Notice of Funds Available for California Carpet Stewardship
Innovation and Design Grant Program Cycle 4 (Cycle I&D)

November 18, 2025

Innovation and Design Grants Outline

Purpose

Carpet America Recovery Effort (CARE) serves as the Carpet Stewardship Organization for the California Carpet Stewardship Program (CCSP). The purpose of the **Innovation and Design Grant Program — Cycle 4 I&D** (Program) is to provide funding for testing and development activities that create:

1) A more recyclable and environmentally sustainable carpet design and/or
2) Post-consumer carpet (PCC) products that are more reusable, recyclable and/or have a decreased environmental footprint and/or
3) A more effective circular economy for PCC throughout its supply chain.

The ultimate goal is to improve and enhance California-sourced PCC recycling and support California's focus on building a circular economy.

The precise focus of each solicitation cycle is subject to adjustment by CARE, consistent with the overall goals of the Program and market dynamics. CARE has allocated up to $200,000 total to award to projects throughout this Program in 2026. Individual projects may apply for $10,000 to $100,000 in Cycle I&D funds. Cycle I&D grant funding will depend on the availability of funds from the California Carpet Stewardship Program. Grantees must achieve project completion by December 31, 2027. This program will accept applications through March 31, 2026.

Eligible Applicants

Eligible applicants may be adjusted for each solicitation release, consistent with the objectives of the funding cycle and goals of CARE's Carpet Stewardship Plan. Eligible applicants for Cycle I&D include:

- Private entities are eligible to apply. For purposes of this Program, "private entities" are defined as businesses intended to operate at a profit. This definition includes benefit corporations (B-Corp), as defined in Corporations Code section 14601(a). Businesses from any state within the U.S. are eligible to apply but must be in good standing with all applicable federal, state and local agencies. CARE membership is not required to apply for grant funding. CARE membership is required, however, for any entity that seeks AB 2398 incentives in accordance with CARE's Carpet Stewardship Plan.

- Non-profit organizations that are tax-exempt under Internal Revenue Code 501(c)(3) may apply to the Program. The organization must be in good standing with all applicable federal, state and local agencies.

- Colleges, universities and research institutions are encouraged to apply to this Program.

Project Requirements (Use of funds):

CARE will offer grants to eligible applicants to research, develop and test new products produced using PCC material generated in California. This grant cycle is also open to those investigating more sustainable carpet construction, including constructions that are easily recyclable or reduce the amount of material needed for construction. CARE will also consider projects which more broadly support a more effective circular economy throughout carpet's supply chain.

- For the purpose of this Program, a Tier 2 "product" is defined as a good or package in a form that requires no further processing or forming before it is offered for sale to an end-user.

- Eligible applicants with operations in California, and projects that will contribute to the creation of new California green jobs, will be prioritized for funding.

- Only projects that use California-generated PCC are eligible for grant funds if the project is focused on creating more sustainable products.

- Universities and colleges must limit project overhead to 10% of the total project budget.

- No grant funds may be used for product testing activities related to energy recovery (CAAF, Kiln or Waste-To-Energy).

- CARE requires that each applicant contribute at least 25 percent in matching funds to the project.

- CARE encourages applicants to collaborate with industry partners, such as recyclers and manufacturers.

- Projects must obtain all necessary permits, local, state and federal, for their operations and for use of their proposed products and/or applications. Projects that have obtained these permits prior to beginning this application process will be preferred.

- If the grant project represents a partnership between two or more entities, one applicant must be designated as the primary grantee. A single entity is limited to one individual application per grant category or one application in partnership with another entity per category.

- If a project will require testing of significant quantities of PCC material, the applicant must also submit a storage management plan to CARE outlining the quantities of materials to be stored, a timeline and quantity threshold at which materials will be diverted via energy recovery, and export or other strategies, as well as when disposal would be utilized.
    - The storage management plan must identify the timeline and quantity of PCC testing, to ensure stored material is appropriately managed.
    - The project team must ensure materials are prioritized for best use, consistent with California's waste hierarchy in such case that the applicant's storage capacity is exceeded.

- The storage management plan must identify and clearly define any energy recovery strategy, including the identification of facility outlets, how and when Carpet As Alternative Fuel (CAAF) or Kiln would be utilized vs. Waste-To-Energy (WTE).
- Incineration for the purpose of sending ash to landfill is prohibited.
- **No grant funds may be used to support energy recovery (CAAF, Kiln or Waste-To-Energy) or landfilling.**
- CARE may require a retention of grant funds in connection with each storage management plan until diversion is achieved.

Eligible Projects

Assistance may include, but is not limited to, the following projects. These projects have been identified as highest priorities for CARE.

- Investigating the use of California-generated PCC material to manufacture established or new tier 1 or tier 2 products that do not currently use recycled post-consumer carpet material. The intention should be to recreate these products to be more reusable, recyclable and/or have a decreased environmental footprint during their manufacture.
    - It should be noted that post-consumer carpet calcium carbonate, mixed fiber material, carpet tile, and PCC backing that includes mixed fibers or PVC are most challenging to process and sell into new markets.

- Research and development projects that create a more reusable, recyclable and/or environmentally sustainable carpet design through manufacture and/or end-of-life management. CARE prefers projects based on applied research that will result in new designs and products which are competitive in the marketplace. CARE is also interested in carpet designs focused on source reduction of material.
    - It should be noted that PVC-backed carpet tile, carpet tile (in particular, including mixed fibers), and mixed fiber carpet face fibers are most challenging to fully recycle or incorporate back into the marketplace. CARE has released information about a PCC characterization study of recycler residue in 2025. CARE may prefer projects based on those materials identified as non-recyclable.

- Sustainability programming (including planning, strategy, implementation and reporting) designed for the carpet manufacturing or recycling industry. This may also include education and outreach or incentive strategies for those who manage carpet throughout the supply chain.
- Trials focused on investigating biomaterials sent into the appropriate process, or exploring different adhesives for new carpet, or dissolving contaminants during the recycling process.
- Novel ways of increasing carpet tile reuse and end markets for carpet tile, including improvements to carpet mill take-back programs.
- Increasing efficiency and decreasing waste in the carpet tile collection and processing system.
- Installation and deconstruction methods frameworks which increase the recyclability of PCC.
- Including end-of-life scenarios within the embodied carbon portfolio of carpet types and creating best practices which balance sustainability design inputs and inform procurement specialists.

Ineligible Costs

For the purpose of Cycle I&D, grant funds must be utilized directly on research and development activities. The following costs are ineligible for Cycle I&D grant funding:

- Permitting costs.
- Public education and outreach.
- Salaries deemed non-essential to the research analysis or documentation, etc. Only 5% of the project budget may be allocated for administration. Only 10% of project funding may be used for university or college overhead expenses.
- Travel expenses such as airfare, mileage and hotels not essential to material transport.
- Design and engineering costs unrelated to direct product testing activities.
- Costs incurred after the end of the Grant Term.
- Costs associated with incineration, waste-to-energy, CAAF or landfilling.
- Costs related to environmental review of a project under CEQA or NEPA, including the preparation of environmental impact reports.
- Purchase of recycled carpet feedstock.
- Purchase of buildings or capital assets including vehicles.
- Costs deemed unreasonable by CARE; costs that are unrelated to the grant project.

Funding (total allocation, min/max amounts)

Funding for the Cycle I&D grant program is up to $200,000. Maximum grant awards for this cycle will be limited to $100K for each grant awarded under this Program. Cycle I&D grant funding will depend on the availability of funds from the California Carpet Stewardship Program. An independent technical committee will review grant applications.

Timeline

Program applications are due no later than March 31, 2026 and projects must reach completion by December 31, 2027. Application process and submission instructions are outlined throughout this notice. Proposals that do not follow application instructions may be considered non-responsive. The remaining key dates outlined below are to be used as reference and may be subject to revision by CARE:

KEY DATES	KEY ACTION
November 18, 2025	**Notice of Funds Available (NOFA)**
November 18-December 15, 2025	Questions/Comment period
December 22, 2025	Q&A document posted
March 31, 2026	**Application Due Date**
April-May 2026	Evaluation of grant proposals by CARE
June 2026 (tentative)	**Anticipated Notice of Awards and Grant Agreements Executed**

Evaluation & Scoring Criteria:

The criteria presented below are based on similar grant solicitations by CalRecycle, as modified by CARE. A technical committee will be formed by CARE at the direction of the Executive Director and the technical committee will review Program applications using the criteria listed below, as a guide. These criteria may be subject to further revision by CARE.

% or Points	Criteria
10%	**Quality of Proposal** – • clear project description • well-planned project approach • outlines innovative approach vs incremental • justifies the use of grant funds to refine, finalize or make significant contributions to new designs that will increase PCC use and decrease the environmental footprint of new carpet and/or PCC in new products
15%	**Applicant/Project Team Qualifications & Experience** – • solid description of company history/fiscal soundness of company • track record in developing new products or designs • capacity and staff resources necessary to ensure successful project
15%	**Need** – • clearly describes why the proposed product design research is needed (does it fill a market gap?) and how it will benefit the CA Carpet Stewardship Program • addresses barriers and obstacles to recycling/reuse • provides sufficient evidence and reliable data to support the need • provides initial or preliminary data that supports a high probability of success in developing or improving new or reformulated product designs or processes that are more environmentally sustainable

20%	**Proposed Effectiveness and Project Impact** – • clearly identifies objectives to achieve goals and measurable outcomes • clear description of data to be collected and how effectiveness will be evaluated • project is innovative and pragmatic • project supports new, improved or enhanced carpet and/or PCC-content product designs or frameworks • addresses difficult-to-recycle portions of the carpet recycling waste stream and identifies the impact (potential PCC volume consumption) by material component • proposal includes economic analysis and business case • technical feasibility is well defended • plan and impact beyond R&D phase is robust, practical and replicable
10%	**Work Plan** – • reasonable, logical and ambitious outline of key project goals and milestones • speed to market is high; project is well planned • project permits have already been secured
15%	**Budget and Cost Effectiveness** – • project costs are reasonable, justified, and demonstrates cost-effective use of funds • line items are clearly defined and justified • matching funds are provided by applicant
15%	**CA Job Creation, CA Business** – • entire project is located in CA; not a requirement • project demonstrates how new CA (green) jobs may be created • applicant has specialized business certifications such as: Certified Green Business; project supports disadvantaged and/or rural communities
100%	**TOTAL**

Coordination with CalRecycle and CARE

Grant funding will depend on the availability of funds from the California Carpet Stewardship Program. CARE's goal is to implement this Program on an annual basis through subsequent grant funding cycles in accordance with CARE's Carpet Stewardship Plan. CARE will provide CalRecycle with quarterly data on Program performance and solicit input from CalRecycle as needed or desired in evaluating the Program. Project details may be posted to the CARE website and/or described in the required annual report. Grantees may be asked to create a presentation in addition to progress and final reports.

Questions - Submission

- Questions should be sent to Abbie Beane, CARE Grants Manager, at abeane@carpetrecovery.org.
- **Applicants are strongly encouraged to discuss their project ideas with CARE before formulating a proposal.**

Application – Proposal Requirements

Applications must include the following components and clearly communicate the manner in which their proposed project meets the criteria listed above. Trade secrets and any other confidential information must be clearly marked as such and may be subject to regulatory disclosure requirements of CalRecycle or other state entities.

- Executive summary
- Key project contacts (2 required) with phone number and email information
- Project references (2 required) with contact information
- Project Narrative
    - Applicant/Team Qualifications and Experience
    - Project Need
    - Background, Goals and Objectives
    - Project Impact and Effectiveness
    - Creation of California Jobs, use of California Facilities, benefit to Disadvantaged Communities

- Proposed Budget
- Proposed Work Plan
- Notification of any pending or outstanding judgments or enforcement actions against the company or its products, including environmental citations or fines. CARE may withhold the issuance of grant funds until such judgments or orders are resolved, and the resolution of such judgment or order is documented to CARE.
- Attachments (Letters of Commitment/Letters of Support, Testing Quotes, Previous Testing Results, Resumes, Business Certificates, Other Documentation).
- CARE may request a financial statement, such as a balance sheet or profit and loss statement or auditor report.

Application - Submission

- Applications must be submitted by the deadline. Late submissions may not be considered. Please email to **Abbie Beane, Grants Manager, CARE, abeane@carpetrecovery.org** in PDF format. Proposals should not exceed 10 pages without attachments.

- Applicants should acknowledge any potential conflicts of interest with any CARE leadership committees, and current or prior employment in the carpet and recycling industries. Technical committee members reviewing grant applications are not eligible for grant funding. Applicants who lobby technical committee members, the CARE Stewardship Plan Committee, the CARE Executive Director and/or the CARE grant manager for funding may be disqualified.

Grant Funding Awards

Program grant awardees will be required to agree to grant agreement terms and conditions, which will include monitoring requirements, such as the submission of progress reports and post-testing data to CARE. Grant project visits, audits and other monitoring may also be required. Grant funding will depend on the availability of funds from the California Carpet Stewardship Program. Grantees may be asked to provide documentation referencing their readiness for work. Grant funds will be disbursed on a reimbursement basis only.

DEADLINE FOR SUBMISSIONS: March 31, 2026 @ 5 pm PT