

Sen. Julie A. Morrison

## Filed: 5/5/2023

	10300SB0837sam001 LRB103 03292 LNS 61546 a
1	AMENDMENT TO SENATE BILL 837
2	AMENDMENT NO Amend Senate Bill 837 by replacing
3	everything after the enacting clause with the following:
4 5	"Section 1. Short title. This Act may be cited as the Carpet Stewardship Pilot Program Act.
6	Section 5. Definitions. In this Act:
7	"Agency" means the Illinois Environmental Protection
8	Agency.
9	"Blended carpet" means carpet with a nonuniform face
10	fiber, which is manufactured with multiple polymer types,
11	fiber types, or both, in the face of the constructed material.
12	"Brand" means a name, symbol, word, or mark that
13	identifies the carpet, rather than its components, and
14	attributes the product to the owner or licensee of the brand as
15	the producer.
16	"Carpet" means a manufactured article that is (i) used in

10300SB0837sam001 -2- LRB103 03292 LNS 61546 a

commercial buildings, single or multifamily residential 1 buildings, or trade shows, (ii) affixed or placed on the floor 2 or building walking surface as a decorative or functional 3 4 building interior or exterior feature, and (iii) primarily 5 constructed of a top visible surface of synthetic face fibers or yarns or tufts attached to a backing system derived from 6 synthetic or natural materials. "Carpet" includes, but is not 7 8 limited to, a commercial or residential broadloom carpet and 9 modular carpet tiles. "Carpet" does not include handmade rugs, 10 area rugs, or mats.

11 "Carpet recovery" means the process by which old carpet is collected, processed, and returned to the economic mainstream 12 13 in the form of raw materials or products. "Carpet recovery" is 14 further defined to include only those pounds of old carpet 15 that are an output of a processor destined for an end market or 16 carpet reutilization and is not meant to mean the gross input pounds of old carpet accepted by a processor. "Carpet 17 18 recovery" does not include energy recovery or energy 19 generation by means of combusting old carpet, and it does not 20 include any disposal or use of old carpet within the permitted 21 boundaries of a municipal solid waste landfill unit.

"Carpet recovery rate" means the percentage of old carpet that is an output of a processor destined for carpet recovery or reutilization and is computed by dividing the amount of old carpet that is an output of a processor destined for carpet recovery or reutilization by the total amount of old carpet 10300SB0837sam001 -3- LRB103 03292 LNS 61546 a

that is generated over a program year. To determine the annual carpet recovery rates required by this Act the amount of old carpet generated shall be calculated using an industry standard calculation based on annual sales, replacement rate, and the average weight of carpet.

6 "Carpet reuse" means donating or selling an old carpet 7 back into the market for its original intended use, when the 8 old carpet retains its original purpose and performance 9 characteristics.

10 "Carpet stewardship pilot program" means a program 11 established and operated by the representative organization 12 for the collection of old carpet and environmentally sound 13 management of old carpet in counties with a population greater 14 than 300,000 people.

15 "Carpet stewardship pilot program plan" means a single, 16 detailed plan prepared by the representative organization that 17 includes all the information required by this Act.

18 "Collection" means any method of consolidating and 19 temporarily storing old carpet.

20 "Collection site" means a site managed by a representative 21 organization-approved collector to collect and temporarily 22 store old carpet as provided by this Act.

23 "Collector" means any public or private entity approved by 24 the representative organization that provides old carpet 25 collection services.

26 "Consumer" means any person who makes a purchase at

1 retail.

2 "Distributor" or "wholesaler" means a person who buys or 3 otherwise acquires carpet from another source and sells or 4 offers to sell that carpet to retailers in the pilot program 5 counties.

6 "Installer" means any person or entity contracted for the 7 purpose of installing flooring where old carpet is removed.

8 "Nylon carpet" means carpet made with a uniform face fiber 9 made with either nylon 6 or nylon 6,6.

10 "Old carpet" means carpet that is no longer used for its 11 manufactured purpose.

12 "Person" means any individual, partnership, copartnership, 13 firm, company, corporation, association, joint stock company, 14 trust, estate, political subdivision, State agency, or any 15 other legal entity, or their legal representative, agent, or 16 assign.

17 "PET carpet" means carpet made from polyethylene 18 terephthalate.

19 "Polypropylene carpet" means carpet made from 20 polypropylene.

"Processor" means a public or private entity approved by 21 22 the representative organization to prepare old carpet for 23 reutilization, recovery, or disposal that uses industry 24 recognized processes, such as shredding, grinding, shearing, 25 depolymerization, or other methods recognized by the 26 representative organization, to convert old carpet into

10300SB0837sam001 -5- LRB103 03292 LNS 61546 a

1 finished recovered output ready to be used as an input 2 material for secondary products.

"Producer" means a person or entity who manufactures 3 4 carpet that is sold, offered for sale, or distributed in the 5 pilot program counties. Producer includes any person or entity who imports carpet into the United States that is sold, 6 offered for sale, or distributed in the pilot program counties 7 and that is manufactured by a person or entity who does not 8 9 manufacture the carpet in the United States. "Producer" does 10 not include a retailer that trademarks or brands carpet that 11 is sold, offered for sale, or distributed in the pilot program counties and that is manufactured by a person other than the 12 13 retailer.

14 "Program year" means a calendar year. The first program 15 year is 2026.

16 "PTT carpet" means carpet made from polytrimethylene 17 terephthalate.

18 "Representative organization" means the entity 19 incorporated as a nonprofit within the meaning of 26 U.S.C. 20 501(c)(3) representing carpet producers who are cooperating with one another to collectively establish and operate a 21 22 carpet recovery and carpet reutilization program for old 23 carpet for the purpose of complying with this Act.

24 "Retailer" means any person engaged in the business of 25 making sales at retail that generate occupation or use tax 26 revenue. "Retailer" does not include a distributor, producer, 1 or wholesaler, as those terms are defined in this Section.

2 "Roll-off dumpster" means a waste container that holds at3 least 40 cubic yards of waste.

4 "Sale" or "sell" means a transfer of title to carpet for 5 consideration, including a remote sale conducted through a 6 sales outlet, catalog, website, or similar electronic means. 7 "Sale" or "sell" includes a lease through which carpet is 8 provided to a consumer by a producer, distributor, or 9 retailer.

10 "Semitrailer" means any vehicle without motive power, 11 other than a pole trailer, designed for carrying persons or 12 property and for being drawn by a motor vehicle and so 13 constructed that some part of its weight and that of its load 14 rests upon or is carried by another vehicle.

15 "Sorter" means a public or private entity approved by the 16 representative organization that performs the sorting of old 17 carpet for third-party carpet recovery or carpet reuse.

18 "Sorting" means the method used for sorting old carpet 19 into its various backing types or fiber types for carpet 20 recovery or carpet reuse.

21

"Wool carpet" means carpet made from wool.

22 Section 10. Formation, duties, and powers of the 23 representative organization.

(a) Within 120 days after the effective date of this Act, a
 representative organization shall be incorporated by the

10300SB0837sam001 -7- LRB103 03292 LNS 61546 a

1 producers in the State of Illinois as a nonprofit, to administer and implement the carpet stewardship pilot program. 2 3 (b) The representative organization's duties include, but 4 are not limited to: 5 a Chairperson, Vice-Chairperson, (1)selecting Secretary, and Treasurer, creating bylaws, and organizing 6 itself into committees to implement this Act; 7 8 (2) incorporating itself as a 501(c)(3) nonprofit 9 organization and establishing financial accounts for use 10 by the representative organization under this Act; 11 (3) preparing the representative organization plan, and any required amendments, in compliance with this Act; 12 13 (4) implementing the representative organization plan; 14 (5) submitting to the Agency in the representative 15 organization plan a funding mechanism that will generate 16 sufficient funds implement to the representative 17 organization plan and meet the performance qoals established in paragraphs (11) and (12) of subsection (a) 18 of Section 25; in determining the level of funding 19 20 necessary, the representative organization may take into 21 account program costs in other jurisdictions' approved 22 carpet stewardship plans, annual reports, audits, and 23 other information;

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

26

(7) creating and administering a grant program to

10300SB0837sam001

1 assist in covering the costs to collect, process, or 2 market old carpet for carpet reutilization or carpet 3 recovery;

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

6 (9) submitting annual program reports as required by7 this Act;

8 (10) overseeing an annual audit conducted by a 9 third-party entity of the carpet stewardship program's 10 revenues and expenditures; and

(11) holding meetings that are open to the public withreasonable notice of the meeting made publicly available.

13 (c) The representative organization shall hire a director 14 and staff within 150 days after the effective date of this Act, 15 which shall be funded as part of the budget for the 16 representative organization program approved in the 17 representative organization plan.

18 Section 15. Carpet Stewardship Advisory Committee.

(a) The Carpet Stewardship Advisory Committee ("Advisory Committee") is hereby created. Within 120 days of the effective date of this Act, the Director of the Agency shall appoint members to the Advisory Committee who reflect the racial and gender diversity of this State. The duties of the Advisory Committee include, but are not limited to reviewing and commenting on the carpet stewardship pilot program plan, 10300SB0837sam001 -9- LRB103 03292 LNS 61546 a

1 reviewing and commenting on the annual report, providing recommendations to the representative organization on the 2 3 implementation of the carpet stewardship pilot program plan, 4 and providing recommendations to the General Assembly by 5 December 31, 2029 on whether the carpet stewardship pilot program should be continued beyond this Act's repeal date and 6 whether it should be expanded to the rest of the State. Such 7 8 appointments shall include:

9 (1) one individual who is a representative of a
10 statewide association representing retailers;

11 (2) one individual who is a representative of a 12 national association representing manufacturers of carpet;

13 (3) two individuals who are representatives of carpet 14 processors;

15 (4) two individuals who are representatives of a 16 statewide association representing waste disposal 17 companies;

18 (5) two individuals who are representatives of 19 environmental organizations;

20 (6) two individuals who are representatives of county 21 or municipal joint action agency waste management 22 programs;

(7) one individual who is a representative of a
 company that uses old carpet to manufacture a new product,
 not including new carpet; and

26

(8) one individual who is a representative of an

1

association representing installers of carpet.

(b) Members of the Advisory Committee shall serve without 2 3 compensation but shall be reimbursed for travel expenses and 4 any other contingent expenses related to the formation of the 5 Advisory Committee as a legal and functioning entity as part 6 of the budget for the carpet stewardship pilot program approved in the carpet stewardship pilot program plan. Members 7 shall serve on the Advisory Committee until a successor is 8 9 appointed and qualified. The Advisory Committee shall select a 10 chair and vice chair, shall meet as needed, and may establish 11 bylaws.

Section 20. Carpet stewardship pilot program and sale requirement.

(a) The carpet stewardship pilot program established under
this Act applies only to counties in the pilot program with a
population of 300,000 or more.

(b) For all carpet sold in areas of the State described in 17 18 subsection (a), the representative organization shall 19 implement a carpet stewardship program that (i) manages carpet 20 by reducing its waste generation; (ii) promotes carpet 21 recovery and carpet reuse; and (iii) provides for negotiation 22 and execution of agreements to collect, transport, process, or 23 market the old carpet for end-of-life carpet recovery or 24 carpet reuse.

25 (c) On and after January 1, 2026, a producer or

10300SB0837sam001 -11- LRB103 03292 LNS 61546 a

distributor may not offer for sale any carpet to any person in this State, unless the producer has registered with the representative organization, has provided its share of funding, on an annual basis, to implement the representative organization plan as approved by the Agency pursuant to Section 45, and is subject to penalties under Section 70.

7

## Section 25. Stewardship plan.

8 (a) By July 1, 2025, and by July 1 every 3 years 9 thereafter, the representative organization shall submit a 10 3-year carpet stewardship pilot program plan to the Agency for 11 the geographic area defined in subsection (a) of Section 20 12 and shall receive approval of the plan. The plan shall 13 include, at a minimum, each of the following:

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

information for 18 (2)Contact each individual 19 representing the representative organization, а 20 designation of a program manager responsible for 21 administering the program in the pilot program counties, 22 and a list of all producers participating in the carpet 23 stewardship pilot program and the brands covered by the 24 program.

25

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

1 will be collected in the pilot program counties, including 2 an explanation of how the collection system will achieve a 3 convenience standard of having collection sites in all 4 counties covered by this Act.

10300SB0837sam001

5 (4) An evaluation, beginning with the second 3-year 6 plan submitted by July 1, 2028, of the feasibility and 7 cost of expanding the pilot program to additional counties 8 in the State of Illinois, with the eventual goal of 9 serving every county in the State.

10 (5) A description of how the adequacy of the 11 collection program will be monitored, evaluated, and 12 maintained.

13 (6) The names and locations of collectors, sorters,
14 and processors who have been approved by the
15 representative organization to manage old carpet.

16 (7) A description of how the old carpet and the 17 products' components will be safely and securely 18 transported, tracked, and handled from collection through 19 final carpet recovery and processing.

20 (8) A description of the methods to be used to reuse,
21 deconstruct, or recover old carpet to ensure that the
22 products' components, to the extent feasible, are
23 transformed or remanufactured into finished products for
24 use.

(9) A description of the methods to be used to manage
 or dispose of old carpet that is not eligible for carpet

1

recovery or carpet reuse.

(10) A description of the promotion and outreach 2 3 activities and proposed budget that will be used to encourage participation in the collection and carpet 4 5 recovery programs and how the activities' effectiveness will be evaluated and the program modified, if necessary. 6

(11) A 3-year rolling performance goal, including an 7 8 estimate of the percentage of old carpet that will be 9 collected and managed through carpet reuse or carpet 10 recovery during each of the next 3 years of the stewardship plan, with a minimum goal of achieving a 25% 11 carpet recovery rate in the pilot program counties 12 13 described in subsection (a) of Section 20 by December 31, 14 2028. The performance goals shall include a specific goal 15 for the amount of old carpet that will be collected and managed through carpet recovery and carpet reuse during 16 17 each year of the plan.

(12) The representative organization shall achieve a 18 carpet recovery rate goal of 40% by December 31, 2031 for 19 the 3-year plan period beginning January 1, 2029. 20

(13) A discussion of the status of end markets for old 21 22 carpet and what, if any, additional end markets are needed 23 to improve the functioning of the program.

24 (14) A funding mechanism that demonstrates sufficient 25 producer funding to carry out the plan, including the 26 administrative, operational, and capital costs of

implementing the plan, and payment of incentive payments to carpet collectors, processors, and end use markets to assist with the implementation of this Act.

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

7 (16) A process by which the financial activities of 8 the representative organization that are related to the 9 implementation of the plan shall be subject to an annual 10 independent audit, conducted by a third party.

11 (17) A description of the educational program and 12 materials that shall be implemented and used to train 13 operators of collection sites on how to properly collect 14 old carpet and reduce contamination. Such program shall 15 include consumer education materials that shall be 16 distributed by retailers who sell new carpet in the areas of the State described in subsection (a) of Section 20 at 17 the point of sale of new carpet. Such materials may 18 19 include the following: (i) notification to the consumer 20 that the cost of new carpet may incorporate producer 21 funding used to responsibly collect and dispose of old 22 carpet and (ii) general information about the carpet 23 stewardship pilot program, including information about the 24 collection sites, information about the collection 25 process, and contact information for key staff and 26 management of the representative organization.

1 (18) At no time shall a collection site be subject to a fine or extra charge for contamination by either the 2 3 representative organization or a carpet processor. 4 However, collection sites that continue to ship 5 contaminated old carpet to processors may be removed from 6 the stewardship program by the representative 7 organization.

8 (19) Baseline information, for the most current year 9 for which data is available, on the amount of square feet 10 and pounds of carpet sold in the pilot program counties, 11 by type of polymer or nonpolymer material used to make the 12 carpet.

13 A discussion of the feasibility, cost, (20)and 14 effectiveness of labeling the backside of new carpet with 15 polymer type or nonpolymer material used to the 16 manufacture the carpet to assist processors in more easily identifying the type of old carpet collected 17 for 18 processing.

19 (21) A description of the program that shall be 20 implemented to train carpet installers on how to properly 21 manage old carpet so that it is eligible to be managed 22 through carpet reuse or carpet recovery under this Act, 23 including, but not limited to, the development of videos 24 and written materials regarding the carpet recovery 25 program.

26 (b) An update to the plan shall be submitted, at a minimum,

10300SB0837sam001 -16- LRB103 03292 LNS 61546 a

every 3 years, or if the representative organization
 determines that a plan update is needed, prior to that time.

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

9 Section 30. Review and approval of the carpet stewardship10 pilot program and plan updates.

(a) After receipt of a proposed plan or plan update, the 11 12 Agency shall determine whether the plan or plan update complies with Section 25. If the Agency determines that the 13 14 plan or plan update complies with Section 25, the Agency shall 15 notify the representative organization of the plan or plan update approval in writing within 90 days of receipt of the 16 plan or plan update. If the Agency determines that the plan or 17 plan update does not comply with Section 25, the Agency shall 18 19 notify the representative organization of the plan or plan update rejection in writing within 90 days of receipt of the 20 21 plan or plan update and include the reasons why the plan or 22 comply with Section 25. plan update does not The 23 representative organization shall submit a revised plan to the 24 Agency within 60 days after receiving a notice of rejection. 25 Any proposed changes to a plan or plan update must be reviewed

## 10300SB0837sam001 -17- LRB103 03292 LNS 61546 a

1 and approved by the Agency in accordance with this subsection.

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

Section 32. Implementation of the carpet stewardship pilot 6 7 plan. The representative organization shall implement the plan 8 components under subsection (a) of Section 25 upon approval of 9 the plan or plan update by the Agency under Section 30. The 10 representative organization shall monitor the implementation of the plan and shall have the authority to require specific 11 12 action by its director and staff to meet the plan implementation requirements under this Section. 13

14

Section 36. Collection of old carpet.

(a) No later than January 1, 2026, in any county with a population of greater than 300,000 people, any installer engaged in removing old carpet from a residence or business shall transport, or contract to transport, all old carpet to a representative organization-approved old carpet collection site as defined in Section 10.

(b) Approved carpet collection sites as defined in Section shall ensure that old carpet is collected in the prescribed conditions required by the representative organization plan. The conditions must also include, but are not limited to, the 10300SB0837sam001

following requirements: 1 (1) Old carpet must be kept in a location that allows 2 3 it to remain dry at all times. 4 (2) Containers holding collected old carpet must be 5 free of all noncarpet discarded waste items. (3) Prior to shipment to a processor, containers 6 holding discarded carpet must be filled to the following 7 minimum standards: 8 9 (A) Roll-off dumpsters shall be filled to a 10 minimum of 8 tons. (B) Semitrailers shall be filled to a minimum of 11 13 tons. 12 13 (4) Approved collection sites must permit an approved 14 processor's prescribed container to be housed on site for 15 loading by the collector for pickup at the collection 16 site. (c) Any approved collection site that has collected old 17 18 carpet as prescribed by the representative organization plan 19 and whose full container volume is not removed by a registered 20 processor upon 3 business days' electronic notice to the processor stating that collected old carpet is ready for 21 22 removal may dispose of that container's contents in a 23 landfill.

24 Section 37. Economic support for approved carpet 25 collection sites. The representative organization program 10300SB0837sam001 -19- LRB103 03292 LNS 61546 a

shall pay approved old carpet collection sites for costs,
 services, and infrastructure improvements as follows:

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

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

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

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

(5) Economic support for approved carpet collectors
 under this Section shall be reviewed by the representative
 organization every 3 years as plans are submitted to the

1 Agency.

2

Section 40. State action antitrust exemption.

(a) Except as provided in subsection (b), any action by a
representative organization or its members pursuant to this
Act is not a violation of the Illinois Antitrust Act, the
Uniform Deceptive Trade Practices Act, or the Consumer Fraud
and Deceptive Business Practices Act.

8 Each producer and the representative organization shall be 9 immune from liability for any claim of violation of antitrust 10 law or unfair trade practice if the conduct is a violation of antitrust law or unfair trade practice law, to the extent the 11 12 producer or representative organization is exercising 13 authority under the provisions of this Act. Such immunity from 14 claims of antitrust violations and unfair trade practices 15 applies to all of the following:

16 (1) the creation, implementation, or management of a 17 carpet stewardship pilot program plan approved by the 18 Agency pursuant to Section 30 of this Act and the types or 19 quantities of carpet being recycled or otherwise managed 20 as described in this Act;

(2) the cost and structure of an approved carpet
 stewardship pilot program plan;

(3) the establishment and administration of a carpet
stewardship pilot program funding as described in Section
45 of this Act.

(b) Subsection (a) does not apply to an agreement that
 does any of the following:

3 (1) fixes a price of carpet, except for any agreement 4 related to funding the carpet stewardship pilot program or 5 to a carpet stewardship pilot program plan submitted to 6 the Agency and otherwise in accordance with this Act;

7

(2) fixes the output of production of carpet; or

8 (3) restricts the geographic area in which, or the 9 customers to whom, carpet will be sold.

10 Section 45. Requirements applicable to producers.

11 (a) No later than January 1, 2024, producers of carpet 12 shall provide funding to the representative organization 13 sufficient to cover the administrative costs of establishing 14 the representative organization in calendar year 2024 and 15 annually thereafter to cover the costs of developing and 16 implementing the representative organization plan. The funding 17 mechanism:

(1) shall take into account the financial burden that
blended carpet, nylon carpet, PET carpet, polypropylene
carpet, and wool carpet have on the representative
organization program costs;

(2) shall be differentiated by the type of material,
recycling cost, recycling content, and other qualities
related to toxicity, resource use, and recyclability;
(3) shall ensure an equitable and efficient allocation

1

of financial responsibility among producers; and

(4) shall be at a level sufficient to cover the annual 2 3 costs of the representative organization program, as 4 reported to the Agency in the representative organization 5 plan, and based on program metrics and outcomes; if the Agency determines the level of funding from the producers 6 is not sufficient to cover the annual costs of 7 the 8 representative organization program, the Agency mav 9 request additional funding from the representative 10 organization.

11 The amount that each producer pays to fund the (b) representative organization program on an annual basis shall 12 13 be considered proprietary information that is privileged or confidential and shall not be disclosed to the representative 14 15 organization or the public. However, in order to determine if 16 each producer is paying its proper share, an independent professional accounting firm 17 shall be hired bv the 18 representative organization to review the payments and verify that the funding provided by each producer is in compliance 19 20 with the funding mechanism agreed to by the producers.

21 (C) Producers, working with the representative organization, 22 shall provide consumers with educational 23 materials to be provided to consumers at the point of sale 24 regarding the representative organization program. The 25 materials shall include information regarding available 26 end-of-life management options for old carpet offered through 10300SB0837sam001 -23- LRB103 03292 LNS 61546 a

1 the carpet stewardship program, and may include additional 2 information as defined in subdivision (a) (18) of Section 20.

3 (d) Producers who sell carpet in this State shall register 4 with the representative organization by October 1, 2024 and 5 annually thereafter for as long as that producer sells carpet 6 in this State.

7 Section 50. Requirements applicable to retailers and8 distributors.

9 (a) On and after January 1, 2026, no carpet may be sold in 10 this State unless the carpet's producer has registered with 11 the representative organization under subsection (d) of 12 Section 45.

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

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

(d) Retailers shall provide consumers with educational materials, developed by producers and the representative organization, that shall include, but are not limited to, (i) information regarding available end-of-life management options 10300SB0837sam001 -24- LRB103 03292 LNS 61546 a

1 for old carpet, (ii) information notifying the consumer of the importance of carpet recovery, (iii) information notifying the 2 3 customer that the cost of carpet is impacted by the costs of the carpet stewardship program, and (iv) any other information 4 5 applicable by the representative organization deemed 6 consistent with paragraph (17) of subsection (a) of Section 25. 7

8

Section 55. Posting of information.

9 (a) Beginning March 1, 2026, and annually thereafter, the 10 representative organization shall post on its website the list 11 of carpet producers that registered with the representative 12 organization, in accordance with subsection (d) of Section 45.

(b) Beginning January 1, 2026, and annually thereafter, for the benefit of assisting consumers who wish to find collection sites for recovering carpet, the Agency shall post on its website the location of all collection sites identified to the Agency by the representative organization in its plans and annual reports.

(c) Beginning May 1, 2027, and annually thereafter, the Agency shall post on its website copies of the annual reports required under Section 60.

22 Section 60. Annual carpet stewardship pilot program 23 reports. By April 1, 2027, and by April 1 of each year 24 thereafter, the representative organization shall submit a 1 report to the Agency that includes, for the previous program
2 year, a description of the carpet stewardship pilot program,
3 including, but not limited to, the following:

4 (1) the amount of carpet sold by square feet and
5 pounds in the affected counties during the reporting
6 period by polymer type or nonpolymer material;

7 (2) a description of the methods used to collect,
8 transport, and process old carpet in the affected
9 counties, and a listing of the persons used to collect,
10 transport, and process old carpet;

(3) identification of all old carpet collection sites in the pilot program counties and whether the requirement of paragraph (3) of subsection (a) of Section 25 has been met;

15 (4) the weight of all old carpet collected and managed 16 through carpet reuse or carpet recovery in the pilot 17 program counties, a comparison to the performance goals 18 carpet recovery rates established in and the 19 representative organization plan, and, if appropriate, an 20 explanation stating the reason or reasons performance 21 goals were not met;

(5) the weight of old carpet collected in the pilot program counties but not eligible for carpet reuse or carpet recovery and its ultimate disposition, and a comparison to the performance goals in the representative organization plan; 1 (6) the total cost of implementing the representative 2 organization plan and a copy of the independent audit 3 regarding the financial activities of the representative 4 organization;

5 (7) a proposed budget for implementing the 6 representative organization plan in the subsequent 7 calendar year;

8 (8) an evaluation of the producers' funding mechanism 9 and its ability to properly fund the implementation of the 10 representative organization plan, including whether the 11 incentive payments to collectors, processors, and end 12 markets for managing carpet are adequate to ensure that 13 the old carpet can be carpet reused or carpet recovered 14 under the program;

15 (9) an identification of the facilities processing 16 carpet, the weight processed at each facility, and each 17 facility's processing capacity;

18 (10) an evaluation of the effectiveness of the
19 representative organization plan, and anticipated steps,
20 if needed, to improve performance; and

(11) samples of educational materials provided to consumers and carpet installers, and an evaluation of the effectiveness of the materials and the methods used to disseminate the materials. The evaluation shall include, but shall not be limited to, information on the number of consumers and carpet installers that received or viewed 10300SB0837sam001 -27- LRB103 03292 LNS 61546 a

1 the educational materials, and any consumer and carpet
2 installer survey data that may have been collected
3 regarding the educational materials used.

4 Section 65. Administrative fee.

(a) The representative organization shall remit to the 5 Agency an annual fee of \$100,000 to be used for administrative 6 costs pursuant to this Act. This amount shall be included in 7 8 the annual budget for the representative organization plan. 9 The representative organization shall reimburse the 10 Comptroller for costs related to reviewing the annual carpet 11 stewardship program audits.

(b) The representative organization shall pay the Agency's
administrative fee under subsection (a) on or before January
1, 2026, and annually thereafter.

15 (c) The Agency shall deposit the fees collected under this16 Section into the Solid Waste Management Fund.

17 Section 70. Enforcement.

(a) On and after January 1, 2026, no producer,
distributor, or retailer shall sell or offer for sale carpet
to any person in this State if the producer of the carpet is
not registered with the representative organization or has not
remitted adequate funding pursuant to Section 45.

(b) No retailer or distributor shall be found in violation
of the provisions of subsection (a) if, on the date the carpet

1 was ordered from the producer or its agent, the producer was 2 listed on the representative organization's website in 3 accordance with the provisions of subsection (a) of Section 4 55.

5 (c) The Attorney General or the State's Attorney of the 6 affected counties in which the violation occurred are 7 authorized to seek a civil penalty in the amount of \$5,000 per 8 day for each violation against any producer who violates the 9 registration requirements under subsection (d) of Section 45 10 or who fails to remit the funding under Section 45.

11 (d) The Attorney General or the State's Attorney of the county in which the violation occurred are authorized to seek 12 13 a civil penalty in the amount of \$5,000 per day for each 14 violation against any producer, distributor, or retailer who 15 sells or offers for sale carpet affected counties in this if 16 the producer of the carpet is not registered with the representative organization under subsection (d) of Section 45 17 18 or has not remitted the required funding under Section 45.

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

25 (f) The State's Attorney of the county in which the 26 violation occurred, or the Attorney General, may, at the 10300SB0837sam001 -29- LRB103 03292 LNS 61546 a

1 request of the Agency or on his or her own motion, institute a
2 civil action for an injunction, prohibitory or mandatory, to
3 restrain violations of this Act or to require such other
4 actions as may be to address violations of this Act.

5 (g) The State's Attorney of the county in which the violation occurred, or the Attorney General, may, at the 6 request of the Agency or on his or her own motion, institute a 7 civil action for an injunction, prohibitory or mandatory, to 8 restrain violations of this Act, any rule or regulation 9 10 adopted under this Act, any permit or to require such other 11 actions as may be to address violations of this Act or any rule or regulation adopted under this Act. 12

13 (h) Nothing in this Act prohibits a retailer or 14 distributor from selling its inventory of carpet existing 15 prior to January 1, 2026.

16 (i) Nothing in this Act mandates or otherwise requires and 17 nothing in the representative organization plan shall mandate 18 or otherwise require participation of the waste disposal 19 industry in the carpet stewardship program created by this 20 Act.

21 Section 95. Repeal. This Act is repealed on January 1, 22 2032.

Section 97. Severability. The provisions of this Act are
severable under Section 1.31 of the Statute on Statutes.

10300SB0837sam001 -30- LRB103 03292 LNS 61546 a

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