

Carpet Recycling in California

Carpet Differential Assessment FAQs



California Carpet Stewardship Program

An initiative of CARE: Carpet America Recovery Effort

Carpet Differential Assessment FAQs

1. Why is the carpet assessment changing?

A new law, AB 729, went into effect on January 1, 2020 that requires CARE, or any stewardship organization, to implement a

“system of differential assessments that takes into account the financial burden that a particular carpet material has on the stewardship program, and the amount of post-consumer recycled content contained in a particular carpet. Based on market history and modeling, if a certain carpet material requires a higher subsidy to incentivize use in the marketplace, then that material shall have a proportionally higher assessment assigned to it. The amount of the assessment shall be sufficient to meet, but not exceed, the anticipated cost of carrying out the plan. The amount of the assessment shall not create an unfair advantage in the marketplace.”

CARE did not introduce or support this legislation; our primary role is to design and deliver this mandatory program while avoiding unnecessary burdens on our stakeholders.

CalRecycle is requiring implementation of Carpet Differential Assessments **by April 1, 2022**.

2. Who has to pay this new assessment?

It will work just like the current single assessment does. All California retailers, distributors or importers who bring carpet into California are responsible for collecting the assessment from consumers/end users and remitting the funds to their mill supplier, or directly to CARE if they import into the state.

3. How do I calculate the assessment?

Based on product type (tile or broadloom) and recycled content (equal to or greater than 10% or less than 10%), mills will charge the assessment on their invoices to retailers and distributors. The differential assessments will replace the current flat rate of \$0.35/square yard. The proposed assessments are structured as shown in the following table.

Differential Assessment Levels as of April 1, 2022		
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

CARE has spent more than a year analyzing and developing this approach and following these guiding principles.

CARE seeks to:

- Comply with all requirements of AB 729
- Support increasing the program’s recycling rate
- Design a system that is understandable and implementable at scale
- Minimize the burden on retailers and carpet dealers
- Validate all conclusions reached with supporting data

4. How will I know the percentage of Post-Consumer content (PC) in the carpet/carpet tile I sell?

CARE will establish a validation approach with the mills to ensure the PC content meets the minimum 10% content level. That content may be in the face fiber, the backing, or a combination of the two. Once validated, mills will let you know which carpets fall into which category by assessing the proper amount on their invoice to you.

5. Why is the assessment so much higher for carpet tile?

Experience has shown the cost to recycle carpet tile is much higher than broadloom. Current results of tile recycling have been extremely low (<3%), both for reuse and recycle applications. In addition, at this time, the vast majority of carpet tile recycling occurs on the East Coast and transportation costs have more than doubled recently.

6. How is the assessment collected?

The assessment will be paid the same way it has always been paid. Now, instead of one flat assessment on all carpet and tile, there will be 4 levels of assessment, depending on the category the product falls into (see Question 3 above).

7. When will the new assessment amounts start to be due?

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8. How do I communicate about this assessment with my customers?

CARE is working to develop signage and brochures to help train your management team and sales staff.

9. How do I adjust my accounting software to track this change?

CARE is reaching out to all known providers of software to give them enough lead time and understanding to work with their client base to make the necessary programming changes. We anticipate the rollout and training will require a minimum of six months to complete prior to implementation of the new differential assessments. Each retailer is responsible for their implementation.

10. What if I am unhappy about this development?

As stated earlier, CARE did not introduce or support this legislation. We understand this may present a burden to your business, but we are now required by law to enact this differential assessment. We encourage you to express your views to the following:

Email CARE: Feedback@CarpetRecovery.org

Email CalRecycle: Carpet@CalRecycle.ca.gov

Contact the Governor: <https://govapps.gov.ca.gov/gov40mail/>

In addition, you are encouraged to contact your local State representatives. You can look up those names here: <http://findyourrep.legislature.ca.gov>

We suggest you check the CARE website (CarpetRecovery.org) regularly for the latest news and developments regarding the California Carpet Stewardship Program.