ASSEMBLY SCIENCE, INNOVATION AND TECHNOLOGY COMMITTEE

STATEMENT TO

ASSEMBLY, No. 3726

with committee amendments

STATE OF NEW JERSEY

DATED: MAY 16, 2019

The Assembly Science, Innovation and Technology Committee reports favorably and with committee amendments Assembly Bill No. 3726.

As amended and reported, this bill requires that certain generators of solid waste are to separate and recycle food waste. The bill also amends the definition of "Class I renewable energy."

Specifically, under the bill, beginning January 1, 2020, every large food waste generator that is located within 25 road miles of an authorized food waste recycling facility and that individually generates an average projected volume of 104 or more tons per year of food waste at each establishment or location owned or operated by the large food waste generator is required to: 1) source separate its food waste from other solid waste; and 2) send that source separated food waste to an authorized food waste recycling facility that has available capacity and will accept it. Beginning January 1, 2023, a large food waste generator that individually produces an average projected volume of 52 or more tons per year of food waste at each establishment or location owned or operated by the large food waste generator is to comply with these requirements.

Under the bill, if a large food waste generator is not located within 25 road miles of an authorized food waste recycling facility, or the facility will not accept the generator's food waste, the generator may send the food waste for final disposal at a solid waste management facility. In addition, a large food waste generator is to be deemed in compliance with the bill if the generator: 1) performs enclosed, on-site composting, or anaerobic or aerobic digestion of its source separate food waste; or 2) recycles food waste using an alternative authorized food waste recycling method. The bill authorizes a large food waste generator to petition the Department of Environmental Protection (DEP) for a waiver of the recycling requirement if the transportation cost together with the fee for recycling is at least 10 percent more than the transportation costs and disposal fee for noncontract commercial solid waste disposal. The bill provides that a large food waste generator will be deemed to be in compliance with the bill if it sends its food waste for final disposal to a sanitary landfill facility that delivers the landfill gas to a gas-to-energy facility as fuel for the generation of electricity.

Any person who violates the bill is subject to a civil penalty of \$250 for the first offense, \$500 for the second offense, and \$1,000 for the third and subsequent offenses. If the violation is of a continuing nature, each day during which the violation continues is to constitute a separate offense.

Under the bill, the DEP is to be required to adopt certain regulations necessary for implementing the bill. The DEP is required to publish on its Internet website the name, location, and contact information for each authorized food waste recycling facility in the State. The bill also provides for a local economic benefit payment to be paid to any municipality that hosts a facility approved to accept food waste.

The bill establishes the Food Waste Recycling Market Development Council (council) in the DEP. The council is to consist of 12 members including the Commissioner of Environmental Protection, the President of the Board of Public Utilities, the Commissioner of Transportation, the Secretary of Agriculture, the State Treasurer, and the Attorney General, or their designees. The council is to prepare a report on the existing markets for any products and energy produced from food recycling facilities, food waste composting facilities, and anaerobic and aerobic digestion facilities that accept food waste material. The council is required to provide recommendations on changes needed to State laws, rules, or regulations to stimulate the market for products and energy produced from food recycling facilities, food waste composting facilities, and anaerobic and aerobic digestion facilities that accept food waste material.

The bill requires State departments and agencies to use, where technically feasible, environmentally sound and competitively priced compost, mulch, or other soil amendments produced from municipal solid waste, food waste, sludge, yard waste, clean wood waste, or other similar materials. The bill amends the definition of "Class I renewable energy" to include electric energy produced from methane gas from a composting or anaerobic or aerobic digestion facility that converts food waste or other organic waste to energy.

COMMITTEE AMENDMENTS:

The committee amended the bill to clarify the definition of "food waste" and to add to the definition of "large food waste generator" that a large food waste generator is to produce at least 52 tons per year of food waste at each establishment or location owned or operated by the large food waste generator.

The amendments also specify that a large food waste generator that individually produces a certain tonnage of food waste per year at each establishment or location owned or operated by the large food waste generator is subject to certain provisions of the bill.