



Used Mattress Recovery and Recycling Plan

Amendment #1

(Insert Date)

~~July 1, 2015~~

Revised November 30, 2015

Submitted by:

Mattress Recycling Council California, LLC

501 Wythe Street

Alexandria, VA 22314-1917

Submitted to:

California Department of Resources Recycling and Recovery

Scott Smithline

Director

1001 I Street

Sacramento, CA 95812-4025

TABLE OF CONTENTS

INTRODUCTION.....	2
1. Used Mattress Recovery and Recycling Act.....	2
2. Mattress Recycling Council	2
3. Definitions.....	3
PLAN OUTLINE	5
§18962(a)(1). Proof of Certification.....	5
§18962(a)(2). Program Goals, Methods, and Activities	5
Program Objectives:	75
Manufacturers, Renovators, Brands and Retailers:	128
Consultation Process with Stakeholders:	128
Maximizing Mattress Recycling:.....	129
Program Funding:	1544
Annual Report:.....	1843
Research:.....	1844
Methodology for Estimating Mattress Sales, Discards, Collections and Dispositions:.....	2045
Coordination with Existing Mattress Collectors and Recyclers:	2620
Contracted Recyclers:	2724
Mattress Collector Incentive:	2822
Illegally Dumped Mattresses:	2923
Service to Low-Income Communities:	3225
Education and Outreach:.....	3226
No-Cost Drop-Off and Compensation to Solid Waste Facilities:.....	4133
Impact of Article XIII of California Constitution:.....	34
Advisory Committee Report:	35

APPENDICES

- A. Proof of Certification
- B. Manufactures and Renovators [and Distributors](#)
- C. Brands and URNs
- D. Mattress Retailers
- E. Stakeholder Consultation
- ~~F. [Bed Bug Awareness](#)~~
- ~~G. [Communications Plan](#)~~

- H. ~~Notices to Manufacturers, Producers, Importers, and Renovators~~
- I. ~~Interested Solid Waste Facility Participants~~
- J. Advisory Committee Report
- K. Contingency Plan

INTRODUCTION

The Mattress Recycling Council California, LLC (MRC), a limited liability company owned by Mattress Recycling Council Inc. (MRC Inc.), a non-profit corporation, is pleased to submit Amendment #1 to the California Mattress Recycling Plan (the Plan) to the California Department of Resources Recycling and Recovery (CalRecycle) pursuant to the Used Mattress Recovery and Recycling Act (the Act), codified beginning at Section 42985 of the California Public Resources Code, and the ~~proposed~~ Used Mattress Recovery and Recycling Program Regulations (the Regulations), 14 CCR § 18959-18971.

Pursuant to §18962(a)(3) and §18961(a)(1) of the Regulations, the Plan is submitted by:

Catherine Lyons
Manager ~~Ryan Trainer~~
~~President~~
Mattress Recycling Council California, LLC
501 Wythe St.
Alexandria, VA 22314
703-683-8371
clyons@mrc-us.org
~~rtrainer@mattressrecyclingcouncil.org~~
www.mattressrecyclingcouncil.org

1. Used Mattress Recovery and Recycling Act

In September 2013, California enacted the Used Mattress Recovery and Recycling Act, which requires mattress producers to create a statewide recycling program (the Program) to collect and recycle mattresses and foundations discarded in the state. To implement the Act, CalRecycle ~~has proposed~~ issued the ~~Used Mattress Recovery and Recycling Program~~ Regulations ~~(adoption pending)~~. The Program ~~is~~ will be funded by a visible recycling charge collected from consumers and other purchasers on the sale of each mattress and foundation for use in the state.

2. Mattress Recycling Council

In late 2013, the mattress industry, through its trade association, the International Sleep Products Association (ISPA), formed the Mattress Recycling Council Inc. (MRC Inc.) ~~MRC~~ for ~~with~~ the sole purpose of designing, implementing, and administering recycling programs in states with mattress recycling laws. ~~MRC serves as the responsible party for meeting the industry's~~

~~obligations in this regard.~~

MRC Inc. is a tax-exempt non-profit corporation incorporated in the state of Delaware under Section 501(c)(3) of the Internal Revenue Code. Pursuant to Section 4298~~67~~ of the Act, CalRecycle certified MRC Inc. as a mattress recycling organization ~~on July 2, 2014.~~ In 2017, MRC Inc. established separate limited liability companies to operate each of the state-specific mattress recycling programs that it administers. MRC was the entity that MRC Inc. established to operate the Program. ~~Subsequently, CalRecycle certified MRC as a mattress recycling organization. MRC's board of directors is comprised of the following individuals, including bedding manufacturers and retailers:~~

MRC Board of Directors	
Ryan Trainer	MRC President
Richard Diamondstein	Paramount Industrial Companies, Inc.; MRC Chairperson
Catherine Lyons	MRC Treasurer
Dale Carlsen	MFRM Family of Brands
Doug Guffey	Corsicana Bedding
Terry Johnson	Tempur Sealy International, Inc.
Matt Kershner	Select Comfort Corporation
Kristen McGuffey	Serta Simmons Bedding LLC

MRC ~~will~~ oversees all aspects of the Program, including the collection, transportation and recycling of discarded mattresses. MRC's activities ~~are~~ will be funded by a visible charge collected from purchasers of mattresses for use in California.

~~In addition to administrating the Program required by the Act, MRC Inc. established separate limited liability companies to operates under mattress recycling laws enacted in other states.~~

3. Definitions

In this document, MRC describes the Plan, as required by Section 42987.1 of the Act. The following terms defined in Section 42986 of the Act are relevant to the Plan:

42986(c)

"Foundation" means a ticking-covered structure used to support a mattress or sleep surface. The structure may include constructed frames, foam, box springs, or other materials, used alone or in combination.

42986(g):

- (1) **"Mattress"** means a resilient material or combination of materials that is enclosed by a ticking, is used alone or in combination with other products, and is intended for or promoted for sleeping upon.

- (2) "Mattress" includes a foundation, ~~and~~ a renovated mattress or renovated foundation, and a futon mattress.
- (3) "Mattress" does not include the following:
- (A) An unattached mattress pad or unattached mattress topper, including items with resilient filling, with or without ticking, intended to be used with or on top of a mattress.
 - (B) A sleeping bag or pillow.
 - (C) A car bed, crib, or bassinet mattress.
 - (D) Juvenile products, including a carriage, basket, dressing table, stroller, playpen, infant carrier, lounge pad, or crib bumper, and the pads for those juvenile products.
 - (E) A product containing liquid- and gaseous-filled ticking, including a waterbed and air mattress that does not contain upholstery material between the ticking and the mattress core.
 - (F) Upholstered furniture that does not otherwise contain a detachable mattress or that is a fold out sofa bed, sleepers sofa, or folding cot ~~or futon~~

42986(l):

"**Recycle**" or "**recycling**" means the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise become solid waste, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace. "Recycling" does not include incineration, pyrolysis, distillation, or biological conversion other than composting.

42986(m):

"**Recycler**" means a person that engages in the manual or mechanical separation of mattresses to substantially recover components and commodities contained in mattresses for the purpose of reuse or recycling.

42986(o):

(1) "**Renovate**" or "**renovation**" means altering a used mattress for the purpose of resale and includes one or more of the following:

- (A) Replacing the mattress, ticking, or filling.
- (B) Adding additional filling.
- (C) Rebuilding a used mattress.
- (D) Replacing components with new or postconsumer materials unless the material is a clean recycled material, consists of used electronic parts or controls, or is a used mattress base that is not covered by ticking.

(2) “Renovate” or “renovation” does not include any of the following:

- (A) Stripping a mattress of its ticking or filling without adding new material.
- (B) Sterilizing or sanitizing a mattress without otherwise altering the mattress.
- (C) Altering a mattress by a renovator when a person retains the altered mattress for lease, rental, or personal use.
- (D) Refurbishing that disqualifies a mattress for a yellow wholesale renovator tag to be affixed to the mattress, in accordance with the regulations adopted by the Department of Consumer Affairs.

42986(p):

"Renovator" means a person who renovates used mattresses for the purpose of sale, or offering for sale, in this state.

42986(q):

"Retailer" means a person who sells mattresses in the state or offers to a consumer a mattress in the state through any means, including, but not limited to, by remote offering, including sales outlets or catalogs, electronically through the Internet, by telephone, or through the mail.

In addition to the above statutory definitions, MRC for ease of reference has defined the term “Unit” or “Units” as used in this Plan to be synonymous with the terms “Mattress” or “Mattresses,” respectively.

PLAN OUTLINE

The Regulations provide that the Plan contain the following:

§18962(a)(1). Proof of Certification

See Appendix A for CalRecycle’s letter confirming MRC [Inc.](#) certification.

§18962(a)(2). Program Goals, Methods, and Activities

Section 42987.1 of the Act requires that the Plan contain the information enclosed in gray boxes (additional information requested by §§18961-18962 of the Regulations is also noted in the text, where relevant):

CalRecycle ~~is required to~~ established, in consultation with MRC, the state mattress recycling baseline amount and state mattress recycling goals. On or before July 1, 2020, and every four years thereafter, statute ~~requires-allows~~ the department to review and update as necessary, the state mattress baseline and goals to ~~confirm-ensure~~ that the Program advances these goals. MRC’s annual report details the following collection and convenience goals and reports on

MRC's progress in meeting these objectives.

1. Units collected
2. Units diverted from California landfills
3. Materials extracted and reclaimed from discarded mattresses
4. Statewide units renovated
5. Statewide Consumer Access to the Program
6. Rural Retailer Access to the Program
7. Urban Retailer Access to the Program

To meet these goals, MRC created ~~the a comprehensive, statewide mattress recycling~~ Program ~~to using~~. ~~The structure of the Program includes~~ the following ~~tactics methods and activities~~:

1. Mattress Collection - MRC collects used mattresses through multiple ~~source~~ channels to ~~maximize the number of units collected and~~ diverted units from landfills. The diverse collection network also provides important consumer and retailer access points to meet those goals. ~~These channels include:~~
 - ~~R~~etailer take back - A retailer that delivers a new mattress to a California consumer must offer to take back a mattress that the consumer has discarded upon request at no cost ~~to the consumer~~. ~~Consumers can use this collection channel when purchasing a new mattress~~. Retailers then may ~~provide recycle~~ the used mattresses ~~to at no cost through~~ the Program for recycling. ~~(MRC bears the cost of recycling)~~.
 - ~~P~~ermanent collection sites - ~~Since the inception of the Program~~, MRC ~~maintains has created~~ a robust, no-cost collection network ~~with locations~~ throughout California where residents can discard used mattresses for recycling. ~~Existing solid waste facilities comprise the majority of this collection network because many residents already take their since they are a common destination for discarded units to those facilities and they are equipped to accept these products~~.
 - ~~C~~urbside bulky item collection programs - Some franchise haulers and municipalities that provide curbside bulky item collection pick up mattresses at no additional charge to residents. Residents schedule a pickup for their discarded mattress. Participating haulers and municipalities collect the mattress and load it ~~into~~ an MRC-provided trailer positioned at their yard or SWF. Finally, MRC transports full trailers to recyclers for dismantling.
 - ~~M~~attress collection events - To supplement the permanent collection network, MRC hosts mattress collection events where California residents may drop off mattresses at no cost. MRC partners with municipalities, waste services providers, Local California Conservation Corps, Native Nations, retailers and other interested parties to hold collection events. When hosting events, MRC provides labor, transportation, recycling and publicity. MRC often combines mattress collection events with events accepting other

products to increase convenience for residents, target underserved areas or mitigate illegal dumping.

- Commercial Volume Program (CVP) - MRC provides no-cost transportation and recycling of discarded mattresses collected from retailers, lodging establishments, educational institutions, healthcare facilities and military institutions with if they have at least 100 discarded units to be picked up from a single site.

2. Mattress Transportation - For each MRC collection site in California, MRC pays for or provides storage containers that are appropriate for the size and location of each facility. MRC uses 53-, 48- and 28-foot trailers, as well as sea containers and roll-off bins for sites with limited space or other logistical constraints. The 53-foot trailer is preferred because it can hold the most mattress units, resulting in a lower per unit transport cost. Roll-off containers, which are the smallest storage option, are the least efficient alternative, but may be the only option for collection sites with small or restricted loading areas. All containers that MRC provides are covered to reduce contamination of mattresses and eliminate damage from weather.

To provide mattress transportation in both urban and rural areas of the state, MRC contracts with mattress recyclers, third-party logistics companies, commercial transporters or saturation companies and solid waste facilities to pick-up and transport mattresses from specific facilities.

4.3. Mattress Recycling – MRC contracts with a variety of third-party recyclers located throughout the state to that deconstruct mattresses and recycle the mattress components. In selecting a recycling site, MRC seeks to create service. These recyclers are located throughout the state to provide redundancy in the event that other recyclers experience of service failures and to as well as reduce Program transportation costs. The contracts with these recyclers contain performance metrics that help MRC achieve our recycling and reclamation goals.

Program Objectives:

a. Program objectives consistent with the state’s solid waste management hierarchy.

Likewise, Section §18962(a)(2) of the Regulations provides that the Plan respond to Section 42987.1(a) of the Act, which requires that MRC set “Program objectives consistent with the state's solid waste management hierarchy.”

The California solid waste management hierarchy is defined by the following provisions of the California Integrated Waste Management Act of 1989, codified at Sections 40051, 40052 and 40196 of the California Public Resources Code. Those specific provisions read as follows:

Section 40051.

In implementing this division, the board and local agencies shall do both of the following:

- (a) Promote the following waste management practices in order of priority:
 - (1) Source reduction.
 - (2) Recycling and composting.
 - (3) Environmentally safe transformation and environmentally safe land disposal, at the discretion of the city or county.

- (b) Maximize the use of all feasible source reduction, recycling, and composting options in order to reduce the amount of solid waste that must be disposed of by transformation and land disposal. For wastes that cannot feasibly be reduced at their source, recycled, or composted, the local agency may use environmentally safe transformation or environmentally safe land disposal, or both of those practices.

Section 40052.

The purpose of this division is to reduce, recycle, and reuse solid waste generated in the state to the maximum extent feasible in an efficient and cost-effective manner to conserve water, energy and other natural resources, to protect the environment, to improve regulation of existing solid waste landfills, to ensure that new solid waste landfills are environmentally sound, to improve permitting procedures for solid waste management facilities, and to specify the responsibilities of local governments to develop and implement integrated waste management programs.

Section 40196.

“Source reduction” means any action which causes a net reduction in the generation of solid waste. “Source reduction” includes, but is not limited to, reducing the use of non-recyclable materials, replacing disposable materials and products with reusable materials and products, reducing packaging, reducing the amount of yard wastes generated, establishing garbage rate structures with incentives to reduce the amount of wastes that generators produce, and increasing the efficiency of the use of paper, cardboard, glass, metal, plastic, and other materials. “Source reduction” does not include steps taken after the material becomes solid waste or actions which would impact air or water resources in lieu of land, including, but not limited to, transformation.

Related to the above provisions, the term “recycle” used in Sections 40050 and 40051 above is defined as follows:

Section 40180.

"Recycle" or "recycling" means the process of collecting, sorting, cleansing, treating, and reconstituting materials that would otherwise become solid waste, and returning them to the economic mainstream in the form of raw material for new, reused, or reconstituted products which meet the quality standards necessary to be used in the marketplace.

"Recycling" does not include transformation, as defined in Section 40201 or EMSW conversion.

Likewise, the term "transformation" is defined as:

Section 40201.

"Transformation" means incineration, pyrolysis, distillation, or biological conversion other than composting. "Transformation" does not include composting, gasification, EMSW conversion, or biomass conversion.

The legislative findings expressed in Section 42985(a)(2) the Act state that MRC's Plan shall "support of the statewide goal that at least 75 percent of all solid waste be recycled by January 1, 2020," a goal defined in Section 41780.01(a) of the California Public Resources Code, which provides:

it is the policy goal of the state that not less than 75 percent of solid waste generated be source reduced, recycled, or composted by the year 2020, and annually thereafter.

MRC's Plan objectives and implementation strategy are focused on diverting discarded mattresses from landfill disposal, and instead delivering them to recyclers that will dismantle them so that the steel, foam, fiber and fabric, wood and other materials recovered from that process can be used to manufacture new products. Consistent with the above requirements, MRC intends to undertake such work in an efficient and cost-effective manner that will conserve natural resources, and that will protect the environment.

MRC's Plan will advance California's hierarchy as follows:

Source Reduction: ~~The mattress industry manufactures durable mattresses that reduce the rate at which discards are generated. The Act, however, is intended to divert discarded mattresses from the solid waste stream through recycling and to increase the volume of discarded mattresses that are recycled. MRC also promotes efforts that will support mattress manufacturers may use in their understanding and reduction of materials that cannot be reused or recycled.~~

To encourage mattress manufacturers to reduce the environmental impact of their mattress assembly operations (and thereby support California's source reduction goals), MRC's Sleep Products Sustainability Program (SP2) works with provides a proactive program that California mattress manufacturers that sell mattresses to California residents may use to develop internal practices focused on reducing waste and increasing operational efficiencies. SP2 helps companies establish a management system that identifies steps for reducing environmental impacts, developing best practices and defining metrics to track progress. SP2 can also serve as a foundation for pursuing an ISO 14001 certification, the international standard for effective environmental management systems. MRC offers the training, program resources, and certification are all offered at no-cost to eligible California-based mattress manufacturers that sell mattresses to California residents.

Additionally, MRC is undertaking a Life Cycle Analysis (LCA) to understand the environmental impacts of our program from point of collection to recycling end markets or landfill. While environmental impacts are typically measured in terms of environmental indicators such as carbon dioxide emissions, energy use and landfill avoidance, MRC's objective is to evaluate the baseline performance of current recycling operations using these and other environmental performance metrics. We hope the LCA will inform policy development, guide future decisions and provide tools that can be used to evaluate and potentially decrease the impacts of the Program.

Reduce: MRC's research program is also supports California's solid waste hierarchy by (1) - reducing focused on waste through more reduction by (1) increasing the efficiency of mattress collection, transportation, deconstruction and recycling systems, and (2) identifying new and better uses markets for recycled mattress materials. For example To meet these objectives, MRC funds improvement projects that aimed at reducing waste throughout the supply chain. Examples of these projects and initiatives includes:

- Funding improvements to mattress collection facilities that increase diversion and recyclability of discarded units. Examples include equipment to increase the number of units per container and improve worker safety and paving collection areas to improve feedstock quality.
- Improvements included creating transportation efficiencies by that increasing the number of units loaded per container, shortening loading times by paving areas at collectors and improving worker safety when loading discarded units.
- Providing recommendations for improving mattress dismantling and recycling operations by offering lean manufacturing assessments to MRC's recyclers.
- Awarding research contracts to explore new uses for mattress components including foam, cotton, shoddy pad, mixed textiles and pocketed coils.
- Conducting material composition and waste characterization studies to better understand the mixture of material entering recycling facilities and the fraction of material without beneficial end markets.
- Fostered innovation, cooperation and communication between suppliers, manufacturers, dismantlers and end-market commodity buyers around the world by working with other experts in the field and sharing information on efforts to develop technology that will make possible a circular economy for polyurethane foam.

By increasing mattress recycling and the amount of used mattress components available for use in the manufacture of new products through the methods described in the Plan, the Program will divert mattresses from becoming solid waste disposed of in landfills.—

Recycle: Discarded mattresses and foundations contain a variety of commodities that can be reclaimed and sold into secondary markets for use in manufacturing new products. MRC supports the efforts of our contracted recyclers by awarding research contracts to explore new uses for mattress components including foam, cotton, shoddy pad, mixed textiles and pocketed

coils. Details about MRC's work to support recycling is provided in our annual reports.

~~Consistent with the statutory provisions above, the Plan is focused~~the Program will support statewide on diverting~~diversion of used mattresses from the solid waste system for recycling. The materials reclaimed~~are~~will be available for use in making new products.~~

Reuse: A primary goal of the Program is to divert discarded mattresses that would otherwise be disposed of as solid waste. The Plan does ~~will~~ not interfere with reuse or renovation activity that complies with state and federal law. Compliant renovators are included in MRC's collection network and commonly purchase discarded units and component parts from recyclers. Details about the number of units and pounds of component material sold to renovators is provided in our annual reports.

Composting: If alternative end uses are not available, wood and other materials removed from mattresses and foundations may be composted, however this is not a common occurrence due to the composition of most mattress components.

Bio-mass Conversion: ~~Foundation If all of the options described above are not feasible, the~~ wood may be used for bio-mass conversion at the discretion of each contracted recycler. ~~MRC~~ considers this beneficial use as recycling for the purposes of this Program and Section 40201 of the California Public Resources Code, quoted above.

Transformation: If economically viable end markets do not exist for certain mattress components, MRC may consult with CalRecycle regarding the ~~use of~~ Transformation of certain mattress ~~these~~ materials to produce chemicals, heat or electricity consistent with Section 40201 of the California Public Resources Code.

Landfill: MRC's contracts require our recyclers to recycle as much of each mattress and foundation as is reasonable and financially practical. Materials that may be sent to landfill because they cannot be recycled may include:

Mattresses or foundations that:

- Are severely damaged or twisted
- Are wet, frozen, or heavily soiled
- Are infested with bed ~~_~~bugs or other biological contaminants that make them either unsafe to process or their constituent materials unmarketable
- ~~• Contain components for which a viable market may not yet exist, such as synthetic cotton and other fibers, foundation bottom fabric, etc. or for possibly contaminated components including soiled mattress toppers~~
- Have no financially viable or available end market
-

Manufacturers, Renovators, Brands and Retailers:

b. The names of manufacturers, renovators, and brands covered under the plan.

~~Section~~ Likewise, § 18962(a)(3) of the Regulations provides that the Plan respond to Section 42987.1(b).

~~MRC regularly provides CalRecycle updated lists of Appendices B and C, respectively, list~~ (i) manufacturers and renovators (including their mailing addresses), and (ii) brands that have registered with MRC, and are therefore covered by the Plan ~~at the time of submission~~. Likewise, MRC regularly provides CalRecycle updated ~~In addition, Appendix D~~ lists of retailers (including their mailing addresses) that have registered with MRC, and are therefore covered by the Plan ~~at the time of submission~~, as requested by §§ 18961(a)(3) and 18962 of the Regulations. The most recent version of these lists that MRC has provided to CalRecycle are incorporated in this Plan by reference.

Consultation Process with Stakeholders:

c. A consultation process with affected stakeholders, including, but not limited to, local government representatives, recyclers, and solid waste industry representative

~~Section~~ Likewise, § 18962(a)(4) of the Regulations provides that the Plan respond to Section 42987.1(c).

~~MRC regularly held~~ meetings with stakeholders throughout California to discuss the Plan's implementation and Program objectives. ~~development Appendix E details MRC's discussions with stakeholders that occurred as it developed the Plan.~~ Participants in this process included municipal governments, municipal waste authorities, permitted solid waste facilities, environmental justice organizations, illegal dumping committees, the California mattress advisory committee, state officials, potential recyclers and transporters, and others. ~~In addition, MRC has directly contacted all permitted solid waste facilities in the state to discuss Program logistics.~~

~~MRC will continue stakeholder outreach as the Program is implemented, including conducting~~ regular discussions with stakeholders, appearances at solid waste and mattress industry events and communicating regularly with Program participants through our established Program marketing channels. ~~See the Education and Outreach below in Section "n" for further details.~~

Maximizing Mattress Recycling:

d. Methods to increase the number of used mattresses diverted from landfills, reduce the number of illegally dumped used mattresses, and increase the quantity of used materials recovered through this process and recycled for other uses.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(d), and §18962(a)(2)(D) of the Regulations provides that MRC describe its efforts to increase the quantity of materials recycled and develop markets for those materials (also required in Section 42987.1(d)). §18962(a)(2)(C) of the Regulations provides that MRC describe the proper end of life management of used mattresses and how the Pprogram intends to prevent cross contamination by of bed bugs.

The Program is designed to properly manage mattresses at the end of life, increase the recovery and recycling of mattress components and reduce the number of mattresses disposed of as solid waste in California by creating diversion alternatives for discarded mattresses generated by mattress retailers, consumers, and businesses throughout California, including:

1. Solid waste facility compensation: The Program will compensates participating solid waste facilities at negotiated rates for handling mattresses that they accept free of charge from consumers and businesses. -Additionally, MRC provides no-cost storage, transport and recycling of these units. -This is expected to reduces the quantity of discarded mattresses that the facilities would otherwise landfill.
2. No-cost retailer recycling: The Program will accepts for recycling discarded mattresses from any retailer providing these units to an MRC contracted recycling facility. Retailers will pay no feecharge for such recycling. -Retailers generating more than 100 discarded units may request no-cost pick-up through MRC's Commercial Volume program. Additionally, many public collection locations in MRC's network also accept discarded units from retailers. Discarded mattresses that retailers provide for recycling will reduce the quantity of discarded mattresses that they currently send to landfills.
3. Mattress retailers: The Act requires that mattress retailers shall offer a consumer the option to have a used mattress picked up for recovery on request pick up to accept discarded mattresses at no cost from consumers when they deliver a new mattress. Since the Program will encourages retailers to make the discarded mattresses they collect available for recycling through the Program free of charge, this provision is expected to diverts additional quantities of discarded mattresses that a consumer would otherwise would have disposed of through existing solid waste collection systems that are often sent to landfills. This provision is also expected to reduce the quantity of mattresses that consumers otherwise might illegally dump rather than pay for curbside or retailer collection.

4. No-cost business recycling: Business or large-volume mattress consumers (such as hotels, dormitories, nursing homes, etc.) generating discarded mattresses may provide these units to an MRC-contracted recycling facility at no-cost. Businesses generating more than 100 discarded units may request no-cost pick-up through MRC's Commercial Volume program. Additionally, many public collection locations in MRC's network also accept discarded units from businesses. This combination of services ~~This should~~ reduces the quantity of discarded mattresses that such entities dispose of through solid waste facilities ~~that are often dumped in landfills.~~
5. No-cost consumer drop offs ~~at public dropoff sites~~ solid waste appropriate facilities: The Act provides that consumers may drop off mattresses at participating solid waste facilities and other public drop-off sites throughout California at no-cost. This ~~provision is expected to~~ reduces the quantity of mattresses that consumers might illegally dump rather than pay for curbside collection or disposal ~~or recycling~~.
6. Consumer incentive: MRC ~~will offer~~ offers California residents that deliver discarded mattresses directly to select an MRC-contracted drop-off location ~~recycling facility~~ a payment. This ~~is expected to~~ reduces the quantity of mattresses that consumers would otherwise have disposed of through existing solid waste collection options and sent to landfills. This provision ~~is also expected to~~ reduces the quantity of mattresses that consumers otherwise might illegally dump rather than pay for curbside collection.
7. Recyclers' target: MRC requires its contracted recyclers to maximize the recovery of mattress components, including metal, foam, fabric, and wood through the dismantling and recycling process. MRC has established a 75% by weight recycling target for our recyclers. Only non-recyclable scrap ~~(which is expected to be minimal) is~~ will be disposed of through the solid waste system using appropriate means. ~~Once the Program has been operational for several months,~~ MRC may re-evaluate these targets and adjust them as necessary.
8. Mitigating illegal dumping: As discussed in Section "1.1"; the Program ~~will~~ compensates participating local governments, solid waste facilities, solid waste operations and other entities to manage illegally dumped mattresses and provide statistical information to MRC. MRC may re-evaluate this strategy and reports additional strategies and projects in its ~~the~~ Annual Report.
9. Preventing bed-bug contamination: Mattress recyclers receive very few mattresses that are infested with bed bugs. If a contaminated unit arrives at an MRC-contracted recycling facility, the recycler may dispose of the unit or unit is isolated and treat the unit before recycling.

MRC ~~will~~ proactively addresses bed-bug contamination by providing participating solid waste facilities with collection guidelines as well as bed-bug specific educational materials to prevent contaminated units from entering the Program. Secondly, MRC requires its recyclers to have a bed bug management plan and. ~~In cooperation with the Connecticut Coalition Against Bed Bugs, MRC distributes bed-bug developed an awareness information sheet specifically for solid waste collectors. MRC has will develop similar materials for to collection facilities and recyclers. California facilities. This document is included in Appendix F.~~

9.10. Mattress Collection Facility Improvement Funding: To increase the number of mattresses diverted from the waste stream, improve the recyclability of discarded units, improve worker safety and decrease transportation costs by increasing the number of units shipped per container, MRC funds improvements to mattress collection sites. Beginning in 2018, public collection sites in California have been eligible for up to \$10,000 per site per funding cycle. Award recipients must agree to serve as MRC-contracted public drop-off sites for at least one year following completion of the project.

As the statewide P program matures, MRC anticipates that the quantity of discarded mattresses recycled annually in California will increase, assuming that California's population continues to grow significantly as we implement these diversion tactics.

Program Funding:

- e. (1) The establishment and administration of a means for funding the plan in a manner that distributes the mattress recycling organization's costs uniformly over all mattresses sold in the state.
- (2) The funding mechanism shall provide sufficient funding for the mattress recycling organization to carry out the plan, including the administrative, operational, and capital costs of the plan.

Section Likewise, §18962(a)(6) of the Regulations provides that the Plan respond to Section 42987.1(e).

The Program ~~is will be~~ funded by a visible recycling charge collected on all mattresses sold for use in California. More specifically, Section 42988(b) requires that the charge fund Program operations over a multi-year period in a fiscally "prudent and responsible" manner. MRC ~~will~~ sets the charge, based on its anticipated administrative, operational, and capital costs, subject to external audit and CalRecycle's approval. Retailers and other parties selling mattresses ~~will then~~ collect ~~the is~~ charge and remit it directly to MRC as required by the Act.

As required by Section 42989.1 of the Act, the recycling charge must be stated separately on the

“invoice, receipt, or functionally equivalent billing document provided by the seller to the consumer” for all units sold in California. The charge description on the sales receipt, invoice or billing document shall read “Recycle Fee \$(insert charge amount)+1.” The description may be displayed in upper- or lower-case letters and is not required to be displayed in a specific font, provided the description is prominently displayed in English and is readable.

In accordance with the Act, the Plan describes the “mattress recycling charge.” For purposes of the Program, MRC ~~will refer~~s to the charge as a “Recycle Fee” in consumer education and outreach materials for the following reasons:

- “Recycle Fee” is currently used in MRC’s Connecticut and Rhode Island Programs ~~and has been proposed as the designated text for Rhode Island~~. Having consistent text is beneficial for consumers, as well as national and online mattress retailers selling products in each state.
- The charge must be shown on the receipt or other sales documentation provided to customers at the time of sale. Some mattress retailers have a limited number of characters that they can use on their sales receipt. “Recycle Fee” clearly describes the additional cost and is within the allocated number of characters.
- The term “Recycle Fee” best communicates to consumers the intent of the additional receipt line item.

The charge ~~is will be~~ collected on the following types of sales:

- Retailers must collect the charge on all sales of mattresses and foundations that take place in California.
- On-line retailers must collect the charge on all mattresses and foundations sold for delivery in California, regardless of where the online retailer is located.
- Manufacturers of mattresses and foundations sold to California businesses including large California consumers, such as members of the hospitality industry, dormitories, hospitals, and prisons (also known as “contract” or “institutional” customers), must collect the charge on such sales ~~(also known as “contract” or “institutional” customers)~~ and remit it to MRC.

As required by Section 42988 of the Act, MRC ~~is separately submits an annual ting on this date the budget on July 1st of the each year preceding the budget year. Please refer to that document for the most current financial information related to the Pprogram and the proposed recycling charge that it considers necessary to fulfill its obligations under the Act. MRC has based the charge on its anticipated costs for the first calendar year of the Program (2016) and two additional years (2017 and 2018). This three-year period responds to the requirements of Section 42988 of the Act, that the charge fund Program operations over a multi-year period in a fiscally “prudent and responsible” manner. The budget also includes certain start-up expenses that MRC has incurred in developing this plan and other necessary preparations.~~ For purposes of the Plan, we will refer to that separate document as the MRC Budget.

~~As detailed in the MRC Budget, we propose a charge of \$11 per unit. The charge is calculated based on the assumption that the Program will commence on January 1, 2016.~~

The charge must be collected on each mattress and foundation sold. Each mattress and foundation is counted as an individual unit and the charge must be applied separately to each. The charge is a single, flat rate regardless of the size, type, construction, or brand of mattress or foundation purchased. For example, if a consumer buys a mattress set that consists of one mattress and one foundation, the retailer would assess the charge \$11 for the mattress and \$11 for the foundation, ~~for a total charge of \$22 for the set.~~

Section 42989(b)(2) of the Act provides MRC discretion to set “two different charges to accommodate mattress size differentials.” MRC has decided to set one flat rate charge for all mattress and foundations sizes and types ~~when it launches the Program.~~ MRC ~~will review~~s the impact of this decision annually. MRC notes that the International Sleep Products Association (ISPA) annually collects and publishes national mattress size sales data in its *Report of Sales and Trends*. MRC ~~will review~~s the ISPA annual data on sales of mattresses by size in assessing whether to set two different charges based on size in the future.

The MRC Budget provides a detailed explanation of MRC’s proposed budget and the basis for calculating the per unit charge.

~~If MRC determines within 12 months after the Program launch that the charge is insufficient or excessive to fund the Program, Section 42989(e) of the Act authorizes MRC to propose to revise the charge, provided it gives the public not less than 180 days’ notice before the new charge is implemented. Once the Program has been in effect for one year or more, MRC may propose to revise the charge at most once each year, provided it gives the public not less than 180 days’ notice prior to its implementation. If MRC provides notice that it intends to reduce the charge, the organization shall provide the department with information about how it will effectively implement the Program at the reduced charge fee.~~

MRC ~~intends to contract~~s with third parties that ~~will~~ provide all necessary handling, storage, transportation and recycling services. ~~As a result, MRC has no plans to purchase transport vehicles, recycling facilities or equipment or make any similar capital purchases. Because these services occur in California, the Program is compliant with PRC Section 42989(e) prioritizing the use of in-state processing while spending the majority of collected charge fees in the state of California.~~ At this point, MRC’s ~~anticipated~~ capital costs are limited to computers and related office equipment for MRC staff.

In preparing its budget, MRC has allocated revenues and expenses in accordance with Generally Accepted Accounting Principles, as requested by §18962(a)(6) of the Regulations.

The budget on which ~~the~~is charge is calculated includes the cost of an annual audit to be conducted by an independent certified public accountant as required by the Act. ~~MRC has included this amount under administrative, research and advisory expenses. A detailed analysis of expenses by cost category is provided in MRC’s See also California Used Mattress Recovery and Recycling Plan Budget, 2016-2018 (submitted to CalRecycle on July 1 of each year. for a detailed analysis of expenses by cost category, 2015) at page 7.~~

Finally, as noted in MRC's Budget, the vast majority of the money that MRC will spend in implementing and administering the Program will be spent in California for services provided by California companies that will be employing local staff. For example, fully 85.5% of the budget is either for discarded mattress collection (10.2%), mattress transport and recycling (72.8%) and MRC's reimbursement pursuant to Section 42988.2 of the Act to CalRecycle for its direct costs incurred to implement and enforce the Act (2.5%). As such, MRC expects to spend at least 85.5% of its expenses in California on operations and oversight. Furthermore, a substantial portion of its administrative, research and advisory expenses (11.5% of the budget), and a portion of its communications and consumer education expenses (3.1% of the budget) will be spent in California.

Annual Report:

f. The publishing of an annual report for each calendar year of operation.

Section Likewise, §18962(a)(5) of the Regulations ~~requires~~ provides that the Plan respond to Section 42987.1(f), which requires MRC to publish an annual report.

MRC ~~will submit~~ its annual report by July 1st of each year, as for the 2016 calendar year to meet the requirements by of Section 42990.1 ~~and Section §18964~~ of the Regulations on or before July 1, 2017, and will submit reports for subsequent years by July 1 of each year.

Research:

g. Conducting research, as needed, related to improving used mattress collection, dismantling, and recycling operations, including pilot programs to test new processes, methods, or equipment on a local, regional, or otherwise limited basis.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(g) conduct research to improve mattress recycling. In addition, Section §18962(a)(2)(D) of the Regulations ~~requires~~ provides that the Plan include information on market development research.

~~Once the Program has launched and MRC has sufficient funding, MRC's budget allocates funds to conduct~~ research on how to improve the efficiency of mattress collection and recycling processes, as well as identify and develop new and better additional uses and end markets for recycled mattress components. MRC seeks to improve the sustainability of mattress recycling by:

- Making discarded mattress ~~Advancing the efficient~~ collection and transport more efficient of discarded mattresses;
- Identifying and promoting best practices for mattress dismantling and recycling;
- Researching whether ~~Identifying new and better uses for the recycled mattress components can be used in new and innovative ways;~~ and
- Fostering innovation, cooperation and communication between suppliers, manufacturers,

collectors, dismantlers and recycled material end-market commodity-buyers to increase mattress recycling rates.

Identifying new and better end-use markets will increase a recycler's revenues, which in turn should reduce the fee that MRC must pay to the recycler and improve the Program's recycling rate. -By partnering with universities, government agencies, industry groups and individual companies, MRC supports intends to initiate research efforts programs targeted at identifying new end-use markets for mattress materials. ~~MRC anticipates that initial efforts will focus on MRC emphasizes~~ researching into the development of new uses and markets for mattress components that have limited or no viable nonexistent end markets. Additionally, the MRC intends to initiate research ~~to identify~~ es more efficient means for preparing discarded mattress materials for transport to end-use markets, ~~and to identify additional potential purchasers for these materials.~~

~~Possible r~~Research topics that MRC pursues has identified at present include ~~the following~~:

1. More efficient cCollection containers: -Mattresses are bulky and lightweight ~~relative to the value of the used materials they contain.~~ -To improve collection and transportation efficiency, it is important to maximize the quantity of units transported in each storage container. -MRC is may conduct researching into processes, equipment and technological alternatives that can will help transport units achieve this goal more efficiently, and thereby reduce Program costs.
2. Foam: -Post-consumer mattress foam has limited end markets, with the vast majority currently used to manufacture carpet padding. -Carpet pad manufacturers use both post-consumer and post-industrial foam scrap as their primary feedstocks. -MRC is intends to exploring alternative uses of post-consumer foam to increase the value of this material when sold into scrap markets, and thereby increase recyclers' revenue and offset reduce the ~~net~~ cost of the recycling process.
3. Wood: -Most mattress foundations contain a wooden internal frame. ~~MRC will research how The Program is expected to significantly~~ increase the quantity of used wood provided to available in the secondary markets. ~~MRC may conduct R~~research will seeks to identify additional customers and end uses for this material.
4. Fabric and Fiber: -Many mattresses contain fiber batting, and all mattresses and foundations have an outer fabric cover, called the "ticking." -The fiber can be composed of many different kinds of fibers, including cotton, rayon, polyester, etc. -The ticking is also made of multiple types kinds of natural and synthetic fibers, and is often quilted or otherwise attached to layers of other materials, including foam, fiber and other fabrics. The composite of the different materials quilted or attached to the ticking is referred to as the "quilt panel." -These materials can be difficult to sell, because purchasers of post-consumer fiber and fabric often require that the materials they buy be of a single fiber type. -MRC may conduct is researching (as requested by §18962(a)(2)(D) of the Regulations) ~~to identify~~ additional end uses for post-consumer fiber, fabric and quilt panels and processes for separating the different fiber types.

5. Pocketed Coil Innersprings: -An increasing percentage of discarded mattresses contain steel innersprings ~~that are~~ comprised of steel springs ~~that are~~ individually wrapped in a fabric pocket ~~that is~~ created by sewing, gluing or other means. -Removing the steel ~~ferom~~ these pockets can be difficult~~reduce the efficiency of recyclers dismantling mattresses and can make the resulting steel scrap less valuable to steel scrap purchasers.~~ -MRC is~~may conduct~~ researching alternatives for removing the steel from pocketed coils, and thereby improve a recycler's scrap revenue, make the recycling process more efficient, and reduce recycling costs.

Methodology for Estimating Mattress Sales, Discards, Collections and Dispositions:

- h. A program performance measurement that shall collect program data for the purpose of the annual report. The information shall include:
- (1) A methodology for estimating the amount of mattresses sold in the state, used mattresses available for collection in the state, and for quantifying the number of used mattresses collected and recycled in the state.
 - (2) A methodology for determining mattresses sold in the state by the manufacturers and renovators of the mattress recycling organization.

Section Likewise, §18962(a)(5) of the Regulations requires provides that the Plan respond to Section 42987.1(h), which requires that MRC estimate California mattresses sold, discarded, collected and recycled.

~~To assist in developing this part of the Plan, MRC retained the consulting firm of Reclay StewardEdge (RSE) to evaluate various methods for estimating California mattress discards and their final disposition. Data collected by RSE, including disposal data collected in California as part of CalRecycle's 2014 California Waste Characterization Study, form the basis of this part of the Plan.~~

1) Methodology mattress sales in California
i) Mattresses sold in California

~~MRC is aware of no existing statistics that are specific for California for sales of mattresses or used mattresses that are available for collection. However, the International Sleep Products Association (ISPA), the trade association for the mattress industry, annually compiles and publishes data on sales of new mattresses and foundations in the United States.~~

For purposes of developing this Plan and annual budgets, and the budget, All retailers and other sellers of mattresses to California consumers must collect the recycling charge required by the Act and remit that money monthly to MRC. That MRC requires each retailer or seller to report to remittance data provides MRC both the with and actual number of mattresses it sold in California each month and the amount of recharge collected with regard to those mattresses. MRC uses this data.

national mattress market forecasts prepared by the International Sleep Products Association and other relevant economic and market data ~~proposes to estimate future California sales of new, used and renovated mattresses and foundations. Additional details are found in MRC's annual budget submission~~ tal to CalRecycle, as follows:

ii) Used mattresses available for collection

MRC estimates ~~t~~The number of discarded units available for collection is determined based in part on ~~a number of factors including~~ annual statistics reported to ~~gathered by CalRecycle on~~ the actual number of units landfilled, units discard, renovated ~~and units recycled in the state annually~~ ing data reported annually to CalRecycle, as well as ~~:-~~

~~However, for budgeting and forecasting purposes, a number of additional factors, less tangible factors including inflation and consumer sentiment are contemplated. Because~~ We also know that a new mattress sale often triggers a used mattress discard. Sincethere is a strong correlation exists between new units sold and the generation of discarded units, MRC also considers general economic trends factors that influence mattress sales (such as, unemployment rates, disposable income, housing market conditions, inflation, etc.), state population trends and consumer sentiment. ing the frequency at which consumers purchase units play into the discarded units forecast. Other more complicated factors include the value and demand of discarded units in secondary domestic and export markets can also influence the availability of discards to the Program.

~~Additionally, the quantity of mattresses discarded in California is directly related to the number of new mattresses sold in the state, since a new mattress purchase frequently triggers an old mattress discard. Mattress sales in turn are dependent on a number of factors, including population growth and prevailing economic conditions. Over the long term, MRC anticipates~~ expects ~~that the quantity of mattresses discarded annually in the state will likely increase, unless the state's recent population declines over an extended period continues.~~

iii) Used mattresses collected and recycled in the state

MRC reports ~~the~~ calculates ~~t~~ number of used mattresses collected and recycled in the state is determined based on actual recycling data reported annually to MRC (by its recyclers) and CalRecycle (by other recyclers). MRC publishes ~~provides statistical additional detail~~ this information in its annual report.

1. ~~New Mattresses and Foundations: Allocate national data for new mattress sales to California based on relative population~~

~~According to statistics published by ISPA, U.S. mattress manufacturers made and sold 37.283 million units of new mattresses and foundations in the United States (including Puerto Rico) in 2014.~~

In addition, official U.S. import data shows that 5.2 million mattress and foundation units were imported in 2014 into the United States from foreign countries. However, the Harmonized Tariff Schedule classification for these products includes beds for both humans and pets. MRC has no basis for estimating what percentage of this figure is represented by mattresses and foundations made for humans. For purposes of estimating U.S. sales of new mattresses, MRC has estimated that approximately 40% (or 2 million) of these imported units are for mattresses and foundations to be used by humans. Therefore, we estimate total U.S. sales of new mattresses and foundations (that is, including both U.S. made and imported products) are approximately 39.283 million units.

Based on 2014 Census data, California represents approximately 12.04% of the total U.S. population (including Puerto Rico). Therefore, assuming that Californians purchase new mattresses at the same rate as the national average, we estimate that approximately 4.728 million new mattresses and foundations were sold in California in 2014.

ISPA data show that U.S. sales of mattresses and foundations have on average increased annually by approximately 2.6% since the recession (that is, from 2009-14). Based on that trend and the above estimates for 2014, we estimate that California's share of U.S. sales in 2016 of mattresses and foundations (allocated as above by relative population) will be approximately 4.977 million units.

Once the mattress recycling Program is launched, MRC will collect monthly data from all sellers of mattresses and foundations in the state. MRC will use such actual California mattress sales data once the Program launches instead of the above allocation method to determine the amount of mattresses sold in the state.

2. Used and Renovated Mattresses: Survey

In the absence of available published data on how many used and renovated mattresses are sold annually in California, MRC (as noted above) retained RSE to survey mattress renovators and used furniture stores in California. Based on the results of that survey, we estimate that approximately 277,000 renovated mattress and foundations were sold in California in 2014. Assuming that sales of these products will grow at approximately the same 2.6% rate as new products, this number would increase to approximately 292,000 by 2016.

Once the mattress recycling Program is launched, renovators and sellers of used mattresses will collect the charge and report their sales to MRC. We propose to use such reports to measure the size of this part of the market once the Program launches.

3. Total: Sum of the new, used and renovated mattresses in California

Based on the foregoing, MRC estimates that 2016 sales of all mattresses and foundations will be approximately 5.268 million units. MRC used this number in estimating its revenues. However, to be conservative in estimating revenues from collecting the recycling charge on sales of mattresses and foundations in California, MRC has reduced the number for new mattresses and foundations by 10% in the event that its relative population allocation method discussed above for estimating the portion of national sales of new mattresses to California overstates (or

~~understates) the actual quantity of mattresses sold in California. See the MRC Budget, which MRC is filing on this date under separate cover pursuant to Section 42988 of the Act.~~

~~**1) Used Mattresses Available for Collection in California**~~

~~No published data currently exists regarding the number of used mattresses available for collection in California or nationally. In approaching this issue, MRC has been guided by the following factors:~~

- ~~• The purchase of a new mattress or foundation will not always trigger a discard. Rather than replacing an existing unit, a consumer frequently purchases an additional unit for a new family member to accommodate different sleeping arrangements in the residence, for a guest room, a cabin or second home, etc. It can also provide a used unit that has been replaced by a new one to a family member or other party through a non-commercial transaction. Finally, many consumers will store used units in a garage, attic, etc. As a result, such activity does not generate a discarded unit that is available for collection.~~
- ~~• Some units are “exported” from California to Mexico, other foreign countries, or another state for reuse, renovation, recycling or other disposition. These are not discarded units and are not available for collection.~~
- ~~• Some units are resold for reuse or are acquired for renovation. In passing the Act, the California legislature expressed in Section 42985(b) its intent that MRC:~~

~~will not undermine existing used mattress ... resale, refurbishing, and reuse operations that are in compliance with state and federal law.~~

~~MRC has no information regarding the quantity of such units that either do or do not comply with such state and federal laws. For purposes of this analysis, we have assumed that all such units comply. These units are not available for collection by the Program.~~

~~Therefore, the remaining units that would be available for collection in California today would fall in the following categories:~~

- ~~• Mattresses collected through the solid waste collection system (landfills, transfer stations, etc.)~~
- ~~• Mattresses that are currently being recycled~~
- ~~• Mattresses that are illegally dumped (and are not subsequently picked up for recycling, reuse, renovation, export, or disposal through the solid waste collection system)~~

~~With regard to the last point, MRC has no data on the quantity of mattresses that are illegally dumped. However, MRC understands that a substantial number of them are currently being picked up by various governmental and other parties for disposal or other disposition, limiting the amount that are available for collection by the Program.~~

~~Given these factors, we estimate the number of used mattresses available for collection and recycling is based on the sum of the mattresses and foundations that are (1) collected through California’s solid waste collection system, (2) recycled, and (3) dumped illegally and not subsequently picked up.~~

The details of this calculation are as follows:-

a. Discarded Mattresses Sent to California Landfills and Transfer Stations

RSE, working with the Cascadia Consulting Group (CCG), analyzed the number of mattresses and foundations observed in solid waste collection data covering a 29-day period at a total of 25 California landfills or transfer stations in July and October 2014. CCG reviewed solid waste transported to these sites in a total of 377 vehicles. The waste was obtained from a broad cross-section of generator types, ranging from commercial, single family and self-haul sources.

The results of this analysis are as follows:

Estimated Quantity of Mattresses Disposed Statewide in 2014

	Mean-%	+/-¹	Tons	Count
Commercial	0.025%	0.012%	3,749	145,652
Residential	0.037%	0.026%	3,440	134,760
Self-haul	0.648%	0.204%	40,904	1,640,065
Overall	0.156%	0.055%	48,093	1,920,477

1. Based on a 90-percent confidence interval.

Estimated Quantity of Mattresses Disposed Statewide by Sector in 2014

	Commercial		Residential		Self-haul		Total	
	Tons	Count	Tons	Count	Tons	Count	Tons	Count
Mattress	2,999	112,656	2,580	96,913	24,835	932,870	30,414	1,142,438
Foundation	750	32,996	860	37,847	16,070	707,195	17,679	778,039
Total	3,749	145,652	3,440	134,760	40,904	1,640,065	48,093	1,920,477

1. Data weighted based on results of 2008 CalRecycle California Waster Characterization Study

Applying generally accepted statistical methods to these data, RSE estimates that the number of discarded mattresses and foundations disposed of through the solid waste collection system in California in 2014 were between 1,248,000 and 2,593,000 mattresses, with a 90-percent confidence level with a mean of 1,920,477.

b. Recycling

In addition to the discarded mattresses collected through the solid waste stream, the quantity of mattresses available for collection and recycling will include those that are currently recycled. Based on a survey of existing recyclers in California conducted by RSE, MRC estimates that approximately 370,000 mattresses and foundations were recycled in 2014 in California.

c. Illegally dumped mattresses and foundations

As noted above, MRC has no data on the quantity of mattresses and foundations that are illegally dumped and available for collection for recycling. Therefore, we have included a zero quantity for this aspect of our estimate at this time.

In the future, however, we anticipate collecting such data as a result of the funding mechanism described in Section “k” below.

Total

Based on the above analysis, we estimate that the quantity of discarded mattresses and foundations that are theoretically available for collection and recycling in California in 2014 as follows:

Category	Quantity (millions)
Landfills	1.920
Recycling	0.370
Illegally Dumped	N/A
TOTAL	2.390

Note that the collectable units that MRC has calculated for this Section of the Plan is different from the number of units that MRC anticipates it will process in 2016 under the Program.

Proposed Methodology:

Based on the foregoing, MRC intends to use the following methodology to estimate sales and discards:

- MRC will use actual sales data collected through the Program to estimate the number of new, used and renovated mattresses and foundations sold in the state.
- MRC will determine the amount of used mattresses available for collection based on its own processing data, supplemented by annual processing reports required to be filed with CalRecycle and MRC by recyclers and renovators under Section 42991. MRC will supplement these figures with data submitted by solid waste facilities and operations under Section 42991, in calculating the quantity of used mattresses recycled, renovated or disposed of within the state.
- MRC will estimate the quantity of used mattresses collected and recycled in the state based on its own processing data, supplemented by annual processing reports required to be filed with CalRecycle and MRC by recyclers under Section 42991.

In each case described above, MRC may need to adjust the data to take in to account entities that fail to report to CalRecycle or MRC.

2) A methodology for determining mattresses sold in the state by the manufacturers and renovators of the mattress recycling organization

MRC ~~will use~~ actual sales data ~~that retailers and other sellers must report monthly to MRC and other reports collected through the Program~~ to ~~determine~~ estimate the number of new, used and renovated mattresses and foundations sold in the state. ~~MRC may need to adjust the data to take in to account entities that fail to report sales to MRC or (where relevant) CalRecycle.~~

Coordination with Existing Mattress Collectors and Recyclers:

- i. A description of methods used to coordinate activities with existing used mattress collecting and recycling programs, including existing nonprofit mattress recyclers, and with other relevant parties as appropriate, with regard to the proper management or recycling of discarded or abandoned mattresses, for purposes of providing the efficient delivery of services and avoiding unnecessary duplication of effort and expense.

Section Likewise, §18962(a)(2)(B) of the Regulations requires provides that the Plan respond to Section 42987.1(i) concerning existing mattress collectors and recyclers. Section §18962(a)(2)(E) of the Regulations also provides that MRC describe how the Pprogram will provide convenient mattress collection and drop-off, which is also covered here.

~~CalRecycle appointed the Advisory Committee required by Section 42987(a)(3) of the Act on March 18, 2014, the composition of which includes, among other entities, non-profit and for-profit mattress collectors and mattress recyclers in California. MRC has met with that group five times prior to the submission of this Plan. Recruiting existing collectors and recyclers that are interested in providing services to MRC has been among the topics MRC has discussed with this group. The following summarizes the results of these efforts:~~

Existing used mattress collection programs: MRC has created a statewide collection network by collaborating with existing used mattress collectors, including solid waste facilities, mattress retailers, mattress distributors, mattress renovators, non-profit organizations, collectors of illegally dumped mattresses, and large volume generators of discarded mattresses, including hotels and universities. asked all permitted solid waste facilities in California if they currently accept mattresses under their normal operating conditions and if they would be suitable mattress collection sites for the Program. MRC's annual report provides details on the number, location and access that consumers have to solid waste facilities and other opportunities to recycle discarded units. To date, 149 of these facilities (representing 46 of California's 58 counties) have replied that they are interested. We anticipate that this number will increase over time. MRC estimates a maximum of 250 California solid waste facility locations would be suitable mattress collection sites

Existing recycling programs, including non-profit mattress recyclers: In April 2015, From time to time, MRC solicits requested proposals from existing mattress recyclers (including non-profit mattress recyclers) that may be parties interested in providing transportation and recycling services to MRC through public requests for proposals (RFPs). When issuing In requesting these proposals, MRC directly contacted all existing mattress recyclers in California (including non-profit recyclers) that it knew existed, posted These the RFP's are posted request on the MRC's website and are distributed through CalRecycle's mattress listserv and visited all active mattress recyclers in California to assess capabilities, interest in participating in the Program, and future Plans.

A current list of our these contracted recyclers companies is listed in MRC's annual report. Among the respondents, two were existing non-profit recyclers in California. Pending CalRecycle's approval of this Plan, MRC anticipates awarding contracts to these mattress-

recyclers. In addition to these existing non-profit recyclers, MRC also intends to contract with several existing for-profit recyclers that submitted responsive proposals to provide recycling services to MRC. See Section “j” below.

~~Program efficiency: In selecting its contracted recyclers, MRC has been mindful of the need to manage the recycling of discarded or abandoned mattresses efficiently, and to avoid unnecessary duplication of effort and expense. The Program will substantially increase the number of mattresses recycled in California. Therefore, MRC will require each contracted recycler (including existing non-profit and for-profit recyclers) to expand its processing capacity. MRC’s contracted recyclers and transporters are strategically positioned throughout California to provide efficient services, eliminate duplication and reduce MRC’s operating costs.~~

Contracted Recyclers:

- j. Entering into contracts or agreements, which may include contracts and agreements with existing nonprofit or for-profit recyclers, that are necessary and proper for the mattress recycling organization to carry out these duties consistent with the terms of this chapter.

~~Section Likewise, §18962(a)(2)(B) of the Regulations requires ~~provides~~ that the Plan describe how MRC will contract with recyclers, as required by ~~respond to~~ Section 42987.1(j).~~

~~As noted above, pending CalRecycle’s approval of this Plan, MRC anticipates awarding contracts with ~~to~~ mattress recyclers (including existing non-profit and for-profit recyclers) that have the ability to ~~responded to~~ MRC’s request for proposal to provide recycling services to MRC. MRC’s contracts with these recyclers advance the that comply with MRC’s contractual requirements and performance metrics that CalRecycle has set for the to meet statutory terms and ~~Program goals established by CalRecycle.~~ MRC will need these recyclers to process anticipated volumes of discarded mattresses.~~

Contracting Process: MRC issues ~~ed RFPs~~ a request for proposal to recyclers interested in processing discarded mattress units under the Program. ~~When In issuing RFPs that request, MRC doesid not set a fixed processing fee that it will ould pay the recyclers. Instead, the Recyclers’ RFP responses provided a starting point for negotiation between MRC and the respondents on issues~~ regarding the processing fee MRC will pay and other important aspects of the recycling contract.

~~RFPs~~In the proposal, MRC also require ~~requested~~ that each respondent list all downstream purchasers to which the respondent intends ed ~~to~~ sell the used mattress materials obtained from the recycling process. ~~Recyclers may submit MRC doesid not disqualify~~ bids that included the sale of ~~some~~ materials to renovators that meet applicable are in compliance with state and federal laws. MRC evaluates ~~ed~~ all proposals based on a combination of factors, including price, experience, recycling technology, capacity, transportation capabilities, geographic location and completeness of the RFP response.

MRC publishes a list of its

~~As a result of the proposal and negotiation process, MRC has entered into provisional contracts~~

with seven different recyclers that will operate 11 recycling/consolidation facilities throughout California. These companies, located in geographically diverse locations, will create a statewide network for transporting and processing collected units. Contract terms will be for a minimum of two years with annual extensions possible. MRC will monitor and evaluate the performance of each contractor with on-line tracking software that monitors in-bound volumes and out-bound commodity shipments.

After the initial contract term, MRC will evaluate the performance, costs and processing capabilities of existing recyclers. Based on these factors, MRC may choose to re-bid some or all of the regions, and possibly contract with additional recyclers. MRC will publicize a request for proposals and open the contracts process to all interested parties. Driving process efficiency and reducing costs for California consumers will be a high priority for the program.

At present, MRC thinks it prudent to contract with more than one facility in the Los Angeles and San Francisco areas to allow for flexibility in the event of unanticipated volumes and back-up capabilities in case of unexpected service failures at one or more facilities.

The recyclers with which MRC intends to contract throughout California are:

	Company/Organization	Facility Locations	Organization Type	Existing or New Recycler
1	St. Vincent de Paul Society of Lane County, Oregon (dba-DR3)	Oakland, CA	Non-profit	Existing
2	St. Vincent de Paul Society of Lane County, Oregon (dba-DR3)	Woodland, CA	Non-profit	Existing
3	Goodwill of Silicon Valley	San Jose, CA	Non-profit	Existing
4	Blue Marble Materials	Commerce, CA	For-profit	Existing
5	Blue Marble Materials	San Diego, CA	For-profit	Existing
6	Blue Marble Materials	Fresno, CA	For-profit	Existing
7	Blue Marble Materials	Alameda, CA	For-profit	Existing
8	Cleaner Earth Company, Inc.	Santa Maria, CA	For-profit	New
9	Cristal Materials Inc.	Los Angeles, CA	For-profit	Existing
10	Continental Environmental Inc.	La Mirada, CA	For-profit	New
11	R5 Recycling	Monrovia, CA	For-profit	Existing

Mattress Collector Incentive:

- k. Establishment of a financial incentive to encourage parties to collect for recycling used mattresses discarded or illegally dumped in the state.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(k).

The Program ~~will provide~~s a monetary incentive for California residents delivering discarded ~~their~~ mattresses directly to MRC-designated incentive locations. This incentive ~~will~~:

- Reduces the burden of managing discarded mattresses at solid waste facilities (see Section “I” below)
- Reduces the number of illegally dumped mattresses in California by creating a financial incentive to encourage residents to recycle, rather than dump discarded mattresses

MRC incentive payment locations ~~will~~ pay the incentive by cash, check or other approved means. ~~MRC’s current has set the initial~~ incentive ~~is at~~ \$3 per unit, with a maximum of 5 units per vehicle per day, per person/vehicle per day. ~~—~~The incentive “will not undermine existing used mattress recycling, resale, refurbishing, and reuse operations that are in compliance with state and federal law” because it is less than the prices we are informed that renovators ~~may~~ pay for used mattresses. MRC may change the terms of the incentive at any time depending on a variety of factors, including funds availability and the volume of discarded mattresses collected in this manner. In addition, MRC may, based on experience, decide to vary the incentive level by geographic area. The incentive program ~~is will be~~ promoted on MRC’s website in conjunction with a list of authorized California drop-off locations. ~~Promotion of the incentive will begin once the Program commences.~~

Residents may qualify for this incentive by dropping off mattresses at one of the Program’s contracted incentive recyclers ~~locations listed above~~. MRC ~~regularly will~~ assesses resident participation in this program ~~during the first year~~ and considers whether and how to expand locations where the incentive is offered, including possible municipal or private waste sites. MRC notes, however, that most municipalities ~~currently~~ lack the ability or willingness to administer incentive pay-outs.

Illegally Dumped Mattresses:

1. Ensuring, to the maximum extent possible, that urban and rural local governments and participating permitted solid waste facilities and authorized solid waste operations that accept mattresses are provided with a mechanism for the recovery of illegally disposed used mattresses that is funded at no additional cost to the local government, solid waste facility, or solid waste operation.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(1).

In consultation with the Advisory Committee, the CalRecycle Illegal Dumping Task Force and other stakeholders, MRC ~~has~~ developed the following three-prong strategy to mitigate illegal mattress dumping:

1. Intercept discarded mattresses before they are illegally dumped by:
 - a. providing California residents with no cost retailer pick-up of discarded mattresses when the retailer delivers a new mattress to a consumer,

- b. encouraging no cost drop-off options for state residents at designated collection points throughout California, and
 - c. providing a financial incentive to encourage residents to deliver discarded units directly to recycling facilities.
2. Provide financial compensation to participating local governments, solid waste facilities or solid waste operations to help offset their cost of managing illegally dumped mattresses.
 3. Collect baseline data to measure the impact of these efforts on reducing the impact of illegal mattress dumping.
 4. Work with technical experts to develop solutions and best practices to address illegal dumping, attended illegal dumping working groups and conferences, promote resources to consumers and collaborated on projects to expand education and outreach.
 - 3.5. Provide compensation to fund pilot projects to mitigate illegal mattress dumping and communicate those findings to illegal dumping technical experts.

MRC ~~has implemented~~ ~~anticipates that~~ these actions ~~to will~~ proactively address the problem by encouraging the diversion of used mattresses to recyclers. However, MRC will reassess this strategy annually and consider if adjustments or additional activities are needed to further combat illegal dumping or respond to unanticipated increases in illegal dumping.

Scope: MRC ~~collects~~ ~~lacks sufficient~~ data to estimate the number and location of illegally dumped mattresses in California. MRC ~~uses this~~ ~~will collect baseline data to evaluate on illegal mattress dumping in 2016 and will reevaluate~~ the effectiveness of the above activities (including the amount and distribution of funding) annually.

Eligibility: Urban and rural local governments and participating permitted solid waste facilities and authorized ~~entities~~ ~~solid waste operations~~ that collect illegally dumped mattresses may apply in advance to participate in dumped mattress collection activities for which they are compensated by MRC. ~~may then request MRC funding under this part of the Plan. In addition to urban and local governments and solid waste facilities, Caltrans, and other governmental entities involved in collecting illegally dumped mattresses may apply to participate.~~ Mattresses collected through bulky item and curbside mattress pick-up services are not eligible for reimbursement because they are not illegally dumped.

Funding and Payment: Funding for this effort may vary annually and will be noted in MRC's annual report and budget. Payments are will be made directly to participating entities. ~~For calendar year 2016, MRC will allocate \$750,000 to fund this effort. MRC will pay all registered collectors of illegally dumped mattresses the same amount per unit collected (up to \$10.00 per unit), which will be calculated after the close of a calendar year by dividing the total funded amount by the number of illegally dumped units collected during the calendar year. Because the Program is expected to mitigate illegal dumping, MRC expects funding for this effort to decline in future years as the Program collects more mattresses before they are illegally dumped.~~

MRC ~~will~~ reviews the effectiveness of this effort annually. Given the persistent nature of ~~the~~

illegal ~~mattress-dumping problem~~, MRC anticipates that it ~~will~~ may be necessary to experiment with several different alternatives before one or more satisfactory solutions are identified. For example, if the data MRC collects as a result of this effort shows that the number of illegally dumped mattresses has not declined over time, MRC will solicit input from interested parties and others ~~in an effort~~ to identify why that has occurred and to develop ~~additional options for further addressing the problem. The alternatives that MRC will consider may include higher funding levels or~~ other strategies for discouraging residents and others from illegally dumping used mattresses. Furthermore, MRC anticipates that the amount and distribution of funding in future years will be influenced by several a number of factors, including the number of units recovered through this effort and the number of registered collectors requesting payment.

Compensation Application and Request Process: To receive compensation for collecting illegally dumped mattresses, eligible entities must:

1. Apply to participate in the dumped mattress collection effort.
- ~~2. Provide a map showing applicant's jurisdiction and population serviced.~~
- ~~3.2.~~ Explain applicant's role as an urban or rural local government, participating permitted solid waste facility, other governmental entity or other participating authorized solid waste operation that is eligible for compensation.
- ~~4. Describe applicant's program for collecting illegally dumped mattresses, including process for documenting quantity of illegally dumped mattresses it has collected.~~
- ~~5.3.~~ Provide a collection log and other evidence requested by MRC documenting the quantity and zip code location of illegally dumped mattresses that applicant collected. Participants must submit information within 45 days after the end of each calendar month, subsequent to the submission of its application to MRC during previous calendar year (for purposes of 2016, the reporting period will commence on the date the Program goes into effect until the end of the year; in subsequent years, the reporting period will be the full calendar year).
- ~~6. Document that the collected units were sent to MRC contracted recyclers.~~
- ~~7. Describe current funding sources for illegally dumped mattress collection program.~~
- ~~8.4.~~ Provide a signed statement attesting that the quantity of collected mattresses reported were illegally dumped, and were not obtained through ordinary curbside or bulky item collection, from resident or other drop offs, or through other means.
- ~~9.5.~~ Submit request for MRC pays each collector within 90 days following the end of each calendar year funding for collecting illegally dumped mattresses in writing to MRC within 60 days following the end of a calendar period.

All requests for compensation are subject to verification, and must be submitted to MRC within the designated time period. MRC ~~will~~ calculates the per unit compensation rate and disburse compensation following the receipt and verification of such requests. MRC ~~will~~ continues to work with the Illegal Dumping Task Force to better understand the scope of the problem in California and how to prevent such conduct.

Service to Low-Income and Environmental Justice Communities:

- m. Developing strategies, in consultation with the California Environmental Protection Agency's Environmental Justice Task Force and other relevant parties, for collecting used mattresses for recycling in areas and communities that face unique challenges associated with proper waste management such as poverty, language barriers, and illegal mattress dumping. Developing processes to collect used mattresses from low-income communities for recycling in accordance with the poverty line annually established by the Secretary of California Health and Human Services pursuant to the federal Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35), as amended.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(m).

MRC ~~will~~ recycles discarded mattresses from communities throughout California without bias or discrimination based on physical location or community economic demographics.

Using Program convenience data, units reported through the Illegally Dumped Mattress Collection Initiative and CalRecycle's CalEnviroScreen 3.0, MRC has focused network expansion and outreach efforts in areas where mattress recycling is less accessible or that experienced high per capita rates of illegal mattress dumping.

MRC works with CalEPA's Environmental Justice Task Force and other groups to provide targeted collection events and establish new permanent collection sites in areas and communities that face unique challenges associated with proper waste management such as poverty, language barriers, and illegal mattress dumping. California's Environmental Justice demographics are continually shifting. MRC's annual report provides narrative on activities and current convenience statistics for these communities.

~~Low income communities are often plagued with illegal dumping. This Program will address these concerns by:~~

~~Providing California residents with no cost retailer pick-up of discarded mattresses when the retailer delivers a new mattress to a consumer~~

~~Encouraging no cost drop-off options for state residents at designated collection points throughout California~~

~~Providing a financial incentive to encourage residents to deliver discarded units directly to recycling facilities~~

~~Providing financial compensation to participating local governments, solid waste facilities or solid waste operations to help offset their cost of managing illegally dumped mattresses~~

Education and Outreach:

- n. Providing outreach efforts and education to consumers, manufacturers, and retailers, for the purpose of promoting the recycling of used mattresses and options available to consumers for the free dropoff of used mattresses.

Section Likewise, §18962(a)(7) of the Regulations provides that the Plan respond to Section 42987.1(n).

MRC is committed to education and outreach for all stakeholders affected by the Program. Our strategy will inform manufactures and retailers about their legal obligations and Program mechanics, and consumers about the charge and how to recycle their mattresses. MRC has created a significant amount of content for our stakeholders and will continue to develop unique and effective tools as we launch the Program and provide on-going mattress recycling to California residents and businesses. MRC's evolving Communications Plan is included in its annual report to CalRecycle, from 2015—2017 is included in Appendix G. To accomplish these goals, MRC has developed two websites: one targeted at business and a second targeted at consumers.

MRC's education and outreach efforts are targeted to consumers, the mattress industry, state officials, local leaders and other stakeholders. To reach these audiences, MRC developed industry- and consumer-facing brands.

The primary brand, Mattress Recycling Council, is used ~~to~~when MRC:

- Educates the mattress industry about the state laws, Pprogram mechanics and the legal obligations the industry must fulfill.
- Informs regulators and other policymakers about the performance of state Pprograms.
- Promotes how and why to work with MRC to divert mattresses from landfill or combat illegal mattress dumping.
- Educates the collection network and recyclers about MRC's expectations for proper screening, stacking, loading and management of mattresses.
- Shares its expertise and publishes resources, research projects and outcomes.

The consumer-facing sub-brand, Bye Bye Mattress, is used to educate those looking to dispose of a mattress. Specifically:

- Residents learn about California's retailer take back obligation, their nearest drop-off location, as well as available bulky item curbside waste collectors that offer at least one free pickup each year.
- Businesses learn how to work with MRC to have their mattresses picked up and transported to a recycler or access available drop-off sites that will accept small and/or large loads.
- Both audiences learn about the mattress recycling charge and benefits of mattress recycling

To build these brands, MRC uses a comprehensive mix of methods including, but not limited to advertising, public relations, social and digital media, direct marketing, and event sponsorships. MRC monitors the effectiveness of its outreach annually and adjusts elements of the communications plan as necessary. In its annual report to CalRecycle, MRC describes the outreach efforts used each calendar year.

TARGETED AUDIENCES

KEY MESSAGES

METHODS

<u>Manufacturers</u>	<u>What is the law</u>	<u>Websites</u>
<u>Producers</u>	<u>What is the charge</u>	<u>Videos</u>
<u>Importers</u>	<u>How do I comply</u>	<u>Direct Mail</u>
<u>Renovators</u>	<u>How do I register</u>	<u>Direct Contact</u>
<u>Retailers</u>	<u>How do I report/remit the</u>	<u>Printed Publications</u>
<u>Solid Waste Facilities</u>	<u>charge</u>	<u>E-mail/E-news</u>
<u>Recycling Industry</u>	<u>How can I participate in</u>	<u>Printed Materials</u>
<u>Local/State Government</u>	<u>recycling</u>	<u>Traditional & Social Media</u>
<u>Regulatory Agencies</u>		<u>Events</u>
<u>Environmental & Civic</u>		
<u>Groups</u>		

Business Targeted Website:—

mattressrecyclingcouncil.org

MRC continues to upgrade and expand mattressrecyclingcouncil.org, which will remain the Program’s online interface with businesses involved in the manufacture, sale and recycling of mattresses. Website content is focused on the legal obligations of producers and retailers, as well participating collection and recycling facilities. The following table summarizes the targeted audiences, key messages and methods of communication to these groups:



TARGETED AUDIENCES	KEY MESSAGES	METHODS
Manufacturers	What is the law	Websites
Producers	What is the charge	Videos
Importers	How do I comply	Direct Mail
Renovators	How do I register	Direct Contact
Retailers	How do I report/remit the	Printed Publications
Solid Waste Facilities	charge	E-mail/E-news
Recycling Industry	How can I participate in	Printed Materials
Local/State Government	recycling	Traditional & Social Media
Regulatory Agencies		Events
Environmental & Civic		
Groups		
Hospitality Industry		
Universities		
Furniture Rental Companies		
Non-Governmental Organizations		

Video Series

In 2014 and 2015, MRC produced videos to educate the mattress industry about MRC, the new recycling laws, and the need to register with MRC. The most recently developed video focuses

on recruiting collection sites and demonstrates the registration, reporting, and charge remittance processes.



Program Overview

This video provides an overview of MRC and explains in general terms how the Program works. It touts the benefits of recycling and encourages public and private sector entities to become registered collectors. It also answers common questions about why MRC was created and why the charges are applied. [Video link.](#)



Retailer Registration

This video provides a step by step description of the online registration process and answers questions about who needs to register and how to do so. [Video link.](#)

Retailer Reporting & Remittance

The third video is a sequel to the retailer registration video. It explains the reporting and charge remittance process. It answers questions about how to use the features and highlights major points in the charge remittance policy. The video is under production at time of Plan submittal, but will be accessible through mrcreporting.org.

Since these videos are targeted at commercial participants in the Program (not consumers), they are only accessed through www.mattressrecyclingcouncil.org and www.mrcreporting.org. MRC will continue to use these tools at industry events and through social media targeted at commercial participants.

Direct Mail

In February 2015, MRC mailed an initial notice to California manufacturers, producers, importers, and renovators about their upcoming obligations under the Act. This letter is included in Appendix H.

In March 2015, MRC also contacted approximately 50 online mattress retailers that sell mattresses to consumers in California and other states with mattress recycling laws (that is, Connecticut and Rhode Island), informing them of MRC activities in all three states (including the anticipated launch of the Program in California in early 2016).

Once the Plan is approved by CalRecycle, MRC will notify these audiences about the details of the Program, as approved. MRC will send a reminder notice approximately one month before

the Program start date. Once the Program begins, MRC will send an urgent notice via certified mail to any unregistered retailer.

Direct Contact

MRC has held in-person meetings with manufacturers and retailers throughout the Program Plan development. In addition to answering questions about Program details and implementation, these meetings have been useful in understanding how and when retailers discuss the recycling charge with customers, and whether they are interested in sending discarded mattresses to MRC contracted recyclers. MRC developed its consumer FAQs from this feedback.

MRC staff has contacted all solid waste facilities in California to assess their interest in participating in Program. Additionally, MRC staff will visit all participating municipal collection locations before and after launching the Program. Maintaining an effective and efficient collection network will be an on-going requirement of the Program and is critical to meeting our recycling goals.

Printed Publications

MRC leverages ISPA's industry publications, *BedTimes* and *SleepSavvy*, to keep manufacturers and retailers informed of Program developments. *BedTimes* is a monthly magazine targeted at mattress manufacturers and suppliers to the mattress industry, while *SleepSavvy* is published eight times a year and is targeted at mattress retailers.

Each publication has a sustainability section that MRC regularly supplies with content. These publications combined reach approximately 30,000 readers, while the online versions of each magazine (which are publicly accessible) extend the audience for MRC and mattress recycling content even further. MRC will continue to provide content to these publications before, during and after the Program is implemented.

E-mail/E-news

MRC regularly supplies content to ISPA Insider, a weekly electronic newsletter sent to 2,200 ISPA members.

MRC disseminates Program news to over 200 parties that have subscribed to MRC's updates. We have also found targeted e-mail campaigns to solid waste facilities helpful in recruiting collection sites and generating interest in the Program. Once the Program launches, MRC will continue to issue program updates to its subscribers and supply ISPA Insider with content. MRC will also send quarterly email reminders to retailers about customer education materials, to collection sites with best program practices, and to other targeted audiences as necessary.

Printed Materials

MRC developed a series of information sheets to educate other generators of discarded mattresses about the benefits of recycling their mattresses through the Program. These information sheets are distributed by MRC staff as they network throughout their designated regions. The sheets are housed online in the resources area of mattressrecyclingcouncil.org and are disseminated through social media and e-mail.

Traditional and Social Media

Upon the Plan's approval and commencement of the Program, MRC is prepared to distribute press releases to all major media outlets in the state announcing these achievements. It also anticipates hosting a press conference when the Program officially begins.

MRC's Facebook, Twitter and Google+ social media pages will also aid in distributing these announcements and generating awareness and conversation about Program milestones and achievements. MRC also will use social media to make followers aware of new resources added to the websites.

Events

MRC's participation at ISPA's Industry Conference, Las Vegas Market (a large biannual international market for finished mattresses and other interior furnishings products) and the North American Home Furnishings Association Networking Conference has raised visibility and awareness of the Act, mattress recycling developments and MRC among the mattress industry. We informed those subject to the Act about their registration and charge collection obligations, and the benefits of the California mattress recycling Program.

To build the network of municipal partnerships, MRC attended local and regional events in California that attracted municipal representatives, solid waste management professionals and recycling and environmental leaders.

Once the Program launches, MRC will continue to attend major events in the furniture/mattress and recycling industries. In future years, MRC may expand participation to nationwide recycling events and creating its own conferences where program participants can share best practices for mattress recycling, developing markets for recycled materials, and innovations that make mattress recycling more efficient.

MRC has allocated funding in the Program Budget (California Government and Oversight Expenses) for attendance and participation by a CalRecycle representative at ISPA events, capped at \$2,000 per year. This will foster a constructive relationship and direct feedback between CalRecycle and the mattress industry.

Consumer Targeted Outreach:



bye bye mattress

A Program of the Mattress Recycling Council

TARGETED AUDIENCES

Consumers
General Public

KEY MESSAGES

What is the charge amount
Why is the charge needed
What does the charge fund
How/Where can I recycle
my mattress

METHODS

Website
Customer Communications
Public Service-
Announcements
Online Advertising
Traditional & Social Media
Special Events

MRC has retained Williams Whittle Associates (WWA), an Alexandria, VA based marketing firm with extensive experience working with non-profit organizations, to develop a customer targeted identity known as "Bye Bye Mattress." WWA will develop and place public service announcements, create retailer point-of-sale materials, assist with branding and creative services, and provide media relations strategy and social media guidance.

ByeByeMattress.com



The consumer targeted website:

- Explains Program details using consumer friendly language.
- Uses zip code based map locator to help consumers find the nearest mattress drop-off location.
- Hosts online videos that educate consumers about the recycling process and why the Program is important.
- Publishes announcements about special community events and Program milestones/improvements.
- Houses public service announcements that WWA will distribute via radio, print and outdoor outlets in California and the other two states (see below for further discussion of these media tools).

Retail Customer Communications

To help retailers explain why a recycling charge is collected on each mattress sale in California, MRC has prepared an informative card that it provides free of charge to mattress retailers. Although designed primarily to be attached to the sales receipt at the end of the transaction, retailers may use this card at any point during the mattress purchase process to educate customers about the charge or how to recycle their mattress. Sales associates may also refer to MRC's comprehensive Q&A document to answer common customer questions.

Additional customer communication items are available to retailers through MRC's media library at mattressrecyclingcouncil.org, including:-

- Posters
- Rack Cards
- Social Media Content

●—Newsletter Content—

A retailer may customize these materials for in-house branding, or use in their existing format.

Public Service Announcements

The public service announcement (PSA) campaign will include print, radio and outdoor media formats. Targeting residents over 18 years old, the main message will encourage them to recycle their mattress.

Radio

Radio stations will have the option to use recorded spots or “live read” scripts that will include the following:

- Recorded 15 and 30 second spots.
- Live read scripts that can be customized for specific needs, such as local collection events or to fit the timing of important mattress sale periods. For example:
 - Presidents Day sales (February)
 - Residential moving peak (May—September)
 - Earth Day (April)
 - College move out (May)
 - Memorial Day sales (May)
 - Independence Day sales (July)
 - Back to school/college and downsizing/empty nesters (August)
 - Labor Day sales (September)
 - Columbus Day sales (October)
 - America Recycles Day (November)

Print

Ads for use in full size magazine and quarter page newspaper are in development. Local publications will be the primary targets. The timing of the placement will be determined by each publication and as space is available.

Outdoor Media

An ad for use on 60 foot billboards is in development. This can be easily resized to fit other spaces, such as dioramas, spectaculars, bus benches, banners, rail cards, and all forms of digital outdoor spaces.

Online Advertising

Mattress Recycling In CT - Don't Dump Your Mattress

Ad www.byebyemattress.com/ ▼

Find A Local Recycling Facility

~~As a non-profit organization, MRC is eligible to participate in Google Grants, a Google AdWords Program that provides free in-kind AdWords advertising. We will launch campaigns that will target residents who are disposing of an old mattress or seeking mattress removal services in California.~~

~~Traditional & Social Media~~

~~When we launch the Program, MRC will distribute a press release to all major media outlets in the state. It has also developed a template for municipalities to use in their local media. This allows them to customize the announcement with specific details about their collection site and any special instructions.~~

~~MRC also anticipates hosting a press conference when the Program officially begins. This was successful in Connecticut in generating local coverage prior to, during and immediately following the Program launch.~~

~~Bye Bye Mattress has its own Facebook and Twitter profiles to generate awareness of the Program, share Program developments and milestones, and inform the public about the benefits of recycling.~~

~~Special Events~~

~~MRC will leverage the momentum that Earth Day (April 22) and Keep America Beautiful's (KAB) America Recycles Day (Nov. 15) give to environmental awareness about mattress recycling. We will also work with local KAB chapters to coordinate efforts on community clean-up days.~~

No-Cost Drop-Off and Compensation to Contracted Public Drop-off Sites Solid Waste Appropriate Facilities:

- o. A provision that allows an individual to drop off, at no charge, a mattress at a recycler, renovator, mattress recycling center, permitted solid waste facility, authorized solid waste operation, or other municipal facility that accepts mattresses consistent with state solid waste regulations, and that provides for the payment to a municipal or solid waste facility or operation that accepts mattresses an amount determined by the municipal or solid waste facility or operation and the mattress recycling organization to be reasonable for accepting, collecting, storing, transporting, and handling used mattresses.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(o).

In addition, §18962(a)(2)(F) of the Regulations provides that MRC describe how California consumers of mattresses will have convenient opportunities to recycle and properly manage their used mattresses, which is also covered here.

As required by the Act, California residents may drop off their discarded mattresses at no charge at a participating “recycler, renovator, mattress recycling center, permitted solid waste facility, authorized solid waste operation, or other municipal facility that accepts mattresses consistent with state solid waste regulations.” MRC ~~will post~~ on its consumer-focused website (byebyemattress.com) a list of such entities (as well as any other interested parties) that ~~notify MRC that they will~~ accept free drop-offs of discarded mattresses and that ~~are in compliance~~ with state and federal law, along with their location and hours of operation.

Convenience:

To ~~promote achieve Program convenience goals, ent participation in the Program,~~ MRC ~~will use~~ existing discarded mattress collection infrastructure (in the form of retailer take back and current solid waste collection mechanisms), supplemented as needed with local collection events and consumer incentive payment ~~locations~~. Each of these used mattress collection channels is discussed in further detail as follows:

- A consumer’s purchase of a new mattress often results in an old mattress being discarded. -The Act requires a mattress retailer to provide no-cost discarded mattress take back (~~offered by the retailer upon a consumer’s request~~) when it delivers a new mattress to a consumer. This requirement ~~has the potential to provide~~ a comprehensive mechanism for increasing the collection of discarded mattresses. To promote the recycling of these mattresses, MRC ~~will encourage~~ mattress retailers to participate in the Program.
- In addition to the retailer take back requirement, ~~many~~ California residents ~~that live in a participating municipality that offers no-may conveniently recycle mattresses through their normal municipal curbside cost curbside collection or no-cost charge drop off locations. waste site drop off services.~~ Participating municipalities ~~will~~ then provide the mattresses they collect to recyclers.
- Participation by a municipality in the ~~P~~program is voluntary, however. For residents whose municipal solid waste facility is not participating in the Program, MRC ~~will seek~~ to identify alternative drop-off options for area residents. These could include MRC-funded recycling events where residents may drop off their used mattresses free of charge.
- Finally, residents that do not participate in one of these collection channels may drop off their discarded mattresses at contracted recyclers ~~or other appropriate MRC contracted facility~~ and ~~may~~ receive a collection incentive, as discussed above.

~~In terms of MRC provides a discussion and analysis of the Pprogram’s timeline for implementing a convenient collection system in its annual report to CalRecycle.:~~

- ~~Since July 1, 2014, retailers that deliver a new mattress to a consumer must, at the consumer’s request, pick up a discarded mattress at the same time free of charge.~~

- ~~MRC expects to identify at least one free drop-off site in each county in California by December 31, 2016.~~
- ~~But participation by municipal or solid waste facilities or operations in the Program is voluntary. For those counties that are not served by a free drop-off site by the end of 2016, MRC will offer at least one MRC-funded community used mattress collection event annually.~~
- ~~Once the program is operational, MRC will annually evaluate the volumes of discarded mattresses collected through each of these channels throughout the state. If MRC finds that some geographic areas are underserved, MRC will consider establishing additional collection alternatives, including more no-cost mattress collection events, or consider possible partnerships with neighboring jurisdictions or host sites to provide collection opportunities.—~~

MRC ~~will~~ negotiate reasonable payments to be made to a municipal or solid waste facility or operation that agrees to accept discarded mattresses dropped off free of charge for accepting, collecting, storing, transporting, and handling such mattresses.

IMPACT OF ARTICLE XIII C OF CALIFORNIA CONSTITUTION:

- p. Ensuring that the impact of Article XIII C of the California Constitution is addressed for local governments participating in the program.

Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(p).

MRC understands that if a local government needs to increase the taxes, levies, charges or exactions that it collects from its residents related to the solid waste services it provides because MRC’s proposed Plan, as directed by the Act, requires the local government to incur new costs, it may be necessary for that local government to comply with the requirements of Article XIII C of the California Constitution.

It is important to note that a local government’s participation in MRC’s Program is entirely voluntary. Therefore, to the extent that a local government would incur any additional costs by participating in MRC’s Program, it may instead decline to participate in the Program, and thereby avoid incurring additional costs and triggering the impact of Article XIII C, if it so chooses.

In consultation with the Advisory Committee and other stakeholders, MRC has been cautious in developing this Plan ~~to avoid so as to not impose~~ mandatory obligations on local governments beyond those described in the Act, and to promote policies that should reduce the number of discarded mattresses (including illegally dumped mattresses) that local governments handle. For example, to reduce the number of mattresses picked up by solid waste services that are owned or operated by local governments, MRC ~~will~~ established processes for participating mattress retailers and large mattress purchasers (such as hotels, universities, military bases, etc.) to have their discarded mattresses delivered to MRC-contracted recyclers.

Additionally, California residents may deliver their discarded mattresses directly to recyclers and other facilities under contract with MRC free of charge. As discussed above, Section 42987.1(l) requires MRC also to compensate entities that local governments that volunteer to pick up illegally dumped mattresses and request compensation from MRC. MRC ~~will~~ also negotiates payment agreements with solid waste facilities, authorized solid waste operations, and other municipal facilities that, in accordance with applicable solid waste regulations, voluntarily accept used mattresses dropped off by individuals. These payments ~~will~~ compensate these entities for accepting, collecting, storing, transporting, and handling such discarded mattresses.

In none of these instances (or any other aspects of MRC's ~~proposed Plan~~), does MRC require local governments to incur any additional costs that could require them to increase the taxes, levies, charges or exactions that they collect from their residents related to solid waste services they provide, and as a result possibly trigger the requirements of Article XIII C of the California Constitution.

Advisory Committee Report:

- q. A report from the advisory committee, established pursuant to paragraph (3) of subdivision (a) of Section 42987, which includes a summary of the consultative process between the advisory committee and the mattress recycling organization during the development of the plan, as well as any other information deemed pertinent by the advisory committee to maximizing the recovery and recycling of used mattresses in the state.

~~Section Likewise, §18962(a)(2)(B) of the Regulations provides that the Plan respond to Section 42987.1(q).~~ The advisory committee's report is included in Appendix F-J.

The Act requires MRC to consult the advisory committee at least once prior to ~~submitting of~~ the Plan to CalRecycle. ~~MRC met with the advisory committee multiple times in person and by conference call. During these discussions, MRC examined a number of issues identified by the committee as critical to developing the Plan and the Program. As a result of those discussions, MRC adopted several of the committee's proposals and worked with the committee on two pilot projects, the results of which were useful in developing the Collector Incentive discussed in Section "k."~~ MRC expresses its appreciation to ~~all members of~~ its members' ~~their~~ time, support and cooperation during the conception, implementation and evolving development of the Program. ~~over the past year. MRC looks forward to further work with the committee after the Program is implemented. The committee's report details the consultative process.~~

Contingency Plan:

- r. A contingency plan in the event the department decertifies the mattress recycling organization, or a mattress recycling plan expires, is disapproved, or is revoked. The contingency plan shall describe how the plan objectives can be carried out, in accordance with subdivision (c) of Section 42989.3, in the absence of a plan, either by the mattress

recycling organization, or by the department through some entity such as an escrow company.

MRC's contingency plan is included in Appendix G.

Appendix A - Proof of Certification
Attach

Appendix B - Manufactures and Renovators
Attach

Appendix C - Brands and URNs
Attach

Appendix D - Mattress Retailers
Attach

Appendix F - Advisory Committee Report
Attached when received

Appendix G - Contingency Plan
Attach