

REQUEST FOR ACTION

To: Zoe Heller
Director

From: Michelle Martin
Deputy Director, Division of Circular Economy

Request Date: March 12, 2026

Decision Subject: Review of Carpet America Recovery Effort's 2024 Annual Report

Action By: March 26, 2026

Summary of Request

Carpet America Recovery Effort (CARE) submitted its *California Carpet Stewardship Program 2024 Annual Report (2024 Annual Report)* to the Department of Resources Recycling and Recovery (CalRecycle) on August 30, 2025. This Request for Action (RFA) presents a summary of staff's analysis regarding CARE's *2024 Annual Report*.

Background

CARE must annually submit to CalRecycle by September 1 a report that describes its activities and provides quantitative performance information for the preceding calendar year. To achieve compliance, CARE must demonstrate to CalRecycle that it achieved the amounts and rates of recycling and a reduction in disposal of postconsumer carpet subject to its *California Carpet Stewardship Plan 2023 to 2027 (2023 to 2027 Plan)* and the other goals included in its *2023 to 2027 Plan* pursuant to Public Resources Code (PRC) section 42975.

Director decisions on annual reports do not necessarily impact actions taken by CalRecycle's Waste Permitting, Compliance, and Mitigation Division or its independent Office of Audits. Furthermore, nothing in this RFA hinders CalRecycle's right to pursue enforcement actions for instances of noncompliance identified through other means, including but not limited to field inspections, nor does it affect CalRecycle's authority to conduct its own audits of CARE for compliance with statute and regulations and consistency with the CARE's *2023 to 2027 Plan* and annual report pursuant to PRC section 42972.3(a).

Staff Analysis

Staff evaluated CARE's *2024 Annual Report* to determine whether the requirements of statute, regulations, and CARE's *2023 to 2027 Plan* were met, as reported by CARE. Staff considered the baseline rate of compliance against which the demonstrated improvement is compared, the goals included in CARE's *2023 to 2027 Plan*, and information provided in the *2024 Annual Report* when evaluating CARE's program performance pursuant to PRC section 42975. Staff also referenced CARE's performance in 2023 as a baseline against which the demonstrated improvement was compared when evaluating results. CalRecycle notes that statute supersedes CARE's

2023 to 2027 Plan when determining all requirements that CARE’s 2024 Annual Report must meet.

Table 1 summarizes select metrics for CARE’s reported program performance, followed by a summary of staff’s analysis of CARE’s 2024 Annual Report. For metrics that identify a “reported” and a “corrected” result, the “reported” results reflect the results CARE reported in its California Carpet Stewardship Program 2023 Annual Report. The “corrected” results reflect CARE’s updated 2023 results reported in its 2024 Annual Report or in the errata memorandum that it submitted to CalRecycle on July 31, 2025, to correct calculation errors.

Table 1. Summary of CARE’s 2024 Results Compared to its Baselines, 2023 Results, and 2024 Plan Goals. Goal numbers are meant to be met or exceeded unless otherwise noted.

Metric	Baseline (2021)	2023	2024	2024 Plan Goals	Met Goal?
Public Access to Drop-off Sites One public drop-off site per specified population increment in each county (minimum of one public drop-off site per county)	94	147	159	108	Yes
Flooring Professional Proximity (percent of residents within 15 miles of a location that accepts carpet from all flooring professionals)	72	95	95	78	Yes
Collection (pounds of carpet collected)	88,465,787	93,088,798 (reported) / 78,972,790 (corrected)	82,726,893	92,000,000	No
Collection Rate (percent of carpet discards collected)	36.4	49.0 (reported) / 41.8 (corrected)	42.5	45	No
Reuse (percent of pounds reused as a percent of recycled output)	1.2	3.5	3.9	1.7	Yes
Recycling Rate (percent of carpet discards recycled)	27.9	35	38.5	34	Yes
Recycling Efficiency Rate (percent of collected carpet recycled)	76.4	71 (reported) / 83.7 (corrected)	90.5	75	Yes

Metric	Baseline (2021)	2023	2024	2024 Plan Goals	Met Goal?
Recyclability: Recyclable Postconsumer Carpet Types (percent of recyclable postconsumer carpet)	70	93	97	73	Yes
Recyclability: Innovation & Design Grants	0	2 grants awarded	2 grants awarded	Award 2 grants	Yes
Disposal of Postconsumer Carpet (pounds of carpet disposed)	175,157,000	122,623,000	119,735,000	Less than 119,000,000	No
Processor Capacity (pounds of West Coast capacity)	132,000,000	185,000,000	155,000,000	138,000,000	Yes
Markets: Products	103	110	113	108	Yes
Markets: Vendors	27	28	30	30	Yes

Collection Convenience

Requirements: Increase the collection convenience for the recycling of postconsumer carpet and increase collection of postconsumer carpet for recycling pursuant to PRC section 42972(a)(2)(B). Provide reasonably convenient collection opportunities in each county pursuant to 14 CCR section 18943(a)(5)(E). State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period pursuant to Title 14 of the California Code of Regulations (14 CCR) section 18944(a)(5).

Analysis: CARE's 2023 to 2027 Plan includes several goals to provide convenient collection opportunities in each county and increase collection of postconsumer carpet for recycling. Staff reviewed CARE's performance related to its goals for public access to drop-off sites, flooring professional proximity, the collection rate, and the number of pounds of postconsumer carpet collected. Based on this analysis, staff concluded that:

Requirements Met:

- The public access to drop-off sites goal in 2024 was one public drop-off site per 450,000 residents in each county with a minimum of one per county, for a total of 108 sites statewide. CARE reports achieving this goal in 2024 by locating at least one public drop-off site in all 58 California counties, and 159 public drop-off sites statewide. This was a net increase in total public drop-off sites from 147 public drop-off sites in 2023.
- The flooring professional proximity to drop-off sites goal in 2024 was for 78 percent of residents to be located within 15 miles of a location that accepts carpet from all flooring professionals. CARE reports achieving this goal in 2024 with 95 percent of residents within 15 miles of a location that accepts carpet from all flooring professionals.

Requirements Not Met:

- CARE's 2024 collection goal included increasing the amount of postconsumer carpet collected to 92,000,000 pounds. CARE reports collecting 82,726,893 pounds of carpet. Therefore, CARE did not demonstrate compliance with the requirements of its *2023-2027 Plan* for this goal in 2024.
- CARE's collection rate goal included increasing the collection rate to 45 percent, which is calculated using the annual pounds of carpet CARE's program collects as the numerator and CARE's estimated discards as the denominator. CARE reports a collection rate of 42.5 percent. Therefore, CARE did not demonstrate compliance with the requirements of its *2023 to 2027 Plan* for this goal in 2024.

Reuse

Requirements: Increase reuse of postconsumer carpet pursuant to 14 CCR sections 18944(a)(5)(A)(5) and 18944(a)(5)(B)(2). State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period pursuant to 14 CCR section 18944(a)(5).

Analysis: Requirements Met

CARE's *2024 Annual Report* describes the efforts to reuse postconsumer carpet and achieve a reuse rate of 1.7 percent of total recycled output. CARE reports achieving this goal by reusing 2,894,786 pounds of postconsumer carpet, which is 3.9 percent of total recycled output.

Recycling

Requirements: Increase the weight of postconsumer carpet that is recycled and reduce the disposal of postconsumer carpet pursuant to PRC section 42972(a)(2)(A). Increase the recyclability of carpet pursuant to PRC section 42972(a)(2)(E). Achieve a recycling rate established by CalRecycle pursuant to PRC section 42972(a)(2). State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period pursuant to 14 CCR section 18944(a)(5).

Analysis: CARE's *2023 to 2027 Plan* includes several goals regarding recycling for 2024. Staff reviewed CARE's performance related to its goals for its recycling rate, recycling efficiency rate, recyclability, and reduction in disposal.

Requirements Met:

- The recycling rate goal, defined as the proportion of discarded carpet that is recycled, was set at a minimum of 34 percent for 2024. CARE reports achieving a 38.5 percent recycling rate in 2024.
- The recycling efficiency rate goal, which is the percent of carpet collected that is reused and recycled, was at least 75 percent in 2024. CARE reports achieving a 90.5 percent recycling efficiency rate in 2024.
- The recyclability goal specific to recyclable postconsumer carpet types, which CARE reports as a percentage of carpet that can be reused or recycled based on a survey of collector sorter entrepreneurs and processors, was set at 73 percent for 2024. CARE reports that the survey results indicate achieving 97 percent recyclability in 2024.

- The recyclability goal related to Innovation and Design grants was to award two grants in 2024. CARE reports awarding two Innovation and Design grants in 2024.

Requirement Not Met:

- CARE's reduction in disposal goal was to reduce postconsumer carpet disposal to less than 119,000,000 pounds in 2024. CARE reports 119,735,000 pounds of disposed postconsumer carpet in 2024. Therefore, CARE did not demonstrate compliance with the requirements of its *2023 to 2027 Plan* for this goal in 2024.

Processor Capacity

Requirements: Increase processor capacity, including processor capacity in California, pursuant to PRC section 42972(a)(2)(D). Include information on the types of collection sites and basic information about recycling facilities in California, for example, how carpet is collected, number and location of processors, throughput, and capacity of recycling facilities pursuant to 14 CCR section 18944(a)(4)(A). State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period pursuant to 14 CCR section 18944(a)(5).

Analysis: Requirements Met

According to CARE's *2023 to 2027 Plan*, processor capacity is the estimated maximum volume of carpet discards that can be processed by participating carpet processors in a given year. CARE's processor capacity goal for 2024 was 138 million pounds on the West Coast, including California. CARE reports achieving its goal in 2024 with a total West Coast processing capacity of 155.3 million pounds.

Market Development

Requirements: Expand and incentivize markets for products from postconsumer carpet pursuant to PRC section 42972(a)(2)(C). Describe possible market development activities to incentivize the market growth of secondary products made from postconsumer carpet pursuant to 14 CCR section 18944(a)(6). State goals from the approved plan, the baseline from which goals were measured, and report on achievement during the reporting period pursuant to 14 CCR section 18944(a)(5).

Analysis: Requirements Met

CARE set a goal in its *2023 to 2027 Plan* to expand and incentivize markets for products made from postconsumer carpet to 108 products and 30 vendors, an increase in 3 new products and 2 new vendors compared to the baseline in 2021. CARE reports achieving this goal in 2024 with 113 products and 30 vendors. CARE also reports possible market development activities and ongoing efforts to develop new products made from postconsumer carpet, such as providing technical assistance and outreach to businesses to increase the use of postconsumer carpet materials in new products and participating in conferences promoting postconsumer carpet material.

Education and Outreach

Requirements: Include examples of educational materials that were provided to

consumers during the reporting period pursuant to PRC section 42976(f). Provide a description of educational materials that were provided during the reporting period (provide electronic samples) pursuant to 14 CCR section 18944(a)(8).

Analysis: Requirements Met

CARE's *2024 Annual Report* describes and includes samples of education and outreach materials provided to various audiences. Therefore, CARE demonstrated that it met the education and outreach requirements.

Financing Mechanism

Requirements: Include total program cost information according to PRC section 42976(d). Include a description and evaluation of the program's financing mechanism, including whether or not the funding was sufficient to meet, but not exceed the full cost of the stewardship program; total program cost information, and any supporting documentation; amount of the assessment, assessment funds collected, and amounts of each major expenditure; and surplus funding, if any, and how it will be applied to reduce program costs pursuant to 14 CCR section 18944(a)(7).

Analysis: Requirements Met

CARE's *2024 Annual Report* describes its financing mechanism, including the amounts of the differential assessments charged on each square yard of broadloom carpet and carpet tiles depending on whether the carpet contains more or less than 10 percent postconsumer recycled content. CARE describes how its financing mechanism provided sufficient funding to carry out its program in 2024 by providing the aggregate assessment funds collected, \$40 million, and amounts of major expenditures, \$35.4 million, as well as descriptions of its changes to the differential assessments in 2024. CARE requested an assessment increase in November 2024, to meet the reserve requirement in its *2023 to 2027 Plan*, which CalRecycle approved in December 2024. The new assessments became effective February 1, 2025.

Consultation with Carpet Advisory Committee

CARE submitted a copy of its *2024 Annual Report* to the Carpet Stewardship Program Advisory Committee (Advisory Committee) for review pursuant to PRC section 42972.1(b). CARE's *2024 Annual Report* includes the Advisory Committee's comments and recommendations, and CARE's responses pursuant to PRC section 42972.1(c).

The Advisory Committee recommended that CARE list what CARE did not accomplish from the Advisory Committee's July 2024 letter on CARE's *California Carpet Stewardship Program 2023 Annual Report*, which included requests for information related to CARE's Subsidy Justification Model, how CARE implemented changes based on the results from its 2023 Recyclability Survey, and information related to training. CARE responded to these requests by either incorporating the feedback into its *2024 Annual Report* or providing information to the Advisory Committee as to why the request was not feasible to incorporate at this time.

Staff Analysis Conclusion and Program Observations

Staff evaluated CARE's *2024 Annual Report* to determine whether the requirements of statute, regulations, and CARE's *2023 to 2027 Plan* were met. CalRecycle's analysis in this RFA is limited to assessing compliance and CalRecycle does not attest to the accuracy of all claims, characterizations, or statements, including statements reported in CARE's *2024 Annual Report*.

CARE reports efforts undertaken during the reporting period to address the statutory, regulatory, and CARE's *2023 to 2027 Plan* requirements. Based on CARE's 2024 Annual Report, CARE met or exceeded 10 out of its 13 performance goals, increasing collection convenience, and providing financial support to program participants through grants and technical assistance. However, CARE's *2024 Annual Report* did not meet all requirements; specifically, CARE did not meet three goals from its *2023 to 2027 Plan* related to the pounds of postconsumer carpet collected, the collection rate, and the reduction in disposal. To date, CARE has not been found in compliance with all statutory, regulatory, and stewardship plan requirements for any year for which it has implemented an approved stewardship plan (i.e., 2013 to 2016 and 2019 to 2023).

Feedback from Interested Parties

CalRecycle solicited public comments on CARE's *2024 Annual Report* from September 3, 2025, through September 19, 2025. CalRecycle received two public comments from California Product Stewardship Council and Circular Polymers by Ascend during this period and considered these comments when reviewing CARE's *2024 Annual Report*.

Action

Pursuant to PRC section 42975, I hereby:

- Find CARE's *2024 Annual Report* compliant.
- Find CARE's *2024 Annual Report* noncompliant.

Dated: 3/24/2026

Signed by Zoe Heller, Director

Attachments

The documents listed below are posted to CalRecycle's website. To request other documents referenced in this Request for Approval, please submit a [Public Records Act](https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/) (<https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/>).

1. [Carpet America Recovery Effort's California Carpet Stewardship Program 2024 Annual Report](https://www2.calrecycle.ca.gov/PublicNotices/Details/6903) (August 30, 2025), <https://www2.calrecycle.ca.gov/PublicNotices/Details/6903>
2. [Carpet America Recovery Effort's California Carpet Stewardship Plan 2023 to 2027](https://www2.calrecycle.ca.gov/PublicNotices/Details/5050) (March 29, 2023), <https://www2.calrecycle.ca.gov/PublicNotices/Details/5050>
3. [Review of California Carpet Stewardship Program Goals](https://www2.calrecycle.ca.gov/PublicNotices/Details/6721) (March 5, 2025), <https://www2.calrecycle.ca.gov/PublicNotices/Details/6721>

4. [Consideration of Proposed California Carpet Stewardship Program Goals](https://www2.calrecycle.ca.gov/PublicNotices/Details/4624) (May 11, 2022), <https://www2.calrecycle.ca.gov/PublicNotices/Details/4624>
5. [Carpet America Recovery Effort's Errata Memorandum](https://www2.calrecycle.ca.gov/Docs/Web/131061) (July 31, 2025), <https://www2.calrecycle.ca.gov/Docs/Web/131061>