

February 1, 2022 NY State Budget Forum

RE: Governors FY23 Executive Budget, Title 33, Extended Producer Responsibility Act

Honorable Senators and Members of the Assembly:

On behalf of the New York Product Stewardship Council (NYPSC), please accept this written testimony endorsing Governor Hochul's inclusion of Packaging and Printed Paper EPR in the 2022 Budget.

Since 2009, NYPSC has led a growing coalition of public, private, and nonprofit organizations in a sustained effort to transform New York's solid waste management system from a taxpayer-dependent model to one based on product stewardship – a system that reduces public costs, incentivizes product design changes, and drives economic and job growth. NYPSC played a central role in the development of New York's five product stewardship laws for electronics, mercury thermostats, rechargeable batteries, pharmaceuticals, and paint.

My name is Dawn Timm, Chair of the New York Product Stewardship Council, and have served the Western New York community as the Director of Environmental/Solid Waste for Niagara County for nearly 14 years. I'm grateful for the opportunity to submit written testimony today. Specifically, I would like to commend Governor Hochul for demonstrating strong leadership in addressing our statewide recycling crisis. Engaging the producers of packaging and printed paper is an essential step in correcting the many issues that plague recycling services provided to New Yorkers.

Local recycling programs have been on the ropes for years, which is evident in our decade's long stagnant recycling diversion rates. Across the state, local programs have struggled with insufficient revenue to cover the costs of recycling. In fact, local programs are faced with expenses to manage recycling that are greater than disposal. Additionally, severe market volatility has impacted budgeting that has led to cuts or restriction of recycling operations. These challenges underscore the deficiencies in our statewide recycling infrastructure, which is outdated and in need of investment and modernization.

Packaging and Printed Paper EPR engages consumer product manufactures to assume responsibility for their products at the products end-of-life and will also incentivize manufacturers to: 1) reduce packaging; 2) increase the packaging's recycled content, and 3) make the packaging easier to recycle.

The New York Product Stewardship Council encourages several essential changes to strengthen this proposal:

- 1. Inclusion of a Convenience Standard: Our concern is that absent a convenience standard, we may miss the target of enhancing accessibility to underserved communities.
- 2. Inclusion of a Statewide List of Recyclables: A standard, uniform list of acceptable materials will compliment a uniform approach to education, promotion and outreach.
- 3. Inclusion of Goals and Targets: We encourage the establishment of meaningful Minimum Post Consumer Content Rates, Waste Reduction Targets, Recovery Rates and Minimum Recycling Rates set in statute with guidance for continued improvement.
- 4. Rethink Activity Based Costing: We encourage revision of references to "Activity Based Costs" and replace with terminology that reimburses based on a formula or actual expenses. It is risky to expect proprietary cost data will be broadly shared to achieve "Activity Based Costs" as written.
- 5. Clearly define the roles of municipal governments. The addition of a section explaining the rights and responsibilities of municipalities, such as electing to maintain their current operations and elect for reimbursement (opt-in), elect not to participate (opt-out) or discontinue services and leave the PRO to ensure services are provided (and consistent with the Convenience Standard).

In closing, absent of any legislative intervention the cost of recycling is going to continue to increase, our recycling rates will not budge and underserved communities will remain underserved. We need to look at ways to reduce expense and expand recycling access and we have the answer in Packaging and Printed Paper EPR.

Respectfully,

Dawn M. Timm, Chair

New York Product Stewardship Council

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