

Important Information Concerning Carpet Assessment Changes



CARPET AMERICA RECOVERY EFFORTSM
Developing market-based solutions for the recycling & reuse of post-consumer carpet

March 22, 2021

Dear California Carpet Retailers, Distributors & Mills:

The purpose of this communication is to seek your feedback on significant proposed changes to the carpet assessment paid in California and as required by law.

As most of you know, California passed additional carpet legislation that went into effect January 1, 2020 (AB 729). That law requires CARE to implement a differential assessment on each square yard of carpet that reflects its cost to recycle. After almost a year of analysis CARE, working with carpet manufacturers, has developed the proposed Carpet Differential Assessment (CDA) Plan.

In the proposed plan, differential assessments will be based on broadloom vs. tile. All broadloom (residential and commercial) will be treated the same.

- Broadloom assessment: 35 cents/yd² — no change vs the current assessment
- Carpet tile assessment: 50 cents/yd²: Effective date TBD.

Another provision of the law requires that we provide recognition of carpet products containing post-consumer (PC) content. Initially this requirement will be reflected in the assessment being reduced by 2 cents/yd² for any product, broadloom or tile, that has 10% or more certified PC content.

As a result, the proposed Plan has four different levels of assessment:

While CARE did not support this legislation, are now required by law to enact this differential assessment. CARE will be developing sales force training information and consumer explanation flyers for your use.

Proposed Differential Assessment Levels		
Product	> or = 10% Post-Consumer Content	<10% Post-Consumer Content
Broadloom	\$0.33 /square yard	\$0.35 /square yard
Tile	\$0.48 / square yard	\$0.50 / square yard

Your feedback is vital to an approach that is both workable and minimizes the impact as much as possible.

Here's how feedback will work:

- CARE will host a series of 30 min. webinars to outline the details and answer questions live and seek comments
- A webpage on the CARE site will provide more information and solicit online feedback
- Feedback may be sent directly to CARE via email to *Feedback@CarpetRecovery.org*; if you would like, please copy CalRecycle at *Carpet@CalRecycle.ca.gov*
- CARE will post a set of frequently asked questions (FAQs)

Our outreach activities on this issue are just getting underway. With approximately 2,000 California retailers and 79 mills, we recognize there will be many different perspectives. While CARE did not introduce or support this legislation, we are required by statute to implement this legislated requirement. Our primary objective is to design and deliver this mandatory program while avoiding unnecessary burdens on our stakeholders. *We are seeking constructive feedback to make the implementation as smooth and painless as possible.* Criticism of the law itself can be directed to CalRecycle (*Carpet@CalRecycle.ca.gov*), to Governor Newsom (submit here: <https://govapps.gov.ca.gov/gov40mail>) and/or to other elected officials.

We believe well-designed Point of Purchase system modifications and sales force training will be key to a smooth implementation. CARE will be reaching out to inform these companies of the pending changes as well.

Finally, please keep in mind that this is a proposal. It has not been submitted or approved at this time, and therefore is subject to change. Formal submission will take place on June 30th and changes may be made based on your feedback.

Thank you for your understanding and participation.

Sincerely,

Bob Peoples, Ph.D.
Executive Director
Carpet America Recovery Effort