

LEGISLATIVE FISCAL ESTIMATE
SENATE, No. 2730
STATE OF NEW JERSEY
220th LEGISLATURE

DATED: JULY 13, 2022

SUMMARY

- Synopsis:** Requires each solid waste management district to develop strategy in solid waste management plan to reduce food waste.
- Type of Impact:** Annual expenditure increases by local government units, annual State expenditure increases
- Agencies Affected:** Department of Environmental Protection, municipalities, counties, New Jersey Sports and Exposition Authority.

Office of Legislative Services Estimate

Fiscal Impact	<u>Year 1</u>	<u>Year 2 & Thereafter</u>
State Expenditure Increase	At least \$55,000	Indeterminate
Local Expenditure Increase	At least \$1.16 million	Indeterminate

- The Office of Legislative Services (OLS) determines that this bill would result in a one-time expenditure increase by counties and the New Jersey Sports and Exposition Authority (NJSEA) - which administers the Hackensack Meadowlands solid waste management district - to amend their solid waste management plans. The OLS understands that the administrative costs for this process are around \$5,000 per plan.
- The OLS also determines that implementing a public awareness campaign would be the most cost-effective way for districts to attempt to achieve a 50 percent reduction in food waste collected by solid waste management districts. Several counties informed the OLS that they have spent around \$50,000 per year on similar campaigns in the past. Assuming that each county and the NJSEA spend \$55,000 to amend their plans and implement a one-year public awareness campaign, this yields a total one-time local cost of \$1.16 million and a one-time State cost of \$55,000. Multi-year public awareness campaigns would result in recurring costs for these entities, while the implementation of other food-waste reduction strategies could result in higher first year costs as well as recurring expenditures.
- The bill would also result in a one-time marginal expenditure increase by the Department of Environmental Protection (DEP) to review and approve amended solid waste management plans and to develop the webpage required by the bill. Current staff using existing resources could likely perform these tasks.

BILL DESCRIPTION

This bill would require each solid waste management district in the State (i.e., each county and the Hackensack Meadowlands solid waste management district) to develop, as part of its district solid waste management plan, a strategy to reduce food waste in the district.

Specifically, this bill would require each solid waste management district to develop and implement a strategy for reducing, by the year 2030, the amount of food waste generated annually in the district by at least 50 percent of the amount that is generated in the year this bill is enacted into law. The strategy would be adopted as an amendment to each district's solid waste management plan and subject to the approval of the DEP.

The bill would require the DEP to develop, and publish on its website, a list of measures solid waste management districts can take in order to achieve the food waste reduction requirement established in the bill. These measures would include actions to prevent food waste and increase the donation of surplus edible food, the source separation and recycling of food waste, composting and anaerobic digestion of food waste, and public awareness campaigns.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS determines that this bill would result in a one-time expenditure increase by counties and the NJSEA to amend their solid waste management plans. The OLS understands that the administrative costs for this process for each solid waste management district are around \$5,000.

The OLS also determines that implementing a public awareness campaign would be the most cost-effective way for districts to attempt to achieve a 50 percent reduction in food waste collected by solid waste management districts. Several counties informed the OLS that they have spent around \$50,000 per year on similar campaigns in the past. Thus, assuming that each county and the NJSEA spend \$55,000 to implement the bill, this yields a total local cost of \$1.16 million and a State cost of \$55,000 in the first year. Multi-year public awareness campaigns would result in recurring expenditures to counties and the NJSEA. The highest-cost scenario would likely be that municipalities are required to create new systems for the collection and recycling of food waste – for example, a separate curbside collection system to pick up food waste and deliver it to a food waste recycling center. This scenario may cost the average municipality in the State millions of dollars to implement, representing a potential total local expenditure increase in the hundreds of millions of dollars. In addition, this expenditure increase would be recurring. On the other hand, local expenditures on food waste-reduction programs that result in a lower volume of collected food waste could result in an indeterminate cost savings over time from lower tipping fees paid to landfills and incinerators.

The bill would also result in a one-time marginal expenditure increase by the DEP to review and approve amended solid waste management plans and to develop the webpage required by the bill. Current staff using existing resources could likely perform these tasks.

Section: Environment, Agriculture, Energy, and Natural Resources

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).