

## Testimony of Ryan Merola, Deputy Commissioner 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 Legislative Office Building, Hearing Room C 9:30 A.M.

Packaging Reduction and Recycling Infrastructure Act

Good morning to the Chairs Senator Harckham, Assemblymember Glick and legislators on the dais. I am Ryan Merola, 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 / A.5322-A, to reduce waste from packaging and paper products and increase the diversion of waste from landfills. The City is submitting this amended hearing testimony as our original submission was erroneously written in support of an earlier version of the bill. This testimony reflects our position on the amended version, S.4246-A / A.5322-A.

These bills would create a statewide packaging reduction and recycling infrastructure act (PRRIA) or 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 (CLCPA).

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 City suggests a statewide needs assessment every five years to identify gaps in waste reduction and recycling capabilities throughout the state. We understand that the state has started on this and should not use this as an excuse to not adopt the bill into law. In addition, NYS Department of Environmental Conservation (DEC) must provide a minimum recyclables list for recycling programs, reducing variations in recycling rules across different jurisdictions. Producers should be required to evaluate how well they meet program requirements and provide implementation metrics, costs, and whether recycling targets have been met. Producers should also be required to help improve consumer awareness on recycling and reduce contamination through outreach activities, as well as align confusing recycling messaging across the state.

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. PRRIA 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. PRRIA 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 PRRIA 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.

We strongly support this bill as it frees up significant city taxpayer money to pursue other important projects and services The PRRIA is an important tool in creating an equitable and sustainable waste management system. The bill provides private sector investment to support, modernize, and expand recycling in New York, adding long-term resilience from a consistent funding source. The City believes this bill is the right approach as it strikes a compelling balance between environmental concerns and producer requirements.

Therefore, the City emphatically supports this legislation and believes it will help create a more economically resilient waste management system and contribute to New York State's legacy as a leader in sustainability. 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 /A.5322-A, with the addition of the changes reflected above.