

The New Jersey Recycling Enhancement Act – A-1886 and S-557

What is it?

- Legislation restoring statewide Recycling Fund through a *\$3-per-ton tax* on garbage disposed at a registered solid waste facility in New Jersey or transported to an exempt solid waste facility in New Jersey.
- The tax will generate **\$33 million** each year to support municipal, county and state recycling programs.

Sponsors: Assemblyman John McKeon (D-Essex), chairman of the Assembly Environment and Solid Waste Committee and Mayor of South Orange. Senate sponsor is Senator Bob Smith (D-Middlesex), chairman Senate Environmental Committee

Why is it needed?

- Recycling totals reached a peak of 45% of MSW by 1995 and 61% of TSW in 1997.
- The Legislature allowed the Recycling Fund to expire in 1996.
- By 2003, New Jersey recycled only 33% of MSW and 52% of TSW.

How S-557 and A-1886 change the Recycling Act

- Restore Recycling Fund to a projected \$30 million annually
- Eliminate inequitable solid waste investment tax
- \$5.25 million of the Fund - paid for by tax on out-of-state waste brought into N.J.
- Tax is a facility tax.
- Tax applied to all solid waste types not sent to a recycling center or approved MRF.
- Average annual cost: \$6 per household
- No municipality will pay more in recycling taxes than it receives in recycling grants
- Municipal Fund use limited to recycling
- Municipal spending “caps” limit for recycling funds waived by the law

How the Recycling Fund money would be spent

- *60% to municipalities* as recycling tonnage grants to encourage a maximum recycling effort at the local level
- *25% to counties* for recycling & household hazardous waste management
- *5% to counties* for recycling promotion and education
- *10% to DEP* for promotion, education, market-development and administration

Economic benefits of recycling today

- 2,000 businesses
- 27,000 jobs
- \$59 billion in annual sales
- Fund should create an *additional 7,000 jobs* at 50% MSW recycling goal.

Environmental benefits of recycling

- *Energy savings* – Enough to fuel 1.3 million cars
- *Pollution avoidance* – If MSW recycling reaches 50%, greenhouse gas emissions will be reduced by 8 million metric tons, equal to the emissions from 1.7 million cars
- *Resource savings* – 1 ton of aluminum saves 2063 gallons of fuel

For more information, contact the Association of New Jersey Recyclers at 908-722-7575