact of COVID-19 in Q2, the overall recycling rate held at 19.8%, essentially flat from Q1's 19.9%. Calculation of the recycling rate is driven by both recycled output and sales of new carpet. Sales of new carpet were down to 14.4M square yards – an historic low. This follows an already weaker than expected Q1. Both recycled output and sales were down approximately 16%.

CARE Executive Director Bob Peoples noted "While the recycled output is a significant drop, it is actually better than expected, given the economic shutdown in key markets. According to CARE's forecast, it looks like Q3 will show the beginning of a slow recovery. In addition, one major capacity project is expected to come online."



[California Carpet Stewardship Program Q2 2020 Results](#) from [Carpet America Recovery Effort](#)

Recycling Progress: CARE California Program 2019 Annual Report

September 9, 2020

At a time of immense strain on recycling efforts across the country, carpet recycling in California saw significant progress in 2019, according to the just-released **California Carpet**

Stewardship Program 2019 Annual Report. While the overall California

materials recycling rate has been on the decline since 2014, the California carpet recycling rate is up 58% in the same

period. In addition, CARE's prompt and

multi-faceted COVID-19 Action Plan has provided critical support to the industry as it faces the economic and operational challenges of 2020.

According to the California Carpet Stewardship Program's 2019 Annual Report:

- The overall 2019 California recycling rate was 19%, up 27% over 2018. The national carpet recycling rate was 5%.
- 82 million pounds of post-consumer carpet was collected before it could go to landfill.
- 58 million pounds of recycled output was produced (up 18% from 2018).
- Over 70% of all carpet collected was recycled, up from 53% in 2018.

The 70% recycling rate, or yield, has grown significantly over the life of the program due to investments in product testing and processing capacity, growth in markets for post-consumer carpet materials and various technological advances.

Through subsidies, grants and technical assistance, CARE supports increased collection and processing of carpet into products containing recycled carpet material. **Twenty-five vendors currently incorporate carpet in 77 products** for the automotive, construction and other industries.



CA Wildfires: Carpet Recycling Transport Service Announcement

August 24, 2020

Our hearts go out to those who have been injured and/or displaced by the current stream of Wildfires across our beautiful state. We are keeping a close eye on the areas impacted by evacuation zones as well as in the direct paths of fire. We are grateful for the efforts of all firefighters and response crews battling these blazes and wish them a safe return to their families.

Our partners and their respective communities are a vital part of our program and their safety and well-being is of the utmost importance to us.

As a result of closely monitoring fire/weather/evacuation routes, we may choose to postpone a scheduled container swap service if the environment is not deemed safe. This may include a danger present at the site itself, or to reduce the amount of traffic congestion in a designated evacuation area.

As these areas begin to recover and fire remediation processes begin, we'd like to remind all of our Drop Off Sites that **we are unable to accept any post-consumer carpet material that has experienced fire damage including smoke contamination.** This material should be sent to landfill and not included in CARE collection units.

We appreciate your understanding and will do all we can to support our sites during these trying times.

Most importantly, stay safe.

Your CARE California Team

Capital and Testing Grantees Announced

August 12, 2020

September 2020 Update

CARE's California Carpet Stewardship Program has awarded two additional Capital Improvement Grants under Cycle 4A, and three Micro Grants for Collection and Reuse, labeled Cycle 3M. (See previously awarded grants below.) **The Cycle 4A grants total \$334,952, and the Cycle 3M grants total \$38,234.**

The capital projects are expected to result in an additional 12 million pounds of California PCC collections through September 30, 2021 and the micro projects are expected to result in an additional 900,000 pounds of California post-consumer carpet collection through June 30, 2021.

Cycle 4A

Green Waste Carpet Recycling, San Jose, CA: Investment in equipment to expand collection of new California-sourced PCC pounds. This project includes piloting a collection strategy for small retailers (\$70,952).

Hayward Transfer Station, Hayward, CA: Investment in equipment to expand collection of new California-sourced PCC pounds (\$264,000).

Cycle 3M

916 Floors, Roseville, CA: Funds the purchase of a specialized trailer that will allow flooring contractors to source-separate PCC at job sites and haul it directly to a recycler (\$15,000).

Bay Counties SMaRT, Sunnyvale, CA: Funds the purchase of a 40-yard roll-off container with a lid for this CARE drop-off site to collect and keep PCC dry year-round for self-hauling to a recycler (\$10,234).

Quality Floor Removal, Roseville, CA: Funds the purchase of a specialized trailer that will allow flooring contractors to source-separate PCC at job sites and haul it directly to a recycler (\$13,000).

CARE may re-release grant funds for capital improvements and/or post-consumer carpet (PCC) collection projects during the fall. CARE's Cycle 3M will remain open to California-based projects, which may apply for up to \$15,000 through 2020.

California Program's Q1 Results Released

June 19, 2020

CARE opened 2020 with momentum and great anticipation for expending recycled output, new capacity coming online and new market opportunities for the California Carpet Stewardship Program. However, carpet sales were lower than expected so that the flow of used carpet to recyclers was more difficult to secure. Coupled with ongoing permit delays and the failure of PG&E to deliver on promises to supply power to a new recycling facility, recycled output was down from Q4 2019. The last few weeks of March also saw the initial impacts of the pandemic. Q1 marked the first time since 2015 that we did not see an on-going uptick in the recycling rate.

The full impact of the pandemic will be seen in Q2 and beyond. Efforts in the second quarter are focusing on continued support for recyclers and key stakeholders as they work to rebuild their capacity and move product. Given that demand for output remains strong in several sectors, and the expectation the auto sector will rebound, CARE is still optimistic 2020 will see renewed growth.

See details in the presentation below.



CARE CA Program Q1 2020 Report from Carpet America Recovery Effort

CARE Releases 2019 Annual Report

June 9, 2020

*Progress Made in Recycling Rates and Technological Advances;
Industry Faces Challenges in 2020 from COVID-19 and Economic
Recession*

Carpet America Recovery Effort (CARE) has released its **2019 Annual Report** detailing the industry's progress despite growing headwinds in 2020. In 2019 CARE administered a \$35 million operational budget, comprising core operations to serve its members, along with the Voluntary Product Stewardship Program (VPS) and the California Carpet Stewardship Program. Progress in 2019 included:



VPS Program Highlights

- More than \$2 million was paid in VPS subsidies in 2019.
- Total gross U.S. collections were 335 million pounds, up from 281 million pounds in 2018.
- 98% of the post-consumer carpet collected was processed in the United States.

California Carpet Stewardship Program Highlights

- 82.1 million pounds of post-consumer carpet was collected before it could go to landfill.
- 58 million pounds of recycled output was produced (up 18% from the 49.3 million pounds recycled in 2018).
- The overall 2019 California recycling rate was 19.1%, up 25% versus 2018.

Positive news in 2019 included new members joining the recycling effort, new technology introduced, and new products being developed and brought to market. Of particular note is the advance of chemical recycling and the volume of recycled material it could command once fully implemented. As CARE Executive Director Bob Peoples noted: "Progress was strong in 2019, and there was optimism for the first time in a long time for carpet recycling."

CRI Statement on VPS Program

April 24, 2020



Statement from CRI President Joe Yarbrough on Termination of Voluntary Product Stewardship Program

April 23, 2020 – Funded by CRI members, the Carpet America Recovery Effort (CARE) Voluntary Product Stewardship (VPS) program was created in 2014 as a voluntary, nationwide program to help fund sorters and recyclers that divert post-consumer carpet from landfills.

As dynamics rapidly evolve with the significant economic impacts brought about by COVID-19, CRI has made the difficult decision to terminate funding of the VPS program on June 30, 2020. A \$2.5 million cap has been placed on the program to encompass funds paid from January 1, 2020 through the June 30 termination date.

The **CARE VPS program** was originally intended to be a one-year incentive to help maintain the financial viability of carpet recycling during a critical period when market pricing alone (due to oil pricing and other economic headwinds) would not have likely allowed most recyclers and sorters to operate. We were fortunate that through continued funding by CRI's carpet industry members that the program was able to continue for four and a half years with \$15.5 million paid directly to recyclers.

CRI and its members greatly value the critical role that sorters and recyclers play in making carpet recycling possible and appreciate the challenges these business owners are also facing during these unprecedented times. Earlier this month, VPS paid a one-time bonus to program participants based upon their average monthly pay-out over the past 12 months as we all prepared for the unknown impacts of COVID-19.

CRI members remain confident about the future of our industry, and will consider reinstating some programs in the future. This is a necessary and prudent step we must take in the short-term.

###

Pandemic Response Action Plan for California Carpet Recyclers

March 31, 2020

CARE Unveils Ambitious Action Plan to Support California Carpet Recyclers Affected by COVID-19 Pandemic

Industry Facing Unprecedented Challenges; Immediate Help Needed

UPDATES:

Update 3: December 2020

CARE's Sustainable Plan Committee has updated the Plan:

1. The early subsidy payment options currently set to expire will be continued through March 2021
2. The additional 2 cents/pound temporary subsidy for collections will be continued through March 2021.
3. The enhanced temporary Tier 1 and Tier 2 subsidies enacted in March will be continued through March 2021.

CARE continues to evaluate the pandemic impacts and review the Covid Action Plan on an on-going basis. The COVID-19 impact on both sales of new flooring as well as the carpet recycling community has been significant. According to direct feedback from a stakeholder, **CARE's COVID Action Plan "made a dramatic difference for all of us in the carpet recycling community.** The industry stood on the precipice of imploding. The immediate and measured proactive initiatives undertaken by CARE... were not mere handouts, but tactical financial assistance measures that served to ensure market stability."

COVID Action Plan Update Sent to CalRecycle, December 15, 2020

Update 2: September 2020

CARE's Sustainable Plan Committee has taken the following additional steps to extend and support the carpet recycling industry during the pandemic:

1. The early subsidy payment options currently set to expire will be continued through the end of 2020.
2. The additional 2 cent/lb. subsidy for collections currently set to expire will be continued through the end of 2020.
3. A subcommittee of the Sustainable Plan Committee has been formed to look at new ways to enable growing collections. CARE Executive Director Bob Peoples notes about the subcommittee's work: "We know this will be bigger challenge and cost more, but is important as the program continues to expand. We hope to have many new ideas ready for implementation by year-end as we continue to monitor market dynamics.

Update 1: August 2020

Since the pandemic was first recognized, CARE has acted swiftly and decisively to take actions in support of recycling businesses and to ensure continued success of the program. CARE has continued to track developments associated with the pandemic and its impact on the carpet recycling community as well as the larger economy. Several factors have resulted in significant drops in the price of both virgin and post-industrial polymers, which are the primary competition for PCC materials.

In an effort to maintain competitiveness against these declines, CARE has instituted additional short-term, special COVID-19 related adjustments to some of the subsidies paid to recyclers for particular materials.

COVID-19 Update from CARE

March 25, 2020

CARE's concern for our staff and all stakeholders is our top priority as we all respond to the COVID-19 pandemic. We will continue our operations in accord with health best practices and encourage our community members to do the same.

Carpet Collection

Given the rapidly changing situation, please contact individual CARE drop-off sites for updates on closures or service changes. (See [National map here](#) and [California map here](#) for contact information.)

2020 Conference Canceled

In consideration of the situation, I wanted to let you know that the CARE Conference, scheduled for May 12-13 in Portland, Oregon, has been canceled. Given the impact of COVID-19 and the need for containment, this decision was not difficult. All current registrants will be contacted about complete hotel and registration fee reimbursement. We hope to consider scheduling a meeting later this fall either as the annual entrepreneur meeting or a hybrid meeting, likely in late October.

We're Here For You.

Our office staff is working from home and is available for email/phone communications. Email [Bob Peoples](#) or [Anthony Cline](#); see also the [California team staff list](#).

To our Recyclers: rest assured that CARE plans to continue the reporting and subsidy system without interruption.

We continue to closely monitor and assess this fast-changing situation. Please check our website and follow us on [Twitter](#) for the latest news and announcements.

New Flyer Highlights California Program's Progress

March 25, 2020

CARE has published a **four-page flyer** that describes the California Carpet Stewardship Program and recent progress, aimed at informing retailers. The flyer details CARE's work with retailers, installers, manufacturers, processors and local government to increase the amount of carpet collected, kept out of landfill and made into useful new products. There have been exciting developments and innovations that mean real progress for carpet recycling in California.



The Spring/Summer 2020 Highlights can be viewed [here](#).

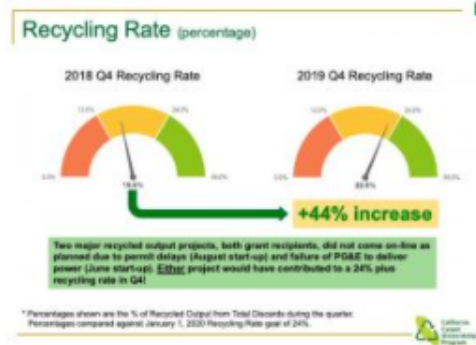
It will be mailed to all California retailers later in the year when the COVID-19 situation abates.

This is an updated version of the flyer that was originally posted in March 2020.

CARE California Carpet Stewardship Program Q4 Results: Another Record Recycling Rate

March 13, 2020

In Q4 2019, CARE reports another record quarter for the recycling rate and continues a dramatic increase in performance.



Unfortunately, two

major recycled output projects,

both CARE grant recipients, were unable to start up during 2019 due to factors beyond their control, including permit delays and failure of PG&E to deliver power. This impacted the Recycling Rate for Q4, which reached 22.5 percent, a Q4 high, but short of the 24% goal. Nevertheless, this rate represents a 44% increase over Q4 2018.

While the normal Q4 seasonal slowdown was observed and considering sales of new carpet set another new low, recycled output remained strong. In terms of collection, Q4 ended with 73 public drop-off sites, an increase of 20 sites over the end of 2018. CARE 2019 collections were up 28% over 2018, and the number of counties serviced rose by three to fifty.

Overall 2019 was a very good year in terms of growth in the recycling rate. See presentation below for details.



CARE Grants in 2019: Successfully Funding Carpet Recycling Increase

February 25, 2020

2019 was a significant year for the CARE California Carpet Stewardship Grants Program, which is designed to help boost the state's carpet recycling rate,



Aggregate crushing and screening equipment at Visions Environmental's plant in Oroville

provide additional infrastructure for the carpet recycling industry and support the creation of new products that will grow demand for carpet recycling for years to come.

The Program awarded 14 capital grants to 10 companies for recycling, manufacturing/finished product capacity and collection expansion; six testing grants to six companies for recycled product testing; and 12 micro grants to 12 post-consumer carpet (PCC) collection sites across California between 2018 and 2019 to help facilitate collection site efficiencies and convenient collection. These Cycle 2 and Cycle 3 awards totaled more than \$6 million, with more than 90 percent of funds distributed to California-based companies. Four new processors or manufacturers using California PCC (post-consumer carpet) and five new California PCC collectors came online through the grants program.

The 2018-19 capital grants program resulted in nearly 20 million new pounds of California-sourced PCC recycled output in 2019 as well as more than 2.5 million new pounds of California-sourced



Green Hive Group's AbsorbWell is one of three new products developed with the help of a CARE capital grant.

PCC used in finished products in 2019. Three new products made with California PCC resulted from the capital grants program as well as one new significant market opportunity. This new market uses PCC in Eastman's carbon renewal technology to make new materials through chemical recycling. The new products include Green Hive Group's AbsorbWell spill absorbent and SaN Pallets' end caps and pallets. The Cycle 2 product testing program also explored eight new products made with California PCC. After successful trials, Swisstrax flooring tiles and 3B Protection ballistic barriers are now listed in the [CARE Recycled Carpet-Derived Product Catalog](#).

Report on Engineering Uses of Recycled Carpet Material Released

February 25, 2020

CARE has published a report compiled by GHD, Inc. that documents testing and use of recycled PET carpet (RPC) material for civil engineering uses. Based on previous feasibility studies, the report covers two pilot studies of applications of Recycled PET Carpet: (RPC) on filtration applications and erosion control. While there were promising initial results, there were also elements of concern identified that warrant further investigation. Through ongoing research and development, CARE continues its efforts to identify potentially viable RPC uses via development of incentive plans/grant programs to promote the establishment and sustainability of new environmentally safe RPC markets.

[View RPC Report here.](#)

[View RPC Report Appendices here.](#)

10.8.10 Social Media Updates

Selected 2020 Tweets

 **CARE @CarpetRecycle** · Jan 14, 2020
Unknown

We're meeting #flooring retailers at the Mohawk 2020 Product Show in SoCal, talking about how to increase #carpet #recycling @MohawkGroup



   4  

 **CARE @CarpetRecycle** · Jan 23, 2020
Unknown

We're at the NorCal @ShawContract product show, talking to retailers and distributors about #carpet #recycling in #California.



   2  



 **CARE** @CarpetRecycle · Feb 18, 2020 ...
Unknown

We're meeting folks at the [@MohawkFlooring](#) Product Show 2020 in [#Lodi](#) today to talk about [#carpet](#) [#recycling](#)



  1  4  

 **CARE** @CarpetRecycle · Apr 16, 2020 ...
Unknown

Did you know [#carpet](#) can be [#recycled](#) in all kinds of useful new products?
Learn more: carpetrecovery.org/california/pro...



  1  4  

 **CARE @CarpetRecycle** · May 20, 2020 ...
Unknown

May News: [#COVID2019](#) update on action plan; retailer survey; [#carpet](#) drop-off sites
campaign.r20.constantcontact.com/render?m=10113...

California Carpet Stewardship Program
May 2020 Update



California Carpet Stewardship Program
An initiative of CARE: Carpet America Recovery Effort

COVID-19 Action Plan Aids California Recyclers

CARE has developed and deployed a [10-point Action Plan](#) to support and assist our carpet collectors and processors as effects of the COVID-19 pandemic threaten the industry's survival.

"The Action Plan has aided our recycling community by assisting with cash flow, reduced administrative burdens, and links to important information regarding CDC guidelines and the CARES Act," notes CARE Executive Director Bob Peoples. "Plan feedback has been very

 **CARE @CarpetRecycle** · Jun 22, 2020 ...
Unknown

Did you know [#carpet](#) can be [#recycled](#)?
Watch:



Carpet America Recovery Effort - Intro PSA
Intro to CARE and its mission of increasing carpet recycling in the U.S.
youtube.com

 **CARE @CarpetRecycle** · Aug 19, 2020 ...
 Unknown

DYK - In [#California](#) [#carpet](#) can be [#recycled](#) if prepared properly and brought to one of 80 CARE drop-off sites in the state?

Learn more: carpetrecovery.org/california/ca/



California Carpet Stewardship Program
 Carpet Recycling Drop-Off Locations / Lugares donde llevar alfombras para reciclar

California Carpet Stewardship Program
 An initiative of CARE: Carpet America Recovery Effort

Carpet America Recovery Effort (CARE) is building a network of drop-off locations to recycle used carpet in California, including sites serviced by CARE as well as independent sites. For most up-to-date listings, hours and rates visit www.CarpetRecovery.org/CA.

Carpet America Recovery Effort (CARE) está formando una red de lugares donde se puedan dejar alfombras para reciclar, ya sea en lugares atendidos por CARE así como en participantes independientes. Para ver la lista más actualizada de lugares, así como horarios y tarifas visite www.CarpetRecovery.org/CA.

  1  1  

 **CARE @CarpetRecycle** · Aug 25, 2020 ...
 Unknown

[#CAWildfires](#) Update: [#Carpet](#) [#recycling](#) container service may be disrupted by [#wildfires](#) evacuation, road closures.
 NOTE: Carpet with fire damage/smoke contamination cannot be [#recycled](#) - must go to landfill.
 Read more: carpetrecovery.org/ca-wildfires-c...



  1  1  

You Retweeted



CalRecycle @CalRecycle · Sep 19, 2020

Unknown

Recently, we've seen reports about California continuing to recycle old carpets & mattresses—keeping those materials out of landfills. We say thank you! For more info about carpet recycling & mattress recycling: buff.ly/3cbKR9z, buff.ly/35K2k7U #NationalDanceDay



2 13



CARE @CarpetRecycle · Oct 8, 2020

Unknown

DYK [#carpet](#) can be [#recycled](#) in [#California](#)?
Yes it can and it's the right thing to do.
Learn more:
carpetrecovery.org/california/ca/



Is Your Carpet Ready for Recycling?

1 1



CARE @CarpetRecycle · Oct 23, 2020

Unknown

Our outreach team is back to socially-distanced tabling to let #flooring installers know about #carpet #recycling in their area - here at @flooranddecor in #Burlingame



CARE @CarpetRecycle · Oct 28, 2020

Unknown

Thanks #Sacramento for #recycling #carpet with CARE! Our billboards salute the retailers, installers, collectors and manufacturers working together to #recycle.
carpetrecovery.org/sac-recycles/



 You Retweeted

 **Bye Bye Mattress** @byebyemattress · Nov 12, 2020 ...

Unknown

Today, we challenge you to check out this [#throwback](#) clean-up guide we did with our friends at [@WeRecyclePaint](#) [@Call2Recycle](#) and California Carpet Stewardship Program to learn how to recycle common household items. [#BBMRecyclingChallenge](#)
bit.ly/36cJwgh



  5  3  

10.9 COVID-19 Update and Action Plan

[Text was inserted into the Annual Report for document accessibility; accordingly, the formatting is somewhat different from the original document.]

March 30, 2020

Mr. Clark Williams
Branch Chief
CalRecycle
1001 I Street
Sacramento, CA 95814

Dear Clark:

The Carpet America Recovery Effort (CARE) has undertaken an analysis of the potential actions that could be taken quickly to help insure preservation of the California carpet recycling infrastructure. The following 10 actions have been reviewed and approved by the SPC and SFOC after review and discussion with CalRecycle. These actions are meant to be a high-level summary of the action plan CARE will implement over the next several weeks. We ask that the efforts be recognized for their impact and speed to deploy, thus knowing we may not immediately have all the answers but will work through any issues as the program unfolds. Cash flow considerations for the recycling community were a primary concern as the current crisis, precipitated by the COVID-19 pandemic and the plunge in oil prices, have seriously interrupted the supply chain for new carpet sales and for the flow of post-consumer carpet (PCC) materials. Additionally, 70% of all nylons flow to thermoplastic applications, a major outlet of which is the automotive sector which has been shut down as an outlet. The depth and duration of this impact is currently unknown and cannot yet be quantified.

ACTIONS CARE INTENDS TO IMPLEMENT

The following 6 actions will be taken by CARE within the authority provided it via the statute and its approved Plan:

1. Pay 80% of earned subsidies asap after initial reporting (as opposed to the normal approximately 40-45 days with the balance paid per the normal schedule) CARE will institute this initiative effective with the March payouts which are reported in April. The initiative will run for the March, April and May reporting cycles (90 days). A reassessment of market conditions will be made at that time and a decision to extend or terminate will be made.

2. Monitor retail sales to inform PCC availability to aid recyclers in planning via survey & outreach activities.
3. Add \$0.02 per pound additional temporary subsidy for collection for 90 days effective April 1 (total \$0.04 per pound) This adjustment will be in place for 90 days through the end of June at which time CARE will reevaluate market conditions and a decision to extend or terminate will be made. CARE is not increasing the current approved Plan based Collector Sorter Entrepreneur subsidy; it is providing a temporary collection incentive to address rapidly changing market conditions. The underlying subsidy that requires a 12 month notice prior to lowering is not changed.
4. CARE will issue a one-time check to each qualified recycler calculated as the average monthly subsidy received over last 12 months (this is performance based on-going participation) A recycler must have been active for at least the last 6 months to be eligible to receive this support. This is a one-time event. CARE believes this is necessary to aid cash flow to keep the recyclers in business and allow them time to develop an operational plan under the new economic pressures unfolding. CARE will still meet the level of reserve funding established in its approved Plan and estimates the onetime event will represent approximately \$1.13 million.
5. CARE will coordinate/communicate with other Product Stewardship groups Working with other groups to identify the best ideas and ways to tackle the challenges.
6. Suspend Agreed Upon Procedures (AUP) schedule for 90 days This applies to all recipients of CA subsidy payments and we are not suspending the requirement to comply with AUPs. The AUP suspension does not apply to mills. Revisit the status in 90 days to determine if a further delay is warranted.

ACTIONS CARE REQUESTS CALRECYCLE TO TAKE

- a) Designate Recycling as Essential Infrastructure and Essential Businesses CARE is formally requesting that CalRecycle support recycling as an Essential Business function to avoid Shelter in Place requirements thus allowing critical infrastructure to earn revenue and sustain operations. Note: CARE will also be issuing a letter making this same request.
- b) CARE requests CalRecycle to suspend all RMDZ loan payments (P&I) for 6 months effective as soon as practical and with no penalty or interest accrual.
- c) CARE requests CalRecycle to support action to request that utilities may not be cut off any commercial enterprise for 90 days while everyone tries figure out how

to operate in the new environment CARE believes this request may be covered under the Governor's current Executive Order but is not clear if that is limited to residential customers at this time.

- d) CARE requests CalRecycle work with Gov. Newsom's staff to stop any commercial enterprise eviction actions for 90 days while everyone tries to figure out how to function in the new environment CARE believes this request may be covered under the Governor's current Executive Order but is not clear if that is limited to residential customers at this time. (Sacramento has passed an ordinance limiting evictions for commercial for up to 90 days. Waiting to see what the state will do).

We appreciate all the hard work of the CalRecycle staff during this crisis and its understanding that immediate action is required. CARE has the knowledge and experience to guide this effort along with the funds to enable execution. We are acting to move swiftly to ensure our recycling enterprise members can weather this uncertain time and remain viable. Based on past industry experiences, failure to accomplish this mission will very likely result in loss of businesses and set carpet recycling in California back by a decade or more.

Sincerely,

Robert Peoples, Ph.D.
Executive Director, CARE

COVID ACTION PLAN IMPACT

December 15, 2020

Clark Williams, Branch Chief
CalRecycle
1001 I Street
Sacramento, CA 95814

Transmitted Electronically

Dear Clark:

CARE appreciates the opportunity to provide CalRecycle with additional information regarding impacts related to the unique business stability and continued operations security offered through our emergency Covid-19 Action Plan for California Recyclers. As we all recognize, the unforeseen duration and depth of impacts created by the pandemic has presented unparalleled challenges across all walks of life and every

business sector worldwide. Fortunately, due to the level of reserves available in the California Carpet Stewardship Program budget, CARE was able to survey, assess and swiftly take action in offering financial support to our carpet recycling stakeholders.

Upon analysis of the pending Covid impacts and related government mandates, CARE immediately recognized aggressive action was needed to support and help ensure survival of the carpet recycling infrastructure. Cash flow analysis showed that CARE had funds available, ensuring that the decision making by the Stewardship Planning Committee (SPC) and Sustainable Fund Oversight Committee (SFOC) was rapid and garnered unanimous support allowing CARE to release funds for the first Covid Action Plan Payment in early April.

CARE's Covid Action Plan was initially adopted for 90-days in mid-March, retroactive to March 1st and has subsequently been extended three times due to the extended impact of the pandemic. Thus, the actions are now effective through March 31, 2021. Immediate Action Plan adoption aided the carpet recycling community by assisting with cash flow and reduced administrative burdens while recyclers endeavored to maintain adequate raw material supply despite reduced carpet sales.

A brief recap of Covid Action Plan highlights includes the following:

- 1) **Issuance of one-time emergency cash infusion payments** to each qualified recycler, calculated on the average monthly subsidy received over the last 12 months. **Approximately \$1.13 million** was paid in April which did not affect the cash reserve. A second, smaller payment was released by the SPC in July for 1/3 of the initial payment in April. These actions were taken to directly support cash flow for recyclers.
- 2) Early payment of monthly subsidies - affords recyclers the opportunity to receive **prompt payment on 80% of earned subsidies** within 15 days of the end of the month (as opposed to the usual 40-45 days). **More than \$450,000** in early subsidy payments were made during the initial March Shelter-in-Place and Safer-at-Home health orders. This action was taken to directly support cash flow for recyclers.
- 3) Monitor retail sales and post-consumer carpet (PCC) availability to **aid recyclers in planning** for dramatically reduced raw material flows.
- 4) Introduction of an **additional temporary \$0.02 per pound** for PCC collection for 90 days effective April 1, 2020 (for a total of \$0.04 per pound on collected PCC). Based upon continuous retail sales monitoring and PCC flow conditions, this collection support incentive has been extended three times and is now effective until March 31, 2021.
- 5) **Introduction of additional fiber specific Q3 and Q4 special subsidy adjustments** in response to significant swings in directly competitive virgin and

post-industrial (PI) polymer markets. Analysis for these subsidy adjustments were carried out as a part of CARE's ongoing Subsidy Justification Model (SJM) analyses. These fiber market support adjustments have been extended to March 31, 2021.

- Nylon 6 Tier 2 increased by 15 cents per pound.
 - Nylon 6,6 Tier 2 increased by 3 cents per pound.
 - PET Tier 1 increased by 5 cents per pound.
 - PP Tier 1 increased by 5 cents per pound.
- 6) **Coordination and general communication with other Product Stewardship groups** to identify the best ways to tackle shared challenges.
- 7) **Suspension of routine audits** for 90 days during the outset of the pandemic to afford recyclers the opportunity to keep their focus on Covid-19 operational challenges. It should be noted that these time periods are still subject to future Agreed Upon Procedures (AUP) audits. AUP's have restarted beginning with Q3.

General observations from feedback indicated the immediate cash infusion for businesses allowed survival for payment of payroll (and thus holding the skilled workforce), utilities and lease payments while focusing on documentation for PPP loans. Enhanced subsidies allowed businesses faced with significant lost sales to continue their operations. While we do not know total individual sales, recyclers indicated major reductions in revenue for March, April, and May, which has resulted in very substantial losses.

Impacts on the collections and sales side include the following:

Collections:

- Shutdowns started by county and the 6 surrounding Bay counties were first. Most carpet retailers closed as part of that lockdown.
- Most installation jobs were canceled or postponed over concerns about installers working in homes.
- Some installers refused to service occupied homes from a safety perspective and were only allowed to install carpet in empty homes. This significantly limited retail carpet installation and thus severely limited carpet rip out for several months.
- The 6 Bay county stay-at home ordinance expanded to all CA counties and collections virtually dried up.

- April and May collections dropped by about 40% year over year.
- This contraction had a profound impact as a significant reduction in the availability of raw materials was not able to keep up with the increased production capacity established in 2019, leading to production interruptions and shutdowns.
- In one case: Recycling operations were halted and then restarted on a single line. Ultimately a second shift was finally added in July but again, only on a single production line. Resumption of 2 production lines occurred sometime in August.
- CARE's plan assisted in the company not laying off any employees. Sales:
- The auto industry shut down affected the entire supply chain and resulted in the immediate cancellation of nylon 6 and 66 demand for that sector, which represents a significant percentage of the market for PCC materials.
- The impact was further felt when automotive manufacturing reopened at only 25% capacity and not reaching 50% for 3 months. It would appear current operations are approaching pre-pandemic levels.
- The automotive manufacturing process was never intended to be socially distant and the process in some cases had to be modified to limit work on the production line.
- Just as the automotive manufacturers were about to start, Mexico issued a complete stay-at-home order and the Mexican components could not be shipped/produced, further delaying the auto industry start up.
- Since the auto industry started manufacturing at 25%, inventories lasted 4 times longer than normal, thus delaying the downstream suppliers even further. Most auto companies are still not manufacturing at the pre-pandemic rate.
- Nylon 6 became the biggest challenge. Automotive, furniture and textiles all slowed or stopped receiving product. This was then followed by a virgin Nylon 6 pricing collapse. This resulted in the need for a major subsidy increase for this material.
- Many PET outlets were maintained but due to the collection shortfall, not enough PET raw material was available.
- Trucking costs have also seen steep rises upwards of 50% or more, causing some east coast recyclers to suspend shipments during the initial recovery phase.

CalRecycle has received a letter from Circular Polymers that generally outlined the value/impact of the CARE Covid Action Plan from their perspective. A second letter from Los Angeles Fiber Company is shown below with specific market information removed.

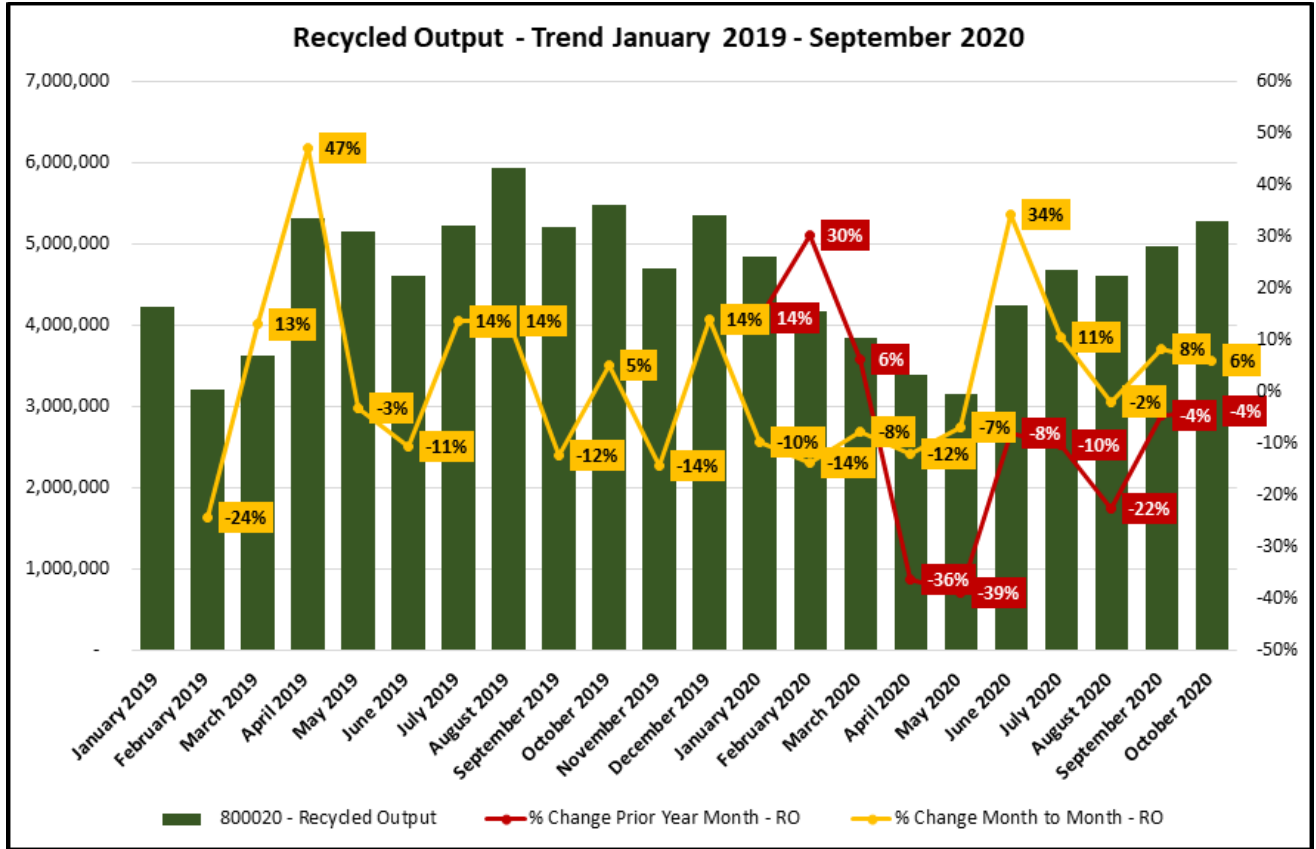
Upon the March 2020 Shelter-in-Place and Stay-at-Home health order announcements, CARE promptly surveyed subsidy supported stakeholders on measures CARE could take to best support their operations. As with other business sectors, CARE stakeholder concerns revolved around state and local paid leave, implementing more stringent health and safety measures, closer cash flow monitoring, evaluating ability to secure capital to continue operations under an impending shut down, ensuring end market sales have ability to continue and the ability to further secure raw goods to operate.

The two cash infusion payments, received in April and again in July, at 1/3 the April rate, allowed for immediate economic assistance with payroll, utilities, lease payments, etc. while principals focused on critical Payroll Protection Plan (PPP) documentation and assessment of an emergency business survival strategy. The offering of the two one-time special payments and various temporary subsidy increases for PCC collection and Tier 1 and Tier 2 materials have been exceptionally well received by the community. Recycler statements received by CARE and influencing Action Plan decisions included:

- “Extremely concerned about continuing to operate, ensure recycling facilities get same designation as waste facilities and can continue to operate.”
- “We are expecting a significant decrease in raw materials. Desperate for additional raw materials. Effective immediately, collectors must offer their material in-state at market pricing before selling whole carpet out of state in order to get paid by CARE their 2 cents on material and out of state reclaimers claiming tier 1.”

Fortunately, for some time demand remained strong for limited products, thus keeping recyclers operational. CARE was able to facilitate meeting certain customer demands as a result of the cash infusions and subsidy enhancements.

In an effort to quantify the flow of funds the following charts help to put this into perspective. The following chart shows pounds of recycled output by month over the period January 2019 through October 2020, along with the percent change from the prior year same month (red line). Beginning in April you can see the dramatic impact. While the recovery is underway, we are still behind 2019.



The next chart shows the subsidy payouts since the Covid Action Plan was put into effect. It is worth noting that the added subsidies total over \$1.2M for the period March through September. Note, the added Covid subsidies are exclusive of the one-time special payments made in April and July).

	Mar 2020	Apr 2020	May 2020	Jun 2020	Jul 2020	Aug 2020	Sep 2020	Total (Mar–Sept)
COVID Action Plan Subsidy	\$82,689	\$61,852	\$62,639	\$74,578	\$299,155	\$345,642	\$347,501	\$1,274,055
<i>Total Subsidies for Month</i>	\$1,240,823	\$996,131	\$1,024,179	\$1,281,817	\$1,550,353	\$1,537,982	\$1,762,826	\$9,394,111
<i>% Total Subsidies</i>	7%	6%	6%	6%	19%	22%	20%	14%

CARE is acutely aware that carpet sales provide a direct corollary relationship for the generation of tear-out carpet. While Q1 sales of \$17.1 million were at an all-time Program low and 9% below budget projections, Q2 carpet sales of \$14.4 million during government mandated shutdowns and stay at home orders were alarming at 32% below budget.

When it comes to CARE Drop off Site (DoS) impacts, the picture varied widely. Some sites continued to operate but saw a drop-off in collections, some sites suspended operations, while some sites refused PCC due to Covid contamination fears. Many sites are seeing staffing issues for a variety of reasons. CARE continues to stay connected with all DoS in an effort to share information and experiences.

The net result of the swift and decisive actions and efforts CARE was able to implement, is that the carpet recycling infrastructure has survived what looks to be the worst of the pandemic and is poised for growth again in 2021. That said, the implications for the rest of 2020 and into the first half of 2021 remind difficult to assess.

Respectfully submitted,

Robert Peoples, Ph.D.
Executive Director, CARE

cc: Stewardship Planning Committee (SPC) *[corrected name from original document]*
Jacy Bolden, CA Program Director

EXCERPT FROM LETTER FROM LOS ANGELES FIBER COMPANY

December 8, 2020

To: Dr. Robert Peoples

From: Ron Greitzer

RE: CARE's emergency Covid-19 stimulus package

Bob,

CARE SPC stewardship committee decided to support the recycling efforts that made a dramatic difference for all of us in the Carpet Recycling Community.

The decision to use funds from the reserve account and provide the monies to the recyclers saved jobs, saved businesses, and saved the life's work of the Entrepreneurs.

Covid-19 impact on all of us have changed the way we conduct business. The fear of illness, the suffering for families, and the alterations in lifestyle is something CARE cannot change. However, CARE did change how its members could emerge from this tragedy.

The carpet recycling industry got hit in two directions:

- Goods In
- Sales out

In March, April, May, and June 2019 vs 2020 saw a 26% reduction in goods in (collection).

In March, April, May, and June 2019 vs 2020 saw a 23% reduction in sales revenue.

With CARE's assistance, we were able to maintain full employment, pay all of our bills, continue to invest in the future with completion of capital projects, while incurring an average of 25% reductions in goods in and goods out.

We are standing today because CARE provided us with stimulus gifts and extra subsidy.

Thank you,

Ronald J. Greitzer

Data Table for Recycled Output Trend Figure, January 2019–September 2020

Month/Year	Recycled Output	% Change from Prior Year Month	% Change from Month to Month
January 2019	4,230,268	N/A	N/A
February 2019	3,202,642	N/A	-24%
March 2019	3,617,956	N/A	13%
April 2019	5,317,756	N/A	47%
May 2019	5,146,666	N/A	-3%
June 2019	4,598,125	N/A	-11%
July 2019	5,220,550	N/A	14%
August 2019	5,929,347	N/A	14%
September 2019	5,206,024	N/A	-12%
October 2019	5,478,335	N/A	5%
November 2019	4,699,788	N/A	-14%
December 2019	5,359,620	N/A	14%
January 2020	4,835,033	14%	-10%
February 2020	4,173,880	30%	-14%
March 2020	3,846,888	6%	-8%
April 2020	3,386,793	-36%	-12%
May 2020	3,152,356	-39%	-7%
June 2020	4,234,466	-8%	34%
July 2020	4,685,972	-10%	11%
August 2020	4,597,310	-22%	-2%
September 2020	4,971,757	-4%	8%
October 2020	5,275,350	-4%	6%
November 2020	4,745,048	1%	-10%
December 2020	4,710,204	-12%	-1%

10.10 CARE Response to Advisory Committee Recommendations Related to Draft Contingency Plan

The only formal recommendations from the Advisory Committee to CARE in 2020 were regarding the Draft Contingency Plan, which was required in the “Chapter 0” addition to the 2018–2022 Plan. CARE’s response to the Advisory Committee recommendations is included in this appendix. No other Advisory Committee recommendations or CARE responses were provided in 2020, except for on the draft Annual Report, which are included in Appendix 10.11.

[Text was inserted into the Annual Report for document accessibility; accordingly, the formatting is somewhat different from the original document.]



April 30, 2020

CARE Response to Advisory Committee Recommendations related to the Carpet Stewardship Program Draft Contingency Plan

CARE has carefully reviewed the comments and recommendations of the Advisory Committee. As required by the Product Stewardship for Carpets Law (Public Resources Code Section 42970 42983), CARE is providing a response to the recommendations generated by the Advisory Committee to CARE’s Draft Contingency Plan at their web meeting of April 7, 2020.

The recommendations section of the Advisory Committee’s letter dated April 17, 2020, Attachment 1, is reproduced below. CARE responses immediately follow each recommendation and are in blue, bold, 12-Point Ariel font. In all cases where recommendations have been adopted, appropriate language has been incorporated into the referenced sections of Contingency Plan and submitted to CalRecycle.



April 17, 2020

To: Bob Peoples, Exec. Director CARE and Ken DaRosa, Acting Director CalRecycle

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

Re: Advisory Committee Recommendations related to the CARE California Carpet Stewardship Program Draft Contingency Plan 3-31-20 (ADA)

As required by the Product Stewardship for Carpets Law (Public Resources Code Section 42970 - 42983) as amended by the Governor's approval of AB 729, the California Carpet Stewardship Advisory Committee ("Advisory Committee") has received a copy of the "CARE California Carpet Stewardship Program Draft Contingency Plan" dated March 31, 2020. This is required pursuant to the amended Section 42979 that requires a carpet stewardship organization to include in the carpet stewardship plan a contingency plan should the carpet stewardship plan be revoked. The Advisory Committee received the Draft Contingency Plan 30 days before 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 "CARE California Carpet Stewardship Program Draft Contingency Plan" dated March 31, 2020 during a teleconference on April 7, 2020. As required in Section 42971.1 (c), to the extent feasible the Advisory Committee's recommendations are to be incorporated into the Contingency Plan by CARE before being submitted to CalRecycle. If CARE is unable to incorporate these recommendations, a written explanation must be provided to the Advisory Committee and CalRecycle.

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 and the Speaker of the Assembly have also been appointed.

California Carpet Stewardship Advisory Committee Members

Committee Members	Organizations	Representing
DOUGLAS WILLIAMS	Los Angeles Fiber Co./ Reliance Carpet Cushion	Collection and sorting, processing and manufacturing
ERIC NELSON	Interface	Carpet Mills, Collection, processing & recycling of carpet
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
JOANNE BRASCH, Ph.D	CA Product Stewardship Council	Environmental Community
JOE YARBROUGH	The Carpet & Rug Institute	Carpet Mills
JOHN DAVIS	Mojave Desert & Mountain Recycling Integrated Waste Mgmt Joint Powers Authority	Local Government
JORGE OROZCO	SCOR Industries	Speaker of Assembly
NAT ISAAC	City of Los Angeles Environment and Sanitation	Local Government
RACHEL PALOPOLI	Planet Recycling	Carpet Collections/Sorting
ROBERT NUNEZ	Californians Against Waste	Environmental Community
STEVE BELONG	Carpet, Linoleum, & Soft Tile Workers Local Union No. 12, District Council 16	Northern CA Floor Covering Finishing Trades Institute Joint Apprenticeship Training Committee
STEVE LANDRETH	ProSpectra Flooring	Senate Committee on Rules
WES NELSON	GreenWaste Carpet Recycling	Carpet Collections/Sorting

Advisory Committee Plan Review Meeting and Recommendations

The California Carpet Stewardship Advisory Committee met through a teleconference on April 7, 2020 to discuss the “CARE California Carpet Stewardship Program Draft Contingency Plan” dated March 31, 2020. All committee members attended the meeting except: Joe Yarbrough attended the beginning of the meeting but was unable to stay on the call and did not participate in the vote. Steve Landreth attended the meeting but was not able to vote on the final two motions votes. The committee chair Rachel Palopoli was not able to attend, Vice Chair Joanne Brasch chaired the meeting in her place.

A quorum was met. Members of the public also attended through the teleconference. The meeting was conducted in compliance with the Bagley-Keene Open Meeting Act (with minor modifications due to the coronavirus emergency).

The Committee recommendations from the April 7, 2020 meeting regarding the “CARE California Carpet Stewardship Program Draft Contingency Plan” are provided as Attachment 1. We hope there won’t be a need to implement the Contingency Plan, but should the situation arise, CalRecycle or designated party should continue to maintain appropriate communication with advisory committee pursuant to Section 42972.1 (b) and (c) of the Public Resources Code.

The committee looks forward to working with CARE and CalRecycle regarding the California Carpet Stewardship Program.

Respectfully,

Joanne Brasch

Joanne Brasch Ph.D, Advisory Committee Vice Chair

4/17/20

Date

Committee Members	Vote on the Letter
DOUGLAS WILLIAMS	Aye
ERIC NELSON	Aye
FRANCO ROSSI	Aye
GAIL BRICE	Aye
HOWARD SAPPER	Aye
JOANNE BRASCH, Ph.D	Aye
JOE YARBROUGH	Abstain
JOHN DAVIS	Aye
JORGE OROZCO	Aye
NAT ISAAC	Aye
RACHEL PALOPOLI	Abstain
ROBERT NUNEZ	Aye
STEVE BELONG	Aye
STEVE LANDRETH	Aye
WES NELSON	Aye

Attachment 1

**California Carpet Stewardship Advisory Committee
Recommendations Related to
CARE California Carpet Stewardship Program
Draft Contingency Plan 3-31-20 (ADA)**

CARE responses to all motions are shown in bold, blue, 12-point Arial font.

Motion 1.0

The Committee recommends that:

- a) Consistent language be used in specifying who the meetings will be held with, i.e. CalRecycle or their designated party(ies). **CARE agrees and has modified the document accordingly.**
- b) Consistent language be used for words previously defined from the law, approved Plan, and CalRecycle regulations e.g. Roll-up Plan, Plan Dashboard. **While this recommendation is not clear, CARE has tried to be consistent with the language of the statute.**
- c) All action items should have timeline information. **CARE has modified the document to reflect this recommendation where dates can be set or indicated they are to be determined by mutual agreement since not all dates can be set ahead of activation of the plan.**
- d) For records turned over, include all accounts receiving California public funds. **Unclear what “accounts” means. We assume it is the AB 2398 working bank account and bank Escrow account where mill deposits are deposited directly. There is no specific reference as to what is being referred to.**
- e) Under Grants, sub-section 2, strike the first sentence and replace the first word of the second sentence with “current.” **DONE**
- f) Under the Escrow section, add language from the Miscellaneous section specifying all unexpended funding and ongoing consumer assessments. **DONE**

Motion to Approve: Eric Nelson

Second: Jorge Orozco

Ayes (11): Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Wes Nelson

Nays (2): Doug Williams, Steve Landreth Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 2.0

The Committee recommends that CARE will provide an organization chart for current staffing and contractors related to continuing the operation of the program and a timetable laying out the transition period and updates as requested by CalRecycle.

CARE has met the statutory requirements of AB 729 with this Contingency Plan. The statute does not call for documentation of current activity/staffing and CARE pointed out this would likely be quite different in the future. CARE does not support this recommendation and refers the Advisory Committee to annual reports where such information is already recorded.

Motion to Approve: John Davis Second: Eric Nelson

Ayes (11): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Wes Nelson

Nays (2): Howard Sapper, Steve Landreth,

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 3.0

The Committee recommends that the excerpt of relevant statutory requirements provided on page 15 be referenced in the Introduction and rather than just state “CARE believes...”, they should cite the specific section of the plan that applies.

No response required

Motion to Approve: Gail Brice Second: Joanne Brasch

Ayes (4): Gail Brice, Joanne Brasch, Nat Isaac, Robert Nunez,

Nays (9): Doug Williams, Eric Nelson, Franco Rossi, Howard Sapper, John Davis, Jorge Orozco, Steve Belong, Steve Landreth, Wes Nelson

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion does not pass.

Motion 4.0

The Committee recommends that the reference to 45 days in the Timing section (Item 3a on page 3) be removed and replaced with “at CalRecycle or its designee’s request.”

DONE

Motion to Approve: John Davis Second: Steve Landreth

Ayes (11): Eric Nelson, Franco Rossi, Gail Brice, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Steve Landreth, Wes Nelson

Nays (2): Doug Williams, Howard Sapper

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 5.0

The Committee recommends that the Contingency Plan include the option to work with CalRecycle to establish the authority to accept or reject the transfer of contracts. **DONE Current contracts allow for transfer from CARE to another CSO or CalRecycle.**

Motion to Approve: Joanne Brasch Second: Franco Rossi

Ayes (9): Eric Nelson, Franco Rossi, Gail Brice, Joanne Brasch, John Davis, Jorge Orozco, Robert Nunez, Steve Belong, Wes Nelson,

Nays (4): Doug Williams, Howard Sapper, Nat Isaac. Steve Landreth

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 6.0

The Committee recommends striking the last sentence under the section of Documentation, subsection A on page 5. CARE should report from the last Annual Report until the time they are no longer running the program as the Stewardship Organization. **From the time of termination (post transition period) for program responsibilities, CARE will consider availability by negotiated contract, including compensation, to provide any information or support necessary for a new or replacing Stewardship Organization to complete an annual report.**

Motion to Approve: John Davis Second: Howard Sapper

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Steve Landreth, Wes Nelson

Nays (0):

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 7.0

The Committee recommends that for any new contracts, language should be added to allow CARE to amend all contracts to allow for the transfer of agreements to a new or replacing Stewardship Organization. **DONE After legal consultation, current contracts are transferrable.**

Motion to Approve: Nat Isaac Second: Howard Sapper

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Steve Landreth, Wes Nelson,

Nays (0):

Abstain (0):

Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 8.0

The Committee recommends that action item A under the Confidential Business Information (CBI) section on page 8 be amended to include a provision that all parties will honor the CBI. **DONE**

Motion to Approve: Howard Sapper Second: Steve Landreth

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Steve Landreth, Wes Nelson,

Nays (0):

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 9.0

The Committee recommends that on page 10, an item e should be added to the action items that requires turning over all education/outreach materials and databases produced and created with public funds to the CalRecycle designated party. **DONE**

Motion to Approve: Howard Sapper Second: Wes Nelson

Ayes (13): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Steve Landreth, Wes Nelson,

Nays (0):

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (1) Joe Yarbrough

The motion passes

Motion 10.0

The Committee recommends that CalRecycle should carefully consider accepting the language under the action items listed under the Models Section as the CCM model is an integral part of running the program. **No response required**

Motion to Approve: John Davis Second: Gail Brice

Ayes (6): Eric Nelson, Gail Brice, Joanne Brasch, John Davis, Nat Isaac, Robert Nunez

Nays (6): Doug Williams, Franco Rossi, Howard Sapper, Jorge Orozco, Steve Belong, Wes Nelson

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (2) Joe Yarbrough, Steve Landreth

The motion did not pass

Motion 11.0

The Committee recommends that under action item A, on page 12, add “and SJM and copies of all three applicable software should be turned over to the designated party.”

The basic SJM model of calculating subsidies will be included. CARE has maintained since the beginning of our model work that the CCM was an existing CARE tool and is the proprietary property of CARE. It has been offered to the Model Team for use as a free service of CARE to aid and inform the understanding of the CA subsidy program. If CalRecycle wishes a cost conversion model like that developed by CARE, they may request CARE undertake such an effort. To firmly remove any ambiguity CARE will initiate an annual \$6,000 per year, non-refundable license fee for access to this tool by the Model Team to support the CA Program. This non-exclusive license will go into effect July 1, 2020, and be billed annually. Such a license does not include transfer of intellectual property or a copy of the underlying programming or user interface or output which reminds the property of CARE.

Motion to Approve: Howard Sapper Second: John Davis

Ayes (12): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Joanne Brasch, John Davis, Jorge Orozco, Nat Isaac, Robert Nunez, Steve Belong, Wes Nelson,

Nays (0):

Abstain (0): Absent (1): Rachel Palopoli

Attended meeting, but Absent for vote: (2) Joe Yarbrough, Steve Landreth

The motion passes

PLEASE NOTE: The technical protocol for this online, video meeting was for all committee members, as well as the CARE Executive Director and CA Program Director, to be unmuted and practice self-muting. The meeting leader (Advisory Committee Vice-Chair Joanne Brasch) elected to override this agreed on protocol and mute the CARE Executive Director and CA Program Director. On a critical discussion regarding models, repeated requests to unmute were ignored until after the vote was taken. Only then did Ms. Brasch say, “Oh, it looks like Bob Peoples wants to say something.” As a result, the committee was deprived of relevant and critical information that may have affected the vote. The conduct of ignoring repeated attempts of Dr. Peoples to be unmuted is just the latest in an on-going series of unprofessional behaviors, is disruptive to the public process and does not serve the people of California, CalRecycle, the Advisory Committee or CARE well. It undermines CARE’s important work as delegated to it by the California Legislature. CARE formally requests that CalRecycle take immediate action to investigate this incident and prevent this from happening again.

10.11 CARE Response to Advisory Committee Feedback on 2020 Annual Report

August 17, 2021

CARE Response to Advisory Committee Recommendations and Questions related to the CARE 2020 Annual Report

CARE has carefully reviewed the comments and recommendations of the Advisory Committee. As required by the Product Stewardship for Carpets Law (Public Resources Code Section 42970 42983), CARE is providing a response to the recommendations and questions generated by the Advisory Committee on CARE's 2020 Annual Report resulting from the Advisory Committee Zoom meeting of July 22, 2021.

The recommendations section of the Advisory Committee's letter dated August 2, 2021, is reproduced below. CARE responses immediately follow each recommendation and are in **blue, bold**, 12-Point Arial font. In all cases where recommendations have been adopted, any appropriate language will be incorporated into the referenced sections of the relevant document or as part of this full response incorporation into the Annual Report appendix.

[Text was inserted into the Annual Report for document accessibility; accordingly, the formatting is somewhat different from the original document.]



August 2, 2021

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

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

**Re: Advisory Committee Recommendations related to the Draft CARE
California Carpet Stewardship Program 2020 Annual Report**

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 a copy of the “Advisory Committee Review Draft dated July 13, 2020 titled *CARE California Carpet Stewardship Program 2020 Annual Report* (“*Draft CARE California Carpet Stewardship Program 2020 Annual Report*”) required pursuant to Section 42979 from Carpet America Recovery Effort (“CARE”), the carpet stewardship organization. The Advisory Committee received the Draft Annual Report 30 days before 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 *Draft CARE California Carpet Stewardship Program 2020 Annual Report* during a Zoom Video Conference on July 22, 2021. As required in Section 42971.1 (c), to the extent feasible the Advisory Committee’s recommendations are to be incorporated into the Annual Report by CARE 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 a subsequent Annual Report.

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 representing the Senate

Committee on Rules has also been appointed. The committee member position 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./ Reliance Carpet Cushion	Collection and sorting, 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 Environment	Local Government
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 and Sanitation	Local Government
RACHEL PALOPOLI	Aquafil USA	Carpet Collections/Sorting
STEVE BELONG	Carpet, Linoleum, & Soft Tile Workers Local Union No. 12, District Council 16	Northern CA Floor Covering Finishing Trades Institute Joint Apprenticeship Training Committee
STEVE LANDRETH	ProSpectra Flooring	Senate Committee on Rules
SUNA BAYRAKAI	Product Stewardship Institute	Environmental Community
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 July 22, 2021 to discuss the *Draft CARE California Carpet Stewardship 2020 Annual Report*. All the current members of the committee attended with the exception that Joe Yarbrough and Steve Landreth were not able to attend. Rachel Palopoli had to leave during the meeting. A quorum was met. 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, respectively.

The Committee recommendations from the July 22, 2021 meeting regarding the *Draft California Carpet Stewardship 2020 Annual Report* are provided as Attachment 1, listed in priority order. The committee looks forward to continuing to work with CARE and CalRecycle regarding the California Carpet Stewardship Program.

Respectfully,

Joanne Brasch

8/2/21

Joanne Brasch, Ph. D
Advisory Committee Acting Chair

Date

Attachment 1

**California Carpet Stewardship Advisory Committee
Recommendations for the Draft CARE 2020 Annual Report**

COLLECTIONS**Motion 1.0**

The Advisory Committee recommends that CARE add an explanation as to why the pandemic led to fewer public drop off sites recruited in 2020.

Motion to Approve: Nat Isaac Second: Jen Jackson

Ayes (9): Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Rachel Palopoli, Steve Belong, Suna Bayrakai,

Nays (3): Doug Williams, Howard Sapper, Wes Nelson

Abstain (0):

Absent (2): Joe Yarbrough, Steve Landreth

The motion passes

CARE RESPONSE: CARE has reviewed the pandemic impact related narrative as it relates to solid waste/recycling facilities' willingness to bring on new public access Drop-off Sites in 2020. We will be adding the following 4 points as additional educational narrative for Report readers who may not have direct operational experience while operating under pandemic conditions. As those working directly in operations and those overseeing contracted operations may well have been aware, many public access recycling collection center operations were temporarily discontinued throughout much of 2020 in an effort to reduce COVID exposure. Additionally, some curbside recycling program operators in California introduced a force majeure due to pandemic related concerns for COVID-safe operations in their Material Recovery Facilities. Via CARE's regular quarterly engagement and outreach to Drop-off Sites, CARE learned that some of their existing public access Drop-off Sites temporarily suspended receiving of carpet/pad for recycling collection.

CARE offers the following additional insights:

- Drop-off Site recruitment generally involves physical site visits and from mid-March through the end of 2020 many areas of the state were under some degree of Shelter-in-Place/Safer-at-Home Health Order. Many locations did not start allowing outside visitors to their facilities until early to mid-2021.

- For the last several years CARE added on average about 10 new Drop-off Sites (DoS) per year. 2019 was a year of tremendous growth with 20 new sites added, and 2020 was reasonably anticipated to mirror and expand upon that growth. Beyond expanded DoS recruitment efforts, this accomplishment was also aided by the addition of Rural County Specialist Mary Pitto as a key resource with deep understanding of rural county operations as well as personal relationships.
- When the pandemic hit many operations pulled back significantly due to staffing limitations and valid Covid exposure minimization concerns. Many of CARE's existing DoS contacts were non-responsive for a period of time due to pandemic related workload demands.
- For new DoS locations, it was not uncommon to hear: *"We just do not have the available staffing to expand at this time"*, or *"This is not our top priority right now."* CARE believes adding 10 new DoS locations under the widespread pandemic related conditions faced in 2020 was a remarkable accomplishment.

Motion 2.0

The Advisory Committee recommends that CARE explain what is done to verify the on-going participation of collection sites. Please include the frequency of the verification and how it is conducted.

Motion to Approve: Jen Jackson Second: Nat Isaac

Ayes (12): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Nat Isaac, Rachel Palopoli, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (0):

Abstain (0):

Absent (2): Joe Yarbrough, Steve Landreth

The motion passes

CARE RESPONSE: CARE acknowledges this is a good point for further follow-up and process improvement. The Collections Team has historically relied on both the DoS required quarterly reporting process, as well as their direct contact calls and e-mails as a part of the DoS Quarterly Engagement Process, for verbal confirmation and feedback on active participation. As noted in the Annual Report, this required quarterly reporting, and related webinar attendance, includes a survey as well as data input for actual pounds captured. CARE does acknowledge that site staffing changes and intra-facility communications have been areas in

which regular in-person staff visits from CARE and their Outreach Team have historically proven to be very beneficial. Again, due to pandemic related travel and site visit restrictions, and the higher-than-normal staffing turnovers realized throughout March-December 2020, CARE has become aware of intra-facility communications breakdowns on the current status of receiving/acceptance of carpet for recycling across many DoS locations. Above and beyond the quarterly engagement requirements previously noted on the part of DoS facilities, CARE makes genuinely concerted effort to ensure direct individual outreach calls take place with every DoS location. This direct personal contact is intended to not only keep our contacts current, but also further builds and maintains the excellent working relationships we have established with our partner locations over the years.

Motion 3.0

The Advisory Committee recommends that CARE expand on what objections CARE heard from potential collection sites, such as supply-houses, as to why they don't want to participate as a collection site; and that information be provided to all local collectors and the Advisory Committee to address those limitations in that geographic region.

Motion to Approve: Wes Nelson Second: Gail Brice

Ayes (12): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Nat Isaac, Rachel Palopoli, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (0):

Abstain (0):

Absent (2): Joe Yarbrough, Steve Landreth

The motion passes

CARE RESPONSE: During 2020 the primary response was an unwillingness to take on additional/new activities outside of standard flooring supplies sales. At a very high-level following are examples of feedback received:

- We just don't have enough space – even for a covered roll-off container.
- While we are interested, our landlord won't let us bring a storage container/trailer on site.
- Liability – concerned about users injuring themselves on our property while loading the container.
- We have limited staff on site, and do not have the ability to oversee access to and use of a carpet recycling container.
- We had a carpet (or pad) recycling collection container many years ago – it just ended up being too much of a mess.

- What's to stop people from just dumping their carpet/pad off outside of our gates at night and creating a nuisance/mess we have to clean up on a daily basis?

With that initial feedback on a no-cost service value-added opportunity to enhance customer relations, as well as attract new flooring professional customers, CARE will be piloting a revised Supply House Incentive program. CARE does have direct knowledge that most of their CSEs have made ongoing efforts to recruit Supply Houses independently, CARE respectfully invites the Advisory Committee to inquire directly with those CSEs who sit on the Advisory Committee for validation of their experiences which parallel that of CARE.

REGIONAL OUTREACH

Motion 4.0

The Advisory Committee recommends that CARE expand on why some of the regional areas showed less collections when compared to other regions.

Motion to Approve: Nat Isaac Second: Joanne Brasch

Ayes (7): Eric Nelson, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai,

Nays (3): Doug Williams, Howard Sapper, Wes Nelson

Abstain (2): Franco Rossi, Rachel Palopoli

Absent (2): Joe Yarbrough, Steve Landreth

The motion passes

CARE RESPONSE: CARE agrees that additional educational and cumulative historic narrative would be beneficial. As noted in the Annual Report (Section 4.3.6, page 61), Regional Approach efforts are tailored specific to the area covered. While some Regions may encompass a broad geographic area (e.g., the Greater Sacramento Region with 10 public Drop-off Sites) others may have initially included a more defined target geographic area or service type (e.g., Los Angeles with only 5 public Drop-off Sites and San Diego with only 3 public Drop-off Sites – each with far more long-time private collection sites). Specifically, the Los Angeles area Regional Approach had been designed to target, test, and support the efforts of a DoS that had the interest and capability of providing smaller volume on-site collection services to retailers in a defined region. Since that time, CARE has focused deeper on supporting private on-site collection, installer outreach and DoS recruitment – a process which in general has shown to include an operational decision-making process which can take anywhere from

3 months to well over a year (especially for space limited facilities or those undergoing construction/expansion).

Additionally, during 2020 CARE did initiate a Covid Action Plan which included a temporary increase in subsidies (cumulatively going from two cents per pound to four cents per pound) for collected carpet, and in one region a new CSE joined the Program. Beyond the previously noted pandemic-related operational impacts, CARE collectors also reported that volumes recovered from existing accounts were down considerably over prior years, with a portion of this downturn relating to the flooring retailer/installers particular customer base (e.g., multi-family turnover and related carpet replacement was down significantly, especially in college/university related communities in which students did not attend class in person). It is speculated that in addition to generated volumes being down, the Los Angeles region had more direct and active retailer/carpet generator recruitment from both Los Angeles Fiber Company (LAF) and a new carpet collector (Eastern Impressions) who has long been an active carpet pad recycler. Thus, it is reasonably speculated that some of the Drop Off Site pounds may have been converted to on-site collection accounts which could now be serviced by either LAF or Eastern Impressions.

Thus, as private on-site collections and other CARE related convenient collection program efforts expand (e.g., Mill Distribution Centers and potential Supply House locations), there is a very high likelihood that carpet volumes previously collected and recycled via a CARE DoS will be redirected to one of these other collection avenues.

DIY EDUCATIONAL OUTREACH

Motion 5.0

The Advisory Committee recommends that CARE describe outreach efforts in more detail on working with big box stores to educate their customers on carpet recycled content and recycling opportunities.

Motion to Approve: Wes Nelson Second: Steve Belong

Ayes (9): Doug Williams, Eric Nelson, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (0):

Abstain (2): Franco Rossi, Nat Isaac

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

CARE RESPONSE: CARE agrees that this is a potential outreach and education area worthy of consideration. From CARE's Convenient Collection Study, conducted by Cascadia Consulting, validation was provided that the greater majority of tear-out carpet is and has been handled by flooring professionals and contractors. Thus, the Program has primarily targeted their use of funds for outreach and education to flooring professionals, installers, and contractors. In 2019 CARE did expand their consumer outreach and awareness via the statewide promotional "Cleaning Up?" recycling guide for carpet, mattresses, batteries, and paint which was developed and delivered over 2.4 million inserts directly to print media subscribers in partnership with the ByeByeMattress, Call2Recycle and PaintCare. The subscribers covered 25 media outlets (12 English, 13 Spanish) in the Los Angeles, San Francisco Bay Area, San Diego, Sacramento, and Fresno regions. Additionally, in 2019 CARE piloted consumer direct outreach efforts through home shows in various regions. Similarly, in 2019 CARE delivered its first broad consumer media campaign in the Sacramento area by including strategically placed billboards, print newspaper ads as well as electronic Google search ads. This campaign was strategically repeated at the end of 2020 upon the announcement that the long delayed (due to wildfires and PG&E service delivery challenges) Aquafil-Woodland processing facility was opening. The use of funds, not elsewhere expended due to COVID travel restrictions, was intended to support local CSE private collection efforts as well as direct self-haulers to DoS locations. A similar campaign approach was recently delivered in the San Francisco Bay Area in 2021.

Further, in 2021, CARE launched a new statewide outreach campaign to all licensed installers, encompassing both soft (carpet) and hard surface flooring installers. While outreach to carpet retailers, and their related installers, has historically been the primary sector touched due to legislated requirements, CARE did mail "Carpet *IS* Recyclable" flyers to over 7,500 licensed installers and hard surface retailers. This focus and effort, not previously a high priority focus of most CSEs, is important as it is recognized that hard surface installers are often tearing out carpet as a part of their hard surface (e.g., hardwood, laminate/luxury vinyl tile [LVT]) install jobs.

CARE agrees that there is an opportunity to explore the possibility of promoting carpet recycling and recycled content carpet awareness via big box stores such as Home Depot and Lowe's. The primary benefit to the stores and their customers is to inform them that the tear-out carpet from their homes is being recycled when installed by a Home Depot or Lowe's professional installer. CARE will evaluate potential point-of-purchase display ideas for introduction to both Home Depot

and Lowe's in 2022, and endeavor to execute a regional pilot effort to appropriately assess impact for dollars invested.

FINANCIAL SUSTAINABILITY

Motion 6.0

The Advisory Committee recommends that CARE please clarify how carpet sales are monitored, if any are audited, and how they are verified to be part of the decline of sales in California.

Motion to Approve: Franco Rossi Second: Steve Belong

Ayes (10): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (1): Howard Sapper

Abstain (0):

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

CARE RESPONSE: Mill carpet sales are monitored and tracked via the required quarterly reporting outlined in the California Carpet Stewardship Mill Membership Agreement. Any business selling/delivering carpet into California is required by legislation to participate in the California Carpet Stewardship Program. At each quarterly filing a letter affirming the veracity of the report must be signed by an officer of the company and transmitted to CARE. In addition, Agreed Upon Procedures (AUPs) are run on all participants, by an independent and external accounting firm, on a cyclic schedule and specific provisions are included that seek to identify any CA sales that many not be reported. This could be simple bookkeeping errors, tracking issues, use of a third-party shipper/distributor, etc. Examination of Bill of Ladings (BOLs) are a key element of this analysis. For obvious reason, CARE does not publicly publish all of the details of AUP protocols in an effort to avoid their compromise. CARE will, however, readily, and confidentially share AUP protocols with CalRecycle staff upon request.

When notified by CalRecycle Enforcement staff of a product that is not in the Program, CARE promptly seeks to enroll the manufacturer/mill in the Program. And as a regular part of that process, CARE will seek details on past sales into California and then collect past assessments as well. Such events occur relatively infrequently.

Further detail on Program Audit protocols, including AUPs, can be found in Chapter K. Audits of CARE's 5-year Plan, page 238; as well as AUP definition on page 241; and Budget Narrative descriptor for Accounting & Legal on page 270. CARE's approved 2018-2022 5-year Plan can be found [here](#) on CARE's website.

Motion 7.0

The Advisory Committee recommends that CARE make the statistics concerning the nationwide sales of carpet available to the Advisory Committee so they can be compared to sales in California.

Motion to Approve: Franco Rossi Second: Steve Belong

Ayes (8): Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai,

Nays (3): Doug Williams, Howard Sapper, Wes Nelson

Abstain (0):

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

CARE RESPONSE: CARE does not have regular and on-going direct access to national carpet and flooring sales. As required by law, Mills only directly report to CARE their sales for California. CARE did provide a carpet sales history comparison of California to the rest of the United States as a part of their 2018-2022 Plan, specifically chapter G. Financing Mechanism, page 172, Figure 8.

Advisory Committee members and the general public may at any time access U.S. carpet sales via published industry stats and related narrative on flooring sales available from publications such as Floor Covering News and Floor Focus Magazine. However, it should be noted that this published national data is inclusive of California sales. CARE will work to update the noted Figure 8 as part of the next 2023-2028 Plan.

Motion 8.0

The Advisory Committee recommends that CARE should consider the negative impacts to the program if they don't reconsider or limit the funding to expand processing capacity outside of California. The report should project the metrics of funding given the current rate of processor expansion.

Motion to Approve: Franco Rossi Second: Eric Nelson

Ayes (5): Eric Nelson, Franco Rossi, Joanne Brasch, Nat Isaac, Steve Belong

Nays (2): Gail Brice, Howard Sapper

Abstain (4): Doug Williams, Jen Jackson, Wes Nelson, Suna Bayrakai

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion does not pass

CARE RESPONSE: Since the motion did not pass, no response is required. However, it should be noted that CARE did include, in Attachment 15 (beginning on page 392) of the 2018-2022 Approved Plan the Matrix of Council Priorities (2017) in which Carpet Council members voted on various priority options for consideration in Plan development and execution. Specifically, line-item number 6 (on page 394) states: “Support resiliency by catalyzing in-state CA capacity and throughput; eliminate out-of-state incentives as adequate CA infrastructure is established.” CARE has been looking at such implications for several years as part of our modeling and Program analytical work.

CARE PARTICIPATION IN ADVISORY COMMITTEE MEETINGS

Motion 9.0

The Advisory Committee recommends that CARE be available during the meetings to participate and engage with the Committee.

Motion to Approve: Gail Brice Second: Franco Rossi

Ayes (11): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (0):

Abstain (0):

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

CARE RESPONSE: CARE is more than willing to participate in future meetings. CARE has endeavored to sincerely deliver a Program that will meet, and where possible, exceed the requirements laid out in Carpet Stewardship Law. For such a progressive and involved program, CARE prides itself as a learning organization - learning both from successes and mistakes equally. CARE looks forward to sharing those lessons and results as part of a positive and constructive dialog.

After many years, many trials, promising new technologies, and new capacity, the Program and its related markets have matured to a level of efficiency and productivity – despite a worldwide pandemic. CARE’s learnings, growth and

progress has been excellent and continues on a solid and reliable growth trajectory averaging 20%/year for the last 5 years – including 10% growth during the 2020 and the global pandemic.

CARE will continue to engage in a solutions-oriented dialog with CalRecycle to further enhance the working relationship with the Advisory Committee in support of the Program.

DISCARDS WEIGHT/FORMULA

Motion 10.0

The Advisory Committee recommends that CARE describe the carpet weight survey (on page 28, number 8) which implies that the carpet weight has changed. Provide more of an explanation as to why and how that weight changed.

Motion to Approve: Eric Nelson Second: Gail Brice

Ayes (10): Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (1): Doug Williams

Abstain (0):

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

CARE RESPONSE: CARE has provided a detailed explanation of the weight shift which took place over a two-year period. CalRecycle has posted the report on weight per square yard on their website. You can find it here: <https://www.calrecycle.ca.gov/Carpet/Status/> by clicking on the May 17, 2021 link.

It is also worth stating, this latest survey was conducted by our independent accounting firm who compiled and analyzed the data and returned the final results to CARE.

CARE recognizes that some may either not trust or fully understand the depth of work of CARE, the industry or related evaluation carried out by CalRecycle. Those that do not trust the long-standing Mill survey approach that has been carried out by CARE, in conjunction with carpet manufacturers, could believe that this decrease will disproportionately benefit the recycling rate. While there was no question when the weight per square yard increased by 0.28 pounds per square yard over time from 2011 (4.2 pounds per square yard) to 2020 (4.48

pounds per square yard) which negatively impacted CARE's recycling rate; the question is raised when the manufacturing light weighting practiced across many industries is realized in carpet. CARE notes that for the 0.37 pounds per square yard decrease realized as of 2021 CARE's 1st quarter recycling rate is 26%; the difference using the old 4.48 pounds per square yard closely factors at a 25% recycling rate – a modest 1 percentage point difference.

Motion 11.0

The Advisory Committee recommends that as the 21% recycling rate is based on recycled output divided by discards and as CARE acknowledges on page 97 that there is a current dispute regarding the discards formula, therefore any claim of a recycling rate of 21% in the Annual Report should have an asterisk and disclaimer.

Motion to Approve: Gail Brice Second: Franco Rossi

Ayes (8): Eric Nelson, Franco Rossi, Gail Brice, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai,

Nays (1): Doug Williams

Abstain (2): Howard Sapper, Wes Nelson

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

CARE RESPONSE: CARE does not believe nor state that there is any dispute on page 97 of the Annual Report. Conversely, CARE noted that the Discards Study field data closely corroborates the 4.48 pounds per square yard on historically manufactured (likely 5 to 7 years prior) carpet that was subsequently disposed in 2018.

The current formula in use is consistent with and part of the approved Plan. Therefore no qualifiers are necessary. Separately CARE has commissioned an on-going project, led by Cascadia Consulting, to examine the current formula and the parameters it contains. As required, CARE submitted an update report on this project to CalRecycle on June 30th. In that report a modification to the current formula is proposed. CalRecycle is aware of and is updated about this on-going work. CARE's target is to complete the next phase, which is focused on trying to pin down accurate deselection and demolition data, by late fall. CARE also notes, while trying to pin down the most accurate discards number is important, the tracking of changes over time using a consistent approach is a critical metric for monitoring progress. That progress over the last 6 years has been excellent, especially in 2020 given the pandemic impacts.

PROCESSING CAPACITY

Motion 12.0

The Advisory Committee recommends that CARE should direct more processor subsidies to processors in California, as the plan allows them to do, once there is enough processor capacity in California to meet the legislated goals.

Motion to Approve: Howard Sapper Second: Gail Brice,

Ayes (3): Gail Brice, Howard Sapper, Joanne Brasch

Nays (6): Eric Nelson, Jen Jackson, Nat Isaac, Steve Belong, Suna Bayrakai, Wes Nelson

Abstain (2): Doug Williams, Franco Rossi

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion does not pass

CARE RESPONSE: No response required

General Suggestions/Edits/Comments

The Advisory Committee recommends that the following suggestions, edits and comments be considered by CARE:

1. Compliments to CARE on the regional collection approach. **Thank you**
2. Compliments to the educational material on recycled content of carpet. **Thank you**
3. CARE should increase the educational content to consumers on recycled content in carpet to promote more sales and offset the consumer transitions to hard surfaces. **Thank you for this suggestion. This feels more like a suggestion to the manufacturers as they control most of the marketing. Yes CARE does carry out retailer and consumer outreach; however, recycled content in carpet is complicated. Of course, beyond the Nylon from some carpet-to-carpet recycling, the PET content from postconsumer bottles makes up a significant percentage of all carpet sold, especially the large volume builders, apartment, and condo markets.**

CARE applauds and support those consumers who are dedicated and can afford to make a commitment to buy recycled; however, at the end of the day, for the average consumer selection of one carpet fiber material over another, with design, color and general quality all being equal, consumer choice is often highly driven by bottom line cost. And, relatedly, with design trends favoring hard surface and lower cost laminate manufactured flooring (as compared to hardwood) options, higher cost/value carpet choices are now compared against hard surface.

4. Retailer outreach should be focused more on carpet retailers, and CARE should provide more information to other flooring surface retailers. **Carpet retailer outreach has been a fundamental activity of the program for many years. More recently, outreach to hard surface only retailers, who often are replacing carpet, has received significantly increasing focus as a potential new, untapped source of carpet. This effort was hampered by Covid, but is a priority. Our most recent outreach went to ca. 9,000 CA retailers of both carpet and hard surfaces.**
5. CARE and Gigantic Studios are doing a good job with marketing, especially for construction and demolition sectors. **Thank you**
6. Work with manufacturers to improve recycling messages on the back-stamp of carpet, such as including CARE's phone number. **Thank you for your suggestion. This is a very complicated request, which would take several years to implement once agreed upon and take more than a decade to have any impact on the collection side. CARE believes the Program has much higher priorities to attend to at this point in time. CARE believes the awareness level among the retailer, installer, and even consumer level will be much higher in the next few years and have a much bigger impact on attention to recycling.**
7. CARE should send the draft report to the Advisory Committee with more than one week notice for the members to read the entire report. **CARE would be happy to review the production timing sequence. However, due to the financial audit process, the earliest we can obtain those results for inclusion is about the 3rd week of June. CARE will work to try and make future reports more concise and try to find an additional week of time to get it delivered if possible.**
8. Consider editorial methods to shorten the length of the annual report. **This is a constant goal. In the early days CARE was criticized for not including enough information and requesting much more detail, especially on the education and outreach activities. CARE endeavors to place most of that in**

the appendix realizing there is no narrative needed when looking at overall collateral materials. Further, due to the complex nature of carpet recycling and the related external market impacts, CARE has attempted to ensure that the Annual Report provides enough educational and informative narrative on the good work being done such that new Advisory Committee members, or those who may not be fully engaged on a regular basis, can be most conveniently and appropriately informed by reading one document.

In conferring with CalRecycle for additional ideas on how to effectively and most conveniently meet their needs to evaluate performance, beginning 2021 CARE will further streamline the report by relocating educational narrative into the appendix.

9. Appreciation for including the pounds on the tables with the financial information.
Thank you
10. On page 85, CARE commits to an update on the in-and-on ground application guidelines in 2021 to ensure safe and legal use of materials, including PC4 and fiber. CARE has submitted these to the Advisory Committee in the past and should also do this for the 2021 guidelines promised in the annual report. **As indicated in a note that was sent during the meeting, we have been working on an update to the In/On-ground guidelines as promised. The draft is complete, has been reviewed by legal and sent to recyclers for acknowledgement and signature. It continues to be a work in progress as is the regulatory dimension.**
11. Appreciation for CARE on their swift COVID-19 action plan. **Thank you. CARE appreciates those recyclers who brought this information to the attention of the Advisory Committee. We believe the impact was profound and avoided the potential for a major loss of California-based capacity.**

Ayes (11): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (0):

Abstain (0):

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

Clarifying Question

1. Why did CARE decide to not participate in today's meeting? Please provide an explanation to the Committee and consider participating in the future. **Please see response above to Motion 9.**

Ayes (11): Doug Williams, Eric Nelson, Franco Rossi, Gail Brice, Howard Sapper, Jen Jackson, Joanne Brasch, Nat Isaac, Steve Belong, Suna Bayrakai, Wes Nelson

Nays (0):

Abstain (0):

Absent (3): Joe Yarbrough, Steve Landreth, Rachel Palopoli

The motion passes

Additional topics listed during the meeting without specific motions that do not require a response provided for information only:

1. Reuse strategies for broadloom and tile
2. Format and structure of the report
3. Performance metrics

10.12 Reuse Guidelines

[Text was inserted into the Annual Report for document accessibility; accordingly, the formatting is somewhat different from the original document.]

September 1, 2019

Purpose:

Carpet America Recovery Effort (CARE) serves as the Carpet Stewardship Organization for the California Carpet Stewardship Program (CCSP). The purpose of the **REUSE GUIDELINES** is to promote the highest and best overall use of carpet and carpet tile that may be eligible for reuse subsidies.

Reuse Definition:

Per CARE's 2018-2022 5-year Plan definitions, following is the definition of reuse:

The donation or sale of recovered carpet back into the market for its original intended use. The reuse of recovered carpet retains the original purpose and performance characteristics of the carpet.

Background:

Per CARE's 2018-2022 5-year Plan, Chapter 0, CalRecycle asked the following of CARE:

Develop AUPs for reuse. The AUPs must describe the documentation, processes, and procedures that must be kept and followed by reuse incentive recipients. The AUPs should also ensure that expansion of the reuse market is not adversely impacted by reused carpet not meeting the performance expectations.

In response, CARE stated:

CARE will work with Aprio and solicit input from CSEs to develop and revise AUPs specifically as they pertain to carpet reuse for both tile and broadloom. The AUPs will include a provision specifically on performance standards and expectations for reuse. CARE will issue a Reuse Guideline, to include a discussion of performance expectations for reused PCC, no later than September 1, 2019. CARE will review the revised AUP procedures with CalRecycle before being finalized and submitted to CalRecycle by September 1, 2019.

Performance Standards:

CARE's reuse reporting requirement has been in place since the \$0.10 per pound reuse subsidy was implemented in 2015. As a part of that reporting, CSEs are required to provide, by carpet type (broadloom, carpet tile), the following: company/individual name, quantity of pounds sold/donated, and location/contact information for Receiving Party. In 2018 the reuse subsidy for carpet tile received an additional \$0.05 per pound subsidy incentive in an effort to specifically expand the reuse of carpet tile. In reconfirming and developing responses for Chapter 0, the existing AUP was clarified and expanded upon (see highlight below):

- Review logs documenting reuse customers who have received carpet for reuse purposes. Logs should include: Name/Company, telephone and number of pounds accepted for reuse purposes.
- Reuse Guidelines, specifically noting carpet quality and performance "grading" guidelines, will be presented to CSE for review and signature with the next contract cycle beginning January 2020.
- *NOTE:* Reuse applications that are not specifically original intent flooring-related are currently under review. Until a decision is made, subsidies for alternative one-time reuse are suspended.

On a randomized basis, calls may be made to recipients of carpet designated for reuse. CARE and its auditors reserve the right to contact reuse customers.

Expanding Support for Reuse:

Based upon CARE's experience and subsidy program data tracking history, nearly 90% of carpet reuse is captured through carpet tile versus broadloom. Thus, the primary focus of these guidelines, and a targeted effort in support of reuse, will relate to carpet tile.

Commercial grade carpet tile is durable, generally easily removed, uniform in nature and reasonably easy, unlike broadloom, for the average consumer to reinstall. Some of the most common outlets for reuse have been national and local community benefit organizations such as non-profit reusable building materials stores, thrift stores, churches, schools, etc. Other types of market outlets have included various on-line marketplaces such as: eBay, eBid, Amazon, Craigslist, Facebook Marketplace, Nextdoor, OfferUp, LetGo, Walmart Marketplace, etc.

Expectations for Reuse:

Suggested marketing terminology approaches to promote the sale of carpet designated for reuse could include: reclaimed; re-used, previously-owned; and if it has been cleaned before sale: refurbished, reconditioned.

Grading of Carpet for Reuse:

Knowing that each CSE values their customers, CARE will work with each CSE to develop supportive reuse marketing materials. CARE requires all CSEs to implement and promote the grading system on carpet designated for reuse. Suggested grading levels and examples of grading definitions are:

Grade A+	New (never used – overstock, attic stock, close-out).
Grade A	Shows some wear, very good looking, or possibly cleaned.
Grade B	Carpet shows some wear, may require light cleaning.
Grade C	Shows obvious wear, some soiling and/or staining, likely requires cleaning - probably not for a home use, best likely used in sheds, garages, etc.

All the aforementioned has been developed in an effort to promote reuse by providing customers access to high-quality affordable flooring.

As this is a specifically denoted new area of concern, as represented by the CalRecycle requirement for Reuse AUPs, future AUPs will incorporate review against these Reuse Guidelines.

Signature of CSE Representative _____ Date _____

Print name of CSE Representative _____

Signature of CARE Representative _____

Print name of CARE Representative _____ Date _____

10.13 Definitions

Definitions presented below are included within the AB 2398 statute, and/or in the Product Stewardship for Carpet Regulations (November 2011). Revisions presented in annual reports are underlined. New definitions, as a result of AB 1158, program changes, or CalRecycle's approval of CARE's 2018–2022 Plan, are noted with an asterisk ().*

Advisory Committee*: a mandated committee under AB 1158 to provide comments and recommendations on carpet stewardship plans, amendments to plans, and annual reports.

AUP: (Agreed Upon Procedures): A prescribed procedure executed by an external accounting firm or contractor to examine the records of Program participants to verify compliance and prevent fraud.

Calcium Carbonate: See *Post-Consumer Carpet Calcium Carbonate (PC4)* below.

Capacity: Theoretical maximum volume of carpet discards able to be processed by participating processors in a given year, based on self-reported estimates and/or permitted capacity figures. In line with CalRecycle **FacIT** definitions, Capacity is generally presented in tons per year (TPY). Both pounds per year and TPY are presented in this report.

Carpet: A manufactured article that is used in commercial or residential flooring applications as a decorative or functional feature and that is primarily constructed of a top visible surface of synthetic or natural face fibers or yarns or tufts attached to a backing system derived from synthetic or natural materials.

- “Carpet” includes, but is not limited to, a commercial or a residential broadloom carpet or modular carpet tiles.
- “Carpet” does not include a rug, pad, cushion, or underlayment used in conjunction with, or separately from, a carpet.

Carpet America Recovery Effort (CARE): A nationwide, 501(c)(3) non-profit organization whose focus is on post-consumer carpet stewardship.

Carpet As Alternative Fuel (CAAF): Fuel that has been produced from source-separated and sorted post-consumer carpet and processed, including (1) extraction of components for recycling if at all possible and (2) size reduction, shredding, and/or blending with coal fines, etc. CAAF is not a type of recycling, but it is a type of diversion for purposes of this Program. CAAF is an alternative fuel source to other fuel sources such as coal, natural gas, and fuel oil.

Carpet-Derived Aggregate (CDA): A potential utilization of Recycled Output as an alternative to heavy rock and soil for use in geotextiles, road construction, or similar civil engineering application; similar to Tire Derived Aggregate (TDA). Examples might include lightweight wall back fill, vibration attenuation, embankment repair, etc.

Carpet Industry: The universe of participants involved in the production of carpet, including carpet mills, fiber manufacturers, material suppliers, etc. It includes, but is not limited to, members of the Carpet and Rug Institute (CRI).

Carpet Mill: A primary producer of carpet, carpet tiles, or related products covered under the Plan. Also referred to as a *carpet manufacturer*.

Cement Kiln: Cement production facility that may use CAAF as a source of energy and/or as an additive for cement production.

Collected: Gross collected pounds of California PCC (total includes material that may eventually be sent to landfill). Also referred to as *Gross Collected* and *Gross Collection*.

Collection: Any method of consolidating and temporarily storing recovered commercial and/or residential carpet.

Collector/Sorters: See *Collector/Sorter Entrepreneur (CSE)* below.

Collector/Sorter Entrepreneur (CSE): A business that provides carpet recycling collection services for retailers, disposal sites or other sites. CSEs sort received PCC by material type for third-party reuse, or wholesale to Tier 1 processors for recycling. CSEs do not convert material into Recycled Output. Also referred to as *Collector/Sorters*.

Demolition: Represents the teardown of a building (one-time carpet removal). There is no estimate of percentage of flooring covered by carpet.

Discards: Carpet that has completed its lifecycle as a consumer item or is no longer used for its manufactured purpose. Also referred to as *post-consumer carpet materials*.

Disposal*: The management of solid waste through landfill disposal, transformation, or engineered municipal solid waste (EMSW) conversion, at a permitted solid waste facility (per PRC 40192). Under this Plan total pounds of post-consumer carpet sent to landfill, CAAF, kiln, WTE, and incineration are counted as disposal.

Disposal Diversion: Carpet removed from the waste stream that was destined for the landfill or incineration for the purpose of reuse, recycling, CAAF, kiln, or waste-to-energy. (*Note: Definition to be reviewed in 2021 for consistency with Disposal definition above.*)

Disposal Facility: Facilities that are licensed and permitted to provide final disposal for the specific wastes they accept, including waste-to-energy, incineration, and landfill.

Diversion: “Diversion” or “divert” means activities which reduce or eliminate the amount of solid waste disposed at landfills in a manner consistent with the state's hierarchy for waste management pursuant to Section 40051. (Ref: 14 CCR §18941)

Diversion (Net): See *Net Diversion*.

Diversion (Reported): See *Reported Diversion*.

DSC: Differential Scanning Calorimeter. Analytical testing device for identification of polymer/fiber type based on differential melting points.

Education/Communication Costs: Refers to expenses incurred in support of Marketing, Education and Outreach (ME&O) efforts conducted under the existing and extended Plan. Includes the cost of market development promotion, on-the-ground education and outreach support, communications, collateral and materials development, and related expenses, as well as costs related to the California Council on Carpet Recycling.

End-of-life (EOL) Costs: Program cost associated with the management of carpet discards from the point when a product is discarded by the consumer or the end of the useful life of the product, whichever occurs first. Costs may include subsidies, incentives or other expenditures related to reuse, recycling, incineration for energy recovery, landfilling and other forms of carpet disposition in line with Program goals. It also includes storage and transportation for the collection drop-off site program.

Energy Recovery: Burning carpet in a kiln or waste-to-energy facility or as carpet as alternative fuel (CAAF) to replace other fuels such as coal, natural gas, or fuel oil.

Entrepreneur: For the purposes of this report, it is defined as an individual or privately held company that actively, collects, sorts, processes, or manufactures products made from post-consumer carpet. It does not refer to a carpet manufacturer.

ESJPA: Environmental Services Joint Power Authority.

FacIT: [Facility Information Toolbox](#); a tool developed by CalRecycle to track statewide activities and total capacity, current throughout, and available capacity for each activity on an annual basis.

Filler: Materials such as calcium carbonate, etc., used in the production of carpet backing.

Governance Costs: Includes costs charged by CalRecycle for regulatory oversight of the Program; it is limited to 5% of the aggregate assessments collected for the preceding calendar year.

Gross Collection (GC): Estimated pounds of PCC removed from waste stream for reuse, recycle, CAAF, kiln, or WTE, as reported to CARE by Collector/Sorters, prior to

processing. This also includes unrecyclable PCC or carpet processing waste that may eventually be sent to landfill. The terms *Recovered* and *Collected* were previously used to describe *Gross Collected*.

Gross Collection Conversion Rate: The ratio of gross collections converted into Recycled Output (RO), expressed as a percentage of gross collections; also referred to as *Yield*.

ID: Identification number; used in place of number sign (#) in tables for accessibility.

Implementation Costs: Includes total expenses associated with Program implementation, as the sum of EOL subsidies, incentives, grants, technical assistance, education/communication costs and program administration costs.

Incineration: Complete burning of material to ashes, with no energy recovery, to reduce waste volume.

In-ground Applications: (subject to testing protocols): Placing PCC and/or byproducts of carpet at or below the surface of the earth. This application of using PCC must consist of transforming PCC into a useful product, must meet all local government laws and codes, and must be approved by the CARE SPC Definitions Sub Committee.

Examples include:

- PC4 when spread or mixed into ground as a soil amendment.
- PC4 in roadbed stabilization.
- Fiber in equestrian arenas, farms, racetracks, etc.
- Fiber from processed PCC used for sediment filtration, water filtration, roadbeds, etc.
- 100% wool carpet or wool fiber (no blends) as soil nutrient or weed control.

Input*: The post-consumer carpet that is collected, sorted, and readied for processing.

Landfilling: Landfilling includes the placement of post-consumer carpet and/or the residuals from a post-consumer carpet management method into a landfill disposal facility.

Manufacturer: A manufacturer of secondary products made with post-consumer carpet content. Manufacturers receive finished (Type 1) Recycled Output from Tier 1 processors and utilize this material in the production of finished secondary products. At this time, manufacturers are only eligible for subsidy payments if they use non-nylon or nylon 6 Type 1 output. CARE reserves the option to extend the manufacturer subsidy system to nylon-based Type 1 output if market dynamics justify. In this report, secondary manufacturers are referred to as Tier 2 manufacturers.

Marketing, Education & Outreach (ME&O): Communications, education, and/or outreach activities related to Program promotion, technical assistance, or stakeholder support for the purpose of increasing Program adoption, impact and/or effectiveness.

Memorandum of Understanding (MOU) for Carpet Stewardship: An agreement entered into by multiple stakeholders, including carpet industry, entrepreneurs, government entities and non-governmental organizations.

Net Diversion*: Estimated total PCC removed from California landfills for reuse, recycle, CAAF, kiln, WTE, or export. It is calculated as the difference of gross collected pounds minus PCC and process waste pounds that ultimately goes to landfill from Tier 1 processors or CSEs. Based on gross collection being an estimate by the CSEs, Net Diversion is also an estimate.

Nongovernmental Entities (NGOs): Nongovernmental entities or organizations (NGOs).

PC4: See Post-Consumer Carpet Calcium Carbonate (PC4) below.

Plasma: An extreme thermal process using plasma which converts organic matter into a syngas (synthesis gas), which is primarily made up of hydrogen and carbon monoxide. A plasma torch powered by an electric arc is used to ionize gas and catalyze organic matter into syngas, with slag remaining as a byproduct. It is used commercially as a form of waste treatment and has been tested for the gasification of municipal solid waste, biomass, industrial waste, hazardous waste, and solid hydrocarbons, such as coal, oil sands, petcoke, and oil shale.

Post-Consumer Carpet Calcium Carbonate (PC4): (subject to testing protocols): The residual, non-fiber content that is collected by a *Type 1 processor* when a carpet is separated. This is typically in the form of a powder, which is associated with the “ash content” when an ash test is performed. The substance can be a high PC4 product or a mix that could include coal fly ash, cured adhesives, and some residual fibers. Because of the carpet manufacturing processes, PC4 in PCC processing will always have residual latex or other backing binder.

Post-Consumer Carpet (PCC) Materials: Carpet that has completed its lifecycle as a consumer item or is no longer used for its manufactured purpose. Also referred to as *discards*.

Post-Industrial/Pre-Consumer Carpet Material: Carpet materials generated in manufacturing and conversion processes, including, but not limited to, manufacturing scrap and trimmings/cuttings.

Processing: Preparing carpet material for reuse, recycling, CAAF, WTE, or disposal. Is meant to refer to some form of mechanical or chemical processing beyond cutting flats, sorting, or baling whole carpet.

Processor: Qualified recipient participating under the Plan, that use industry-recognized processes such as shredding, grinding, sheering, depolymerization, etc., to convert discarded whole carpet into finished (Type 1 or Type 2) Recycled Output, ready to be utilized as an input material for secondary products. In this report, processors are referred to as Tier 1 processors. Some processors may also function as collector/sorter entrepreneurs or Tier 2 manufacturers.

Program Administrative Costs: All non-subsidy Program expenses, including accounting, legal services, CARE facilities and operational expenses, staffing/contractor expenses, professional services, and marketing, education, and outreach activities. Program administration also includes service payments (governance costs) to CalRecycle for Program oversight.

Pyrolysis: A thermochemical decomposition of organic material in the absence of oxygen (or any halogen). It involves the simultaneous change of chemical composition and physical phase and is irreversible. Pyrolysis is a type of thermolysis and is most commonly observed in organic materials.

RCRC: Rural County Representatives of California, a 35-member county service organization that champions policies on behalf of California's rural counties.

Recovered: Gross collected pounds of California PCC (this includes unrecyclable PCC carpet or carpet processing waste that may eventually be sent to landfill). Also referred to as *Gross Collection*.

Recyclability: Refers to how easily carpets can be separated into their component parts and ultimately recycled. Yield is used as the primary metric to measure changes in recyclability. See also *Yield*.

Recycled Content: Also known as recovered material content, it is the percentage of material, by weight, a product is made from that has been recovered from consumers in the municipal solid waste stream (post-consumer recycled content) plus any industrial materials salvaged for reuse (pre-consumer/post-industrial content).

- **Post-Consumer Recycled Carpet Content (PCRCC):** The amount or percent of carpet, by weight, that is no longer used for or has served its manufactured purpose, that is incorporated into the manufacturing process of the same or a different product.
- **Post-Industrial/Pre-Consumer Recycled Carpet Content:** The amount or percent of carpet material, by weight, generated by manufacturers or product converters, such as trimming, overruns and products returned to the Carpet Mills that are incorporated back into the manufacturing process of the same or a different product.

Recycled Output (RO): The sum of reuse or the material that results from the industry-recognized processing (shredding, shearing, hammer-milling, depolymerization, etc.) of PCC from a processor. Examples of Recycled Output include fiber, shredded carpet tile, depolymerized chemical components, carpet filler, PC4, etc. The Program currently distinguishes between two types of material:

- **Type 1 Recycled Output Material:** Higher-value Recycled Output with the most benefits to manufacturers of finished products and which generally takes more processing to achieve. Type 1 recycled materials must meet requirements set by the CARE SFOC. This includes maximum allowable ash content requirements, which are presently set at 25% or less and verified with quarterly ash testing in line with CARE-approved testing protocols. Examples of Type 1 recycled materials include PCC fiber, PCC backing, engineered resins, and material for carpet cushion.
- **Type 2 Recycled Output Material:** Lower-value Recycled Output with generally lower benefit to manufacturers of finished products and a lower value than Type 1 recycled materials. Type 2 recycled materials exceed 25% ash content in line with CARE-approved testing protocols. Examples of Type 2 recycled materials include carpet filler and non-functional filler.

Recycling: Transforming or remanufacturing discarded carpet materials into usable or marketable materials, rather than for landfill disposal, incineration, WTE, CAAF, or reuse.

Recycling Rate: The proportion of carpet discards converted into Recycled Output, expressed as a percentage of carpet discards. The Program's recycling rate goal is 16% by 2016 and 24% by 2020.

Reported Diversion: The sum of reported PCC removed from California landfills. It is calculated as the sum of reported pounds of Reuse + Recycled Output (Type 1 + Type 2) + CAAF + Kiln + Carcass + Cushion + Export + WTE.

Reuse: The donation or sale of recovered carpet back into the market for its original intended use. The reuse of recovered carpet retains the original purpose and performance characteristics of the carpet.

Rug: A loose laid (not installed or attached at wall base) soft floor covering manufactured from natural or synthetic fiber, including carpet cut into room or area dimensions that is not intended to cover the entire floor.

Rural County: California counties that meet the CalRecycle definition of rural: "A rural county is defined as a county which disposes of less than 200,000 tons of waste annually." (PRC Section 40183-4)

SFOC: Sustainable Fund Oversight Committee of CARE.

Sorting: The method used for segregating collected carpet into the various backing types (PVC, SBR Latex, etc.) and/or fiber types (e.g., Nylon 6, Nylon 6,6, polypropylene, and polyester).

Source Reduction: The result of using less product or material in manufacturing and use of carpet, and/or reducing the amount of discarded carpet generated.

Source Separation: The process by which carpet is separated/segregated from all other materials at the end of its useful life (or when discarded).

SPC: Stewardship Planning Committee of CARE.

Throughput: Consistent with the **FacIT** system definition, *throughput* means the total amount of material actually received at a facility, in tons per year for a specific activity in a given year, equal to gross collections. Throughput is presented in combination with a summary of final disposition data for gross collected discards managed by participating processors and collector/sorter entrepreneurs.

Tier: Distinguishes end-market uses of PCC Recycled goods. Where the term *Type* distinguishes between the level of processing of PCC, *Tier* is used to differentiate the end product applications that may or may not need incentives to facilitate their adoptions. Examples of Tier 2 finished products from Type 1 PCC fibers: depoly, fiber pad, home insulation batting, plastic lumber, engineered pellet, and non-woven filtration waddles.

Type: See *Recycled Output (RO)* above.

Waste-to-Energy: Process of recovering thermal energy from solid waste through combustion.

Yield: The ratio of Gross Collections converted into Recycled Output, expressed as a percentage of gross collections; also referred to as *gross collection conversion rate*.

10.14 Audited Financial Statements

This appendix includes the following financial statements of the California Carpet Stewardship Program for the year ending December 31, 2020. CARE National Audits, which are not paid for with California Recycling Assessment monies, are available to CalRecycle Staff upon request.

The statements were audited by independent Certified Public Accounting firm Brooks, McGinnis & Company, LLC, based in Atlanta, Georgia, and are presented without modification, except to include the Annual Report header, footer, and page numbers and to improve document accessibility. *[Text was inserted into the Annual Report for document accessibility; accordingly, the formatting is somewhat different from the original document.]*

1. California Carpet Stewardship Program: Financial Statements with Independent Auditor's Report, December 31, 2020 and 2019.
2. Independent Auditor's Report on State Compliance Requirements, 2020.
3. SAS 114 Letter 2020 for California Carpet Stewardship Program.

**10.14.1 California Carpet Stewardship Program: Financial Statements
with Independent Auditor's Report, December 31, 2020 and
2019**

THE CARPET STEWARDSHIP PROGRAM

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

DECEMBER 31, 2020 AND 2019

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM

Note: This document has been reformatted to make it compliant with CalRecycle requirements for accessibility. Pagination and formatting in this ADA complaint version of the audit report may differ from the original non-compliant version of the audit report. Page numbers have been removed to avoid confusion with the compiled annual report and appendix, which has one continuous set of page numbers.

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Statement of Functional Expenses
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Government Auditing Standards

Schedule of Findings and Responses

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
The California Carpet Stewardship Program, Inc.

Report on the Financial Statements

We have audited the accompanying financial statements of The California Carpet Stewardship Program, which comprise the statements of financial position as of December 31, 2020 and 2019 and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The California Carpet Stewardship Program as of December 31, 2020 and 2019, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 23, 2021, on our consideration of the Carpet America Recovery Effort, Inc.'s internal control over The California Carpet Stewardship Program's financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Carpet America Recovery Effort, Inc.'s internal control over The California Carpet Stewardship Program's financial reporting and compliance.

Brooks, McAnnis & Company, LLC

Atlanta, Georgia
August 23, 2021

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2020 AND 2019

Assets

Description	2020 (\$)	2019 (\$)
Current assets:		
Cash and cash equivalents	17,182,039	17,182,039
Assessments receivable, net	5,893,784	6,417,019
Prepaid expenses	2,150	1,400
Total current assets	21,999,583	23,600,458
Computer equipment	3,694	3,694
Less accumulated depreciation	-3,694	-2,565
Computer equipment, net	0	1,129
Total assets	21,999,583	23,601,587

Liabilities and Net Assets

Liabilities

Description	2020 (\$)	2019 (\$)
Due to recyclers	2,645,272	2,501,848
Due to CalRecycle	123,449	153,449
Due to CARE	186,017	128,460
Grants payable	6,094	796,018
Accounts payable and accrued expenses	365,858	384,150
Total liabilities	3,326,690	3,963,925

Net Assets

Description	2020 (\$)	2019 (\$)
Net assets without donor restrictions	18,672,893	19,637,662

Total Liabilities and Net Assets

Description	2020 (\$)	2019 (\$)
Total liabilities and net assets	21,999,583	23,601,587

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

Revenues Without Donor Restrictions

Description	2020 (\$)	2019 (\$)
Carpet recovery assessments	23,359,669	28,154,872
Interest income	69,277	104,861
Total revenue without donor restrictions	23,428,946	28,259,733

Expenses

Description	2020 (\$)	2019 (\$)
Program expenses	23,161,673	22,229,598
Administrative expenses	1,232,042	1,730,534
Total expenses	24,393,715	23,960,132

Change in Net Assets

Description	2020 (\$)	2019 (\$)
Increase (decrease) in net assets without donor restrictions	-964,769	4,299,601
Net assets at beginning of year	19,637,662	15,338,061
Net assets at end of year	18,672,893	19,637,662

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Salaries and benefits	642,803	307,257	950,060
Benefits and payroll taxes	45,810	10,056	55,866
Subsidies	18,494,230	0	18,494,230
Collection program	824,626	274,875	1,099,501
Communications (E&O)	666,296	222,099	888,395
Grants for capacity expansion	1,057,054	0	1,057,054
Professional services	195,338	0	195,338
Legal expenses	112,533	12,490	125,023
Technical assistance	73,790	0	73,790
Program studies	278,379	0	278,379
Reporting database	38,445	0	38,445
Product testing	1,000	0	1,000
Accounting	0	368,046	368,046
CalRecycle expenses	510,917	0	510,917
Facilities	30,327	30,327	60,654
Leases	2,400	0	2,400
Program travel expenses	20,529	2,281	22,810
Annual report	36,488	0	36,488
Modeling consultant	109,439	0	109,439
PET project allocation	9,600	0	9,600
Advisory committee	3,000	0	3,000
Bank service charges	64	21	85
Dues and subscriptions	2,948	983	3,931
Shipping and mailing	295	0	295
Office expenses	450	150	600
Telephone	2,261	2,261	4,522

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENT OF FUNCTIONAL EXPENSES – CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2020

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Insurance	1,030	1,032	2,062
Miscellaneous	492	164	656
Total expenses before depreciation	23,160,544	1,232,042	24,392,586

Depreciation

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Depreciation	1,129	0	1,129

Total Expenses

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Total expenses	23,161,673	1,232,042	24,393,715
Percentage of expenses	95%	5%	100%

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Salaries and benefits	531,200	251,338	782,538
Benefits and payroll taxes	35,886	7,877	43,763
Subsidies	14,557,201	0	14,557,201
Collection program	563,450	563,450	1,126,900
Communications (E&O)	564,209	564,209	1,128,418
Grants for capacity expansion	3,866,319	0	3,866,319
Professional services	153,882	0	153,882
Legal expenses	206,430	22,901	229,241
Technical assistance	624,042	0	624,042
Program studies	352,622	0	352,622
Reporting database	57,317	0	57,317
Product testing	640	0	640
Accounting	0	299,940	299,940
CalRecycle expenses	493,965	0	493,965
Facilities	6,359	6,359	12,718
Leases	2,100	0	2,100
Program travel expenses	94,532	10,504	105,036
Annual report	29,073	0	29,073
Modeling consultant	60,491	0	60,491
PET project allocation	9,600	0	9,600
Advisory committee	12,820	0	12,820
Dues and subscriptions	1,679	560	2,239
Shipping and mailing	295	0	295
Office expenses	1,422	473	1,895
Telephone	1,1911	1,911	3,822
Insurance	1,012	1,012	2,024

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENT OF FUNCTIONAL EXPENSES – CONTINUED
FOR THE YEAR ENDED DECEMBER 31, 2019

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Total expenses before depreciation	22,228,367	1,730,534	23,958,901

Depreciation

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Depreciation	1,231	0	1,231

Total Expenses

Description	Program Services (\$)	General & Administrative (\$)	Total Expenses (\$)
Total expenses	22,229,598	1,730,534	23,960,132
Percentage of expenses	93%	7%	100%

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2020 AND 2019

Cash Flows from Operating Activities

Description	2020 (\$)	2019 (\$)
Changes in net assets	-964,769	4,299,601

Adjustment to Reconcile Change in Net Assets to Net Cash Used in Operating Activities

Description	2020 (\$)	2019 (\$)
Depreciation	1,129	1,231

Changes in Assets and Liabilities

Description	2020 (\$)	2019 (\$)
(Increase) decrease in assessments receivable, net	523,235	-1,457,534
(Increase) decrease in prepaid expenses	-750	-1,400
Increase (decrease) in due to recyclers	143,424	599,309
Increase (decrease) in due to CalRecycle	-30,000	27,994
Increase (decrease) in due to CARE	57,557	55,549
Increase (decrease) in grants payable	-789,924	470,888
Accounts payable and accrued expenses	-18,292	-275,118
Total adjustments	-113,621	-579,081
Net cash provided by (used in) operating activities	-1,078,390	3,720,520

Cash and Cash Equivalents

Description	2020 (\$)	2019 (\$)
Net increase (decrease) in cash and cash equivalents	-1,078,390	3,720,520
Cash and cash equivalents at beginning on year	17,182,039	13,461,519
Cash and cash equivalents at end of year	16,103,649	17,182,039

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2020 AND 2019

1. Nature of Organization and Significant Accounting Policies

Organization

The California Carpet Stewardship Program (the Program) has previously been referred to as the AB2398 California Carpet Stewardship Plan. Due to the passage of new legislation, the program is now called the California Carpet Stewardship Program.

The California Carpet Stewardship Plan (the Plan) is authorized by California Assembly Bill (AB2398) to implement measures to achieve measurable improvements in the landfill diversion and recycling of post-consumer carpet. AB2398 was signed into law by the governor of California on September 30, 2010.

In October 2017, California Governor Jerry Brown signed into law AB1158 placing additional requirements on any Carpet Stewardship Organization (CSO). Key Changes to the law include:

- Achieve 24% recycling rate by January 1, 2020 and meet or exceed annually thereafter;
- Incentivize (grants or subsidies) materials that have the “highest recyclability”;
- Supply all data necessary for CalRecycle to evaluate effectiveness of program;
- The Program cannot use funds to pay penalties or litigation against the state;
- The Program cannot pay subsidies for kiln, waste to energy (WTE), carpet as alternative fuel (CAAF) or incineration;
- All state projects must be managed in a way consistent with carpet stewardship laws;
- Department of General Services must publish minimum post-consumer carpet (PCC) content specs for purchases of carpet by 7/1/18;
- Must increase diversion and increase collection;
- Must increase collection convenience;
- Must expand and incentivize markets for products made from PCC;
- Must increase processor capacity, including in California;
- Must increase recyclability of carpet;
- Must describe measures that enable source reduction, source separation & processing to segregate & recover recyclable materials, environmentally safe management of materials that cannot feasibly be recycled; and
- Must provide incentives or grants to state-approved apprenticeships programs for training apprentices and journey-level installers in proper practices for recycling PCC.

In October 2019, California Governor Gavin Newsome signed into law AB729 placing additional requirements on any CSO. Key changes to the law include the inclusion of a contingency plan, the establishment of a trust fund or escrow account for unexpended funds and required approval of increases or decreases in the assessment rate.

Collectively, AB2398, AB1158 and AB729 are referred to as the carpet stewardship laws. Approved regulations are found in Title 14, Division 7, Chapter 11.

The Plan became effective on July 1, 2011 and is managed by the Carpet America Recovery Effort, Inc. (CARE). The Plan is a set of guidelines that CARE uses to administer the Program. The Plan was developed by CARE and an initial plan document was conditionally approved by the California Department of Resources Recycling and Recovery (CalRecycle). A revised stewardship plan document (version 3.2.2) was approved by CalRecycle on January 21, 2014 and plan amendments on January 5, 2015 (Addendum #1), October 21, 2015 (Addendum #2), and January 26, 2016 (Addendum #3). Collectively this Plan was referred to as Version 3.2.2.

On October 16, 2018, CalRecycle conditionally approved CARE's 5-Year Plan for 2018-2022 and gave CARE 60 days to resubmit addressing findings of non-compliance. On February 19, 2019, the revised Plan was approved by CalRecycle. Version 3.2.2 continued in force and CARE continued to manage the Program until the new Plan was approved.

CARE was the sole carpet stewardship organization until April 1, 2015. At that time other organizations could apply for status as a "Carpet Stewardship Organizations." As of August 23, 2021, no other Carpet Stewardship Organizations have submitted a Plan or approved.

The carpet stewardship laws require carpet manufacturers or retailers to collect an assessment based on the square yardage of carpeting sold in California. CARE mill members participating under the Plan collect the funds from California retailers. Mills (manufacturers) submit funds directly to CARE quarterly based on reported yards sold in the prior quarter. CARE disburses the proceeds in accordance with the Plan.

Disbursements are to promote carpet recycling in California and cover the costs of administering the Plan. The primary use of funds is to carpet recyclers who are paid by the pound of qualifying products that are processed and subsequently sold.

Manufacturers or retailers participate voluntarily in the Plan; however, the carpet stewardship laws require that they participate in CARE's Plan, or development and implement their own Carpet Stewardship Plan.

CARE does not have authority to levy penalties on Manufacturers or Retailers that are not compliant with the carpet stewardship laws. That authority belongs solely to the state of California.

Financial Statement Presentation and Basis of Accounting

The Program maintains its accounts on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (GAAP). Under GAAP, the Program is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions based on stipulations made by the donor. Net assets that are not subject to donor-imposed restrictions including the carrying value of all property and equipment are recorded as net assets without donor restrictions. Items that affect (i.e., increase or decrease) this net asset category include program revenue and related expenses associated with the core activities of the Program. In addition to these exchange transactions, changes to this category of net assets include investment income and contributions without donor restrictions. The Program had no net assets with donor restrictions as of December 31, 2020 or 2019.

Property and Equipment

The Program follows the practice of capitalizing all expenditures for property and equipment in excess of \$500. Donated property and equipment are stated at cost or estimated fair value at time of donation. Depreciation is computed using the straight-line method over the assets' estimated useful lives as stated below. For the years ended December 31, 2020 and 2019, the estimated useful life of computer equipment is three years.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Revenue Recognition

Revenue from carpet recovery assessments is recognized during the calendar quarter the carpeting is sold by a manufacturer that is a participant in the Plan. Manufacturers report their sales on a quarterly basis. Reports and payments are due within 30 days following the close of each quarter. The assessment is \$.35 per square yard. The carpet stewardship assessment is added to the wholesale price of carpet, and it is passed through until it reaches the retail consumer.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. The statement of functional expenses presents the natural classification detail of expenses by function. The financial statements report certain categories of expenses that are attributed to both program and supporting function. Therefore, some expenses require allocation on a basis that is reasonable based on the nature of each category. The expenses that are allocated include salaries and wages, benefits and payroll taxes, collection program, communications (E&O), professional services, legal expenses, facilities, leases,

program travel expenses, bank service charges, dues and subscriptions, office expenses, telephone insurance and miscellaneous.

Cash and Cash Equivalents and Concentration of Credit Risk

Cash and cash equivalents are comprised of demand deposit accounts. For purposes of the statements of cash flows, the Program considers all short-term, interest-bearing deposits with maturities of three months or less to be cash equivalents. Cash and cash equivalents consist of deposits with one financial institution as of December 31, 2020 and 2019. The amounts that exceed federally insured limits are secured by investment portfolio securities of the bank.

Risk and Uncertainties

During the year ended December 31, 2020, the global coronavirus pandemic threatened to deeply harm global growth. This has affected the U.S. and global equity markets, as well as eroded consumer confidence and deepened unemployment. It is uncertain how this volatility in the financial markets and general economic conditions may affect the Programs' operations and assessment income in the future.

While the Program believes it has the resources to continue its programs, its ability to do so may be dependent on many factors. The Program is heavily dependent upon assessments on carpet sales. The sales of carpet may be affected by current and future overall economic conditions.

2. Liquidity and Availability of Financial Assets

The Program is substantially supported by assessments charged to California consumers and paid to retailers. CARE mill members collect these assessments from the retailers which are submitted to the Program. Consistent with California law, the assessment per unit of carpet sold in the state of California is an amount that cumulatively will adequately fund the plan. The Program does not have any income with donor restrictions. Accordingly, related financial assets are all available to the Program for its general expenditures. General expenditures may be incurred for program or administrative purposes.

The Program's financial assets available within one year after this date to satisfy liabilities at this date and for future general expenditure are as follows at December 31:

Description	2020 (\$)	2019 (\$)
Cash and cash equivalent	16,103,649	17,182,039
Assessments receivable, net	5,893,784	6,417,019
Financial assets available to meet cash needs for general expenditures within one year	21,997,433	23,599,058

The Program structures its financial assets to be available as its general expenditures, liabilities, and other obligations become due. In addition to financial assets available to

meet general expenditures over the next twelve months, the Program operates with a balanced budget and anticipates collecting sufficient revenue to cover general expenditures.

3. Assessments Receivable, Net

Assessments receivable consists of carpet recovery assessments due from Plan participants. As of December 31, 2019, management had established an allowance for doubtful accounts of \$175,502, a result of one of the member mills' bankruptcy claim filed in 2017. The remaining accounts receivable were considered collectible in full and no additional allowance was deemed necessary. The bankruptcy plan was approved in 2020, and the Program will not be collecting the assessments; therefore, the receivable balance and allowance for doubtful accounts were reduced to \$0. As of December 31, 2020, all remaining accounts receivable are considered collectible in full and no allowance is deemed necessary.

4. Commitments and Contingencies

During the years ended December 31, 2020 and 2019, the Sustainable Funding Oversight Committee (SFOC) allocated \$2,078,662 and \$2,396,984, respectively, to support grants. Additionally, for the year ended December 31, 2018, the SFOC allocated \$3,484,673, to support grants. The actual amount of reimbursements is expected to differ from the authorized amounts depending on the number of applicants, projects selected, changes in project scope, and grantees' ability to meet contract obligations. As of December 31, 2020, \$199,279 remains committed for the grants committed during the year ended December 31, 2018, \$213,147 remains committed for the grants committed during the year ended December 31, 2019, and \$1,747,655 remains committed for the grants committed during the year ended December 31, 2020.

CalRecycle has presented an accusation covering CARE's performance during fiscal years 2013, 2014 and 2015. CalRecycle sought penalties in the amount of \$182,500, \$1,460,000, and \$1,642,500 from CARE for the three years in question, totaling \$3,285,000. Initial litigation at the administrative level has concluded with a finding against CARE of \$182,500, \$273,750, and \$365,000 for a total of \$821,250. CARE appealed the decision however, the lower court's decision was upheld by the Third District Court of Appeal on January 27, 2021.

In the second action, CalRecycle presented an administrative accusation covering CARE's performance during calendar year 2016. CalRecycle sought a penalty of \$1,830,000. An administrative law judge issued a proposed decision, finding that CARE was not negligent.

The Director of CalRecycle rejected the proposed decision and issued a decision imposing an administrative penalty of \$1,830,000. CARE appealed penalty issuance by CalRecycle and, on October 22, 2020, the Sacramento Superior Court granted CARE's petition for writ. Following remand from the trial court, CalRecycle issued its decision assessing penalties against CARE in the amount of \$274,500.

On March 12, 2021, the parties reached a settlement to resolve all claims related to the CalRecycle accusations against CARE, with CARE paying CalRecycle \$1,175,000 no later than June 15, 2021. On June 4, 2021, CalRecycle confirmed receipt and deposit of the settlement payment.

The Program has no liability or expenses related to these actions.

Subsequent to the year ended December 31, 2020, CalRecycle found CARE noncompliant with its California Carpet Stewardship Plan 2018-2022 for failure to achieve recycling goals in 2019. CARE has been referred to the Waste Permitting, Compliance and Mitigation Division for enforcement. The Organization's liability under the above referenced noncompliance remains unknown as of the date of issuance of these financial. Therefore, no amounts have been recorded in the accompanying financial statements.

5. Related Parties: Industry Affiliate and Other

The Program is administered by the Carpet America Recovery Effort, Inc. (known by the trade name "CARE"). CARE was established in 2002 to represent the carpet industry's effort to support market-based carpet recycling solutions. CARE is a not-for-profit, 501(c)(3) organization that was formed to oversee and enable market-based solutions for the recovery and recycling of post-consumer carpet.

To participate in the Program, manufacturers and retailers must maintain a membership in good standing with CARE. Recyclers who wish to receive disbursements must also maintain a membership in good standing to receive funds.

The primary organizer of CARE was the Carpet and Rug Institute, Inc. (known by the trade name "CRI"). CRI is a 501(c)(6) organization and is the primary trade group of the carpet industry. CRI initiated CARE's organization as the entity to represent, promote the industry's carpet recycling efforts and to manage the industry's recycling programs.

CARE was created in dialog with the U.S. Environmental Protection Agency (EPA), several States, non-governmental organizations (NGOs), and carpet industry members as a result of a Memorandum of Understanding signed January 8, 2002.

CRI acts as an advocate of the carpet industry and actively works on representing its interest on legislative, regulatory, and judicial issues at the federal, state, and local levels. CRI played an active role in the development of the AB2398 legislation in California, and actively lobbies for the carpet industry in other states considering similar product stewardship or extended producer responsibility (commonly referred to as EPR) legislation.

CARE and CRI share one common non-voting director and facilities and they provide administrative and technical support to each other and the Program.

Under the carpet stewardship laws, CARE is allowed to be reimbursed for costs it incurs administering its Carpet Stewardship Plan. Costs incurred directly by the Program are

paid from Program funds. Shared labor and other costs of the Program and CARE are systematically allocated and periodically settled. These shared labor costs totaled \$940,091 and \$707,866 for the years ended December 31, 2020 and 2019, respectively.

The Program has accounts payable of \$186,017 and \$128,460 due to CARE as of December 31, 2020 and 2019, respectively for expenses paid by CARE but incurred by the Program.

Some of the members of the Board of Directors work for various organizations that receive subsidies from the Program. Management does not believe the risk of undue influence associated with these relationships is significant.

6. Concentrations

For the years ended December 31, 2020 and 2019, three carpet manufacturers accounted for approximately 82% and 76% respectively of the carpet recovery assessments. These manufacturers also accounted for 82% and 79% of assessments receivable at December 31, 2020 and 2019, respectively.

7. Subsequent Events

Management has evaluated events and transactions which occurred through August 23, 2021, which was the date the financial statements were available to be issued. Other than the subsequent event reported in Note 4, there are no other significant subsequent events requiring recognition or disclosure in the financial statements.

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
 REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
 OF
 FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
 GOVERNMENT AUDITING STANDARDS

To the Board of Directors
 of The California Carpet Stewardship Program:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of The California Carpet Stewardship Program, (the Program), which comprise the statements of financial position as of December 31, 2020 and 2019 and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated August 23, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Program's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Program's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these

limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Program's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed two instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* which are described in the accompanying schedule of findings and responses as finding number 2020-001 and 2020-002. There were no other findings except for the CalRecycle accusations included in Note 4 of the Program's financial statements.

Carpet America Recover Effort 's Response to Findings

Carpet America Recover Effort's (CARE) response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. CARE's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Brooks, McInnis & Company, LLC

Atlanta, Georgia
August 23, 2021

THE CALIFORNIA CARPET STEWARDSHIP PROGRAM
SCHEDULE OF FINDINGS AND RESPONSES
DECEMBER 31, 2020 AND 2019

Summary of Audit Results and Compliance Findings

Financial Statements: Unmodified

Internal Control over Financial Reporting:

- Material weakness(es) identified? No
- Significant deficiencies identified that are not considered to be material weakness? Not noted

Noncompliance material to financial statements noted? Yes

Compliance Findings

2020-001 and 2020-002

Criteria: California laws and regulations require the Program to meet a recycle rate of 24% by January 1, 2020. The Program is required to reach a goal of reuse of 1.5 million pounds of postconsumer carpet by December 31, 2020, as outlined in the plan.

Condition: As a result of our audit procedures, it was determined that the methods used to measure whether California carpet is managed in a manner consistent with the state's waste management hierarchy are accurate. However, we noted the Program did not reach the recycle rate of 24% required by January 1, 2020. The Program also did not reach the reuse goal set by the Plan of 1.5 million pounds of postconsumer carpet by December 31, 2020.

Cause: Based on the expected 2020 growth trajectory, expectations were to exceed the target. However, the Covid 19 pandemic had a major impact on recycling operations, especially apparent in the second quarter. In addition, two long planned projects experienced continued delays due to power outages resulting from wildfires and jurisdictional permitting delays. It is CARE's opinion that had the delays not occurred, the goal would have been achieved. In addition reuse goals were not met due to direct effects of the global pandemic.

Effect: By not reaching these goals by the target dates, CalRecycle may find CARE non-compliant and assess penalties or other performance requirements against CARE.

Recommendation: We recommend procedures be implemented to ensure recycle rate goals are met annually. In addition we recommend procedures be implemented to ensure the program meets future reuse goals as outlined in the plan.

Views of Responsible Officials and Planned Corrective Actions: CARE has taken a number of steps to address both of these important metrics:

1. The CARE Covid Action Plan was implemented on an emergency basis in April 2020 to maintain critical collection and processing capacity in California as well as product manufacturing outlets. Details of those actions are well documented. Had these actions not been taken it is highly likely there would have been a significant loss of California capacity setting the program back years in terms of the Recycling Rate.
2. Expanding the number of public drop off sites to meet both Convenient Collection targets and to expand collection volume.
3. Starting up collections at Regional Distribution Centers (2 already active in the first half of 2021 with additional sites expected to come on line.
4. Expanding outreach to hard surface retailers as a source of untapped carpet rip out when being replaced with hard surface flooring.
5. Expanded and focused efforts to grow collections by combating cannibalism (that is redistribution of existing collection pounds vs growing the overall collection volume).
6. Continuing the grant program with the aim of investing in both capacity and collection expansion.
7. CARE has added an additional \$0.20/lb. as a pilot program to the tile reuse and recycle subsidy to further encourage and enable tile diversion from landfill.
8. Working on marketing with Habitat for Humanity to expand exposure for the reuse of carpet tiles.

There were no other instances of noncompliance or other matters to disclose except for the CalRecycle accusations included in Note 4 of The California Carpet Stewardship Program's financial statements.

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10.14.2 Independent Auditor's Report on State Compliance Requirements

Compliance

We have audited Carpet America Recovery Effort Inc.'s (CARE) compliance with the requirements specified in the State of California's Code of Regulations, Title 14, Division 7, Chapter 11, Article 1 applicable to CARE's statutory requirements identified below for the year ended December 31, 2020.

We have also audited the basic financial statements of The California Carpet Stewardship Program (the Program) as of and for the year ended December 31, 2020 and have issued our report thereon dated August 23, 2021.

Both audits were conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

CARE's management is responsible for the Program compliance with laws and regulations. In connection with our audits referred to above, we selected and tested transactions and records to determine compliance with state laws and regulations applicable to CARE's program.

Auditor's Responsibility

Our responsibility is to express an opinion on CARE's compliance based on our audit. We conducted our compliance audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the

United States; and the State of California’s Code of Regulation, Title 14, Division 7, Chapter 11, Article 1 applicable to CARE’s statutory requirements. Those standards and the State of California’s Code of Regulations require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on the statutory requirements listed below occurred. An audit included examining, on a test basis, evidence about CARE’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of CARE’s compliance with those requirements.

In connection with the audit referred to above, we selected and tested transaction and records to determine CARE’s compliance with state laws and regulations including, but not limited to, the following applicable items:

Performance Goals and Activities

Description	Audit Procedures Performed	Compiled
List each compliance requirement	(Yes/No)	(Yes/No)
Measurement methods accurately identify:		
a. Amount of California carpet that is diverted to landfills	Yes	Yes
b. Amount of California carpet that is processed in new commodity	Yes	Yes
c. That California carpet is managed in a manner consistent with the state's waste management hierarchy.	Yes	No See Note 1
d. Amount of California carpet discarded each year (estimated using a formula based on sales). Assumption used in the formula are appropriate for California.	Yes	Yes

Financing Mechanisms

Description	Audit Procedures Performed	Compiled
List each compliance requirement	(Yes/No)	(Yes/No)
a. Assessments are paid to CARE on all carpet sold in the state of California at the rate indicated in the Plan (i.e., 5 or 10 cents per sq. yd).	Yes	Yes
b. The assessments collected for the Program are only spent on the program.	Yes	Yes
c. The payments are accurately presented by categories found in the Regulations, Section 18944 (7). Annual Report Compliance Criteria, Financing Mechanism.	Yes	Yes
d. The annual report accurately presents information.	Yes	Yes

Program Performance Measurement

Description	Audit Procedures Performed	Compiled
List each compliance requirement	(Yes/No)	(Yes/No)
a. Applicants applying for incentive payments submit documentation as required in the Plan (and Agreed Upon Procedures) that are in place at the time documents are submitted.	Yes	Yes
b. CARE is tracking information needed to include in Annual Report per regulations Section 18944.	Yes	Yes
c. CARE's practices support a level playing field among those requesting Program funds.	Yes	Yes
d. CARE has a method to determine the effectiveness of educational and outreach activities that is appropriate for use in California.	Yes	Yes

Note 1: See audit findings 2020-001 and 2020-002 Audit of California Carpet Stewardship Program financial statements. As a result of our audit procedures, it was determined that the methods used to measure whether California carpet is managed in a manner consistent with the state's waste management hierarchy are accurate. However, during our testing, we noted two goals within the waste management hierarchy that were not met as of December 31, 2020. Despite consistent increases in the recycling rate, the Program did not reach the goal of 24%. Additionally, the Program did not reach the goal of 1.5 million pounds of postconsumer carpet reuse.

CARE has taken a number of steps to address both of these important metrics. Management's response to the findings are detailed in the Audit of California Carpet Stewardship Program financial statements.

Opinion

In our opinion, except for the noncompliance noted above, CARE complied, in all material respects, with the compliance referred to above that are applicable to the statutory requirements listed above for the year ended December 31, 2020.

This report is intended solely for the information of the Board of Directors of the Carpet America Recovery Effort, Inc. and CalRecycle and is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record, and its distribution is not limited.

Brooks, McInnis & Company, LLC

Atlanta, GA
August 23, 2021

10.14.3 SAS 114 Letter 2020 for California Carpet Stewardship Program

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August 23, 2021

We have audited the financial statements of The California Carpet Stewardship Program (the Program), for the year ended December 31, 2020 and have issued our report thereon dated August 23, 2021. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 3, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Program are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered by the Program during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- The functional expense category allocations for benefited program or supporting service.
- The depreciable lives of fixed assets.
- The allowance for uncollectible accounts receivable.

We evaluated the key factors and assumptions used to develop the estimates in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to the financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure in Note 2 concerning liquidity and availability of financial assets to fund future general expenditures and the Program's management of cash flow to meet financial obligations in the next twelve months.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely adjustments identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There was one reclassification adjustment for financial statement purposes only which was not material, either individually or in the aggregate to the financial statements taken as a whole. There were no other audit adjustments.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated August 23, 2021.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Program's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Program's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

In planning and performing our audit of the financial statements of The California Carpet Stewardship Program (the Program) as of and for the years ended December 31, 2020 and 2019, in accordance with auditing standards generally accepted in the United States of America, we considered the Program's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Program's internal control. Accordingly, we do not express an opinion on the effectiveness of the Program's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Program's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that were not identified.

This information is intended solely for the use of The California Carpet Stewardship Program and management of the Program and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Brooks, McInnis & Company, LLC