

News Release



Office of Public Affairs
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California's carpet industry to pay \$1 Million for recycling failures

SACRAMENTO - The organization representing carpet manufacturers will pay the state \$1,175,000 in penalties for its repeated failure from 2013 through 2016 to meet recycling and landfill diversion goals under California's Carpet Product Stewardship Law. The settlement agreement follows a California Third District Court of Appeal ruling affirming administrative civil penalties against Carpet America Recovery Effort (CARE).

"Recycling carpet is critical for California to meet its climate and waste diversion goals," California Department of Resources Recycling and Recovery Director Rachel Machi Wagoner said. "With the nation's first carpet recycling program, California can model how designing products to be recycled creates a circular, renewable economy with less pollution."

California landfills an [estimated 1.2 billion pounds \(627,926 tons\) of carpet each year](#). From 2013 through 2016 California's Carpet Product Stewardship law required the carpet industry's stewardship organization to make continuous meaningful improvement to:

- Increase carpet recycling in California
- Increase landfill diversion of used carpet
- Increase the recyclability of carpet
- Incentivize market growth of new products made from used carpet

CalRecycle launched an initial enforcement action against CARE in March of 2017, citing the group's repeated failure to demonstrate continuous meaningful improvement in carpet recycling rates and other program goals.

- 2013 had a 12.2 percent carpet recycling rate
- 2014 had a 12.1 percent carpet recycling rate
- 2015 had a 10.1 percent carpet recycling rate
- 2016 had a 10.9 percent carpet recycling rate

Following subsequent enforcement hearings, CalRecycle adopted the findings of an administrative law judge and imposed an \$821,250 penalty against CARE for noncompliance in 2013 through 2015. The penalty was later affirmed by Sacramento County Superior Court and the California Third District Court of Appeal ([read full decision here](#)). CalRecycle issued an additional \$274,500 administrative penalty against CARE for noncompliance in 2016 following guidance from the Sacramento Superior Court and consistent with the decision from the Sacramento Office of Administrative Hearings.

As part of a settlement agreement, CARE will pay the administrative penalties, with a slight reduction in interest to CalRecycle by June 15, 2021. CARE also agreed to dismissals with prejudice, which equates to no further legal challenges on these matters.

Fast Facts: California's Carpet Stewardship Program

In 2010, California became the first, and remains the only, state in the nation to require a statewide [carpet recycling program](#) designed and implemented by carpet manufacturers with governmental oversight. The primary purpose of the program is to increase the amount of postconsumer carpet that is diverted from landfills and recycled into new products.

- 81 million square yards of carpet was sold in California in 2019, equal to the areas of over 12,600 football fields.
- Carpet can be recycled into a number of products, including carpet backing and backing components, carpet fiber, carpet underlayment, plastics and engineered materials, and erosion control products.
- Carpet America Recovery Effort (CARE) has operated the nation's only mandated carpet recycling program since 2011.
- Carpet collectors and recyclers are paid various financial incentives by CARE to collect and recycle discarded carpet. Consumers pay a \$0.35/square yard assessment to fund these incentives and other program activities.