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California Carpet Stewardship Assessment to Increase on April 1, 2016

Funds will support carpet recovery efforts affected by market developments

Sacramento, CA—The Carpet America Recovery Effort (CARE) and CalRecycle announced at a public meeting yesterday an updated assessment fee of 20 cents per square yard on all carpet sold or shipped in California, effective April 1, 2016. The rate is an increase from the previous assessment of 10 cents per square yard, to be collected as a non-tax item at the point of sale, throughout the sale and distribution chain, to the final customer.

“The assessment increase is necessary to offset the negative impact recent market developments have had on carpet recovery efforts and carpet recycling infrastructure in California,” said CARE’s Executive Director Dr. Robert Peoples. These developments include the tremendous drop in crude oil prices in 2015, by over 60% since mid 2014. Since crude oil is the feedstock for virgin synthetic materials, lower oil prices have put the production of recycled post-consumer carpet fiber at a disadvantage compared to virgin materials. All recycling and renewable energy activities are adversely impacted by such low oil prices. Funds raised by the assessment will be paid out to qualifying recyclers as increased subsidies to help them stay competitive.

In addition to increased subsidies, CARE will use the assessment funds for a newly implemented grants program to encourage investment in carpet recycling facilities and accelerate the development and marketing of products made from recycled carpet fiber. “We are hopeful that with the increased assessment fee and additional program incentives, CARE can help reinvigorate carpet recycling in California in 2016 and beyond,” said Peoples.

Since July 1, 2011, all California carpet manufacturers and retailers have been required under carpet stewardship law AB 2398 to add an assessment fee onto all carpet sold in the state. The law is designed to increase landfill diversion and recycling of post-consumer carpet generated in California. CARE administers the California Carpet Stewardship Program, which is charged with meeting the requirements for carpet recycling set by AB 2398.

CARE has been conducting extensive in-person outreach to carpet retailers throughout the state to increase awareness of the California Carpet Stewardship Program and the role the assessment plays in promoting carpet recycling and recovery. Many have expressed support for the rate increase. Cambria Hance at The Floor Store in Dublin, CA, said: “As a carpet retailer, I welcome the investment in carpet recycling and the marketing of recycled carpet fiber products. The new assessment adds less than \$10 to the cost of carpeting for the average home—I think that’s reasonable.”

The CARE website offers free support and resources for retailers, including email notifications and a 1-hour informational webinar on Feb 10, 2016 about the assessment increase, implementation guidelines and program updates. For more information visit <https://carpetrecovery.org/ca-retailers>.