

California Carpet Stewardship Annual Report Review Checklist

(Updated June 22, 2023)

By September 1 of each year, a manufacturer of carpet sold in the state shall, individually or through a carpet stewardship organization, submit to the Department of Resources Recycling and Recovery (CalRecycle) an annual report. This checklist includes statutory and regulatory requirements that carpet stewardship annual reports must address. Annual reports must also meet requirements specific to a carpet manufacturer or stewardship organization's program found in its approved stewardship plan and CalRecycle Request for Action documents on CalRecycle's Stewardship Plan (<https://calrecycle.ca.gov/Carpet/Plans/>), Annual Reporting (<https://calrecycle.ca.gov/carpet/results/>), and Program Goals (<https://calrecycle.ca.gov/carpet/goals/>) webpages. This checklist is not intended as a comprehensive list of all applicable legal requirements. It is provided for reference only and may not reflect recent changes in statutes and regulations. Use of this checklist is voluntary.

Table 1. Statutory Requirements (Public Resources Code)

Requirement	Requirement met? (Yes/No/Partially)	Reported metric or summary of how requirement was met	Annual report page number(s)	Comments
42972(a)(2) Achieve a 24-percent recycling rate for postconsumer carpet by January 1, 2020, and any other recycling rate established by the department pursuant to Section 42972.2.				
42975(a) In order to achieve compliance with this chapter, a carpet stewardship organization shall, on or before September 1 of each year, demonstrate to the department that it has achieved the amount and rates of recycling and a reduction in disposal of postconsumer carpet subject to its stewardship plan and the other goals included in the organization's plan pursuant to paragraph (2) of subdivision (a) of Section 42972. In determining compliance, the department shall consider all of the following:				

Requirement	Requirement met? (Yes/No/Partially)	Reported metric or summary of how requirement was met	Annual report page number(s)	Comments
42975(a)(1) The baseline rate of compliance against which the demonstrated improvement is compared, including progress in achieving the goals outlined in subparagraphs (A) to (E), inclusive, of paragraph (2) of subdivision (a) of Section 42972.				
42975(a)(2) The quantifiable five-year goals and annual goals included in the carpet stewardship plan pursuant to paragraph (2) of subdivision (a) of Section 42972.				
42975(a)(3) Information provided in the organization's report to the department pursuant to Section 42976.				
42976(a) The amount of carpet sold by square yards and weight, in the state during the reporting period. A carpet stewardship organization with more than one manufacturer may use average weight.				
42976(b) The amount of postconsumer carpet recycled, by weight, during the reporting period.				
42976(c) The amount of postconsumer carpet recovered but not recycled, by weight, and its ultimate disposition.				
42976(d) The total cost of implementing the carpet stewardship plan.				
42976(e) An evaluation of the effectiveness of the carpet stewardship plan, and anticipated steps, if needed, to improve performance.				

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42976(f) Examples of educational materials that were provided to consumers during the reporting period.				

Table 2. Regulatory Requirements (California Code of Regulations Title 14)

Requirement	Requirement met? (Yes/No/Partially)	Reported metric or summary of how requirement was met	Annual report page number(s)	Comments
18942(c) The annual report shall be submitted by a corporate officer acting on behalf of a manufacturer or stewardship organization that is operating a carpet stewardship program under a department-approved stewardship plan.				
18942(c)(1) The annual report must be submitted electronically to the department, according to instructions provided by the department. A hard copy, signed by a corporate officer of a manufacturer or stewardship organization under the penalty of perjury, must also be submitted.				

Requirement	Requirement met? (Yes/No/Partially)	Reported metric or summary of how requirement was met	Annual report page number(s)	Comments
<p>18942(c)(2) The information submitted in an annual report shall address the criteria for a finding of compliance per 42976 as outlined in § 18944 Annual Report Compliance Criteria and be organized according to this standard outline:</p> <ul style="list-style-type: none"> (A) Contact Information (B) Executive Summary (C) Scope (D) Program Outline (E) Description of Goals and Activities (F) Market Development (G) Financing Mechanism (H) Education and Outreach (I) Audits 				
<p>18944(a) The annual report must contain the following:</p>				
<p>18944(a)(1) Contact information. Identify the manufacturer or stewardship organization responsible for the annual report submittal.</p>				
<p>18944(a)(2) Executive Summary. Provide an evaluation of the effectiveness of the carpet stewardship plan, and anticipated steps, if needed, to improve performance.</p>				
<p>18944(a)(3) Scope. The program described in the stewardship plan accepts and manages all applicable post-consumer carpet.</p>				
<p>18944(a)(3)(A) Indicate any changes in the program scope from the approved stewardship plan.</p>				

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18944(a)(3)(B) Indicate the scope is unchanged, if no changes have occurred during the reporting period.				
18944(a)(4) Program Outline. Describe the carpet stewardship program, including information on the following topics:				
18944(a)(4)(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.				
18944(a)(4)(B) Include facility name(s) and address(es) for each method of disposition.				
18944(a)(5) Description of goals and activities based on the stewardship plan. State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period.				
18944(a)(5)(A) The annual report shall include, but is not limited to, quantitative information data and discussion, specific to sales in California, on the following:				
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.				

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18944(a)(5)(A)2. Amount (pounds) of post-consumer carpet that is available for collection.				
18944(a)(5)(A)3. Amount (pounds) of carpet source reduced, if measureable.				
18944(a)(5)(A)4. Amount (pounds) of post-consumer carpet collected, by weight, during the reporting period.				
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.				
18944(a)(5)(A)6. Describe efforts to increase recyclability of carpets.				
18944(a)(5)(A)7. Describe efforts to increase recycling of post-consumer carpet.				
18944(a)(5)(A)8. Describe efforts to increase diversion of post-consumer carpet from landfills.				
18944(a)(5)(A)9. Describe other environmental impacts as data are available, e.g., green house gas emissions. Descriptions of any enforcement actions or problems related to plan implementation.				
18944(a)(5)(A)10. Describe efforts to increase the market growth of secondary products made from post-consumer carpet.				

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18944(a)(5)(A)11. Describe number of jobs attributable to the carpet stewardship program as data are available.				
18944(a)(5)(B) Information on goals shall be accompanied by supporting information covering, but not be limited to the following topics:				
18944(a)(5)(B)1. Report describes the measurement methodology, assumptions, conversion factors, and data sources.				
18944(a)(5)(B)2. Report demonstrates that over time source reduction, reuse, and recycling increased, while environmentally safe transformation and land disposal decreased.				
18944(a)(5)(B)3. Report covers progress toward achievement of all goals in the approved stewardship plan.				
18944(a)(6) Market Development. 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.				
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				

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supporting documentation. Any proposed change in the amount of the carpet stewardship assessment fee must be submitted to the department for re-approval (See §18943 Criteria for Plan Approval):				
18944(a)(7)(A) Total Program Cost				
18944(a)(7)(B) Cost(\$)/capita				
18944(a)(7)(C) Cost (\$)/pound collected				
18944(a)(7)(D) Education/Communications (% of total program cost)				
18944(a)(7)(E) End-of-life materials management (% of total program cost)				
18944(a)(7)(F) Program administration (% of total program cost, including annual administrative fee for service payments to the department)				
18944(a)(7)(G) Governance (program oversight) (% of total program cost)				
18944(a)(7)(H) Total cost to local government (if applicable)				
18944(a)(7)(I) Amount of the assessment, aggregate assessment funds collected, how spent and amounts of each major expenditure				

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18944(a)(7)(I)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.				
18944(a)(7)(I)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.				
18944(a)(7)(J) Surplus funding, if any, and how it will be applied to reduce program costs				
18944(a)(7)(K) An evaluation of the assessment rate				
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				

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(a) (5) and Links to website(s) created and maintained by the manufacturer or stewardship organization.				
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.				
18944(a)(9)(A) The department may investigate further. If the department decides to further review the findings of the independent auditor, the review will be conducted based on same information the individual manufacturer or stewardship organization provided to the independent auditor.				
18944(a)(9)(B) Financial audits must be prepared by a Certified Public Accountant.				
18944(a)(9)(C) The department may request supplemental information from the individual manufacturer or stewardship organization during the course of review of a manufacturer- or stewardship organization-submitted financial audit, if necessary.				

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18944(a)(9)(D) The department will inform the individual manufacturer or the stewardship organization within 60 days of the results of its review.				
18944(a)(9)(E) If after conducting further review of the audit, the Department deems it to be necessary, the Department may conduct its own audit.				