



sanitation

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**Testimony of
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New York City Department of Sanitation**

**Joint Hearing before the New York State Senate and Assembly
Standing Committees on Environmental Conservation**

**Tuesday, October 24, 2023
9:30 A.M.**

Paper and Packing EPR

Good morning, Chairs Harckham and Glick. I am the NYC Department of Sanitation's Deputy Commissioner for External Affairs, and I write on behalf of the City and DSNY in support of S. 4246/A. 5322, to reduce waste from packaging and paper products and increase the diversion of waste from landfills.

These bills would create a statewide extended producer responsibility ("EPR") program for packaging and printed paper products. This program would shift some responsibility for end of life recycling or disposal of such products, which make up more than 30% of New York City's waste stream, to their manufacturers and sellers. New York City currently spends more than \$150 million per year in direct costs to collect and process recyclables. This bill would provide substantial revenue for New York City – and for municipalities and counties around the state – to defray these costs and support ongoing recycling collection and waste diversion efforts. These policies are critical to achieving the State's climate goals under the Climate Leadership and Community Protection Act.

With the largest municipal waste collection and disposal department in the state, the City serves approximately 8.8 million residents and collects more than 3.5 million tons of waste and recyclables annually. Residents sort traditional recyclables and place them curbside for Department of Sanitation ("DSNY") pickup. Over the last several years, the City has also implemented new programs and expanded services for non-curbside collected materials. Since the inception of the City's mandatory recycling law in 1989, recycling has been, and continues to be, a fundamental pillar of DSNY's operations, policies, and solid waste management strategy to reduce the City's carbon footprint. The City recognizes the immense benefits of recycling and the opportunities it brings to communities in the forms of sustainability and jobs.

The City plays only one role in a larger supply chain needed to achieve successful recycling and waste diversion. In recent years, changes to packaging manufacturing – including the increased use of non-recyclable multi-layered products and single-use plastic packaging – combined with

global market trends affecting the value of recycled commodities, have created substantial financial and operational challenges for agencies responsible for the recycling and disposal of packaging products and have highlighted the need for comprehensive action, which these bills would deliver.

The framework enacted by these bills would require that the upstream manufacturers and retailers of packaging and printed paper products play a much more significant role in waste diversion – by providing funding for collection and processing and by designing products that use recycled content, are more recyclable or reusable, and use less packaging overall. EPR systems reward manufacturers for products that use more recyclable materials through lower fees. Conversely, producers that manufacture unrecyclable or low-value products would pay higher fees for their detrimental effect on the recycling system. These fees would be collected by a separate, third party Producer Responsibility Organization, which would disburse them to local governments to strengthen their recycling systems, capture recyclables, and make investments in critical recycling infrastructure. EPR systems not only improve and increase the manufacturing of recyclable products, but also help the local governments responsible for collecting these products build thriving recycling systems that are more resilient against market fluctuations.

This approach provides much-needed reimbursement to local governments to help offset some of their solid waste costs, which only increased during the COVID-19 pandemic. New York City alone could receive \$150 million or more to defray its waste management costs each year. The City takes its role as a recycling and environmental steward of more than three decades seriously and with great pride. Maintaining control over existing infrastructure, which took years to build up, and continuing public outreach and education messaging are very important to the City.

More broadly, the City supports EPR programs that help create a more sustainable and resource-efficient economy for materials, including but not limited to paper and packaging. Producers should be responsible for covering a product's entire life cycle, not just its end-of-life. When producers internalize the environmental costs of their product (including raw materials processing, production, usage, and post-consumer take-back, recovery, re-use, or disposal), they are incentivized to improve packaging and product design and reduce their impact on the sorting process.

The City would like to note one important change to the proposed bills that would allow for further innovation in the recycling industry in the years and decades to come. The definition of "Recycling" in these bills currently excludes all forms of chemical recycling. While the City agrees that chemical recycling is a nascent market that deserves great scrutiny, the City believes that the final bill should include a regulatory approach to chemical recycling that would allow proven and tested forms of chemical recycling – those that have been shown to create new products and not just energy – to be considered as recycling for the purposes of the EPR program. The City recommends language similar to that included in the Governor's proposal (Part PP of S. 8008/A. 8008) or that included in the proposal sponsored last session by Senator Kaminsky (S. 1185-C).

Because the City has long been a leader in efforts to reduce, reuse and recycle its waste and for all of the above-stated reasons, the City strongly supports S. 4246/A. 5322, with the addition of the change reflected above.