

January 30, 2023

The Honorable Bob Smith
Chairman
Environment and Energy Committee
Committee Room 1, 1st Floor
State House Annex
Trenton, NJ 08625

Re: Comments on the Committee Substitute for S. 426, The Packaging Product Stewardship Act

Dear Chairman Smith and Members of the Committee:

On behalf of the Glass Packaging Institute (GPI), I offer the following comments for the Committee substitute for S. 426, legislation to create an Extended Producer Responsibility (EPR) Program for packaging and printed paper, which was discussed at the Committee earlier this week.

GPI is the North American trade association for the glass food and beverage manufacturing companies, glass recycling and other partners and suppliers to the industry. The industry works closely with local and state governments throughout the country on issues surrounding sustainability, recycling, energy and greenhouse gas emissions goals and mandates. The industry operates one glass container food and beverage plant in the state (Ardagh Glass, Bridgeton).

GPI believes the substitute is a step in the right direction and we commend the Chairman on two concepts that have been incorporated into the bill language that often go overlooked.

• Throughout the Committee substitute the bill asks producers to report, and many of the bill's measurement provisions are done by volume, rather than merely by weight. This is an important advancement that begins to understand that the volume of packaging is as or more important than the weight of the packaging, when it comes to understanding the impact on the waste management and recycling system. We urge you to maintain this focus on volume, which can mean weight and number of units. Participating recycling systems should have a clear understanding and an assurance that EPR will not result in a multiplication of packaging units needing to be sorted and sold to end

markets. This is one of the greatest challenges facing recycling at the moment, and all EPR programs should avoid exacerbating this issue.

Second, is the needs assessment and budget studies to be undertaken by the
Department, especially p. 5 f(7), which examines the efficiency of separate clean
streams of collection. This is a critical issue to study when considering EPR, as the
shift in financing of the system requires municipalities to not simply choose the
lowest cost provider for collection. All recyclables are not created equally, and it
may be more efficient overall to collect some material separately.

There are several other issues that we believe need to be addressed or clarified to improve the program.

• Page 2- the material being included is across the whole waste system, primary, secondary, and tertiary material. In the hearing, there was witness testimony recommending the Committee limit the program to "residential" only. We would push back on the idea that it should be limited to "residential" systems exclusively, and suggest a way to include, at a minimum, consumer material that is commonly recycled at through traditional residential recycling systems, that also is sold at retail hospitality venues where large volumes of packaging are used and discarded by consumers.

The definition of commercial does not need to include office buildings, warehouses, and factories, but if consumer packaging is discarded at a location, such as stadiums, resorts, and dining venues, that material is the same material as the residential material.

Inclusion of that recovery scope does not necessarily make those venues producers, it merely covers the packaging they sell into the marketplace and recognizes that traditional divisions of residential and commercial recycling are often blurred in places where the consumer public intersects with retail establishments and public events venues that may not be traditional "public space" (parks, beaches, etc.). Simply stated – the glass industry needs the bar and restaurant glass recovered, if we are going to meet the requirements laid out in the legislation.

- Page 3 The small producer exemptions should relate to amount of product produced (either through volume or units, or a combination of the two), not the weight of packaging produced.
- Page 4 within the needs assessment, there is a section (d) which suggests studying innovative technology needs in sorting facilities in the state. This study should be extended to the lack of basic equipment in New Jersey, required to sort all the state's recyclables. We have found that few MRFs in the region have

necessary and basic equipment used to properly sort recycled glass, which, if utilized, would result in lower contamination rates and more usable recyclable glass (and other covered packaging commodities).

• In the same section, letter (h), we recommend adding a study and reporting on the "outbound" contamination coming from the state's sorting facilities to the secondary end markets, not merely "inbound" contamination. Often, waste haulers like to focus on inbound contamination by residents, blaming residents for the majority of contamination issues.

This is an over-simplification of the issue. There exists standard equipment that is necessary, and practices that are chosen by sorting facility operators that have a tremendous impact on the resulting quality of the recyclables sorted, and therefore, value of the materials flowing through their systems.

 Page 7 - Source Reduction is a critical area that needs to be addressed is the scope of "source reduction". Producers are going to have a difficult time source reducing single-use plastic packaging if they must also reduce alternatives. If the aim of the bill is primarily to source-reduce plastic packaging, then we recommend that the bill language restrict that section to "single-use plastic packaging".

GPI and its member companies look forward to additional opportunities to engage with and provide input to the Committee and the legislature on S. 426.

Thank you for your consideration of our comments.

Sincerely,

Scott DeFife President

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