APPENDIX
Open Space Implementation Bill
Discussion Points

DEP development money

First of all – we heard you. Many, many of you said that DEP development funding should stay at the same level as before, and this draft does that. Before, there was funding in the annual appropriations act for DEP to get 15 percent of the environmental dedication for open space development. If we assume that the environmental dedication brings in $100 million for purposes of illustration, then DEP generally gets about $15 million. We converted this 15% of CBT into a percentage of the new open space dedication, so that if the environmental dedication is $100 million, DEP continues to get $15 million. If it is higher, as it is in the current fiscal year, DEP gets a little more, and if it is lower, DEP gets a little less.

On a personal note – I was a prime sponsor of the CBT dedication for open space development back in 2006. We knew the State parks needed funding and we took care of it. I propose today to keep funding the State parks, but everyone in this room should be aware that there is less open space money today than there was in 2006, and this funding for State parks means less money for other open space purposes.

What percentages to use

Some of you asked that the allocations be the same as in the 2009 bond act, which was the last money we had for open space. This would not work, because in the past we have had two pots of open space money – the bonds acts and the CBT dedication for open space development. When you combine those two pots together, you see that DEP was getting a larger share of the open space money than what was reflected in the 2009 bond act. The conversion is difficult because the bond acts represent multi-year funding while the CBT dedication was an annual amount, but this draft does reflect a greater DEP share.

Lease and conveyance revenue

We received many cards and letters about letting the State parks keep their lease and conveyance revenue. This was always my intention, and this is in the bill. Please understand that the only reason we dedicated the lease and conveyance revenue in the Constitution was to ensure that it never went for a non-open space purpose.

Stewardship

This draft divides the funding along traditional lines – acquisition and development. We put stewardship as a component of development. One reason for that is that when I look at the definition of development, it looks a lot like stewardship. I don’t think we have a clear distinction right now between the two concepts. Maybe the best way of looking at it is that stewardship is enhanced, really good development. But for now, I am not
comfortable with setting up two distinct categories. A second reason for combining these concepts is that I want the maximum flexibility. As we move forward into an open space world with restricted dollars and a new stewardship mandate, I think it is important that we give the agencies the flexibility to figure out what stewardship is and how it should be funded.

There is substantial money in this bill dedicated to stewardship. Most of the stewardship funding goes to the DEP, but there is some earmarked for local governments and nonprofits, and some for farmland preservation.

Four year program

This bill sets up the allocations for the next four years. In Fiscal Year 2020 there will be an increase in the constitutional dedication for open space, and at that point we will need to reassess how the money is allocated. I fully expect these four years to be a period of trial and error. I expect that we will figure out how to wisely spend these limited sums, which are not all that limited because the constitutional dedication is forever. If I can mix metaphors just a bit, with open space funding we will be on a diet, but we will no longer have these periods of booms and bust.
Proposed Annual Green Acres Funding
(Assuming open space dedication = $71 million and Green Acres dedication = $45,440,000)

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<tr>
<th></th>
<th>Percent of Green Acres Funding</th>
<th>Sub-allocation percents</th>
<th>Sub-allocation amounts</th>
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<tr>
<td>State Acquisition</td>
<td>22% (40% of 55%)</td>
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<td>State Development</td>
<td>33% (60% of 55%)</td>
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<td>Fish &amp; Wildlife stewardship</td>
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<td>Parks &amp; Forestry stewardship</td>
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<td>Other state development</td>
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<td>Non-profit</td>
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<td><strong>Total</strong></td>
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<td>Former CBT dedication (annual)</td>
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<td>Proposed Green Acres Distribution (annual)</td>
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<tr>
<td>Proposed total amounts (annual)</td>
<td>$45,440,000</td>
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| 2009 Bond Act funding (annual) | $218,000,000 |
| 2009 Bond Act percent          | 54.5%        |
| Blue Acres                     |              |
| - State                        |              |
| - Acquisition                  | $110,000,000  |
| - State Dev                    | $18,000,000   |
| - Farmland Acq and Dev         |              |
| - Local Acq and Dev            | $24,000,000   |
| - Non-profit Acq and Dev       |              |
| Historic Preservation          |              |
| Total                          | $45,440,000   |

Assuming environmental dedication = $100 million and open space dedication = $71 million
1. John R. Purves. I have been a legal and technical consultant to the solid waste and recycling industry for over 25 years. In addition I have also worked for the USEPA, NJDEP and county government in the development of environmentally related facilities for approximately 10 years before that. I represent many companies in this field in New Jersey and have been responsible for assisting these companies in obtaining local, county, state and federal approvals. Currently, I represent in New Jersey companies that are seeking to obtain Class A, Class B, Class C and Class D General Permits as well as companies engaged in solid waste disposal in the State.

2. I currently represent Magnum Computer Recycling in Camden County. I have been involved in seeking all approvals for this company to operate as a Class D Recycling Center, which allows the company to recycle electronic wastes in the State. The company has operated for over eight years as a recycler of E-Waste and has been the mainstay of recycling E-Waste for seven counties in Southern New Jersey (Burlington, Atlantic, Cape May, Cumberland, Salem, Gloucester and Camden).

I have been invited to speak to this Committee today because of my expertise in the development and operations of these facilities and the problems facing this industry today.

3. In 2008 this Legislature passed the New Jersey Electronic Waste Recycling Act. In short the purpose of the Act was to ban the disposal of Electronic Waste (actually Covered Electronic Devices) in solid waste disposal facilities (landfills, incinerators, transfer stations that transfer waste to disposal facilities). In addition, it was the intent of this Act to require manufacturers of electronic devices to “take back” these products and recycle these items in a manner that was “free and convenient” to the consumer of these products. What this meant simply was that manufacturers directly or through their agents and brokers would pay for the recycling of these items after the consumer had brought the items to a collection point. In many cases, consumers brought them to locations such as a Goodwill Store. However, most of these E-Waste items were brought to municipal and county facilities and consolidated into larger quantities. Municipalities and counties then contracted with electronic waste recyclers to pick-up, remove and recycle the E-Waste. It was the intent of the law for the E-Waste Recyclers to do so at no cost to local and county government.

4. The implementation of the Act began in 2009. It was relatively easy to implement the law because New Jersey had in-place a complete collection and recycling industry as a result of the development of many Class D Recycling Centers. The recyclers already existed. Things went smoothly for many years. In fact, I was personally involved with my client, Magnum, in the need to relocate and permit a much larger
operation in Camden County to handle all of the additional recycling that was taking place.

5. By the Fall of 2013 things began to change. Manufacturers were beginning to lower their price for the acceptance from the Class D recyclers of the E-Waste. This continued into 2014 as well as the lowering of the commitment of the amount of materials “taken back” by the Manufacturers. Under the law, manufacturers are required to “take back” the amount of E-Waste identified in their plans submitted to the NJDEP and certified by the Department.

This today is not happening. We are into the second month of 2015 already, and two things are taking place.

(1) Class D facilities, those very facilities that local and county governments rely upon to collect and recycling E-Waste have not received the necessary commitments from the manufacturers to “take back” the collected E-Waste for 2015.

(2) As a continuation of the position of manufacturers and their agents that began in 2013, they are providing a fraction of the payments to recyclers that are necessary to collect and recycle E-Waste.

In other words, the reduction in payment by Manufacturers to recyclers is forcing the recyclers to charge local and county government for this service and that is not the intent of the law.

6. As a result of changes over the past year and a half, and the changes noted above the following is now occurring:

(A) Class D facilities are struggling economically and may close. (Most have reduced their workforce already and this is only the beginning).

(B) Manufacturers and/or brokers are lowering prices to be paid to recyclers for Covered Electronic Devices (“CED’s”) and the costs are being passed onto someone.

(C) Scrap yards are accepting components of CED’s that have had the valuable component or selective part of the CED removed, and are improperly disposing of the valueless component, thus creating unintended environmental concerns.

(D) Class D facilities which can no longer get Manufacturer’s to accept materials are notifying counties that they cannot accept any more materials (Manufacturers are claiming they have met their annual obligation).

(E) Class D facilities now need compensation from counties and municipalities for CED’s that now cost money to collect, transport and process and by which Manufacturers are not paying sufficient compensation to cover the costs of the recycling facilities.

(F) Due to lack of funds, counties and municipalities may shut down their E-waste programs. (some counties have already cancelled collection events).

(G) The infrastructure developed in NJ for acceptance/storage/processing and recycling of E-waste is about to collapse. Illegal dumping is now a major problem in many of the counties.
7. What next? The current law needs to be amended to place the responsibility on Manufacturers of electronic devices to “take back” their electron waste at their cost and to do so in an unlimited manner. The following are the principal needs for the industry.

1. Unlimited weight that authorized electronic recyclers will get compensated for (whatever is collected gets paid for)-direct model with manufacturers.

2. Regulations and fees for in-state and out-of-state recyclers are the same. (recyclers held to the same standards and pay the same fee).

3. Fair and reasonable prices to be paid to authorized electronic recyclers (2 types - separation and recycling fees).

4. Additional items to be included as a "covered electronic device." (broader definition-example printers and fax machines).

5. Additional clients to be included (expand definition of a “consumer”-ex. State and local govt., K-12 schools, etc.).
ELECTRONIC WASTE RECYCLING ISSUE

WHITE PAPER

JUNE 2014
ELECTRONIC WASTE RECYCLING ISSUE
JUNE 2014

OUTLINE

(1) Broad Summary of Electronic Waste Recycling Issues
(2) Summary of Current Problems
(3) Impact to Counties/Municipalities/Recycling Facilities
(4) Suggested Solutions/Options
(5) Amendments to Law
(1) **Broad Summary of Electronic Waste Recycling Issues.**

New Jersey has passed the “Electronic Waste Management Act.” (N.J.S.A. 13:1E-99.94 et seq.), which requires manufacturers of electronic devices to “take back” or recycle this equipment in order to sell their products in New Jersey. Soon after the implementation of the law, Original Equipment Manufacturers (“OEM’s”), counties, municipalities and recycling facilities began working together. Up until the Fall of 2013 the law was working as intended and the economic structure was satisfactory to the industry.

In the Fall of 2013, Class D Recycling Centers (“Class D recycling facilities”), who have been the primary “recyclers” of electronic waste (“E-waste”), defined as “covered electronic devices” (“CED’s”) in New Jersey began having disruptions in the ability to market the material accepted and processed by their facilities. Manufacturers, that are required to “take back” their portion of the CED’s, began to limit the quantity of material accepted and reduced the amount paid to recyclers for the material.

As a result, the recycling facilities (almost exclusively Class D facilities) began to have storage problems due to their inability to move material back to the OEM’s and the price paid to the recyclers was below the costs of collection, storage and processing of the material. Counties in New Jersey are now faced with four unacceptable options: (1) having no outlet for the material because recyclers cannot take addition material into warehouses that have reached their permitted capacity; (2) stockpiling material because recycling facilities are full; (3) increased price paid to recyclers if the County can find distant recyclers to accept it; or (4) shutting down their programs.

The Class D recycling facilities are facing extreme economic harm due to having accepted CED’s from municipal and county programs and having no outlet for the material and/or receiving unrealistically low payment for the material.

We are facing a situation where county and municipal programs and the recycling of electronic waste may be terminated. Additionally, the basic infrastructure built in New Jersey for the collection and recycling of e-waste will close down; namely the Class D facility business.

(2) **Summary of Current Problems.**

The “E-waste” Act was designed to place the responsibility on manufacturers to “take back” or recycle certain electronic components by establishing collection and recycling requirements for manufacturers of covered electronic devices (“CED’s”). The implementation of the law was meant to establish a “Free and Convenient” system utilizing manufacturers to recycle the waste they produce and remove harmful materials from disposal in landfills and incinerators.

In 2013 this began to change. By the Fall of 2013 manufacturers began accepting less CED’s from recycling facilities and paying less. OEM’s had been paying recycling facilities sufficiently to cover the facility’s costs but much less by the end of the year. The direct result is that recyclers of e-waste either cannot accept any more material or they have to charge the county for collection, transportation and processing of the material.
In summary, the following is happening:

• OEM's now are not accepting CED’s from some recycling facilities in New Jersey, which have accumulated significant material from county and municipal programs over the past year.
• OEM's are holding back contracts for CED’s or only offering month to month contracts, thus preventing recycling facilities from knowing whether or if they will have any market for their warehoused material. (For instance, one facility has received a commitment from OEM’s for 5.5 million pounds for 2014, but orders to-date for only 1.0 million pounds.)
• OEM’s have drastically reduced the price they pay to recycling centers for the CED’s, rendering the business of E-waste recycling unprofitable.
• OEM’s are being selective about what materials they accept, again making it difficult for recycling facilities to operate.
• OEM’s, or their agents, are utilizing brokers in NJ, instead of dealing directly with the recycling facilities, hurting the infrastructure created in the State.
• Class D facilities have significant costs in NJ to maintain registration (approx. $20,000 per year). Out of state brokers have none. The playing field is not level

(3) Impact to Counties/Municipalities/Recycling Facilities.

As a result of changes over the past year and the changes noted above the following is now occurring:

(A) Class D facilities are struggling economically and may close. (Most have reduced their workforce already and this is only the beginning).
(B) Manufacturers and/or brokers are lowering prices to be paid to recyclers for CED’s and the costs are being passed onto someone.
(C) Scrap yards are accepting components of CED’s that have had the valuable component or selective part of the CED removed, and are improperly disposing of the valueless component, thus creating unintended environmental concerns.
(D) Class D facilities which can no longer get OEM’s to accept materials are notifying counties that they cannot accept any more materials (OEM’s are claiming they have met their annual obligation).
(E) Class D facilities now need compensation from counties and municipalities for CED’s that now cost money to collect, transport and process and by which OEM’s are not paying sufficient compensation to cover the costs of the recycling facilities.
(F) Due to lack of funds, counties and municipalities may shut down their E-waste programs. (some counties have already cancelled collection events).
(G) The infrastructure developed in NJ for acceptance/storage/processing/recycling of E-waste is about to collapse. Illegal dumping is now a major problem in many of the counties.
(4) **Suggested Solutions/Options.**

The following solutions are suggested by the industry:

(A) Require that only certified facilities accept CED’s for distribution back to manufacturers. Class D Recycling Centers have already been “vetted” by the State and adding the requirement of “R2” or “eSteward” certification for other facilities could assure the State that material is being properly handled. This would also allow for better reporting and accounting of all E-waste being recycling on a timely basis.

(B) Require OEM’s to commit upfront to amounts of materials to be collected and to accept material on a continual basis throughout the year. Now OEM’s hold back to the end of the year, preventing Class D recyclers from the ability to plan for their processing and distribution of material. (an additional facility has a commitment for 1.0 million pounds for 2014 and no orders yet, almost halfway through the year).

(C) Remove pre-set “market share” amounts that OEM’s must take back. Follow Connecticut or “similar” model that requires manufacturers to “take back” all of their product plus some percentage of “orphan material.” (PA and NY are experiencing the same problem as NJ for the same reasons. Connecticut appears to have found the proper solution).

(D) Provide for proper compensation to recyclers for the cost of this service. Class D recyclers cannot accept material if they are losing money. Now that OEM’s and brokers have slashed the payment of CED’s, then there must be a method for payment for the service of collecting and processing this material.

(E) Add additional components to the definition of CED. For example, printers, keyboards and other peripherals should be added.

(5) **Amendments to Law.**

To follow.
Jan. 29, 2015

Senator Bob Smith
216 Stelton Road
Suite E-5
Piscataway, NJ 08854

Dear Senator Smith,

As a result of our December 3rd meeting with you and recycling industry representatives, draft legislative language has been recently submitted to you regarding the Electronic Waste Management Act.

We are writing to you to indicate our support for the changes proposed by the recycling industry representatives. We believe these changes will correct the problems that our Municipal and County members are currently experiencing. Specifically, the legislation would change New Jersey's program to be similar to that which exists in Connecticut. This would mean that any government agency that wished to collect electronics from residents would be guaranteed a vendor to service their program at no cost.

ANJR remains ready and willing to assist with the necessary legislative changes and we look forward to working with you.

Sincerely,

Dominick D'Altilio
President
February 5, 2015

Senator Bob Smith
216 Stelton Road
Suite E-5
Piscataway, NJ 08854

Dear Senator Smith,

On behalf of the Association of New Jersey Household Hazardous Waste Coordinators (ANJHHWC), I am writing to express support of the changes proposed by the recycling industry representatives regarding New Jersey’s Electronic Waste Management Act.

As you are aware, the recycling of electronic waste has become increasingly more difficult and more costly to municipal and county governments. ANJHHWC representatives have met with the New Jersey recycling industry and other county coordinators and support the efforts in the State to promote changes to the legislation and to develop a model program. New Jersey’s e-waste legislation is flawed and we feel these amendments will serve to rectify those problems.

We look forward to working with the Legislature to amend the current Act to provide a free program to local governments that may wish to collect electronic waste from their residents.

Thank you for addressing the Electronic Waste crisis in New Jersey.

Sincerely,

Daniel Napoleon, President
ANJHHWC
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February 9, 2015

Re: S-2424, Requires municipal land use plan element of master plan to address smart growth and storm resiliency, and environmental sustainability issues

Dear Members of the Senate Environment and Energy Committee:

The League respectfully opposes S-2424, which would require the land use element of a municipal master plan include a strategy statement regarding smart growth, storm resiliency, environmental infrastructure and environmental sustainability. The Committee appreciates the underlying intent of the bill, but for the reasons outlined below it is the League’s position that the bill is unnecessary. Attached please find proposed amendments that the League prepared following the October Senate Environment and Energy Committee hearing. We respectfully request your consideration of these amendments.

Based on the comments and testimony from that hearing, we offer the following additional comments.

First, the League opposes S-2424, as introduced, because it represents an unfunded State mandate. It is our opinion that this new requirement contradicts the State Constitution, Article VIII, Section II, paragraph 5. Further, it is our opinion that the new requirement does not meet any of the exceptions spelled out in subsection c of that article.

If enacted, this mandate would require additional work from municipal planners, municipal engineers and land use attorneys, not to mention experts in energy and utility policy. The creation of a master plan is already a time-consuming and costly process, and we would respectfully request the Legislature not place additional requirements on this process.

Second, this new mandate is superfluous with existing statutory provisions. For instance, NJS A 40:55D-28d requires the master plan to include a specific policy statement, which among other things, spells out the relationship of the plan to the State Plan, which defines the State’s planning priorities and incorporates the principles of smart growth and sound planning.

Further, the current language in the Municipal Land Use Law allows municipalities to address many of the underlying concerns in the legislation, including:
(5) A utility service plan element analyzing the need for and showing the future general location of water supply and distribution facilities, drainage and flood control facilities, sewerage and waste treatment, solid waste disposal and provision for other related utilities, and including any storm water management plan required pursuant to the provisions of P.L.1981, c.32 (C.40:55D-93 et al.). If a municipality prepares a utility service plan element as a condition for adopting a development transfer ordinance pursuant to subsection c. of section 4 of P.L.2004, c.2 (C.40:55D-140), the plan element shall address the provision of utilities in the receiving zone as provided thereunder;

(8) A conservation plan element providing for the preservation, conservation, and utilization of natural resources, including, to the extent appropriate, energy, open space, water supply, forests, soil, marshes, wetlands, harbors, rivers and other waters, fisheries, endangered or threatened species wildlife and other resources, and which systemically analyzes the impact of each other component and element of the master plan on the present and future preservation, conservation and utilization of those resources;

(16) A green buildings and environmental sustainability plan element, which shall provide for, encourage, and promote the efficient use of natural resources and the installation and usage of renewable energy systems; consider the impact of buildings on the local, regional and global environment; allow ecosystems to function naturally; conserve and reuse water; treat storm water on-site; and optimize climatic conditions through site orientation and design.

The proposed amendments not only eliminate the unfunded state mandate but also provide an optional element to assist municipalities in system hardening. As noted in our cover letter to the proposed amendments, as important as resiliency is, this new element may allow for better planning to preempt outages. It is our understanding that this bill is a result of discussion of stakeholder conversations to address energy resiliency and environmental infrastructure. We believe the proposed amendments more effectively address these concerns.

We would appreciate your consideration of these comments.

Very truly yours,

[Signature]

William G. Dressel, Jr.
Executive Director

WGD:mc/sc

c: The Hon. Richard J. Codey
October 29, 2014

Re: S-2424, Requires municipal land use plan element of master plan to address smart growth and storm resiliency, and environmental sustainability issues.

Sent by e-mail.

Dear Governor Codey:

To follow up on our discussions regarding S-2424, please find below some recommendations for amendments to the bill to address the concerns we raised on behalf of local officials.

It is our understanding that S-2424 is a result of stakeholder meetings regarding energy resiliency and environmental infrastructure. With that understanding, our central recommendation is the addition of a new optional element (new language for sub-element 17), an “energy supply element.” As important as resiliency, that is the ability to get the power back on after an outage is, a system hardening plan allows for better planning as to how to preempt outages. Therefore, we provide language that spells out that the purpose of this element is not only to plan for energy resiliency but also “system hardening.” System hardening measures are those policies and actions taken to make the electrical grid less susceptible to storm damage; including, for example, vegetative management, microgrids, smart grids and the undergrounding of distribution lines. While none of these measures can individually, or even collectively, totally prevent all outages, they go a long way to prevent mass outages.

Legislative Reference: S-2424, page 4, proposed new language to start at line 42.

Comment: In order to plan for storm resiliency with respect to energy supply and environmental infrastructure and environmental sustainability, we propose inserting a new subsection 17 to the optional elements of the master plan:

(17) An energy supply element which sets forth a municipality’s strategy to promote resiliency and system hardening with respect to energy supply.

Second, we recommend a minor amendment to subsection 16, which would, we believe, help better defines the term “environmental sustainability.”

Legislative Reference: S-2424, page 4, lines 34-35

Comment: We propose the addition of new language to amend N.J.S.A 40:55D-28b(16) to read as follows:
(16) A green buildings and environmental sustainability plan element, which shall provide for, encourage, and promote environmental sustainability through the efficient use of natural resources and the installation and usage of renewable energy systems; consider the impact of buildings on the local, regional and global environment; allow ecosystems to function naturally; conserve and reuse water; treat storm water on-site; and optimize climatic conditions through site orientation and design.

Third, we recommend the deletion of the new language in S-2424 (page 2, lines 42-44 through page 3, lines 1-2), which eliminates a new requirement on municipalities.


Comment: For the reasons we outlined in our previous correspondence, we recommend the delete of new subsection (e). Instead we propose addressing the issues of storm resiliency in subsections 16 and a new subsection 17.

Lastly, we do not believe it is necessary to add language regarding smart growth, or to define the term. Existing statutory language (N.J.S.A 40:55D-28d) already requires the master plan to include a specific policy statement which, among other things, spells out the relationship of the plan to the State Plan, which defines the State’s planning priorities and incorporates the principles of smart growth and sound planning.

Attached please find a red-lined version of our recommendations. We would appreciate your consideration of these comments.

Thank you,

Very truly yours,

Michael F. Cerra
Director of Government Affairs
Proposed Amendments to S-2424 (Introduced Sep. 18 2014)

N.J.S.A. 40:55D-28

New Jersey Statutes Annotated Currentness
Title 40. Municipalities and Counties
Subtitle 3. Municipalities Generally (Refs & Annos)
Chapter 55D. Planning, Zoning, Etc.
* Municipal Land Use Law (Refs & Annos)
* Article 3. Master Plan (Refs & Annos)

**40:55D-28. Preparation; contents; modification**

a. The planning board may prepare and, after public hearing, adopt or amend a master plan or component parts thereof, to guide the use of lands within the municipality in a manner which protects public health and safety and promotes the general welfare.

b. The master plan shall generally comprise a report or statement and land use and development proposals, with maps, diagrams and text, presenting, at least the following elements (1) and (2) and, where appropriate, the following elements (3) through (16):

(1) A statement of objectives, principles, assumptions, policies and standards upon which the constituent proposals for the physical, economic and social development of the municipality are based;

(2) A land use plan element

(a) taking into account and stating its relationship to the statement provided for in paragraph (1) hereof, and other master plan elements provided for in paragraphs (3) through (14) hereof and natural conditions, including, but not necessarily limited to, topography, soil conditions, water supply, drainage, flood plain areas, marshes, and woodlands;

(b) showing the existing and proposed location, extent and intensity of development of land to be used in the future for varying types of residential, commercial, industrial, agricultural, recreational, open space, educational and other public and private purposes or combination of purposes including any provisions for cluster development; and stating the relationship thereof to the existing and any proposed zone plan and zoning ordinance; and
(c) showing the existing and proposed location of any airports and the boundaries of any airport safety zones delineated pursuant to the "Air Safety and Zoning Act of 1983," P.L.1983, c. 260 (C.6:1-80 et al.); and

(d) including a statement of the standards of population density and development intensity recommended for the municipality;

(3) A housing plan element pursuant to section 10 of P.L.1985, c. 222 (C.52:27D-310), including, but not limited to, residential standards and proposals for the construction and improvement of housing;

(4) A circulation plan element showing the location and types of facilities for all modes of transportation required for the efficient movement of people and goods into, about, and through the municipality, taking into account the functional highway classification system of the Federal Highway Administration and the types, locations, conditions and availability of existing and proposed transportation facilities, including air, water, road and rail;

(5) A utility service plan element analyzing the need for and showing the future general location of water supply and distribution facilities, drainage and flood control facilities, sewerage and waste treatment, solid waste disposal and provision for other related utilities, and including any storm water management plan required pursuant to the provisions of P.L.1981, c. 32 (C.40:55D-93 et al.). If a municipality prepares a utility service plan element as a condition for adopting a development transfer ordinance pursuant to subsection c. of section 4 of P.L.2004, c. 2 (C.40:55D-140), the plan element shall address the provision of utilities in the receiving zone as provided thereunder;

(6) A community facilities plan element showing the existing and proposed location and type of educational or cultural facilities, historic sites, libraries, hospitals, firehouses, police stations and other related facilities, including their relation to the surrounding areas;

(7) A recreation plan element showing a comprehensive system of areas and public sites for recreation;

(8) A conservation plan element providing for the preservation, conservation, and utilization of natural resources, including, to the extent appropriate, energy, open space, water supply, forests, soil, marshes, wetlands, harbors, rivers and other waters, fisheries, endangered or threatened species wildlife and other resources, and which systemically analyzes the impact of each other component and element of the master plan on the present and future preservation, conservation and utilization of those resources;
(9) An economic plan element considering all aspects of economic development and sustained economic vitality, including (a) a comparison of the types of employment expected to be provided by the economic development to be promoted with the characteristics of the labor pool resident in the municipality and nearby areas and (b) an analysis of the stability and diversity of the economic development to be promoted;

(10) An historic preservation plan element: (a) indicating the location and significance of historic sites and historic districts; (b) identifying the standards used to assess worthiness for historic site or district identification; and (c) analyzing the impact of each component and element of the master plan on the preservation of historic sites and districts;

(11) Appendices or separate reports containing the technical foundation for the master plan and its constituent elements;

(12) A recycling plan element which incorporates the State Recycling Plan goals, including provisions for the collection, disposition and recycling of recyclable materials designated in the municipal recycling ordinance, and for the collection, disposition and recycling of recyclable materials within any development proposal for the construction of 50 or more units of single-family residential housing or 25 or more units of multi-family residential housing and any commercial or industrial development proposal for the utilization of 1,000 square feet or more of land;

(13) A farmland preservation plan element, which shall include: an inventory of farm properties and a map illustrating significant areas of agricultural land; a statement showing that municipal ordinances support and promote agriculture as a business; and a plan for preserving as much farmland as possible in the short term by leveraging moneys made available by P.L.1999, c. 152 (C.13:8C-1 et al.) through a variety of mechanisms including, but not limited to, utilizing option agreements, installment purchases, and encouraging donations of permanent development easements;

(14) A development transfer plan element which sets forth the public purposes, the locations of sending and receiving zones and the technical details of a development transfer program based on the provisions of section 5 of P.L.2004, c. 2 (C.40:55D-141);

(15) An educational facilities plan element which incorporates the purposes and goals of the "long-range facilities plan" required to be submitted to the Commissioner of Education by a school district pursuant to section 4 of P.L.2000, c. 72 (C.18A:7G-4); and
(16) A green buildings and environmental sustainability plan element, which shall provide for, encourage, and promote environmental sustainability through the efficient use of natural resources and the installation and usage of renewable energy systems; consider the impact of buildings on the local, regional and global environment; allow ecosystems to function naturally; conserve and reuse water; treat storm water on-site; and optimize climatic conditions through site orientation and design.

(17) An energy supply element which sets forth a municipality's strategy to promote resiliency and system hardening with respect to energy supply.

c. The master plan and its plan elements may be divided into subplans and subplan elements projected according to periods of time or staging sequences.

d. The master plan shall include a specific policy statement indicating the relationship of the proposed development of the municipality, as developed in the master plan to (1) the master plans of contiguous municipalities, (2) the master plan of the county in which the municipality is located, (3) the State Development and Redevelopment Plan adopted pursuant to the "State Planning Act," sections 1 through 12 of P.L.1985, c. 398 (C.52:18A-196 et seq.) and (4) the district solid waste management plan required pursuant to the provisions of the "Solid Waste Management Act," P. L.1970, c. 39 (C.13:1E-1 et seq.) of the county in which the municipality is located.

In the case of a municipality situated within the Highlands Region, as defined in section 3 of P.L.2004, c. 120 (C.13:20-3), the master plan shall include a specific policy statement indicating the relationship of the proposed development of the municipality, as developed in the master plan, to the Highlands regional master plan adopted pursuant to section 8 of P.L.2004, c. 120 (C.13:20-8).

CREDIT(S)


HISTORICAL AND STATUTORY NOTES
Before the Environment and Energy Committee

New Jersey Senate

Statement of Walter L. Alcorn

Vice President of Environmental Affairs and Industry Sustainability

The Consumer Electronics Association

February 9, 2015

Chairman Smith, the Consumer Electronics Association® (CEA) very much appreciates the opportunity to provide information and insight on the implementation of the Electronic Waste Management Act from the perspective of the consumer electronics industry. CEA is the preeminent trade association promoting growth in the U.S. consumer electronics industry. CEA represents more than 2,000 corporate members involved in the design, development, manufacturing, distribution and integration of audio, video, in-vehicle electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels. For many years, CEA has supported and advanced electronics recycling as part of the industry’s broader commitment to environmental sustainability. CEA’s comprehensive approach to electronics recycling includes industry initiatives related to public policy, consumer education, research and analysis, and industry standards.

Among CEA’s membership are more than 60 companies with headquarters and other facilities in New Jersey. Several of these companies are in attendance at this hearing. In fact, the set of larger consumer electronics manufacturers that would be directly impacted by any change in the Electronic Waste Management Act currently employs more than 4,000 residents of New Jersey in communities such as Newark, Ridgefield Park, Englewood Cliffs, Mahwah, Wayne, Bridgewater, Pine Brook and Rutherford. Consumer electronics manufacturers finance the recycling of approximately 50 million pounds of old electronics in New Jersey every year at a cost to these companies of between $5 – 10 million annually.

The consumer electronics industry is proud to be a major employer in New Jersey, and we appreciate the good working relationship between our industry and state government officials.

Background

When the electronics recycling law was last before the legislature in 2011-2012, CEA worked cooperatively with Chairman Smith on several technical amendments that ultimately made the program
stronger. Since then the market for recycling the largest portion of the consumer electronics stream – old cathode ray tube (CRT) displays – has waned. The demand for using old CRT glass to make new CRT displays is nearly gone – only one CRT glass recycling facility in India remains available for U.S. recyclers. No one pays to get CRTs anymore, now he who has CRTs must pay someone to get rid of them.

CEA recognizes the difficulties caused to collectors and recyclers affected by changes in the recycling markets for CRT glass. As demand for CRT glass has waned so have options for recyclers and collectors who have not adequately planned for the disposition of that glass. By CEA’s calculations, we are likely experiencing peak flows of CRT glass this year or next, and then the amount of CRT glass will begin to diminish. While this problem material is finite, we encourage the New Jersey Department of Environmental Protection (DEP) to support efforts by recyclers and innovators to find new markets for responsible recycling and reuse of CRT glass.

Simultaneously, with stress in the CRT markets is a major shakeup in the broader electronics recycling market. In addition to CRT issues, recyclers must contend with a current thirty percent drop in commodity prices due to changes in the market. We sympathize with local New Jersey-based recyclers that have struggled to survive under the perfect storm of poor CRT markets, lower commodity prices and stiff new competition from national recyclers. In past years – and in some cases before passage of the first Electronic Waste Recycling Act in 2007 – local governments used their competitive contracting process to hire recyclers to take away and recycle electronics collected by that local government. Local governments were the customer and several local recyclers built businesses around this customer base.

**Competitive Markets Have Changed**

With full implementation of the Electronic Waste Recycling Act the recycling market has changed. Manufacturers now face 24 sets of state recycling mandates scattered across the country, and to comply with these mandates and to implement voluntary programs where not mandated, manufacturer programs typically contract with a small number of recyclers who can operate across states and take advantage of efficiencies brought about from economies of scale. This is a dynamic and very competitive market.

Yet many local governments continue to contract with recyclers just as they did when they were the customers who financed all electronics recycling. And unfortunately, in New Jersey and in some other states, local recyclers hired by these local governments do not have sufficient business arrangements with national manufacturer recycling programs to cover the CRTs collected by the local governments. Thus, the manufacturer financing of collection, transportation and recycling is split across two sets of recyclers – local recyclers hired by local governments and national recyclers hired by global manufacturers.

We have strongly encouraged DEP to educate local governments and other collectors seeking support from manufacturer recycling programs to obtain proof of manufacturer backing from recyclers prior to entering into a recycling arrangement. That alone will help to better align manufacturer and local government recycling programs.

Note that the mandate and burden placed on manufacturers – many of them New Jersey-based – to finance New Jersey’s electronics recycling system is paired with the flexibility for manufacturers to work with whomever they choose. Manufacturers are free to choose recyclers meeting their requirements, and no recycler or collector is guaranteed service by a manufacturer program. The principle of allowing private companies to choose their business partners using market forces is an important principle to CEA and one for which CEA and our member manufacturers strongly advocate. Efforts to convert the New Jersey program to a public sector-managed manufacturer reimbursement model will be opposed vigorously by CEA and our member companies should such a proposal be considered by the New Jersey legislature. In practice, such grossly inefficient models yield less volume of recycled electronics at
double the cost to manufacturers, and with no added environmental value.

**Stress in the Television and Computer Markets**

While most of the electronics recycling discussion has focused on stresses in the electronics recycling markets, the television and computer manufacturing sector is also stressed and this unfortunate economic reality neither makes bearing the recycling responsibility any easier nor does it help New Jersey’s economy where several of these manufacturers are based. The data in Figure 1.1 are from CEA’s most recent report on television shipments in the United States.

![Fig. 1.1 Total TV Sets and Displays](image)

<table>
<thead>
<tr>
<th>Year</th>
<th>Unit Sales (Thousands)</th>
<th>Dollar Sales (Millions)</th>
<th>Average Unit Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>34,659</td>
<td>$20,111</td>
<td>$580</td>
</tr>
<tr>
<td>2011</td>
<td>33,781</td>
<td>$18,133</td>
<td>$537</td>
</tr>
<tr>
<td>2012</td>
<td>40,310</td>
<td>$19,866</td>
<td>$493</td>
</tr>
<tr>
<td>2013</td>
<td>39,191</td>
<td>$19,385</td>
<td>$495</td>
</tr>
<tr>
<td>2014e</td>
<td>36,293</td>
<td>$18,729</td>
<td>$516</td>
</tr>
<tr>
<td>2015p</td>
<td>34,787</td>
<td>$18,337</td>
<td>$527</td>
</tr>
</tbody>
</table>

Includes: Direct-View, Digital Projection, LCD Flat Panel, Plasma, Front Projection, Ultra HD and OLED Displays.

 Typically, industries that are under stress should not be the targets of additional government burden. Raising the burden on economically stressed employers is not sound public policy, and CEA requests that the Committee strongly take this into consideration prior to enacting any additional mandate or costs on our industry.

Finally, we do not want our concerns about possible changes to the structure of New Jersey’s law to overshadow our industry’s support for electronics recycling. We encourage all stakeholders to make full use of the suite of tools provided by CEA to educate consumers about electronics recycling. Such tools include public service announcements for both radio and television, the zip code locator at [www.GreenerGadgets.org](http://www.GreenerGadgets.org), lesson plans for grades 4-6 on the importance of recycling old electronics, and a summary of all our industry’s support for recycling at [http://www.ce.org/ecycle](http://www.ce.org/ecycle).

Thank you again for the opportunity to share CEA’s position on this important public policy issue. I look forward to addressing any questions you may have.
Chairman Smith and members of the committee, Panasonic very much appreciates the opportunity to provide information and insight on the implementation of the Electronic Waste Management Act from the perspective of an electronic product manufacturer. With our North American headquarters in Newark, NJ, we employ well over 800 people at our Newark and Harrison, NJ, facilities.

Panasonic collects and recycles e-waste on a nation-wide basis, and we collected approximately 39.6 million pounds of consumer e-waste in 2014, with 3.94 million pounds coming from the State of New Jersey. Our target for New Jersey for 2015 is 4.4 million pounds.

Panasonic also has a deep commitment to responsible recycling and material reuse. We participate in the EPA Sustainable Materials Management Electronics Challenge at the Gold Tier Level, which requires that all electronic products we collect through our e-waste programs and that we generate in-house be sent to third-party certified recyclers only, a goal we achieved two years in advance of the EPA deadline. Panasonic also has a target of utilizing 16% post-consumer recycled content in our product lineup or greater by 2018, our 100 year anniversary. As of 2014 our resource reutilization ratio is 17%, ahead of our 2018 target.

Panasonic is also committed to developing the technologies that will enable our world to be more environmentally sustainable. For example, our Ni-MH batteries helped make the Toyota Prius a great success, and now we are working in partnership with Tesla (as well as other car makers) to power the next generation of electric vehicles with our advanced Li-ion battery technology. Through our partnership with Coronal Management, we are designing, financing and building solar energy installations across the United States. These are but two examples of how we are developing technology to bring about a more sustainable future – there are many more that I could provide.

Let me change gears, and talk about how we fulfill our e-waste recycling obligations in New Jersey.
Panasonic's goal is to support local, ongoing collection throughout the course of the year. Thinking the best way to accomplish this goal is to work collaboratively with other manufacturers, Panasonic joined with Sharp and Toshiba to form the Electronics Manufacturers Recycling Management Company, LLC (MRM) in 2007. Over the years MRM has brought 35 companies together into a collaborative recycling effort across the country. In addition to my job duties at Panasonic, I serve concurrently as President of MRM.

In New Jersey, MRM represents 17 separate companies and contracts for 148 collection locations across the State. MRM's 2015 collection goal is approximately 11.5 million pounds. MRM supports four New Jersey based recyclers (Covanta, Logtech, Newtech and Thanks for Being Green). MRM covers the 100% of the collection volumes generated by Hunterdon, Mercer, Somerset, Union and Warren Counties through a local recycler and MRM has a direct relationship with Morris County. Thus MRM, on behalf of the companies it represents, has worked with local recyclers and local governments to support a robust collection network that provides continuous collection throughout the year – we are doing exactly what the Electronic Waste Management Act intended.

Panasonic is committed to making the New Jersey Electronic Waste Management Act work to serve the needs of New Jersey’s citizens for a sustainable e-waste collection and recycling system and think that the current framework provided under the Electronic Waste Management Act represents a viable framework for achieving this end.

Panasonic is committed to working with the Legislatures, the NJ DEP and local governments to create such a system. We ask that you focus on the following:

- Maintaining flexibility for manufacturers to work with collectors and recyclers of our choosing so that we can focus on material processing investments that will achieve the maximum value of the materials contained in electronic products that enter the recycling stream
- Maintaining a level playing field among manufacturers by requiring manufacturers to maintain collection networks that are both commensurate with their collection obligations and operate on a year-round basis: DEP can use their current authority to accomplish.
- Avoiding overly prescriptive approaches to collection management
- Avoiding systems where the State Government sets recycling prices

Thank you again for the opportunity to present our views before the Committee.
Senate Environment and Energy Meeting - 10:00 a.m. February 9, 2015

Chaired by Senator Bob Smith on implementation of Public Question 2

Comments given by John Toth, Board Member of both the Jersey Coast Anglers Association and the New Jersey Outdoor Alliance.

I have given testimony to this committee on December 8th with the focus of increasing funding for the Division of NJ Fish & Wildlife (F&W). I do not want to be repetitious, but I indicated at the December 8th meeting that:

- Fishing and hunting are sports that we all enjoy, but they are also Big Business for NJ. Saltwater fishing alone generates $865 million in retail sales, 1.5 billion with the multiplier effect (gas, food etc.) 13, 570 jobs and $91 million in state and local taxes (data from American Sports fishing Association (2006). These figures do not count the revenues generated by the hunting industry. As such, our legislators should view fishing and hunting as Big Business for NJ.

- Approximately $8 million is allocated to F&W that it uses for its general operating costs. But now, this figure may be reduced to 5.35 million under the allocation of monies of with this Open Space issue.

- F&W is seriously underfunded and it has difficulty trying to fulfill its commitments to hunters and anglers. F&W has to respond to requests from federal officials to approximately 24 fishery management programs and it has increasing difficulty in doing it. If it doesn’t, our season like blackfish can be shut down resulting in lost revenues through fuel, fishing gear, hotels etc. A lot of out of state anglers come to New Jersey for its great fishing and these revenues are also lost.

- Other states like New Hampshire, Connecticut receive a lot more funding for its F&W (approximately 20 million), yet they do not have the level of fishing that New Jersey has! Our F&W needs to have increase funding, not less, and to be treated as a business that produces revenue for our state.

- I have recently learned from Brandon Muffley, Administrator of Marine Fisheries, at a January 29th meeting of the New Jersey Outdoor Alliance that $1.1 million of F&W's budget comes from a Nuclear Response Fund and this funding may not be authorized in 2016. This would leave a big hole in the F&W budget that is already under funded and further jeopardize the ability of the Bureau of Marine Fisheries to accomplish its administration of our fisheries.
New Jersey has great saltwater fishing and please give it the funding it needs to keep it that way!

Thank You!

John Toth
Monday, February 9, 2015

RE: Electronic Waste Recycling

Dear Senator Smith and Members of the Senate Environment and Energy Committee;

Thank you for your invitation to testify before you today. My name is Wayne DeFeo. It has been my privilege to appear before this Committee on many occasions. My apologies for not arriving in person today. The road conditions were marginal here and I opted for caution.

However, the issue of electronics recycling is an important matter that you are considering. I have the privilege of working with several counties and municipalities on their recycling programs. Accordingly, based on that experience, I offer the following as my written testimony to assist you in your deliberations.

THE PROBLEM:

Electronic waste recycling has become a problem of cost and opportunity. The problem is not with the law itself, but circumstances have conspired to change market conditions in such a manner as to render the heaviest component of that stream, cathode ray tube monitors and televisions, worse than worthless.

Rather than the glass having a positive value, this component now requires disposal since the secondary markets have all but disappeared due to technological changes in the manufacture of these components.

The result is that many communities are either being threatened with companies refusing to take television monitors, or in the alternative, wanting to charge for this service in contravention of the law.

As a means of demonstrating the scope of the problem, I have gathered data from multiple communities in Burlington County. I have provided some information on the worst of the problems to demonstrate the rather broad range of problems facing communities in that county.

**Burlington City** – Vendor no longer accepts TV’s and 90% of our ewaste is TV’s.

**Riverside** – Stopped for two reasons 1) Cost 2) The number of TV’s were not eligible for recycling.

**Willingboro** – 2011 – Free; In 2013 materials taken for $700 per container. Spent $16,800 for recycling in 2014.

**IF MATERIALS WERE TAKEN TO THE LANDFILL, THE TOTAL COST WOULD HAVE BEEN $3600.00 BASED ON THE 45 TONS THAT WERE RECYCLED.**
I can think of no better statement of the problem than the last summary point.

It was never the intent of the e-waste recycling law to burden municipalities with the cost of recycling these materials.

**RESPONSIBILITY**

In reviewing the situation, and having participated in the ANJR conference on Electronics Recycling and having used this topic as a basis of a course on Public Policy, it is quite evident that this issue is a prime example of two distinct issues coming together.

1. The law of unintended consequences/Manufacturer Response – It is doubtful that anyone could have predicted that the market for CRT glass would have changed so quickly as a result of technological changes when the original law was contemplated. It did, and the law had no specific provisions to deal with those cost impacts.
   a. As a result, manufacturers moved to lower their costs by putting a recycling program in place that was the cheapest, but not necessarily the most effective.
   b. The manufacturers moved to undercut existing recycling structures in NJ while providing inaccurate information with regard to market availability and convenience to consumers.
   c. In effect, the manufacturers shifted the burden of markets from themselves, to NJ’s local governments.

2. Lack of follow-up and staffing – Although the law authorized the NJDEP to add staff for the management of this program, and provided a funding mechanism, no staff was authorized by the Administration. In light of simultaneous staff cutbacks, the Department could not manage this program as effectively as necessary.
   a. This affected the ability of the Department to monitor the allocation of volume responsibility to each manufacturer in the most accurate way possible.
   b. This restricted the ability of the Department to enforce the law’s provisions.

**SOLUTIONS**

The solutions to problems associated with the Electronics Recycling Law are a function of clarification and specifically assigning responsibility to the manufacturers of the electronic products.

You will hear testimony from several people on specific legislative language designed to solve different problems associated with the current electronics recycling law from their perspective. I defer to these individuals and ultimately to the OLS staff who are more knowledgeable about legislative language than any of us who are testifying.
From my participation on this matter, proposed legislation will probably attempt to address financial concerns from those in the electronics recycling industry while simultaneously relieving local governments of the cost burdens associated with the current law.

Rather than repeat that testimony, I offer the following broad solutions to this problem.

1. Modify the current allocation formula – The current formula needs to be modified to more accurately place the responsibility for acceptance of the total volume of CRT glass on the manufacturers. By utilizing a formula that underestimates the total volume of material, manufacturers have been able to cut off recycling companies from having a cost effective outlet for their material.
   a. Require that manufacturers take back 100% of the material collected since they must have manufactured it originally.

2. Clearly prohibit the manufacturers from charging government entities that are collecting electronic waste for the recycling of those materials. This must incorporate some formula that makes it cost effective to recycle the materials collected. There is no sustainable recycling if the manufacturers can shift the cost of their products to the local governments responsible for its recycling.
   a. Make the language a clear producer responsibility act.

3. Consider broadening the definition of covered electronic device. This is a clearly a public policy question regarding recycling more than an environmental safety question. The original act worked to take the most dangerous components of the electronics waste stream and recycle them. However, it is worthy of a discussion to determine whether or not we should recycle the entire electronics waste stream rather than waste the resources associated with that stream.

4. Require that the downstream recycling of electronics components conform to the highest standards of environmental protection and simultaneously prohibit manufacturers and recyclers from utilizing uncertified systems.

5. Require that recyclers in New Jersey be certified in accordance with third party certification such as E-stewards or others that are deemed appropriate by the legislature.

6. Concurrently, require that for a manufacturer's recycling plan to be accepted, the company that they choose to utilize must be third party certified by a third party certification such as E-stewards or others that are deemed appropriate by the legislature.

I thank you for this opportunity to participate in this important matter. Should you have any questions, please contact me at your convenience.

Wayne D. DeFeo, LEED AP
DeFeo Associates
February 3, 2015

Senate Environment and Energy Committee

Dear Committee Members,

NY/NJ Baykeeper would like to support Bill S2424, sponsored by Senator Richard J. Codey. Municipalities are the foundation for making changes in our state, and by signing this bill you will be leading the way for them to make more sustainable and resilient choices in their land use decisions. We urge you to pass this Bill which amends P.L.1975, c.291.

Sincerely,

Jessica Evans
Post Hurricane Sandy Fellow
NY/NJ Baykeeper
Submitted by Jim Entwistle, President, Newtech Recycling Inc.:
