



Northeast Region

**NWRA Testimony Before Joint Legislative Public Hearing on 2023
Executive Budget Proposal delivered by Lew Dubuque NWRA, New York
Chapter
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The National Waste & Recycling Association (NWRA) is a national trade association that is the voice for the private sector waste, recycling, and organics industry that is essential to maintaining the quality of life for all New Yorkers. The delivery of waste and recycling services impacts all residential, commercial, and industrial properties on a daily basis.

NWRA members:

- Collect, process, and manage waste, recyclables, organics, and medical waste
- Operate and manage landfills in compliance with all federal and state laws
- Manage and service truck fleets and collection vehicles
- Design, manufacture, sell and service equipment and supplies
- Provide engineering and consulting services

New York State Chapter members operate in every New York Community and employ more than 55,000 people who hold good paying jobs at an average \$56,982 annual income per employee. This also includes an annual \$2.6 billion state payroll and responsibility for \$10.4 billion in state revenues. Nation-wide, it is estimated that the private sector waste and recycling industry account for more than one million jobs and generate nearly a quarter of a trillion dollars in U.S. GDP.

We are here this morning to discuss Governor Hochul's Waste Reduction and Recycling Infrastructure Act. NWRA supports Governor Hochul's goal of improving the New York's recycling systems and reducing packaging waste. We also believe that any statewide extended producer responsibility ("EPR") program for all packaging materials and paper products should be designed to expand upon and improve the State's existing recycling system.



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However, statewide EPR programs, if not properly designed and implemented, have the potential to upend New York's existing recycling system, negatively impact long term innovation and investment, and do more harm than good when not enacted in a thoughtful manner that accounts for system wide effects and end market considerations.

While EPR MAY assist New York's entire recycling system, it will not solve many of the problems negatively effecting statewide recycling rates, such as contamination, confusion over what materials can be recycled, and inadequate markets for recycled materials. Moreover, EPR that fails to acknowledge the importance of creating demand for recyclable materials will simply add cost to an already stressed system, without achieving net environmental benefits.

Accordingly, NWRA believes that the following basic principles that must be met to achieve an effective curbside residential recycling EPR concept. These principles include:

1. **Protecting infrastructure investments:** Our members have invested hundreds of millions of dollars in collection and processing infrastructure in New York. EPR legislation should not permit local governments to abdicate control of recycling programs to producers and PROs, which may threaten the opportunities for further investments in the future.
2. **Participatory planning:** EPR program planning and operation must include a collaborative approach involving a broad range of stakeholders including cities, counties, solid waste collectors, and recyclers.
3. **Local control:** It is vital that local governments have a voice in deciding how waste and recyclable materials are collected.
4. **Needs assessment:** A needs assessment conducted by an independent third party is a prerequisite to any effective EPR legislation in order to identify strengths and gaps in New York's recycling system and provide guidance regarding feasible, effective recycling rates, and the appropriate cost reimbursements for recycling services.
5. **Formulaic funding:** The EPR funding process must be publicly disclosed, informed by the results of the needs assessment, and cannot be solely controlled by producers. Funding must be established according to a formula, which could be as simple as a set fee paid per household or ton of material collected.
6. **Realistic implementation timelines:** Sufficient time must be allotted for the completion of the needs assessment, and the timeline for drafting and revising PRO plans must be sufficient for stakeholders to provide, and producers to incorporate, meaningful feedback.



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7. Protection of existing contracts: EPR legislation should include language explicitly stating that its passage will not invalidate any contracts predating the enactment of the legislation.

There are currently three different EPR proposals floating around Albany today, and they all differ in significant ways, and no single proposal fully captures all the elements necessary for the implementation of a successful statement EPR program for packaging and paper products. Harmonizing the concepts reflected in the three legislative proposals will likely be a difficult task, given the complexities and economics of New York's recycling programs and the conflicting priorities of the stakeholders whose interests will be impacted by the implementation of a statewide EPR program.

However, simpler, alternative interventions to increase recycling rates and support local end markets exist. Instead of establishing EPR programs run by producers, a simpler and more effective solution would be setting post-consumer content standards for materials including plastic, glass, and paper packaging and containers. Such standards will create more robust markets for materials recovered through existing recycling programs, thereby supporting their use for manufacturing into new products and packages.

For many years, legislative bodies at the State, county and local levels have adopted bans on the sale of certain materials and set recycling and reuse goals, but very little has been done to create markets for recyclable material. As a result, the costs of recycled materials remain high, and producers have little incentive to purchase and use recycled materials in their products when virgin material costs less. Strengthening end markets for recycled materials will encourage, rather than disrupt, the recycling industry's ongoing plans to invest in new processing and collection infrastructure and innovation throughout the state.

In fact, last year, New Jersey Governor Phil Murphy signed into law a bill establishing postconsumer recycled content requirements for plastic, glass, and paper containers, packaging materials, and trash bags. Adopting guidelines that mirror New Jersey's would jumpstart demand for recycled materials throughout the area and could ultimately inspire nationwide recycled content standards, while protecting New York's existing recycling programs and infrastructure.

I thank you for your time today, and look forward to continuing our collaborative work together to keep New York one of the nation's leaders in recycling and waste diversion programs.



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