SENATE JUDICIARY COMMITTEE Senator Thomas Umberg, Chair 2023-2024 Regular Session

AB 863 (Aguiar-Curry) Version: June 20, 2024 Hearing Date: July 2, 2024 Fiscal: Yes Urgency: No AM

SUBJECT

Carpet and flooring recycling: producer responsibility organizations: fines: succession: training

DIGEST

This bill replaces the existing carpet recycling program with a new extended producer responsibility (EPR) program for the collection, transportation, recycling, and safe and proper management of carpet, artificial turf, and other non-natural flooring types (resilient flooring) in California, as provided.

EXECUTIVE SUMMARY

California was the first state in the nation to require a statewide carpet recycling program designed and implemented by the manufacturers with oversight by CalRecycle. (AB 2398 (Perez, Ch. 681, Stats. 2010).) The author and sponsor of the bill argue this bill is necessary because the existing consumer-funded program operated by the Carpet America Recovery Effort (CARE) has repeatedly been found to be in noncompliance by CalRecycle and that CARE has generally acted in a combative manner with CalRecycle. This bill seeks to revise and recast the existing carpet recycling program to, among other things, be funded by carpet producers instead of by a consumer fee and establishes a new EPR program that provides for more oversight by CalRecycle to replace the existing program once it is approved by CalRecycle. The bill is sponsored by the National Stewardship Action Council and supported by various organizations, including environmental advocacy groups. The bill is opposed by numerous organizations and businesses that would be subject to the new EPR program, including associations representing manufacturers of carpet, synthetic turf, and resilient flooring. This bill passed the Senate Environmental Quality Committee on a vote of 5 to 2.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) The California Integrated Waste Management Act (IWMA) of 1989, administered by the Department of Resources Recycling and Recovery (CalRecycle), generally regulates the disposal, management, and recycling of solid waste. The act establishes extended producer responsibility (EPR) programs for various products, including, among others, carpet, mattresses, and pharmaceutical and sharps waste. (Pub. Res. Code § 40000 et. seq.)
 - a) Establishes under IWMA a state recycling goal that 75% of solid waste generated is to be diverted from landfill disposal through source reduction, recycling, and composting by 2020. (Pub. Res. Code § 41780.01.)
- 2) Requires manufacturers of carpets sold in this state, individually or through a carpet stewardship organization, to submit a carpet stewardship plan to CalRecycle that includes specified elements relating to the recycling of postconsumer carpet. (Pub. Res. Code § 42972.)
 - a) Requires the plan to establish and provide for a carpet stewardship assessment per unit of carpet sold in the state to fund the plan, and that is remitted to the organization to carry out the plan. (Pub. Res. Code § 42972(a)(7)).
 - b) Specifies that CARE, a third-party nonprofit carpet stewardship organization incorporated as a nonprofit corporation pursuant to Section 501(c)(3) of Title 26 of the United States Code in 2002 and established to increase the reclamation and stewardship of postconsumer carpet, is the sole carpet stewardship program. (Pub. Res. Code § 42971(e)(2)).
 - c) Authorizes a carpet manufacturer to comply with the stewardship program as an individual manufacturer. (Pub. Res. Code § 42971(e)(1)(B).)
- 3) Requires CalRecycle, within 60 days after receiving a plan, to review and determine whether the plan complies with the law's requirements and notify the submitter of its decision. Specifies that any plan not approved by March 31, 2012, is out of compliance until determined to be compliant by CalRecycle. (Pub. Res. Code §§ 42973.)
- 4) Declares a state goal to reach a carpet recycling rate of 24 percent by January 1, 2020. (Pub. Res. Code § 42972.2.)
- 5) Requires the carpet stewardship organization to annually demonstrate to CalRecycle that it has achieved continuous meaningful improvement in the rates of recycling and diversion and other specified goals in order to be in compliance. (Pub. Res.

Code § 42975.)

- 6) Authorizes CalRecycle to administratively impose a civil penalty on any person who violates the provisions of the stewardship program in an amount up to \$5,000 per day or \$10,000 per day if the violation is intentional, knowing, or negligent. (Pub. Res. Code § 42978.)
- 7) Provides, pursuant to the California Constitution, that the people have the right of access to information concerning the conduct of the people's business, and, therefore, the meetings of public bodies and the writings of public officials and agencies are required to be open to public scrutiny. (Cal. const. art. I, § 3(b)(1).)
 - a) Requires a statute to be broadly construed if it furthers the people's right of access, and narrowly construed if it limits the right of access. (Cal. const. art. I, § 3(b)(1).)
 - b) Requires a statute that limits the public's right of access to be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest. (Cal. const. art. I, § 3(b)(1).)
- 8) Governs the disclosure of information collected and maintained by public agencies pursuant to the CPRA. (Gov. Code §§ 7920.000 et seq.)
 - a) States that, the Legislature, mindful of the right of individuals to privacy, finds and declares that access to information concerning the conduct of the people's business is a fundamental and necessary right of every person in this state. (Gov. Code § 7921.000.)
 - b) Defines "public records" as any writing containing information relating to the conduct of the public's business prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. (Gov. Code § 7920.530.)
 - c) Defines "public agency" as any state or local agency. (Gov. Code § 7920.525(a).)
- 9) Provides that all public records are accessible to the public upon request, unless the record requested is exempt from public disclosure. (Gov. Code § 7922.525.)
 - a) Some records are prohibited from being disclosed and other records are permissively exempted from being disclosed. (See e.g. Gov. Code §§ 7920.505 & 7922.200.)

This bill:

- 1) Requires CalRecycle, on or by January 1, 2026, to prepare an initial statewide needs assessment to determine how to achieve a 25 percent recycling rate for resilient flooring by 2030.
 - a) The needs assessment is to be developed through a public process, including at least one public meeting, and is to be developed in

collaboration with the producer responsibility organization (PRO) and local jurisdictions, service providers, and processors.

- b) The PRO may collect a fee from resilient flooring entities to reimburse CalRecycle for the cost of the needs assessment. The needs assessment must be completed before resilient flooring is included in a PRO.
- c) Following the completion of the needs assessment, the department may determine whether to authorize the formation of a separate product responsibility organization for resilient flooring.
- 2) Requires the needs assessment to evaluate, among other things:
 - a) current collection, hauling, and recycling systems and their capacity to increase;
 - b) funding and investment needs to achieve the goals of the needs assessment;
 - c) factors contributing to contamination; and
 - d) actions to expand access to drop-off recycling centers.
- 3) Authorizes CalRecycle, following the completion of the needs assessment, to determine whether to authorize the formation of a separate product responsibility organization for resilient flooring.
- 4) Establishes a process for the formation and operation of a PRO that includes:
 - a) Requiring the producers to notify the department of their intent to register as part of the PRO within 30 days after the adoption of regulations.
 - b) Requiring the producers to provide contact information and a list of products and brands sold or distributed in the state to CalRecycle within 180 days after the bill goes into effect.
 - c) Specifying that producers will update their information each year before January 15th.
 - d) Specifying that the PRO will be comprised of a governing board that consists of a local government entity, a waste hauler, a circular economy environmental nongovernmental organization, a retailer that sells covered products, a recycler that recycles those products, and a labor representative, as specified.
- 5) Establishes specific timelines and processes for the PRO to develop a product stewardship plan including requiring the PRO to:
 - a) Develop the product stewardship plan within 12 months of the regulations being adopted. Requires CalRecycle to review the plan for compliance within 120 days of its receipt.
 - b) Conduct a public consultation process, including at least two public workshops, with producers, wholesalers, retailers, service providers, consumers, local governments, installers, and public interest groups.
 - c) Review its producer responsibility plan at least every five years.

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- d) Implement the approved producer responsibility plan within 12 months of the department's approval of the producer responsibility plan.
- 6) Develops criteria for the stewardship program, which are subject to adjustment by CalRecycle and includes, among others:
 - a) a minimum number of collection sites five permanent collection sites or one permanent collection site per 50,000 people;
 - b) a description of the PRO's annual assessment and the metrics it will use to determine how collection, sorting, and transportation outcomes aligned with projections; and
 - c) a description of the education component.
- 7) Requires the allocation of grants for apprenticeship programs for training apprentices and journey-level flooring installers in proper flooring recycling techniques, including installation and removal techniques that maximize the recyclability of flooring, as provided.
- 8) Prohibits, upon approval of the stewardship plan or by January 1, 2029, the producer from selling, offering for sale, importing, or distributing a covered product in the state unless the product is managed by the PRO plan in an approved responsibility plan.
- 9) Requires that persons removing covered materials to sort the covered materials for transportation to a recycling facility designated by the PRO no later than January 1, 2026.
- 10) Establishes financial provisions, specifying that the PRO is required to:
 - a) Reimburse CalRecycle for the regulatory and enforcement costs associated with this program.
 - b) Pay fees to operate the program to the department, which will be deposited in a new flooring responsibility fund, which will absorb the existing Carpet Stewardship account.
 - c) Establish a fee for its participant producers sufficient to ensure the requirements of this chapter are met by the PRO. The fee shall not be passed on to consumers as a separate item on a receipt or invoice. The fee shall be set by the PRO and shall include eco-modulation.
- 11) Establishes reporting and accountability metrics for the program including requirements that the PRO:
 - a) Retain an independent, certified public accountant to annually audit the accounting books of the PRO.
 - b) Submit to CalRecycle and post on their website a report on their implementation of the stewardship plan, including an accounting of the

amount of covered product that was collected, processed, recycled, or disposed.

- 12) Requires CalRecycle to:
 - a) Publish a list of producers that are in compliance with the program within two years of the regulations being adopted, and July 1 each year thereafter.
 - b) Establish violation thresholds as follows: \$10,000 per day, and \$25,000 per day if the violation is intentional or knowing.
 - c) Deposit all penalties into the Flooring Responsibility Penalty Account which can be used to fund the administration or advance the goals of the program.
- 13) Authorizes CalRecycle, if the producer or PRO is out of compliance with the requirements of the program, to:
 - a) revoke the PRO's producer responsibility plan approval or require the PRO to resubmit the plan, or
 - b) require additional reporting relating to compliance with the material requirement of this chapter that was not met.
- 14) Authorizes CalRecycle, if the PRO violates these provisions three or more times, to make the PRO permanently ineligible to act as the producer responsibility organization.
- 15) Makes the existing carpet EPR program inoperative once CalRecycle has adopted regulations and approved a producer responsibility plan and notified the PRO and Legislature of this action.

COMMENTS

1. Stated need for the bill

The author writes:

Since July 2011, California consumers have paid a carpet stewardship assessment fee when purchasing carpet sold in California. This fee funds a statewide carpet recycling program known as the Carpet America Recovery Effort (CARE), which is a Producer Responsibility Organization (PRO) designed and implemented by carpet manufacturers with CalRecycle oversight. However, CARE has repeatedly failed to administer the program effectively and equitably and has required oversight and repeated enforcement by CalRecycle. Recyclers and collectors have left the state or gone out of business due to a lack of feedstock, while carpet is still being landfilled. This bill will create a true Extended Producer Responsibility (EPR) program for carpet, carpet pad, and artificial turf by eliminating the assessment charged to consumers. The bill will also require a Needs Assessment for resilient flooring before being added to the PRO's Plan and EPR program.

2. Product Stewardship for Carpets Program

a. CARE and carpet recycling

California was the first state in the nation to require a statewide carpet recycling program designed and implemented by the manufacturers with oversight by CalRecycle. (AB 2398 (Perez, Ch. 681, Stats. 2010).) The Senate Environmental Quality Committee analysis of this bill provides useful background on the existing program:

The Carpet Stewardship Program is an extended producer responsibility (EPR) program. EPR is a strategy that places shared responsibility for end-of-life product management on the product producers and all entities involved in the product chain, instead of on the general public and local governments.

Under the carpet EPR program, manufacturers or distributors of carpets are required to design and implement their own stewardship program to reach certain carpet recycling goals. The program is funded by assessments paid by manufacturers per yard of carpet sold. The stewardship organization that currently operates California's carpet stewardship program, with direction and oversight from CalRecycle, is the Carpet America Recovery Effort (CARE). CARE is a thirdparty nonprofit carpet stewardship organization based in Georgia. The law allows other stewardship organizations to submit stewardship plans to CalRecycle for approval, but CARE is currently the only carpet stewardship organization in California.¹

b. Prior issues with CARE and prior legislation

In 2019, AB 729 (Chu, Ch. 680, Stats. 2019), among other things, raised the penalty amount to \$5,000 per day, and revised the Product Stewardship for Carpets Program to require the stewardship plan to include a funding mechanism with differential assessments and require a contingency plan in the absence of an approved plan by CalRecycle.

From 2013-2016, CARE failed to meet the requirement of continuous and meaningful improvement of diverting carpet from landfills as required under the stewardship program. An enforcement action was instituted by CalRecycle and, following a hearing on September 26, 2017, an Administrative Law Judge (ALJ) issued a proposed decision concluding that CARE should pay an increasing fine for each year it failed to meet its

¹ Sen. Environmental Quality Comm. analysis of AB 863 (2023-24 reg. sess.) as amended June 10, 2024 at p. 5.

meaningful improvement requirement, beginning with a penalty \$500 per day for 2013 and a civil penalty of \$1500 per day for failing to demonstrate meaningful improvement during the 2015 reporting period. The ALJ stated that the \$1,500 per day penalty was "more appropriate to serve as a deterrent effect going forward."² The Director of CalRecycle; however, had to reduce the \$1,500 a day penalty when adopting the decision because under subdivision (a) of Section 42978 of the Public Resources Code, a person can only be fined above \$1,000 per violation if the violation is intentional, knowing, or negligent. The ALJ expressly found that there was no evidence of negligence, even though the ALJ imposed a \$1,500 civil penalty.³

The Senate Environmental Quality Committee analysis states that "[s]ince 2016, CARE has failed four consecutive times to produce a stewardship plan that CalRecycle has approved. CalRecycle has rejected numerous plans because CARE has failed to provide suitable and quantifiable five-year and annual goals to expand and incentivize markets for postconsumer carpet including failing to produce:

- quantifiable five-year and annual goals to increase processor capacity
- quantifiable five-year and annual goals to increase the recyclability of carpet;
- a baseline from which each goal is measured;
- q methodology for estimating the amount of carpet available for collection in California; and
- the manner in which the attainment of the goals will be measured. ⁴

The carpet stewardship plan operated under either an outdated carpet stewardship program or an interim plan established between CARE and CalRecycle between 2016 and 2023. CARE submitted a revised plan to CalRecycle on March 29, 2023 and CalRecycle approved the plan in April 2023.⁵

The Senate Environmental Quality Committee analysis further stats that "CalRecycle has faced substantive challenges in enforcing the provisions of the carpet stewardship program" noting that:

In March of 2021, CARE and CalRecycle reached a settlement that required CARE to pay \$1.175 million in penalties. As noted above, CARE continues to operate in California without an approved stewardship plan and in violation of the carpet

² Proposed Decision *In the Matter of the Accusation Against: Carpet America Recovery Effort,* OAH No. 2017040578 (Feb. 13, 2018), p. 11, *available at*

https://www.calrecycle.ca.gov/docs/cr/carpet/propdecision.pdf (as of Jun. 30, 2019).

³ *In the Matter of: Carpet Recovery Effort,* Dept. of Resources Recycling and Recovery, Agency No: 2017-001-CARPET (OAH No. 2017040578), pp. 1-2, available at

https://www2.calrecycle.ca.gov/Docs/EnforcementOrder/107444 (as of Jun. 30, 2019).

⁴ *Id*. at p. 6.

⁵ Carpet Stewardship Plans, CalRecycle, (2024), available at <u>https://calrecycle.ca.gov/carpet/plans/</u>.

stewardship law. CalRecycle is currently attempting to gather the information necessary to implement the statutorily required escrow account and contingency plan to ensure that California's carpet stewardship program continues to operate and that California's carpet recycling infrastructure and California-based carpet recycling businesses are funded. However, according to CalRecycle at its February 2023 public meeting, CARE failed to comply with the timelines and requirements of their contingency plan, including transferring funds to the escrow account and turning over necessary documentation to CalRecycle.⁶

3. This bill seeks to enact a new EPR program for carpets

In light of the existing deficiencies with the current carpet recycling program this bill seeks to enact a new EPR program for carpets, but also includes synthetic turf and resilient flooring as a covered product under the program. This Committee has seen several bills over the past few years enacting EPR programs for various covered products. The EPR program is different from the other ones this Committee has analyzed in the following ways:

- there is already an existing recycling program in existence for some of the products included under this EPR program carpets, which was not the case for other recently enacted EPR programs;
- this EPR program includes a grant component for apprenticeship programs for training apprentices and journey-level flooring installers in proper flooring recycling techniques, including installation and removal techniques that maximize the recyclability of flooring; and
- the bill requires CalRecycle to conduct a statewide needs assessment to determine the necessary steps and investment needed to achieve a resilient flooring recycling rate of 25 percent by 2030, and then authorize CalRecycle to determine whether to authorize a separate producer responsibility organization for resilient flooring.

4. Issues in this Committee's jurisdiction

a. The Dormant Commerce Clause

Section 8 of Article I of the United States Constitution grants the United States Congress the power to regulate interstate commerce.⁷ The converse proposition – that states may not usurp Congress's express power to regulate interstate commerce – is known as the "Dormant Commerce Clause."⁸ The Dormant Commerce Clause serves as an absolute bar to regulations that discriminate against interstate commerce, i.e., by favoring in-

⁶ Sen. Environmental Quality Comm. analysis of AB 863 (2023-24 reg. sess.) as amended June 10, 2024 at p. 6-7.

⁷ U.S. Const., art. I, § 8, cl. 3.

⁸ See Gibbons v. Ogden (1824) 22 U.S. 1.

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state businesses or excluding out-of-state businesses.⁹ But "[s]tate laws that 'regulat[e] even-handedly [across all in-state and out-of-state businesses] to effectuate a legitimate local public interest...will be upheld unless the burden imposed upon such commerce is clearly excessive in relation to the putative local benefits.'"¹⁰ This bill's provisions apply equally to producers who manufacture a covered product (any apparel, textile, or textile article) and who owns or is the licensee of the brand or trademark under which that covered product is sold, offered for sale, or distributed for sale in or into the state. As such, the bill does not favor in-state businesses over out-of-state businesses.

A statute may also violate the dormant Commerce Clause, even if it "regulates even handedly to effectuate a legitimate local public interest, and its effects on interstate commerce are only incidental" and the burden imposed on commerce "is clearly excessive in relation to the putative local benefits." (*Pike v. Bruce Church, Inc.* (1970) 397 U.S. 137, 142.) As this bill's provisions are intended to address the serious environmental impacts posed by covered products, this bill would likely not be found to excessively burden interstate commerce in violation of the Dormant Commerce Clause.

b. Access to records

The bill also provides that while an approved stewardship plan is a public record, financial or sales data reported to CalRecycle by the program operator is not a public record for purposes of the California Public Records Act and is not open to public inspection. It authorizes CalRecycle to release this data in summary form only, so it cannot be attributable to a specific entity. As this imposes a limitation on the public's right of access to this information, the bill provides the following justification: "It is in the best interest of the public to provide limited protection of certain financial, production, and sales data of program participants, in order to protect the interests of businesses and the privacy of their data regarding their customers." The bill also prohibits CalRecycle from disclosing any confidential proprietary information contained in audits.

c. Antitrust immunity

As with most of the EPR schemes provided for in California law, this bill includes express exemptions from various laws regulating anticompetitive behavior and unfair competition and practices. The bill provides that certain activities engaged in by producers and stewardship organizations, including the creation, implementation, management, cost assessments, and structuring of a stewardship plan and the establishment, administration, collection, or disbursement of a charge associated with funding the implementation of this bill are categorically exempt from being considered

⁹ E.g., Dean Milk Co. v. Madison (1951) 340 U.S. 349, 354.

¹⁰ South Dakota v. Wayfair, Inc. (2018) 138 S.Ct. 2080, 2091.

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violations of the Cartwright Act (California's primary antitrust law), the Unfair Practices Act, or the Unfair Competition Law.

Concerns have been raised about the monopolistic possibilities inherent in stewardship programs, and strong government oversight is critical to ensure this regulatory scheme is operated in an evenhanded manner and results in the ambitious goals it sets out to accomplish. These laws are extremely important to ensuring consumers are protected and free and fair competition is fostered. Mitigating these concerns to an extent, the bill specifically provides that the exemptions do not apply to an agreement that does the following:

- the creation, implementation, or management of a producer responsibility plan approved by the department and the determination of the types or quantities of covered products recycled, collected, or otherwise managed pursuant to a producer responsibility plan;
- the determination of the cost and structure of an approved producer responsibility plan; or
- the establishment, administration, collection, or disbursement of a charge associated with funding the implementation of the EPR program.

This language is also similar to that found in other EPR programs.

d. Unlawful delegation of legislative authority

Under the doctrine of separation of powers stems another concept of unlawful delegation of legislative authority. The courts have held that an unconstitutional delegation of legislative power occurs when the Legislature confers upon an administrative agency the unrestricted authority to make fundamental policy determinations. (Clean Air Constituency v. California State Air Resources Board (1976) 11 Cal.3d 801, 816-17.) In order to avoid a delegation issue, "the Legislature must provide an adequate yardstick for the guidance of the administrative body empowered to execute the law." (*Ibid.*) The provision in the bill that authorizes CalRecycle to determine whether to authorize a separate producer responsibility organization for resilient flooring may run afoul of this doctrine. The bill does not provide any specific guidance to CalRecycle on how it would establish a separate EPR program for resilient flooring. Would all the provisions in the bill that apply to carpets and synthetic turf necessarily need to be included under the resilient flooring EPR? It is unclear to Committee staff how CalRecycle would exempt a separate EPR program for resilient flooring from the CPRA or from existing antitrust and unfair business practices statutes, which is an essential part of EPR programs. To avoid this issue, the author may wish to amend the bill to require CalRecycle to instead provide a recommendation to the Legislature if it decides a separate EPR is needed. This will allow the Legislature to decide if it wants to exercise its authority to enact a separate EPR program for resilient flooring and thoroughly vet the programmatic aspects of such an EPR program.

5. Statements in support

A coalition of environmental organizations, including the National Stewardship Action Council, who is the sponsor of the bill, write in support, stating:

Since July 2011, a carpet stewardship fee has been added to the purchase price of carpet sold in California to fund a statewide carpet recycling program, which is designed and implemented by carpet manufacturers with CalRecycle oversight. California's carpet stewardship program operator, the Carpet America Recovery Effort (CARE), has been found noncompliant numerous times for insufficient program plans, incomplete annual reports, and not meeting the recycling rate. Their program failures have required significant oversight and enforcement by CalRecycle. CARE has been referred to the Waste Permitting, Compliance, and Mitigation Division for potential enforcement three times since April 2021.

Carpet sales are declining nationwide while the sales of other flooring products such as resilient flooring including luxury vinyl tile (LVT) are increasing. AB 863 will sunset the existing carpet stewardship program and create a true Extended Producer Responsibility program for carpet, carpet pad, and artificial turf. Resilient flooring will be included upon the completion of a Needs Assessment to evaluate the investments required to reach a 25% recycling rate by 2030.

AB 863 will also ensure all parties in the collection and recycling system receive compensation for their services, and that postconsumer covered products are collected from the public free of charge.

6. Statements in opposition

A coalition of businesses heavily involved in the carpet industry, flooring retailing, and carpet recycling efforts in this state write in opposition, stating:

Instead of building on the success of the currently approved and successful carpet recycling program, California Carpet Stewardship Program, AB 863 is proposed to be radically amended to throw out all the progress, relationships, and effective systems that have been developed and replace the current program with a more costly and untested model, ultimately having a detrimental impact on the progress of carpet recycling across California and California retailers.

The coalition raises the following concerns with the bill arguing it:

- abandons a working program structure for an unproven model;
- increases the cost of carpet and flooring for consumers and reduces transparency;
- ignores progress and existing efforts towards improvement;

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- focuses on consequences instead of solutions; and
- complicates existing recycling efforts.

They state that the expansion of the current program to include other floorings will introduce enormous and complex challenges into an already complex carpet recycling ecosystem as supply chain and distribution of carpet and non-carpet products are completely different, and that a separate or additional collection and processing infrastructure would be required beyond the current carpet program infrastructure and would require significant cost. They also argue that the bill has not gone through the "proper process with amendments being introduced so late in the legislative session without proper time and consideration from all stakeholders."

SUPPORT

National Stewardship Action Council (sponsor) ACR Solar California Product Stewardship Council California Public Interest Research Group County of Santa Clara Environmental Working Group Families Advocating for Chemical & Toxics Safety Resource Recovery Coalition of California ReThink Waste Reuse Refuse Russian Hill Neighbors Sacramento Splash Sea Hugger Zero Waste Sonoma

OPPOSITION

Alliance for Automotive Innovation Asian American Hotel Owners Association Bellbridge, Inc. **Bentley Mills Buchalter** California Apartment Association California Building Industry Association (CBIA) California Chamber of Commerce California Hotel and Lodging Association California Manufacturers and Technology Association California Retailers Association Carpet & Rug Institute Carpet Cushion Council CM Hospitality Carpets Crossley Axminster, Inc. Dixie Group

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Engineered Floors **JD** Staron Mannington Mills, Inc. Mantra Style Marquis Industries, Inc. Matthews and Parlo Carpet Wholesalers Milliken Mohawk Industries, Inc. Next Floor, Inc. Prestige Mills, Inc. Scott Group Custom Carpets Shaheen Carpet Mills Shaw Industries Synthetic Turf Council The Two Hundred Vinyl Institute

RELATED LEGISLATION

Pending Legislation: None known.

Prior Legislation:

SB 854 (Smallwood Cuevas, 2023) would have required that 95 percent of funds from assessments on carpets sold in this state as part of the carpet EPR program be expended on carpet stewardship activities in California and that 10 percent of these funds go towards grants to train apprentice and journey-level carpet installers on carpet recycling practices. This bill was held in the Senate Appropriations Committee.

AB 729 (Chu, Ch. 680, Stats. 2019) see Comment 2)b), above.

AB 1158 (Chu, Ch. 794, Stats. 2017) established an advisory committee for the carpet stewardship organization.

AB 2398 (Perez, Ch. 681, Stats. 2010) *see* Comment 2), above. **PRIOR VOTES**

Senate Environmental Quality Committee (Ayes 5, Noes 2)

This bill was amended on June 10, 2023, to completely change the bill's provisions. The prior votes below are based on the bill before it was amended on that date. Senate Environmental Quality Committee (Ayes 5, Noes 1) Assembly Floor (Ayes 63, Noes 8) Assembly Appropriations Committee (Ayes 11, Noes 3) Assembly Natural Resources Committee (Ayes 8, Noes 0)