



102ND GENERAL ASSEMBLY

State of Illinois

2021 and 2022

HB4356

Introduced 1/5/2022, by Rep. Robyn Gabel

SYNOPSIS AS INTRODUCED:

New Act

Creates the Carpet Stewardship Act. Provides that for all carpet sold in this State, producers shall, through a clearinghouse, implement and finance a statewide carpet stewardship program that manages the product by reducing the product's waste generation, promotes its reutilization and recovery, and provides for negotiation and execution of agreements to collect, transport, process, and market the product for end-of-life carpet recovery and carpet reutilization. Requires the clearinghouse to be incorporated as a nonprofit. Provides that the Illinois Environmental Protection Agency must approve the carpet stewardship plan for the plan to be valid. Establishes requirements for review of the plan, and requirements for producers, retailers, and distributors of carpet. Requires the clearinghouse to submit annual reports to the Agency and pay specified administrative fees. Provides enforcement provisions for the Act. Establishes requirements for State procurement of carpet in the future. Contains other provisions. Effective immediately.

LRB102 20577 CPF 30912 b

1 AN ACT concerning safety.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the Carpet
5 Stewardship Act.

6 Section 5. Findings and purpose. The General Assembly
7 finds that:

8 (1) Based on data contained in the Illinois Commodity
9 Waste Generation and Characterization Study, commissioned
10 in 2014 by the Illinois Department of Commerce and
11 Economic Opportunity, approximately 229,000 tons of carpet
12 and carpet padding are landfilled each year, 1.5% of the
13 total waste landfilled in this State.

14 (2) Old carpet and padding are currently being
15 recovered in this State at a carpet recovery rate
16 estimated to be less than 1%, compared to a 29% carpet
17 recovery rate for the second quarter in 2021 in
18 California, which has enacted Extended Producer
19 Responsibility legislation for carpet.

20 (3) Carpet recovery can be significantly expanded by
21 utilizing an Extended Producer Responsibility approach
22 which will lead to job creation through the collection,
23 processing, and marketing of old carpet and padding. In

1 California, this approach has created approximately 150
2 direct jobs.

3 (4) According to the U.S. Environmental Protection
4 Agency, the carpet recovery of old carpet has a positive
5 impact on the reduction of greenhouse gases when compared
6 to the landfilling or incineration of old carpet, which
7 increases the generation of greenhouse gases.

8 Section 10. Definitions. In this Act:

9 "Agency" means the Illinois Environmental Protection
10 Agency.

11 "Artificial turf" means artificial or synthetic turf used
12 for sports playing surfaces.

13 "Blended carpet" means carpet with a nonuniform face
14 fiber, which is manufactured with multiple polymer types,
15 fiber types, or both, in the face of the constructed material.

16 "Brand" means a name, symbol, word, or mark that
17 identifies the carpet, rather than its components, and
18 attributes the product to the owner or licensee of the brand as
19 the producer.

20 "Carpet" means a manufactured article that is (i) used in
21 commercial buildings, single or multifamily residential
22 buildings, or sports playing surfaces, (ii) affixed or placed
23 on the floor or building walking surface as a decorative or
24 functional building interior or exterior feature, and (iii)
25 primarily constructed of a top visible surface of synthetic

1 face fibers or yarns or tufts attached to a backing system
2 derived from synthetic or natural materials. "Carpet"
3 includes, but is not limited to, a commercial or residential
4 broadloom carpet, modular carpet tiles, and artificial turf.
5 "Carpet" includes a pad or underlayment used in conjunction
6 with a carpet. "Carpet" does not include handmade rugs, area
7 rugs, or mats.

8 "Carpet recovery" means the process by which old carpet is
9 collected, processed, and returned to the economic mainstream
10 in the form of raw materials or products. "Carpet recovery" is
11 further defined to include only those pounds of old carpet
12 that are an output of a processor destined for an end market or
13 carpet reutilization and is not meant to mean the gross input
14 pounds of old carpet accepted by a processor. "Carpet
15 recovery" does not include energy recovery or energy
16 generation by means of combusting old carpet, and it does not
17 include any disposal or use of old carpet within the permitted
18 boundaries of a municipal solid waste landfill unit.

19 "Carpet recovery rate" means the percentage of old carpet
20 that is an output of a processor destined for carpet recovery
21 or reutilization and is computed by dividing the amount of old
22 carpet that is an output of a processor destined for carpet
23 recovery or reutilization by the total amount of old carpet
24 that is generated over a program year. To determine the annual
25 carpet recovery rates required by this Act the amount of old
26 carpet generated shall be calculated using an industry

1 standard calculation based on annual sales, replacement rate,
2 and the average weight of carpet.

3 "Carpet reutilization" means donating or selling an old
4 carpet back into the market for its original intended use,
5 when the old carpet retains its original purpose and
6 performance characteristics.

7 "Carpet stewardship program" means a statewide program for
8 the collection of old carpet and environmentally sound
9 management of old carpet that is funded by producers and
10 established and operated by the clearinghouse.

11 "Clearinghouse" means the entity incorporated as a
12 nonprofit within the meaning of 26 U.S.C. 501 representing
13 carpet producers, and other designated representatives who are
14 cooperating with one another to collectively establish and
15 operate a carpet recovery and carpet reutilization program for
16 old carpet for the purpose of complying with this Act.

17 "Clearinghouse plan" means a single, detailed plan
18 prepared by the clearinghouse that includes all the
19 information required by this Act.

20 "Clearinghouse program" means a statewide program for the
21 collection of old carpet and environmentally sound management
22 of old carpet that is financed by producers and established
23 and operated by the clearinghouse.

24 "Collection" means any method of consolidating and
25 temporarily storing old carpet.

26 "Collection site" means a site managed by a

1 clearinghouse-approved collector to collect and temporarily
2 store old carpet as provided by this Act.

3 "Collector" means any public or private entity approved by
4 the clearinghouse that provides old carpet collection
5 services.

6 "Comptroller" means the Comptroller of the State of
7 Illinois.

8 "Consumer" means any person who makes a purchase at
9 retail.

10 "Distributor" or "wholesaler" means a person who buys or
11 otherwise acquires carpet from another source and sells or
12 offers to sell that carpet to retailers in this State.

13 "Installer" means any person or entity contracted for the
14 purpose of installing flooring where old carpet is removed.

15 "Nylon carpet" means carpet made with a uniform face fiber
16 made with either nylon 6 or nylon 6,6.

17 "Old carpet" means carpet that is no longer used for its
18 manufactured purpose.

19 "Person" means any individual, partnership,
20 co-partnership, firm, company, corporation, association, joint
21 stock company, trust, estate, political subdivision, State
22 agency, or any other legal entity, or their legal
23 representative, agent, or assign.

24 "PET carpet" means carpet made from polyethylene
25 terephthalate.

26 "Polypropylene carpet" means carpet made from

1 polypropylene.

2 "Processor" means a public or private entity approved by
3 the clearinghouse to prepare old carpet for reutilization,
4 recovery, or disposal that uses industry recognized processes,
5 such as shredding, grinding, sheering, depolymerization, or
6 other methods recognized by the clearinghouse, to convert old
7 carpet into finished recovered output ready to be used as an
8 input material for secondary products.

9 "Producer" means a person who manufactures carpet that is
10 sold, offered for sale, or distributed in this State. Producer
11 includes any person who imports carpet into the United States
12 that is sold, offered for sale, or distributed in this State
13 and that is manufactured by a person who does not manufacture
14 the carpet in the United States. "Producer" does not include a
15 retailer that trademarks or brands carpet that is sold,
16 offered for sale, or distributed in this State that is
17 manufactured by a person other than the retailer.

18 "Program year" means a calendar year. The first program
19 year is 2024.

20 "PTT carpet" means carpet made from polytrimethylene
21 terephthalate.

22 "Retailer" means any person engaged in the business of
23 making sales at retail that generate occupation or use tax
24 revenue. "Retailer" does not include a distributor, producer,
25 or wholesaler, as those terms are defined in this Section.

26 "Roll-off dumpster" means a waste container that holds at

1 least 40 cubic yards of waste.

2 "Sale" or "sell" means a transfer of title to carpet for
3 consideration, including a remote sale conducted through a
4 sales outlet, catalogue, website, or similar electronic means.
5 "Sale" or "sell" includes a lease through which carpet is
6 provided to a consumer by a producer, distributor, or
7 retailer.

8 "Semitrailer" means any vehicle without motive power,
9 other than a pole trailer, designed for carrying persons or
10 property and for being drawn by a motor vehicle and so
11 constructed that some part of its weight and that of its load
12 rests upon or is carried by another vehicle.

13 "Sorter" means a public or private entity approved by the
14 clearinghouse that performs the sorting of old carpet for
15 third-party carpet recovery or carpet reutilization.

16 "Sorting" means the method used for sorting old carpet
17 into its various backing types or fiber types for carpet
18 recovery or carpet reutilization.

19 "Wool carpet" means carpet made from wool.

20 Section 15. Formation, duties, and powers of the
21 clearinghouse.

22 (a) Within 60 days after the effective date of this Act,
23 the Director of the Agency shall appoint the following members
24 to the clearinghouse, which shall be incorporated as a
25 nonprofit, to administer and implement the carpet stewardship

1 program, and the Director of the Agency shall attempt to
2 appoint members that reflect the racial and gender diversity
3 of this State:

4 (1) one individual who is a representative of a
5 statewide association representing retailers;

6 (2) two individuals who are representatives of carpet
7 producers;

8 (3) one individual who is a representative of a
9 national association representing manufacturers of carpet;

10 (4) two individuals who are representatives of carpet
11 processors;

12 (5) two individuals who are representatives of a
13 statewide association representing waste disposal
14 companies;

15 (6) two individuals who are representatives of
16 environmental organizations;

17 (7) two individuals who are representatives of county
18 or municipal joint action agency waste management
19 programs;

20 (8) one individual who is a representative of a
21 company that utilizes old carpet to manufacture a new
22 product, not including new carpet; and

23 (9) one individual who is a representative of an
24 association representing installers of carpet.

25 (b) Members of the clearinghouse shall serve without
26 compensation but shall be reimbursed for travel expenses and

1 any other contingent expenses related to the formation of the
2 clearinghouse as a legal and functioning entity as part of the
3 budget for the clearinghouse program approved in the
4 clearinghouse plan. Members shall serve on the clearinghouse
5 until a successor is appointed and qualified.

6 (c) The clearinghouse's duties include, but are not
7 limited to:

8 (1) selection of a Chairperson, Vice-Chairperson,
9 Secretary, and Treasurer, the creation of bylaws, and
10 organizing itself into committees to implement this Act;

11 (2) incorporating itself as a 501c(3) nonprofit
12 organization and establishing financial accounts for use
13 by the clearinghouse under this Act;

14 (3) preparing the clearinghouse plan, and any required
15 amendments, in compliance with this Act;

16 (4) implementing the clearinghouse plan;

17 (5) submitting to the Agency in the clearinghouse plan
18 a funding mechanism that will generate sufficient funds to
19 implement the clearinghouse plan and meet the performance
20 goals established in paragraph (12) of subsection (a) of
21 Section 25; in determining the level of funding necessary
22 the clearinghouse may take into account program costs in
23 other jurisdictions' approved carpet stewardship plans,
24 annual reports, audits, and other information;

25 (6) approving collectors, sorters, and processors to
26 provide services under this Act;

1 (7) creating and administering a grant program to
2 assist in covering the costs to collect, process, or
3 market old carpet for carpet reutilization or carpet
4 recovery;

5 (8) being responsible for meeting the performance
6 goals specified by this Act;

7 (9) submitting annual program reports as required by
8 this Act; and

9 (10) overseeing an annual audit conducted by a
10 third-party entity of the carpet stewardship program's
11 revenues and expenditures, and reporting those findings to
12 the Comptroller.

13 (d) The clearinghouse shall hire a director and necessary
14 staff within 150 days after the effective date of this Act,
15 which shall be funded as part of the budget for the
16 clearinghouse program approved in the clearinghouse plan.

17 Section 20. Carpet stewardship program and sale
18 requirement.

19 (a) For all carpet sold in this State, the clearinghouse
20 shall implement, and producers shall finance, a statewide
21 carpet stewardship program that: manages carpet by reducing
22 its waste generation; promotes its carpet recovery and carpet
23 reutilization; and provides for negotiation and execution of
24 agreements to collect, transport, process, or market the old
25 carpet for end-of-life carpet recovery or carpet

1 reutilization.

2 (b) On and after January 1, 2023, a producer or
3 distributor may not offer for sale any carpet to any person in
4 this State unless the producer has registered with the Agency
5 and has provided its share of funding, on an annual basis,
6 necessary to implement the clearinghouse plan as approved by
7 the Agency pursuant to Section 45 and is subject to penalties
8 under Section 70.

9 Section 25. Clearinghouse plan.

10 (a) By July 1, 2023 and by July 1 every 3 years thereafter,
11 beginning with program year 2024, the clearinghouse shall
12 submit a 3-year plan to the Agency and receive approval of the
13 plan. The clearinghouse plan shall include, at a minimum, each
14 of the following:

15 (1) Certification that the carpet stewardship program
16 will accept for collection all old carpet, regardless of
17 type or which producer manufactured the product and its
18 individual components.

19 (2) Contact information for each individual
20 representing the clearinghouse, designation of a program
21 manager responsible for administering the program in this
22 State, a list of all producers participating in the carpet
23 stewardship program, and the brands covered by the product
24 stewardship program.

25 (3) A description of the methods by which old carpet

1 will be collected in this State, including an explanation
2 of how the collection system will achieve a convenience
3 standard of having collection sites in all counties with a
4 population density of greater than or equal to 100
5 individuals per square mile in this State by January 1,
6 2024 for program year 2024, and all counties with a
7 population density of greater than or equal to 50
8 individuals per square mile for program year 2025 and
9 thereafter.

10 (4) An evaluation, beginning with the second 3-year
11 plan submitted by July 1, 2026, of the feasibility and
12 cost of expanding the convenience standard to at least one
13 collection site in every county in the State.

14 (5) A description of how the adequacy of the
15 collection program will be monitored, evaluated, and
16 maintained.

17 (6) The names and locations of collectors, sorters,
18 and processors who have been approved by the clearinghouse
19 to manage old carpet.

20 (7) A description of how the old carpet and the
21 products' components will be safely and securely
22 transported, tracked, and handled from collection through
23 final carpet recovery and processing.

24 (8) A description of the methods to be used to
25 reutilize, deconstruct, or recover old carpet to ensure
26 that the products' components, to the extent feasible, are

1 transformed or remanufactured into finished products for
2 use.

3 (9) A description of the methods to be used to manage
4 or dispose of old carpet that cannot be carpet recovered
5 or carpet reutilized.

6 (10) A description of the promotion and outreach
7 activities and proposed budget that will be used to
8 encourage participation in the collection and carpet
9 recovery programs and how the activities' effectiveness
10 will be evaluated and the program modified, if necessary.

11 (11) Certification that any person who may be involved
12 in collection, handling, or disposal operations possesses
13 adequate insurance, as determined by the clearinghouse,
14 including, but not limited to, workers compensation and
15 liability coverage.

16 (12) A 3-year rolling performance goal, including an
17 estimate of the percentage of old carpet that will be
18 collected, carpet reutilized, and carpet recovered during
19 each of the next 3 years of the stewardship plan, with a
20 minimum goal of achieving a 25% carpet recovery rate by
21 December 31, 2026. The performance goals shall include a
22 specific goal for the amount of old carpet that will be
23 collected, carpet recovered, and carpet reutilized during
24 each year of the plan.

25 The clearinghouse shall achieve a carpet recovery rate
26 goal of 50% by December 31, 2029 for the 3-year plan period

1 beginning January 1, 2027. Thereafter, the clearinghouse
2 shall establish a carpet recovery rate goal for each
3 subsequent 3-year plan period by March 1 of the calendar
4 year preceding the first year of that 3-year plan period.

5 (13) A discussion of the status of end markets for old
6 carpet and what, if any, additional end markets are needed
7 to improve the functioning of the program.

8 (14) A discussion of carpet design and manufacturing
9 changes that the producers are considering or have
10 implemented in order to reduce toxicity, water use, or
11 energy use associated with the production of carpet and
12 efforts to increase the recoverable content,
13 recoverability, or carpet longevity.

14 (15) A funding mechanism that demonstrates sufficient
15 producer funding to carry out the plan, including the
16 administrative, operational, and capital costs of
17 implementing the plan, and payment of incentive payments
18 to carpet collectors, processors, and end use markets to
19 assist with the implementation of this Act.

20 (16) Annual budgets showing revenue and expenditure
21 projections for the current program year and projected for
22 the next 2 years of the program.

23 (17) A process by which the financial activities of
24 the clearinghouse that are related to the implementation
25 of the plan shall be subject to an annual independent
26 audit, conducted by a third party, which shall be reviewed

1 by the Comptroller.

2 (18) A description of an educational program and
3 materials that shall be implemented and used to train
4 operators of collection sites on how to properly collect
5 old carpet and reduce contamination. At no time shall a
6 collection site be subject to a fine or extra charge for
7 contamination by either the clearinghouse or a carpet
8 processor. However, collection sites that continue to ship
9 contaminated old carpet to processors may be removed from
10 the stewardship program by the clearinghouse.

11 (19) Baseline information, for the most current year
12 for which data is available, on the amount of square feet
13 and pounds of carpet sold in this State, by type of polymer
14 or non-polymer material used to make the carpet.

15 (20) A discussion of the feasibility, cost, and
16 effectiveness of labeling the backside of new carpet with
17 the polymer type or non-polymer material used to
18 manufacture the carpet to assist processors in more easily
19 identifying the type of old carpet collected for
20 processing.

21 (21) A description of the program that shall be
22 implemented to train carpet installers on how to properly
23 manage old carpet so that it can be carpet reutilized or
24 carpet recovered under this Act, including, but not
25 limited to, the development of videos and written
26 materials regarding the carpet recovery program.

1 (b) An update to the plan shall be submitted, at a minimum,
2 every 3 years, or if the clearinghouse determines that a plan
3 update is needed, prior to the minimum of once every 3 years.

4 (c) If the clearinghouse determines that any proposed
5 significant changes or modifications to the plan or its
6 implementation are needed, within 30 days of that
7 determination the clearinghouse shall submit to the Agency a
8 written plan update for review and approval in accordance with
9 Section 30.

10 Section 30. Review and approval of the clearinghouse plan
11 and plan updates.

12 (a) After receipt of a proposed plan or plan update, the
13 Agency shall determine whether the plan or plan update
14 complies with Section 25. If the Agency determines that the
15 plan or plan update complies with Section 25, the Agency shall
16 notify the clearinghouse of the plan or plan update approval
17 in writing within 90 days of receipt of the plan or plan
18 update. If the Agency determines that the plan or plan update
19 does not comply with Section 25, the Agency shall notify the
20 clearinghouse of the plan or plan update rejection in writing
21 within 90 days of receipt of the plan or plan update and
22 include the reasons why the plan or plan update does not comply
23 with Section 25. The clearinghouse shall submit a revised plan
24 to the Agency within 60 days after receiving a notice of
25 rejection. Any proposed changes to a plan or plan update must

1 be reviewed and approved by the Agency in accordance with this
2 subsection (a).

3 (b) The clearinghouse plan and plan updates approved by
4 the Agency shall be placed on the Agency's website and made
5 available at the Agency's headquarters for public review in
6 accordance with the Freedom of Information Act.

7 Section 32. Implementation of clearinghouse plan. The
8 clearinghouse shall implement the clearinghouse plan
9 components under subsection (a) of Section 25 upon approval of
10 the clearinghouse plan or plan update by the Agency under
11 Section 30. The clearinghouse shall monitor the implementation
12 of the clearinghouse plan and shall have the authority to
13 require specific action by its director and staff to meet the
14 clearinghouse plan implementation requirements under this
15 Section.

16 Section 36. Collection of old carpet.

17 (a) No later than June 1, 2024, in any county with a
18 population of greater than 200,000 people, any installer
19 engaged in removing old carpet from a residence or business
20 shall transport, or contract to transport, all old carpet to a
21 clearinghouse-approved old carpet collection site as defined
22 in Section 10.

23 (b) Approved carpet collection sites as defined in Section
24 10 shall ensure that old carpet is collected in the prescribed

1 conditions required by the clearinghouse plan. The conditions
2 must also include, but are not limited to, the following
3 requirements:

4 (1) Old carpet must be kept in a location that allows
5 it to remain dry at all times.

6 (2) Containers holding collected old carpet must be
7 free of all non-carpet discarded waste items.

8 (3) Prior to shipment to a processor, containers
9 holding discarded carpet must be filled to the following
10 minimum standards:

11 (A) Roll-off dumpsters shall be filled to a
12 minimum of 8 tons.

13 (B) Semitrailers shall be filled to a minimum of
14 13 tons.

15 (4) Approved collection sites must permit an approved
16 processor's prescribed container to be housed on site for
17 loading by the collector for pickup at the collection
18 site.

19 (c) Any approved collection site that has collected old
20 carpet as prescribed by the clearinghouse plan and whose full
21 container volume is not removed by a registered processor upon
22 3-business day's electronic notice to the processor stating
23 that collected old carpet is ready for removal may dispose of
24 that container's contents in a landfill.

25 Section 37. Economic support for approved carpet

1 collection sites. The clearinghouse program shall pay approved
2 old carpet collection sites for costs, services, and
3 infrastructure improvements as follows:

4 (1) Reimbursement for reasonable costs, as
5 pre-approved by the clearinghouse, to adapt sites for old
6 carpet collection as required by this Act, including, but
7 not limited to, one-time costs for constructing the needed
8 structure to make the collection of carpet safe and
9 convenient, and to ensure adequate room to maneuver old
10 carpet collection equipment in such a manner so as to not
11 disrupt the normal flow of activity at the collection
12 site.

13 (2) A recovery fee equivalent to \$20 per ton for all
14 old carpet collected that is subject to this Act and
15 loaded into trailers at the collector's site in accordance
16 with subsection (b) of Section 36.

17 (3) Approved carpet collection sites located at waste
18 transfer or waste disposal facilities permitted by the
19 Agency may, at their discretion, charge the generator of
20 such discarded carpet customary and proprietary collection
21 and disposal fees.

22 (4) Approved carpet collection sites may not charge a
23 processor any fee for removal of carpet discarded from the
24 collection site location.

25 (5) Economic support for approved carpet collectors
26 under this Section shall be reviewed by the clearinghouse

1 every 3 years as clearinghouse plans are submitted to the
2 Agency.

3 Section 40. State action antitrust exemption. Each
4 producer and the clearinghouse shall be immune from liability
5 for any claim of violation of antitrust law or unfair trade
6 practice if the conduct is a violation of antitrust law, to the
7 extent the producer or clearinghouse is exercising authority
8 under the provisions of this Act.

9 Section 45. Requirements applicable to producers.

10 (a) On and after January 1, 2023, producers of carpet
11 shall provide funding to the clearinghouse sufficient to cover
12 the administrative costs of establishing the clearinghouse in
13 calendar year 2023 and annually thereafter to cover the costs
14 of developing and implementing the clearinghouse plan. The
15 funding mechanism:

16 (1) shall take into account the financial burden that
17 blended carpet, nylon carpet, PET carpet, polypropylene
18 carpet, and wool carpet have on the clearinghouse program
19 costs;

20 (2) shall be differentiated by the type of material,
21 recycling cost, recycling content, and other qualities
22 related to toxicity, resource use, and recyclability;

23 (3) shall ensure an equitable and efficient allocation
24 of financial responsibility among producers; and

1 (4) shall be at a level approved by the Agency as
2 sufficient to cover the annual costs of the clearinghouse
3 program, and if the Agency determines the level of funding
4 from the producers is not adequate it may request that the
5 Joint Committee on Administrative Rules approve additional
6 funding from the producers.

7 (b) The amount that each producer pays to fund the
8 clearinghouse program on an annual basis shall be considered
9 proprietary information that is privileged or confidential and
10 shall not be disclosed to the clearinghouse or the public.
11 However, in order to determine if each producer is paying its
12 proper share, an independent professional accounting firm
13 shall be hired by the clearinghouse to review the payments and
14 verify that the funding provided by each producer is in
15 compliance with the funding mechanism agreed to by the
16 producers.

17 (c) Producers, working with the clearinghouse, shall
18 provide consumers with educational materials regarding the
19 clearinghouse program. The materials shall include information
20 regarding available end-of-life management options for old
21 carpet offered through the carpet stewardship program.

22 (d) Producers who sell carpet in this State shall register
23 with the clearinghouse by October 1, 2023 and annually
24 thereafter for as long as that producer sells carpet in this
25 State. For the first year of registration, a producer shall
26 pay a registration fee of \$25,000 to the clearinghouse, the

1 amount of which may be deducted from the producer's quarterly
2 assessment due to the clearinghouse until such time that the
3 producer's assessment due exceeds the total cost of the
4 registration fee.

5 Section 50. Requirements applicable to retailers and
6 distributors.

7 (a) On and after January 1, 2023, no carpet may be sold in
8 this State unless the carpet's producer has registered with
9 the clearinghouse under subsection (d) of Section 45.

10 (b) Any retailer or distributor may participate, on a
11 voluntary basis, as a designated collection point under a
12 product stewardship program and in accordance with applicable
13 law.

14 (c) No retailer or distributor shall be found to be in
15 violation of this Section if, on the date the carpet was
16 ordered from the producer or its agent, the producer was
17 registered on the clearinghouse's website in accordance with
18 this Act.

19 (d) Retailers shall provide consumers with educational
20 materials, developed by producers and the clearinghouse, that
21 shall include, but are not limited to, information that (i)
22 regards available end-of-life management options for old
23 carpet, and (ii) notifies the consumer of the importance of
24 carpet recovery.

1 Section 55. Posting of information.

2 (a) Beginning March 1, 2023, and annually thereafter, the
3 clearinghouse shall post on its website the list of carpet
4 producers that registered with the clearinghouse, in
5 accordance with subsection (d) of Section 45.

6 (b) Beginning January 1, 2024, and annually thereafter,
7 for the benefit of assisting consumers who wish to find
8 collection sites for recovering carpet, the Agency shall post
9 on its website the location of all collection sites identified
10 to the Agency by the clearinghouse in its plans and annual
11 reports.

12 (c) Beginning May 1, 2025, and annually thereafter, the
13 Agency shall post on its website copies of the annual reports.

14 Section 60. Annual stewardship reports.

15 (a) By April 1, 2025, and by April 1 of each year
16 thereafter, the clearinghouse shall submit a report to the
17 Agency that includes, for the previous program year, a
18 description of the carpet stewardship program, including, but
19 not limited to, the following:

20 (1) the amount of carpet sold by square feet and
21 pounds in this State during the reporting period by
22 polymer type or non-polymer material;

23 (2) a description of the methods used to collect,
24 transport, and process old carpet in regions of this
25 State, and a listing of the persons used to collect,

1 transport, and process old carpet;

2 (3) identification of all old carpet collection sites
3 in this State and whether the requirement of paragraph (3)
4 of subsection (a) of Section 25 has been met;

5 (4) the weight of all old carpet collected and carpet
6 reutilized or carpet recovered in all regions of this
7 State, a comparison to the performance goals and carpet
8 recovery rates established in the clearinghouse plan, and,
9 if appropriate, an explanation stating the reason or
10 reasons performance goals were not met;

11 (5) the weight of old carpet collected in this State
12 but not carpet reutilized or carpet recovered and its
13 ultimate disposition, and a comparison to the performance
14 goals in the clearinghouse plan;

15 (6) the total cost of implementing the clearinghouse
16 plan and a copy of the independent audit regarding the
17 financial activities of the clearinghouse;

18 (7) a proposed budget for implementing the
19 clearinghouse plan in the subsequent calendar year;

20 (8) an evaluation of the producers' funding mechanism
21 and its ability to properly fund the implementation of the
22 clearinghouse plan, including whether the incentive
23 payments to collectors, processors, and end markets for
24 managing carpet are adequate to ensure that the old carpet
25 can be carpet reutilized or carpet recovered under the
26 program;

1 (9) identification of the facilities processing
2 carpet, the weight processed at each facility, and each
3 facility's processing capacity;

4 (10) an evaluation of the effectiveness of the
5 clearinghouse plan, and anticipated steps, if needed, to
6 improve performance;

7 (11) a discussion of progress made toward achieving
8 carpet design changes according to paragraph (14) of
9 subsection (a) of Section 25; and

10 (12) samples of educational materials provided to
11 consumers and carpet installers, and an evaluation of the
12 effectiveness of the materials and the methods used to
13 disseminate the materials. The evaluation shall include,
14 but shall not be limited to, information on the number of
15 consumers and carpet installers that received or viewed
16 the educational materials, and any consumer and carpet
17 installer survey data that may have been collected
18 regarding the educational materials used.

19 Section 65. Administrative fee.

20 (a) The clearinghouse shall pay the Agency an annual
21 administrative fee of not less than \$200,000 and not more than
22 \$500,000, the amount of which shall be mutually agreed upon by
23 the Agency and the clearinghouse for expenses consistent with
24 the Agency's responsibilities under this Act and shall be
25 included in the annual budget for the clearinghouse plan. The

1 clearinghouse shall reimburse the Comptroller for costs
2 related to reviewing the annual carpet stewardship program
3 audits.

4 (b) The clearinghouse shall pay the Agency's
5 administrative fee under subsection (a) on or before January
6 1, 2024, and annually thereafter. The clearinghouse shall
7 reimburse the Comptroller for its costs within 60 days of
8 receiving notice from the Comptroller.

9 (c) The Agency shall deposit the fees collected under this
10 Section into the Solid Waste Management Fund.

11 Section 70. Enforcement.

12 (a) On and after January 1, 2023, no producer,
13 distributor, or retailer shall sell or offer for sale carpet
14 to any person in this State if the producer of the carpet is
15 not registered with the Agency or has not remitted adequate
16 funding pursuant to Section 45.

17 (b) No retailer or distributor shall be found in violation
18 of the provisions of subsection (a) if, on the date the carpet
19 was ordered from the producer or its agent, the producer was
20 listed on the clearinghouse's website in accordance with the
21 provisions of subsection (a) of Section 55.

22 (c) The Attorney General or the State's Attorney of the
23 county in which the violation occurred are authorized to seek
24 a civil penalty in the amount of \$5,000 per day for each
25 violation against any producer who violates the registration

1 requirements under subsection (d) of Section 45 or who fails
2 to remit the assessment under Section 45.

3 (d) The Attorney General or the State's Attorney of the
4 county in which the violation occurred are authorized to seek
5 a civil penalty in the amount of \$5,000 per day for each
6 violation against any producer, distributor, or retailer who
7 sells or offers for sale carpet to any person in this State if
8 the producer of the carpet is not registered with the
9 clearinghouse under subsection (d) of Section 45 or has not
10 remitted the required funding under Section 45.

11 (e) The penalties provided for in this Section may be
12 recovered in a civil action. Any penalties collected under
13 this Section in an action in which the Attorney General has
14 prevailed shall be deposited in the Environmental Protection
15 Trust Fund, to be used in accordance with the provisions of the
16 Environmental Protection Trust Fund Act.

17 (f) The State's Attorney of the county in which the
18 violation occurred, or the Attorney General, may, at the
19 request of the Agency or on his or her own motion, institute a
20 civil action for an injunction, prohibitory or mandatory, to
21 restrain violations of this Act or to require such other
22 actions as may be necessary to address violations of this Act.

23 (g) The State's Attorney of the county in which the
24 violation occurred, or the Attorney General, may, at the
25 request of the Agency or on his or her own motion, institute a
26 civil action for an injunction, prohibitory or mandatory, to

1 restrain violations of this Act, any rule or regulation
2 adopted under this Act, any permit or to require such other
3 actions as may be necessary to address violations of this Act
4 or any rule or regulation adopted under this Act.

5 (h) Nothing in this Act prohibits a retailer or
6 distributor from selling their inventory of carpet existing
7 prior to January 1, 2023.

8 (i) Nothing in this Act mandates or otherwise requires and
9 nothing in the clearinghouse plan shall mandate or otherwise
10 require participation of the waste disposal industry in the
11 carpet stewardship program created by this Act.

12 Section 75. State procurement of carpet. Beginning on
13 January 1, 2025, at least 35% of carpet purchased by State
14 agencies shall be carpet with a minimum of 10% post-consumer
15 recovered content by weight from old carpet and comply with
16 the National Science Foundation/American National Standards
17 Institute (NSF/ANSI) 140-2009 Standard, Platinum Level or the
18 most current version in effect as provided by the American
19 National Standards Institute. The carpet shall be purchased
20 from a carpet producer with a third-party certified closed
21 loop recovering facility. Thereafter, those purchases shall
22 increase by a rate of 10% per year until it reaches 75%. Prior
23 to January 1, 2025, the clearinghouse shall provide a report
24 to the Illinois Department of Central Management Services on
25 the other types of products that contain reutilized carpet as

1 a feedstock that the State should consider purchasing.

2 Section 99. Effective date. This Act takes effect upon
3 becoming law.