



2022 Joint Legislative Budget Hearing  
Environmental Conservation

WRITTEN TESTIMONY

The New York Wine Policy Institute is pleased to provide this written testimony to the 2022 Joint Legislative Hearing on behalf of the New York wine industry, which presently comprises over 480 licensed wineries and some 35,000 acres of vineyards. Our comments are specifically focused on Governor Hochul's proposed Extended Producer Responsibility Act included as Title 33 in the Executive Budget.

The New York Wine Policy Institute has already expressed its members' concerns about previously proposed EPR bills during the last legislative session. Given the sheer scale of this new recycling policy, we continue to believe that any new legislation should start with a sound understanding of the status and recycling needs of different packaging, and that the state take time to seek input from various stakeholders, including the New York wine industry, so that the negative impacts on small businesses in our sector and others might be mitigated.

We offer the following general comments:

**Process:**

A policy reform of this magnitude and complexity, with its considerable cost implications for businesses and consumers, and its significant impact on the state's economy, should be subject to expert review and input, stakeholder feedback, and a careful cost-benefit analysis of its provisions. We were pleased to see that the Governor recognized the importance of analysis by calling for a comprehensive needs assessment first in her proposal. However, her proposal for 2022 should stop there rather than outlining a rigid timeline for the establishment and implementation of EPR programs. Indeed, we noticed that the proposed timeline was so hastily constructed that PRO plans must be submitted to the Department by April 1, 2025. But to be acceptable they must show adherence to Department regulations that are not expected to be adopted until October 1, 2025, six months later.

Rather than rushing a confusing and impractical proposal into law, spending the extra time to develop an effective and workable approach the first time will not only mitigate the effort and resources needed for subsequent amendments, but will elicit greater acceptance and compliance from the start by the sectors involved. Although it accounts for a relatively small percentage of the "covered material" packaging by itself (estimated at only 1/3 of one percent of the waste stream), the New York wine industry stands ready to engage with its colleagues from other industries a cooperative effort to develop an EPR law that will achieve the state's recycling and ecological goals without creating unnecessary burdens for small agricultural businesses.

**Clarity:**

One of the major concerns about the proposed legislation is its sheer complexity, with ambiguous definitions, technical jargon, and layers of rules and requirements. It may be relatively easy for large consumer product companies to assign teams of specialists to wade through the language and translate it into procedures that meet the state's expectations. But the small agricultural businesses that have tried to understand the practical implications of the law are for the most part confused and concerned about what needs to be done to comply. Is it simply a matter of paying a Producer Responsibility Organization whatever fee might be set for glass bottles? Case packaging would seem to be an obvious material on the covered list, but are other packaging materials such as corks, screwcaps and wire enclosures included, and if so, how will the fees for each material be set? Additionally, while many producer responsibilities were delineated, including a requirement to pay for education and outreach, there was no indication of any expectations of consumers in helping to improve packaging recycling rates. Do consumers bear any responsibility?

**Cost:**

Among the most important questions to resolve during an extended EPR law development period are the costs involved for the businesses concerned. Similar to the costs of compliance, it may be quite feasible and even easy for large companies to factor in the expenses associated with the EPR legislation, but for small wineries and agricultural businesses that are operating at tight margins it is essential to determine some fee pricing parameters as part of the legislation. It is interesting to see that the proposed law provided a list of items that should be covered by the PRO fees, including the cost of collection and processing of packaging materials, education and outreach, administration, market development and infrastructure improvements. Although no attempt was made to elaborate what the fees might be, the proposed law was very clear about the amounts that could be assessed as penalties for noncompliance.

Members of the New York Wine Policy Institute understand the need for policy measures to address the growing challenges posed by packaging waste around the world. We believe that any new measures must be supported by a thorough assessment of needs and a rigorous cost-benefit analysis. And despite our industry's small size, we certainly agree that we can and should play a role in developing solutions. To do that, the state must recognize the importance of involving all stakeholders on this issue and, in particular, accept private sector input so that the final legislation will be practical, effective and supported by those charged with its implementation.

We appreciate this opportunity to provide our testimony to the 2022 Joint Legislative Budget Hearing and we would welcome any request to elaborate our views on specific provisions of the proposed Extended Producer Responsibility Act.

Respectfully submitted by:

New York Wine Policy Institute, Inc.

P.O. Box 44, Hector, NY 14841-0044

[info@nywpi.org](mailto:info@nywpi.org), [nywpi.org](http://nywpi.org)