

# SB0345



## 102ND GENERAL ASSEMBLY

### State of Illinois

2021 and 2022

SB0345

Introduced 2/19/2021, by Sen. Melinda Bush

#### SYNOPSIS AS INTRODUCED:

See Index

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 reuse and recycling, and provides for negotiation and execution of agreements to collect, transport, process, and market the product for end-of-life carpet recycling and carpet reuse. 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, carpet stewardship assessments, 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 13471 CPF 18818 b

FISCAL NOTE ACT  
MAY APPLY

A BILL FOR

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 recycled in this State at a carpet recycling rate  
16 estimated to be less than 1%, compared to a 15.6% carpet  
17 recycling rate for the fourth quarter of 2018 in  
18 California, which has enacted Extended Producer  
19 Responsibility legislation for carpet.

20 (3) Carpet recycling 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 recycling 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 "Blended carpet" means carpet with a nonuniform face  
12 fiber, which is manufactured with multiple polymer types,  
13 fiber types, or both, in the face of the constructed material.

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

18 "Carpet" means a manufactured article that is (i) used in  
19 commercial buildings or single or multifamily residential  
20 buildings, (ii) affixed or placed on the floor or building  
21 walking surface as a decorative or functional building  
22 interior or exterior feature, and (iii) primarily constructed  
23 of a top visible surface of synthetic face fibers or yarns or  
24 tufts attached to a backing system derived from synthetic or  
25 natural materials. "Carpet" includes, but is not limited to, a

1 commercial or residential broadloom carpet, modular carpet  
2 tiles, and artificial turf. "Carpet" includes a pad or  
3 underlayment used in conjunction with a carpet. "Carpet" does  
4 not include handmade rugs, area rugs, or mats.

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

16 "Carpet recycling rate" means the percentage of old carpet  
17 that is managed through carpet recycling or carpet reuse, as  
18 defined by this Act, and is computed by dividing the amount of  
19 old carpet that is collected and recycled or reused by the  
20 total amount of old carpet that is generated over a program  
21 year. To determine the annual carpet recycling rates required  
22 by this Act the amount of old carpet generated shall be  
23 calculated using an industry standard calculation based on  
24 annual sales, replacement rate, and the average weight of  
25 carpet.

26 "Carpet reuse" means donating or selling an old carpet

1 back into the market for its original intended use, when the  
2 old carpet retains its original purpose and performance  
3 characteristics.

4 "Clearinghouse" means the entity incorporated as a  
5 nonprofit within the meaning of 26 U.S.C. 501 representing  
6 carpet producers, and other designated representatives who are  
7 cooperating with one another to collectively establish and  
8 operate an old carpet carpet recycling and carpet reuse  
9 program for the purpose of complying with this Act.

10 "Clearinghouse plan" means a single, detailed plan  
11 prepared by the clearinghouse that includes all the  
12 information required by this Act.

13 "Collection" means any method of consolidating and  
14 temporarily storing old carpet.

15 "Collection site" means a site managed by a  
16 clearinghouse-approved collector to collect and temporarily  
17 store old carpet as provided by this Act.

18 "Collector" means any public or private entity approved by  
19 the clearinghouse that provides old carpet collection  
20 services.

21 "Comptroller" means the Comptroller of the State of  
22 Illinois.

23 "Consumer" means any person who makes a purchase at  
24 retail.

25 "Distributor" or "wholesaler" means a person who buys or  
26 otherwise acquires carpet from another source and sells or

1 offers to sell that carpet to retailers in this State.

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

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

6 "Old carpet" means carpet that is no longer used for its  
7 manufactured purpose.

8 "Person" means any individual, partnership,  
9 co-partnership, firm, company, corporation, association, joint  
10 stock company, trust, estate, political subdivision, State  
11 agency, or any other legal entity, or their legal  
12 representative, agent, or assign.

13 "PET carpet" means carpet made from polyethylene  
14 terephthalate.

15 "Polypropylene carpet" means carpet made from  
16 polypropylene.

17 "Processor" means a public or private entity approved by  
18 the clearinghouse to prepare old carpet for reuse, recycling,  
19 or disposal that uses industry recognized processes, such as  
20 shredding, grinding, sheering, depolymerization, or other  
21 methods recognized by the clearinghouse, to convert old carpet  
22 into finished recycled output ready to be used as an input  
23 material for secondary products.

24 "Producer" means a person who manufactures carpet that is  
25 sold, offered for sale, or distributed in this State. Producer  
26 includes any person who imports carpet into the United States

1 that is sold, offered for sale, or distributed in this State  
2 and that is manufactured by a person who does not manufacture  
3 the carpet in the United States. "Producer" does not include a  
4 retailer that trademarks or brands carpet that is sold,  
5 offered for sale, or distributed in this State that is  
6 manufactured by a person other than the retailer.

7 "Program year" means a calendar year. The first program  
8 year is 2021.

9 "PTT carpet" means carpet made from polytrimethylene  
10 terephthalate.

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

15 "Roll-off dumpster" means a waste container that holds at  
16 least 40 cubic yards or waste.

17 "Sale" or "sell" means a transfer of title to carpet for  
18 consideration, including a remote sale conducted through a  
19 sales outlet, catalog, website, or similar electronic means.  
20 "Sale" or "sell" includes a lease through which carpet is  
21 provided to a consumer by a producer, distributor, or  
22 retailer.

23 "Semitrailer" means any vehicle without motive power,  
24 other than a pole trailer, designed for carrying persons or  
25 property and for being drawn by a motor vehicle and so  
26 constructed that some part of its weight and that of its load

1 rests upon or is carried by another vehicle.

2 "Sorter" means a public or private entity approved by the  
3 clearinghouse that performs the sorting of old carpet for  
4 third-party reuse.

5 "Sorting" means the method used for sorting old carpet  
6 into its various backing types or fiber types.

7 "Stewardship assessment" means the amount added to the  
8 purchase price of carpet sold in this State that is necessary  
9 to cover the cost of collecting, transporting, processing and  
10 marketing old carpet by the clearinghouse pursuant to the  
11 clearinghouse plan, and shall not be used to pay for any fines  
12 or penalties levied pursuant to this Act or for the final  
13 disposal or incineration of old carpet.

14 "Wool carpet" means carpet made from wool.

15 Section 15. Formation, duties and powers of the  
16 Clearinghouse.

17 (a) To administer the carpet stewardship program a  
18 clearinghouse shall be incorporated as a nonprofit, and shall  
19 consist of the following members, to be appointed by the  
20 Director of the Agency:

21 (1) one individual who is a representative of a  
22 statewide association representing retailers;

23 (2) two individuals who are representatives of carpet  
24 producers;

25 (3) one individual who is a representative of a



1 national association representing manufacturers of carpet;

2 (4) two individuals who are representatives of carpet  
3 recyclers;

4 (5) two individuals who are representatives of a  
5 statewide association representing waste disposal  
6 companies;

7 (6) two individuals who are representatives of  
8 environmental organizations;

9 (7) two individuals who are representatives of county  
10 or municipal joint action agency waste management  
11 programs;

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

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

17 (b) Members of the clearinghouse shall serve without  
18 compensation but shall be reimbursed for travel expenses with  
19 proceeds from the stewardship assessment, and the Agency shall  
20 be responsible for monitoring these expenses. Members shall  
21 serve on the clearinghouse until a successor is appointed and  
22 qualified.

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

25 (1) preparing the clearinghouse plan, and any required  
26 amendments, in compliance with this Act;

- 1           (2) implementing the clearinghouse plan;
- 2           (3) approving collectors, sorters, and processors to  
3 provide services under this Act;
- 4           (4) creating and administering a grant program to  
5 assist in subsidizing the costs to collect, process, or  
6 market old carpet for carpet reuse or carpet recycling;
- 7           (5) being responsible for meeting the performance  
8 goals specified by this Act;
- 9           (6) submitting annual program reports as required by  
10 this Act;
- 11           (7) submitting to the Agency in the clearinghouse plan  
12 any increases or decreases in the stewardship assessment;  
13 and
- 14           (8) overseeing an annual audit of the carpet  
15 stewardship program's revenues and expenditures, and  
16 reporting those findings to the Comptroller.
- 17           (d) The clearinghouse may hire a director and necessary  
18 staff, and may organize itself into committees to implement  
19 this Act, which shall be funded by the stewardship assessment.  
20 The Agency shall monitor these expenses.

21           Section 20. Carpet stewardship program and sale  
22 requirement.

23           (a) For all carpet sold in this State, the clearinghouse  
24 shall implement and finance a statewide carpet stewardship  
25 program that: manages carpet by reducing its waste generation;

1 promotes its carpet recycling and carpet reuse; and provides  
2 for negotiation and execution of agreements to collect,  
3 transport, process, or market the old carpet for end-of-life  
4 carpet recycling or carpet reuse.

5 (b) On and after January 1, 2021, a producer or  
6 distributor that offers carpet for sale in this State is not in  
7 compliance with this Act and is subject to penalties under  
8 Section 70 if the carpet stewardship assessment fee is not  
9 added to the purchase price of the carpet offered for sale  
10 pursuant to Section 35.

11 Section 25. Clearinghouse plan.

12 (a) By July 1, 2020 and by July 1 every 3 years thereafter,  
13 beginning with program year 2021, the clearinghouse shall  
14 submit a 3-year plan to the Agency and receive approval of the  
15 plan. The clearinghouse plan shall include, at a minimum, each  
16 of the following:

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

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

1           stewardship program.

2           (3) A description of the methods by which old carpet  
3 will be collected in this State, including an explanation  
4 of how the collection system will achieve a convenience  
5 standard of having collection sites in all counties with a  
6 population density of greater than or equal to 100  
7 individuals per square mile in this State by January 1,  
8 2021 for program year 2021, and all counties with a  
9 population density of greater than or equal to 50  
10 individuals per square mile for program year 2022 and  
11 thereafter.

12           (4) An evaluation, beginning with the second  
13 three-year plan submitted by July 1, 2023, of the  
14 feasibility and cost of expanding the convenience standard  
15 to at least one collection site in every county in the  
16 State.

17           (5) A description of how the adequacy of the  
18 collection program will be monitored, evaluated, and  
19 maintained.

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

23           (7) A description of how the old carpet and the  
24 products' components will be safely and securely  
25 transported, tracked, and handled from collection through  
26 final carpet recycling and processing.

1           (8) A description of the methods to be used to reuse,  
2           deconstruct, or recycle old carpet to ensure that the  
3           products' components, to the extent feasible, are  
4           transformed or remanufactured into finished products for  
5           use.

6           (9) A description of the methods to be used to manage  
7           or dispose of old carpet that cannot be carpet recycled or  
8           carpet reused.

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

14          (11) Evidence of adequate insurance or financial  
15          assurance for any person that may be involved in  
16          collection, handling, or disposal operations.

17          (12) A 3-year rolling performance goal, including an  
18          estimate of the percentage of old carpet that will be  
19          collected, carpet reused, and carpet recycled during each  
20          of the next 3 years of the stewardship plan, with a minimum  
21          goal of achieving a 25% carpet recycling rate by December  
22          31, 2023. The performance goals shall include a specific  
23          goal for the amount of old carpet that will be collected,  
24          carpet recycled, and carpet reused during each year of the  
25          plan. The performance goals must be based on:

26                 (A) the most recent collection data available for

1           this State;

2                   (B) the estimated amount of old carpet disposed of  
3           annually;

4                   (C) the weight of the old carpet that is expected  
5           to be available for collection annually; and

6                   (D) actual collection data from other existing  
7           carpet stewardship programs.

8           The clearinghouse plan must state the methodology used  
9           to determine these goals. By March 1, 2023, the  
10          clearinghouse shall establish a recycling rate goal for  
11          the 3-year plan period beginning January 1, 2024.  
12          Thereafter, the clearinghouse shall establish a carpet  
13          recycling rate goal for each subsequent 3-year plan period  
14          by March 1 of the calendar year preceding the first year of  
15          that 3-year plan period.

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

19                  (14) A discussion of carpet design and manufacturing  
20          changes that the producers are considering or have  
21          implemented in order to reduce toxicity, water use, or  
22          energy use associated with the production of carpet and  
23          efforts to increase the recycled content, recyclability,  
24          or carpet longevity.

25                  (15) A funding mechanism consistent with Section 35  
26          that demonstrates sufficient funding to carry out the

1 plan, including the administrative, operational, and  
2 capital costs of the plan, and payment of incentive  
3 payments to carpet collectors, processors, and end use  
4 markets to assist with the implementation of this Act.

5 (16) Annual budgets showing revenue and expenditure  
6 projections for the current program year and projected for  
7 the next 2 years of the program.

8 (17) A process by which the financial activities of  
9 the clearinghouse that are related to the implementation  
10 of the plan shall be subject to an annual independent  
11 audit, which shall be reviewed by the Comptroller.

12 (18) A description of an educational program and  
13 materials that shall be implemented and used to train  
14 operators of collection sites on how to properly collect  
15 old carpet and reduce contamination. At no time shall a  
16 collection site be subject to a fine or extra charge for  
17 contamination by either the clearinghouse or a carpet  
18 processor. However, collection sites that continue to ship  
19 contaminated old carpet to processors may be removed from  
20 the stewardship program by the clearinghouse.

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

25 (20) A discussion of the feasibility, cost, and  
26 effectiveness of labeling the backside of new carpet with

1 the polymer type or non-polymer material used to  
2 manufacture the carpet to assist processors in more easily  
3 identifying the type of old carpet collected for  
4 processing.

5 (21) A description of the program that shall be  
6 implemented to train carpet installers on how to properly  
7 manage old carpet so that it can be carpet reused or carpet  
8 recycled pursuant to this Act, including, but not limited  
9 to, the development of videos and written materials  
10 regarding the carpet recycling program.

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

14 (c) The clearinghouse shall notify the Agency within 30  
15 days of any significant changes or modifications to the plan  
16 or its implementation. Within 30 days of the notification, a  
17 written plan revision shall be submitted to the Agency for  
18 review and approval.

19 Section 30. Review and approval of the clearinghouse plan  
20 and plan updates.

21 (a) Within 90 days after receipt of the proposed plan or  
22 plan update, the Agency shall determine whether the plan or  
23 plan update complies with Section 25. If the Agency approves a  
24 plan or plan update, the Agency shall notify the clearinghouse  
25 of the plan approval in writing within 14 days of receipt. If



1 the Agency rejects a plan or plan update, the Agency shall  
2 notify the clearinghouse in writing of the reasons for  
3 rejecting the plan within 14 days of receipt. The  
4 clearinghouse shall submit a revised plan to the Agency within  
5 60 days after receiving notice of rejection. Any proposed  
6 changes to a plan or plan update must be approved by the Agency  
7 in writing.

8 (b) The clearinghouse plan and plan updates approved by  
9 the Agency shall be placed on the Agency's website and made  
10 available at the Agency's headquarters for public review  
11 within 30 days of the Agency's approval.

12 Section 32. Implementation of clearinghouse plan. The  
13 clearinghouse shall implement the clearinghouse plan  
14 components under subsection (a) of Section 25 upon approval of  
15 the clearinghouse plan or plan update by the Agency under  
16 Section 30. The Agency shall monitor the clearinghouse's  
17 implementation of the clearinghouse plan and shall have the  
18 authority to require specific action by the clearinghouse to  
19 meet its clearinghouse plan implementation requirements under  
20 this Section.

21 Section 35. Carpet stewardship assessment.

22 (a) On and after January 1, 2020 a producer of carpet shall  
23 add a carpet stewardship assessment fee of 4 cents per square  
24 foot to the purchase price of nylon carpet, polypropylene

1 carpet, and wool carpet, and 6 cents per square foot to the  
2 purchase price of PET carpet, PTT carpet, and blended carpet  
3 sold in this State by that producer. The assessment added  
4 under this Section shall be remitted by the producer on a  
5 quarterly basis to the clearinghouse. The amount each producer  
6 pays in assessments shall be considered proprietary  
7 information that is privileged or confidential and shall not  
8 be disclosed to the clearinghouse or the public. However, in  
9 order to determine if each producer is paying the proper  
10 assessments, an independent professional accounting firm shall  
11 be hired by the clearinghouse to review and verify the  
12 quarterly square foot sales data by carpet type provided by  
13 each producer and the quarterly payments remitted to the  
14 clearinghouse by each producer.

15 (b) Notwithstanding any provision of law to the contrary,  
16 the assessment established under this Section is exempt from  
17 taxes imposed by the Illinois Department of Revenue and shall  
18 meet both of the following requirements:

19 (1) The assessment shall be added by the producer to  
20 the purchase price of all carpet sold by producers to an  
21 Illinois retailer or distributor or otherwise sold for use  
22 in this State. Retailers and distributors shall have at  
23 least 120 calendar days after the date the carpet is sold  
24 to provide producers with the assessment. The assessment  
25 shall be clearly visible on all invoices or functionally  
26 equivalent billing documents as a separate line item and

1 shall be accompanied by a brief description of the  
2 assessment.

3 (2) Each retailer and distributor shall add the  
4 assessment to the purchase price of all carpet sold in  
5 this State. The assessment shall be clearly visible on all  
6 invoices or functionally equivalent billing documents as a  
7 separate line item and shall be accompanied by a brief  
8 description of the assessment.

9 (c) It is the intent of the General Assembly that the  
10 amount of the assessment fee be reduced by the clearinghouse  
11 as the carpet stewardship program is implemented over time and  
12 becomes more efficient.

13 (d) If the amount of the assessment is too low to properly  
14 fund the carpet stewardship program the clearinghouse may  
15 adopt rules increasing the assessment fee, which must be  
16 approved by the Joint Committee on Administrative Rules prior  
17 to the fee being increased.

18 (e) The assessment shall be lowered if at any time the fee  
19 generates a fund balance at the end of a program year that is  
20 greater than one year's operating costs of the carpet  
21 stewardship program. If a fund balance greater than one year's  
22 operating cost is reached, the clearinghouse shall adopt rules  
23 decreasing the assessment fee, which must be approved by the  
24 Joint Committee on Administrative Rules prior to the fee being  
25 decreased.

26 (f) The assessment fee shall be deposited by the

1 clearinghouse into an Illinois chartered bank, and if for any  
2 reason this Act is repealed, the entire assessment fund  
3 balance shall be transferred by the clearinghouse to the State  
4 of Illinois to be deposited into the Solid Waste Management  
5 Fund.

6 Section 36. Collection of discarded carpet.

7 (a) No later than June 1, 2023, in any county with a  
8 population of greater than 200,000 people, any installer  
9 engaged in removing old carpet from a residence or business  
10 must transport, or contract to transport, all old carpet to a  
11 clearinghouse-approved old carpet collection site as defined  
12 in Section 10.

13 (b) Approved carpet collection sites as defined in Section  
14 10 shall ensure that old carpet is collected in the prescribed  
15 conditions required by the clearinghouse plan. The conditions  
16 must also include, but are not limited to, the following  
17 requirements:

18 (1) Discarded carpet must be kept in a location that  
19 allows it to remain dry at all times.

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

22 (3) Prior to shipment to a recycler, containers  
23 holding discarded carpet must be filled to the following  
24 minimum standards:

25 (A) Roll off dumpsters shall be filled to a

1           minimum of 8 tons.

2                   (B) Semitrailers shall be filled to a minimum of  
3           13 tons.

4           (4) Approved collection sites must permit an approved  
5           recycler's prescribed container to be housed on site for  
6           loading by the collector for pickup at the collection  
7           site.

8           (c) Any approved collection site that has collected old  
9           carpet as prescribed by the clearinghouse plan and whose full  
10          container volume is not removed by a registered recycler upon  
11          3-business day's electronic notice to the recycler stating  
12          that collected old carpet is ready for removal may dispose of  
13          that container's contents in a landfill. For purposes of this  
14          Act, old carpet collected by a clearinghouse certified entity  
15          at a regulated waste transfer station or landfill shall not be  
16          considered as being stored under the terms of any applicable  
17          waste disposal permit, and shall not impact the status of an  
18          existing waste disposal permit, until the seventh business day  
19          after electronic notice has been given to the recycler stating  
20          that collected old carpet is ready for removal.

21          Section 37. Economic support for approved carpet  
22          collection sites. The clearinghouse shall use revenues from  
23          the carpet stewardship assessment fee to pay approved old  
24          carpet collection sites for costs, services, and  
25          infrastructure improvements as follows:

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

10           (2) A recovery fee equivalent to \$20.00 per ton for  
11 all carpet collected that is subject to this Act and  
12 loaded into trailers at the collector's site in accordance  
13 with subsection (b) of Section 36.

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

19           (4) Approved carpet collection sites may not charge a  
20 processor any fee for removal of carpet discarded from the  
21 collection site location.

22           (5) Economic support for approved carpet collectors  
23 under this Section shall be reviewed every 3 years as  
24 clearinghouse plans are submitted to the Agency.

25           Section 40. State action antitrust exemption. Each

1 producer and the clearinghouse shall be immune from liability  
2 for any claim of violation of antitrust law or unfair trade  
3 practice if the conduct is a violation of antitrust law, to the  
4 extent the producer or clearinghouse is exercising authority  
5 under the provisions of this Act.

6 Section 45. Requirements applicable to producers.

7 (a) On and after January 1, 2020, a producer of carpet  
8 shall add the stewardship assessment, as established in  
9 Section 35, to the cost of carpet sold to retailers and  
10 distributors in this State by the producer.

11 (b) Producers, working with the clearinghouse, shall  
12 provide consumers with educational materials regarding the  
13 stewardship assessment and carpet stewardship program as  
14 required by paragraph (1) of subsection (b) of Section 35 of  
15 this Act. The materials shall include, but are not limited to,  
16 (i) information regarding available end-of-life management  
17 options for old carpet offered through the carpet stewardship  
18 program and (ii) information that notifies the consumers that  
19 a charge for the operation of the carpet stewardship program  
20 is included in the purchase price of carpet sold in this State.

21 (c) Producers who sell carpet in this State shall register  
22 with the Agency by January 1, 2020 and annually thereafter for  
23 as long as that producer sells carpet in this State.

24 Section 50. Requirements applicable to retailers and

1 distributors.

2 (a) On and after January 1, 2020, no carpet may be sold in  
3 this State unless the carpet's producer has registered with  
4 the Agency under subsection (c) of Section 45.

5 (b) Any retailer or distributor may participate, on a  
6 voluntary basis, as a designated collection point pursuant to  
7 a product stewardship program and in accordance with  
8 applicable law.

9 (c) No retailer or distributor shall be found to be in  
10 violation of this Section if, on the date the carpet was  
11 ordered from the producer or its agent, the producer was  
12 registered on the Agency's website in accordance with this  
13 Act.

14 (d) Retailers shall provide consumers with educational  
15 materials, developed by producers and the clearinghouse, that  
16 shall include, but are not limited to, information that (i)  
17 regards available end-of-life management options for old  
18 carpet, and (ii) notifies the consumer that a charge for the  
19 operation of the stewardship program is included in the  
20 purchase price of carpet sold in the State.

21 Section 55. Requirements applicable to the Agency.

22 (a) Beginning March 1, 2020, and annually thereafter, the  
23 Agency shall post on its website the list of carpet producers  
24 that registered with the Agency, in accordance with subsection  
25 (c) of Section 45.



1 (b) Beginning January 1, 2021, and annually thereafter,  
2 for the benefit of assisting consumers who wish to find  
3 collection sites for recycling carpet, the Agency shall post  
4 on its website the location of all collection sites identified  
5 to the Agency by the clearinghouse in its plans and annual  
6 reports.

7 (c) The Agency shall post on its website the plan as  
8 approved by the Agency and any subsequent updates within 30  
9 days of approval pursuant to Section 30.

10 (d) Beginning May 1, 2022, and annually thereafter, the  
11 Agency shall post on its website copies of the annual reports.

12 Section 60. Annual stewardship reports.

13 (a) By April 1, 2022, and by April 1 of each year  
14 thereafter, the clearinghouse shall submit a report to the  
15 Agency that includes, for the previous program year, a  
16 description of the carpet stewardship program, including, but  
17 not limited to, the following:

18 (1) the amount of carpet sold by square feet and  
19 pounds in this State during the reporting period by  
20 polymer type or non-polymer material, including a separate  
21 reporting of the amount of carpet sold in this State for  
22 which the carpet stewardship assessment was collected;

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 reused or carpet recycled in all regions of this State, a  
7 comparison to the performance goals and carpet recycling  
8 rates established in the clearinghouse plan, and, if  
9 appropriate, an explanation stating the reason or reasons  
10 performance goals were not met;

11 (5) the weight of old carpet collected in this State  
12 but not carpet reused or carpet recycled and its ultimate  
13 disposition, and a comparison to the performance goals in  
14 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 funding mechanism and its  
21 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 reused or carpet recycled under the program;

26 (9) identification of the facilities processing

1 carpet, the weight processed at each facility, and each  
2 facility's processing capacity;

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

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

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

18 Section 65. Administrative fee.

19 (a) The clearinghouse shall pay the Agency an annual  
20 administrative fee of \$200,000 which may be paid for from  
21 revenue from the carpet stewardship assessment.

22 (b) The clearinghouse shall pay the Agency's  
23 administrative fee under subsection (a) on or before January  
24 1, 2021, and annually thereafter.

25 (c) The Agency shall deposit the fees collected under this

1 Section into the Solid Waste Management Fund.

2 Section 70. Enforcement.

3 (a) On and after January 1, 2020, no producer,  
4 distributor, or retailer shall sell or offer for sale carpet  
5 to any person in this State if the producer of the carpet is  
6 not registered with the Agency pursuant to subsection (c) of  
7 Section 45 or has not remitted the assessment pursuant to  
8 Section 35.

9 (b) No retailer or distributor shall be found in violation  
10 of the provisions of subsection (a) if, on the date the carpet  
11 was ordered from the producer or its agent, the producer was  
12 listed on the Agency's website in accordance with the  
13 provisions of subsection (a) of Section 55.

14 (c) The Attorney General or State's Attorney may request,  
15 and a Court may impose, after providing notice and opportunity  
16 to be heard, a civil penalty in the amount of \$5,000 per day  
17 per violation against any producer who violates the  
18 registration requirements under subsection (c) of Section 45  
19 or who fails to remit the assessment under Section 35.

20 (d) Nothing in this Act prohibits a retailer or  
21 distributor from selling their inventory of carpet existing  
22 prior to January 1, 2020.

23 (e) The penalties provided for in this Section may be  
24 recovered in a civil action brought in the name of the People  
25 of the State of Illinois by the State's Attorney of the county

1 in which the violation occurred or by the Attorney General.  
2 Any funds collected under this Section in an action in which  
3 the Attorney General has prevailed shall be deposited in the  
4 Environmental Protection Trust Fund, to be used in accordance  
5 with the provisions of the Environmental Trust Fund Act.

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

10 Section 75. State procurement of carpet. Beginning on  
11 January 1, 2022, at least 35% of carpet purchased by State  
12 agencies shall be carpet with a minimum of 10% post-consumer  
13 recycled content by weight from old carpet and comply with the  
14 National Science Foundation/American National Standards  
15 Institute (NSF/ANSI) 140-2009 Standard, Platinum Level or the  
16 most current version in effect as provided by the American  
17 National Standards Institute. The carpet shall be purchased  
18 from a carpet producer with a third party certified closed  
19 loop recycling facility. Thereafter, those purchases shall  
20 increase by a rate of 10% per year until it reaches 75%. Prior  
21 to January 1, 2022, the clearinghouse shall provide a report  
22 to the Illinois Department of Central Management Services on  
23 the other types of products that contain recycled carpet as a  
24 feedstock that the State should consider purchasing.

25 Section 99. Effective date. This Act takes effect upon

1 becoming law.

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| 1 | INDEX                                   |
| 2 | Statutes amended in order of appearance |
| 3 | New Act                                 |