

STATE OF NEW YORK

4246--A

2023-2024 Regular Sessions

IN SENATE

February 6, 2023

Introduced by Sens. HARCKHAM, KAVANAGH, ADDABBO, BRESLIN, BROUK, CHU, CLEARE, COMRIE, FERNANDEZ, GONZALEZ, HOYLMAN-SIGAL, KRUEGER, LIU, MAY, MAYER, RAMOS, RIVERA, SALAZAR, SEPULVEDA, SERRANO, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the environmental conservation law, in relation to enacting the packaging reduction and recycling infrastructure act

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Short title. This act shall be known and may be cited as
2 the "packaging reduction and recycling infrastructure act".

3 § 2. Article 27 of the environmental conservation law is amended by
4 adding a new title 34 to read as follows:

TITLE 34

PACKAGING REDUCTION AND RECYCLING INFRASTRUCTURE ACT

Section 27-3401. Definitions.

8 27-3403. Selection of the packaging reduction organization.

9 27-3405. Responsibilities of packaging reduction organization.

10 27-3407. Packaging reduction and recycling organization plan.

11 27-3409. Packaging reduction and recycling plan approval.

12 27-3411. Packaging reduction and recycling advisory council.

13 27-3413. Funding mechanism.

14 27-3415. Collection and convenience.

15 27-3417. Producer responsibilities.

16 27-3419. Department responsibilities.

17 27-3421. Statewide packaging reduction, reuse, and recycling
18 needs assessment.

19 27-3423. Education and outreach program.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD08868-07-3

- 1 27-3425. Prohibition on certain toxic substances and materials.
2 27-3427. Non-reusable packaging reduction standards.
3 27-3429. Recycled content standards.
4 27-3431. Recyclability criteria and packaging recycling require-
5 ments.
6 27-3433. Establishment of the office of recycling inspector
7 general.
8 27-3435. Penalties and enforcement.
9 27-3437. Rules and regulations.
10 27-3439. State preemption.
11 27-3441. Other assistance programs.
12 27-3443. Severability.

13 § 27-3401. Definitions.

14 As used in this title:

15 1. "Advisory council" or "council" means the packaging reduction and
16 recycling advisory council established under section 27-3411 of this
17 title.

18 2. "Beverage container" shall have the same meaning as is set forth in
19 subdivision two of section 27-1003 of this article.

20 3. "Brand" means any mark, word, name, symbol, design, device, or
21 graphical element or a combination thereof, including a registered or
22 unregistered trademark, that identifies and distinguishes a product from
23 other products.

24 4. "Contamination" means:

25 (a) the presence of materials in a given collected material stream
26 that are not on the minimum recyclables list maintained by the depart-
27 ment; or

28 (b) the presence of materials in a given recycled material delivered
29 as a feedstock or commodity that are not specified or accepted as a
30 component of the feedstock or commodity.

31 5. "Discarded", "discards", "generated" or "generation" means packag-
32 ing material that has been used for its intended purpose and is no long-
33 er needed by consumers, businesses, institutions, and other users, and
34 can be managed through reuse, recycling, or disposal.

35 6. "Disposal" means the landfilling or incineration of material or
36 products. "Disposal" shall also include energy recovery or energy
37 generation by any means, including, but not limited to, incineration,
38 combustion, pyrolysis, gasification, or solvolysis, waste-to-energy, or
39 waste-to-fuel, or any other chemical conversion process. "Disposal"
40 shall also include the use of materials as landfill cover.

41 7. "Eco-modulation" means structuring program fees in a way to provide
42 producers with financial incentives to reduce waste at the source,
43 increase recyclability of packaging materials, promote reusable packag-
44 ing products, including those that are contained within a reuse and
45 refill system, discourage and decrease contamination, disincentivize
46 designs or practices that increase the costs and adverse environmental
47 impacts of managing the packaging materials, and encourage designs and
48 processes that improve and facilitate development of infrastructure and
49 systems for source reduction, reuse, recycling, and composting.

50 8. "Disadvantaged community" shall have the same meaning as is set
51 forth in subdivision five of 75-0101 of this chapter.

52 9. "Local government" means any municipal corporation, governmental
53 subdivision of the state, local government unit, special district,
54 school, local or regional board, commission, or authority authorized by
55 law to plan or provide for waste management services for a specific
56 geographical area.

1 10. "Packaging material" or "material" means a discrete material or
2 category of material, regardless of recyclability, including but not
3 limited to such material types that are flexible, foam, or rigid materi-
4 al, including paper, cardboard, plastic, glass, metal, or multi-materi-
5 al, that is used for the containment, protection, handling, delivery,
6 transport, distribution, or presentation of another product that is
7 sold, offered for sale, imported, or distributed in the state, including
8 through an internet transaction, and single-use plastic products that
9 frequent the residential waste stream or are plastic products that have
10 the effect of disrupting recycling processes, including, but not limited
11 to, single-use plastic items such as straws, utensils, cups, plates, and
12 plastic bags. Packaging material does not include:

13 (a) Medical devices and packaging which are included with products
14 regulated as a drug, medical device, or dietary supplement by the United
15 States food and drug administration under the federal food, drug, and
16 cosmetic act, 21 U.S.C. 321 et seq., Sec. 3.2(E) of 21 U.S. code of
17 federal regulations, or the dietary supplement health and education act;

18 (b) Animal biologics, including vaccines, bacterins, antisera, diag-
19 nostic kits, and other products or biological origin, and other packag-
20 ing materials regulated by the United States department of agriculture
21 under the virus, serum, toxin act, 21 U.S.C. 151-159;

22 (c) Packaging regulated by the Federal Insecticide, Fungicide, and
23 Rodenticide Act, 7 U.S.C. Sec. 136 et seq. or other applicable federal
24 law, rule, or regulation;

25 (d) Packaging used to contain hazardous or flammable products regu-
26 lated by the 2012 federal Occupational Safety and Health Administration
27 Hazard Communications Standard (29 C.F.R. 1910.1200);

28 (e) Beverage containers subject to a returnable container deposit
29 under title ten of this article;

30 (f) Infant formula as defined in section 321(z) of title 21 of the
31 United States code of federal regulations;

32 (g) Medical foods as defined in section 360ee(b)(3) of title 21 of the
33 United States code of federal regulations; and

34 (h) Architectural paint containers collected and managed pursuant to
35 title twenty of this article.

36 11. "Packaging reduction and recycling organization" or "organization"
37 means a registered 501(c)(3) not-for-profit charitable organization,
38 pursuant to 26 U.S.C. 501(c)(3) under contract with the department and
39 authorized to collect producer fees, assist producers with compliance
40 with the requirements of this title, provide technical assistance to
41 producers and implement the program.

42 12. "Packaging reduction and recycling plan" or "plan" means a docu-
43 ment in which an organization describes the efforts it will undertake to
44 comply with the requirements of this title.

45 13. "Packaging reduction and recycling program" or "program" means the
46 program implemented by an organization, and overseen by the department,
47 to comply with and implement the provisions of this title.

48 14. "Post-consumer recycled material" means new material produced
49 using material resulting from recycling.

50 15. "Primary packaging" means the packaging in direct contact with the
51 product itself, also sometimes referred to as a consumer unit.

52 16. "Producer" means the following entities, other than local govern-
53 ments, state governments and the federal government, for compliance with
54 the requirements for packaging materials sold, offered for sale, or
55 distributed to consumers in or into this state:

1 (a) For packaging materials sold or served to consumers at a physical
2 retail location in this state:

3 (i) If the packaging materials are sold or served under the manufac-
4 turer's own brand or are sold or served in packaging materials that lack
5 identification of a brand, the producer of the packaging materials is
6 the person that manufactures the product;

7 (ii) If subparagraph (i) of this paragraph does not apply, the produc-
8 er of the packaging materials is the person that is the licensee of a
9 brand or trademark under which a product is sold or served to a consumer
10 in or into this state, whether or not the trademark is registered in
11 this state, unless the manufacturer of the packaging materials has
12 agreed to accept responsibility; where the producer is a business oper-
13 ated wholly or in part as a franchise, the producer is the franchisor,
14 if such franchisor has franchisees that are resident in the state;

15 (iii) If there is no person as described in subparagraph (i) or (ii)
16 of this paragraph within the United States, the producer of the packag-
17 ing material is the person who imports the product into the United
18 States for use in a commercial enterprise that sells, offers for sale,
19 or distributes the product to consumers in this state.

20 (b) For products sold or distributed to consumers in packaging materi-
21 als in or into this state via remote sale or distribution:

22 (i) The producer of packaging materials used to directly protect or
23 contain the product is the same as the producer defined in paragraph (a)
24 of this subdivision.

25 (ii) The producer of packaging materials used to ship the product to a
26 consumer is the person that manufactures the shipping material.

27 17. "Product line" means a group of related products all marketed
28 under a single brand that is sold by the same producer to distinguish
29 products from each other for better usability for customers.

30 18. "Recyclable" means a packaging material that meets the criteria in
31 section 27-3431 of this title.

32 19. "Recycled" means the use of discarded packaging materials or
33 products in the production of a new product or packaging in place of
34 virgin materials. "Recycled" material does not include contaminants,
35 residues, and other process losses or use of materials as landfill
36 cover.

37 20. "Recycling" means to separate, dismantle or process the materials,
38 components or commodities contained in discards for the purpose of
39 preparing the materials, components, or commodities for use or reuse in
40 new products or components. "Recycling" does not include: (a) energy
41 recovery or energy generation by any means, including but not limited
42 to, combustion, incineration, pyrolysis, gasification, solvolysis, or
43 waste-to-fuel; (b) any chemical conversion process; or (c) landfill
44 disposal.

45 21. "Recycling rate" means the percentage of any given packaging type
46 that is ultimately recycled. The recycling rate for any packaging mate-
47 rial shall be calculated as the total weight of packaging that is recy-
48 clled in a given year divided by the total weight of packaging material
49 generated in that year. Material losses, including contaminants and
50 residues, accruing during collection, processing and manufacturing new
51 products do not count as recycled and shall not be included in the
52 numerator of the equation.

53 22. "Reuse" means the return of packaging back into the economic
54 stream for use in the same kind of application intended for the original
55 packaging, without effectuating a change in the original composition of
56 the package, the identity of the product, or the components thereof.

1 23. "Reuse and refill system" means a program or set of mechanisms
2 designed to facilitate multiple uses of packaging. Mechanisms may
3 include, but are not limited to, deposits, incentives, curbside
4 collection, collection kiosks, refill stations, dishwashing facilities,
5 and re-distribution networks.

6 24. "Reusable or refillable packaging and containers" means packaging
7 material and containers that are specifically designed and manufactured
8 to maintain shape and structure, and be materially durable for repeated
9 sanitizing, washing, and reuse.

10 25. "Toxic packaging task force" means the toxic packaging task force
11 established by subdivision two of section 27-3425 of this title.

12 26. "Toxic substances" means a chemical or chemical class identified
13 by a state agency, federal agency, international intergovernmental agen-
14 cy, accredited research university, or other scientific entity deemed
15 authoritative by the department on the basis of credible scientific
16 evidence as being one or more of the following:

17 (a) A chemical or chemical class that is a carcinogen, mutagen, repro-
18 ductive toxicant, immunotoxin, neurotoxicant, or endocrine disruptor.

19 (b) A chemical or chemical class that is persistent or bioaccumula-
20 tive.

21 (c) A chemical or chemical class that may harm the normal development
22 of a fetus or child or cause other developmental toxicity in humans or
23 wildlife.

24 (d) A chemical or chemical class that may harm organs or cause other
25 systemic toxicity.

26 (e) A chemical or chemical class that may have adverse air quality
27 impacts, adverse ecological impacts, adverse soil quality impacts, or
28 adverse water quality impacts.

29 (f) A chemical or chemical class that the department has determined
30 has equivalent toxicity to the above criteria.

31 § 27-3403. Selection of the packaging reduction organization.

32 1. Until the date which is ten years after the effective date of this
33 title, there shall be only one packaging reduction organization and all
34 producers shall be required to register with such packaging reduction
35 organization.

36 2. Consistent with the requirements of this title, within fifteen
37 months of the effective date of this title, the department shall select
38 and enter into a contract with a not-for-profit organization to act as
39 the initial organization in order to operate the packaging reduction and
40 recycling program.

41 3. Within nine months of the effective date of this title and consist-
42 ent with applicable competitive bidding requirements under state
43 purchasing laws, the department shall issue a request for proposals for
44 the operation of the packaging reduction and recycling program. The
45 successful bidder shall be required to include, at a minimum, the
46 following information:

47 (a) A description of how the bidder will administer the program,
48 including the mechanisms and processes for providing assistance to
49 producers to comply with the reporting requirements of this title;

50 (b) The mechanisms and processes the bidder will use to compile infor-
51 mation from producers;

52 (c) How the bidder intends to manage and account for all program
53 related funds which pass through the organization, including how timely
54 reimbursements to local governments will be provided;

55 (d) A financial assurance plan that ensures all program funds held by
56 the organization are immediately and exclusively forfeited and trans-

1 ferred to or otherwise made immediately available to the department if
2 the organization's contract with the department is terminated by the
3 department, or expires;

4 (e) A proposed budget outlining the anticipated costs of operating the
5 program and a description of the method by which the bidder intends to
6 determine and collect producer payments during the initial startup peri-
7 od; and

8 (f) Any other additional information required by the department.

9 4. If, at the close of the competitive bidding process under subdivi-
10 sion three of this section, the department determines that no bidder has
11 submitted, in accordance with such subdivision, a proposal that meets
12 the requirements of this section, the department shall operate the
13 program by itself or designate a state public body to operate the
14 program.

15 5. If after recommendation by the advisory council pursuant to subdivi-
16 vision ten of section 27-3411 of this title the department determines
17 that it would be beneficial for there to be additional organizations
18 implementing the program, beginning ten years after the effective date
19 of this title, the department may issue a request for proposals for
20 additional organizations in a manner consistent with the provisions of
21 this section. Should the department determine to have additional organ-
22 izations, the department shall promulgate regulations to ensure
23 consistency and coordination between all organizations.

24 § 27-3405. Responsibilities of packaging reduction organization.

25 1. Producers shall register with a packaging reduction organization to
26 meet the responsibilities of the program pursuant to the provisions of
27 this section.

28 2. Each packaging reduction organization shall:

29 (a) Develop a packaging reduction and recycling plan and submit such
30 plan to the advisory council for review and comment, and after any
31 modifications in response to such comments, submit the plan to the
32 commissioner for approval pursuant to section 27-3407 of this title;

33 (b) Collect and compile data from producers as required by section
34 27-3417 of this title;

35 (c) Collect fees due from producers as required by section 27-3413 of
36 this title;

37 (d) Reimburse the department and any other relevant state agencies for
38 the costs associated with conducting the statewide needs assessment
39 required by section 27-3421 of this title, the administration of the
40 program by the department, and the expenses of the advisory council and
41 the toxic packaging task force;

42 (e) Distribute funds to reimburse local governments and private compa-
43 nies for the costs associated with the implementation of reduction,
44 refill, and reuse programs, and the collection, transportation and recy-
45 cling, disposal or other processing of packaging materials;

46 (f) Offer technical support to producers, with an emphasis on support
47 to small businesses, to assist them with compliance with the require-
48 ments of this title, including information about procuring affordable
49 alternatives to non-compliant packaging and reducing packaging.

50 3. Annually, each organization shall submit a report to the department
51 that, at a minimum, must include the following information:

52 (a) Contact information for the organization;

53 (b) A list of all (i) producers, (ii) brands, and (iii) products that
54 each producer sells, offers for sale, or distributes into the state that
55 are contained, protected, delivered, presented, or distributed in or

1 using packaging, in each case identified by the Universal Product Code
2 (UPC) if the product has one;

3 (c) The total amount, by both weight and number of units, of each type
4 of packaging material used to contain, protect, handle, deliver, trans-
5 port, distribute, or present products sold, offered for sale, or
6 distributed into the state by each individual producer during the prior
7 calendar year;

8 (d) The total amount, by both weight and number of units, of each
9 material used to contain, protect, handle, deliver, transport, distrib-
10 ute, or present products sold, offered for sale, or distributed into the
11 state by all producers during the prior calendar year;

12 (e) A complete accounting of all payments made to and by the organiza-
13 tion during the prior calendar year;

14 (f) A list of producers reasonably believed to be out of compliance
15 with the requirements of this title, and the reason the organization
16 reasonably believes the producer to be out of compliance. Information
17 on non-compliant producers shall be provided to the commissioner and
18 recycling inspector general's office in a timely fashion and for possi-
19 ble enforcement action by the office;

20 (g) A description of the educational and outreach efforts made by the
21 organization in the prior calendar year, and how those efforts were
22 designed to reduce packaging waste, and increase reuse and recycling of
23 packaging materials;

24 (h) An assessment of whether the fee structure adopted by the depart-
25 ment pursuant to section 27-3413 of this title has been effective in
26 incentivizing improvements to the design of packaging material, includ-
27 ing actual reduction of packaging, increases in reusable and refillable
28 packaging, recycling rates for packaging materials, and decreases in the
29 amount of packaging;

30 (i) A description of the reimbursements and expenditures made pursuant
31 to section 27-3413 of this title;

32 (j) Audited financial statements;

33 (k) The results of the review conducted pursuant to subdivision four
34 of this section; and

35 (l) Any additional information required by the department.

36 4. Each organization shall conduct an annual review process to deter-
37 mine whether packaging materials are recyclable. This review shall be
38 conducted in consultation with representatives of end markets, including
39 recycled commodities brokers and manufacturers who purchase post-consum-
40 er material for use in manufacturing new products, and in consultation
41 with local governments. For the purposes of calculating producer
42 payments and local government reimbursements in accordance with this
43 title, this annual process shall include a transitional period between
44 the date the determination is finalized and the date it goes into
45 effect.

46 5. Each organization shall conduct public outreach and provide consum-
47 ers with educational and informational materials related to reducing the
48 amount of packaging discarded, recycled, and disposed of in the state as
49 outlined in section 27-3423 of this title.

50 6. Each organization shall operate a program that provides for
51 collection convenience as described in section 27-3415 of this title.

52 7. Each organization shall not spend funds on lobbying or campaign
53 contributions to any candidates running for office.

54 8. An organization shall not share, except with the department, the
55 advisory council, and the toxic packaging task force, or as required by

1 law, any proprietary information that is identified by a producer as
2 proprietary information.

3 § 27-3407. Packaging reduction and recycling organization plan.

4 1. Within two years of the effective date of this title, the initial
5 packaging reduction organization, shall develop and submit a packaging
6 reduction and recycling plan on implementation of the rules and regu-
7 lations of this title, including ensuring timely disbursements to local
8 governments, to the department for approval. The plan shall be submitted
9 to the advisory council for review pursuant to section 27-3411 of this
10 title prior to the department's approval. Any subsequent or additional
11 organization shall develop and submit a packaging reduction and recycl-
12 ing plan and comply with all the requirements of this section, and have
13 such plan approved pursuant to section 27-3409 of this title.

14 2. The plan shall cover five years and be updated every five years
15 following the approval of the original plan. The department shall have
16 the discretion to require the plan to be reviewed or revised prior to
17 the five-year period pursuant to section 27-3419 of this title.

18 3. Each producer shall begin program implementation within six months
19 after the date the plan for the initial organization is approved and in
20 no event later than three years of the effective date of this title. If
21 no plan is approved by that timeframe, the producer shall be subject to
22 penalties for noncompliance.

23 4. Any person that becomes a producer after the plan for the initial
24 organization is approved shall register with a packaging reduction
25 organization and begin program implementation within six months thereof
26 or be subject to penalties for noncompliance.

27 5. The submitted plan shall include, but not be limited to:

28 (a) contact information, including the name, electronic and physical
29 address, and telephone number of the authorized representative of the
30 producer or producers;

31 (b) the identity of the producer or producers participating in the
32 plan;

33 (c) a comprehensive list of the types and brands of covered materials
34 for which the producer or producers are responsible for;

35 (d) a description of (i) the proposed funding mechanism, identified in
36 section 27-3413 of this title, that meets the requirements of this
37 title, and (ii) how the organization will maintain a financial reserve
38 sufficient to operate the program in a fiscally prudent and responsible
39 manner;

40 (e) an objective formula establishing a reimbursement rate, which
41 covers obligations identified in the needs assessment and takes into
42 account variable regional costs, for participating local governments or
43 private sector service providers;

44 (f) a description of the process for participating local governments
45 or private sector service providers to recoup reasonable costs as estab-
46 lished by the objective formula, from the producer or organization,
47 including, as applicable, any administrative, sorting, collection,
48 transportation, public education, or processing costs, if the organiza-
49 tion uses existing services through a local government or obtains such
50 services from a private sector service provider, which process and
51 recoupment may be structured to incentivize improvements in management
52 of materials including without limitation in the manner described in
53 paragraph (i) of this subdivision;

54 (g) a description of the characteristics of each type of packaging
55 material that is relevant to the eco-modulating factors set forth pursu-
56 ant to section 27-3413 of this title;

1 (h) if the local government does not elect to provide service, a
2 description of the process used for contracting with a private sector
3 entity to provide such services and the recoupment of reasonable costs,
4 including procedures to ensure that such private sector entity is not
5 compensated for such services by both the organization and the consumer
6 for the same service;

7 (i) how the producers and/or organization will work with existing
8 waste haulers, material recovery facilities, recyclers, and local
9 governments to operate or expand current collection programs to address
10 material collection methods, improve efficiency and yield of processing
11 materials from separate collection streams, and increase packaging
12 reduction and reuse;

13 (j) a description of how the producers or organization will use open,
14 competitive, and fair procurement practices should they directly enter
15 into contractual agreements with service providers, including municipi-
16 palities and private entities;

17 (k) a description of how a local government will participate, on a
18 voluntary basis, with collection and how existing local government recy-
19 cling processing and collection infrastructure will be used;

20 (l) a description of how the producers or organization plans to meet
21 the convenience requirements set forth in this title;

22 (m) a description of the process for end-of-life management, including
23 recycling and disposal of residuals collected for recycling, using envi-
24 ronmentally sound management practices;

25 (n) a description of how the organization shall provide the option to
26 purchase recycled materials from processors;

27 (o) a description of how producers are complying with and exceeding
28 the waste reduction, toxics, recycling and post-consumer content
29 requirements of the title;

30 (p) a description of how the organization will strategically invest in
31 existing and future reuse and recycling infrastructure and market devel-
32 opment in the state in consultation with the department and in a manner
33 not inconsistent with the needs assessment, including, but not limited
34 to, installing or upgrading equipment to improve sorting of covered
35 materials or mitigating the impacts of materials to other commodities at
36 existing sorting and processing facilities, and capital expenditures for
37 new technology, equipment, and facilities;

38 (q) a process to address concerns and questions from customers and
39 residents;

40 (r) a description of the organization's public outreach education
41 program for consumers and other stakeholders;

42 (s) a description of how comments of stakeholders were considered and
43 addressed in the development of the plan; and

44 (t) a detailed description of how the organization consulted with the
45 advisory council, the public, and other stakeholders in the development
46 of the plan prior to its submission to the department, and to what
47 extent the organization specifically incorporated the advisory council's
48 input into the plan.

49 6. The organization shall also provide the advisory council a reason-
50 able period of time to review and comment upon the draft plan prior to
51 its submission to the department in accordance with section 27-3409 of
52 this title which shall in no event be less than sixty days. The organ-
53 ization shall make an assessment of comments received and shall provide
54 a summary and an analysis of the issues raised by the advisory council
55 and significant changes suggested by any such comments, a statement of
56 the reasons why any significant changes were not incorporated into the

1 plan, and a description of any changes made to the plan as a result of
2 such comments.

3 § 27-3409. Packaging reduction and recycling plan approval.

4 1. Before approval or denial of a packaging reduction and recycling
5 plan can be made in accordance with this title, the producer or organ-
6 ization shall submit the plan to the packaging reduction and recycling
7 advisory council. The advisory council shall then make a recommendation
8 regarding approval or disapproval of the plan in accordance with section
9 27-3411 of this title.

10 2. Within sixty days of the advisory council making a recommendation
11 to the department, the department shall make a determination to approve
12 the plan as submitted; approve the plan with conditions; or deny the
13 plan, with reasons for the denial.

14 3. The department may establish additional plan requirements in addi-
15 tion to those identified herein to fulfill the intent of this title;
16 provided, however, that any additional requirements shall be established
17 one year prior to a required submission of a plan unless such additional
18 requirements are in relation to the power granted to the department
19 section 27-3419 of this title.

20 4. No later than six months after the date the plan is approved, the
21 organization shall implement the approved plan. The department may
22 rescind the approval of an approved plan at any time for cause and with
23 documented justification.

24 § 27-3411. Packaging reduction and recycling advisory council.

25 1. There is hereby established within the department a packaging
26 reduction and recycling advisory council to receive and review the pack-
27 aging reduction and recycling plans required under section 27-3407 of
28 this title, to make recommendations to the department regarding approval
29 of the plans, and to review the annual reports produced by organizations
30 and to make recommendations to the department and organizations as
31 required by this section.

32 2. The advisory council shall convene for the first time no later than
33 one year after the effective date of this title. The advisory council
34 shall be composed of thirteen members. Seven shall be appointed by the
35 commissioner, three shall be appointed by the speaker of the assembly,
36 and three shall be appointed by the temporary president of the senate.
37 The advisory council shall include at least one member from each of the
38 following:

39 (a) a local government association or local government program,
40 including an additional local government representative from cities with
41 a population of one million or more residents;

42 (b) a statewide environmental organization;

43 (c) a representative of an environmental justice community affected by
44 solid waste infrastructure;

45 (d) an environmental justice organization;

46 (e) a statewide waste disposal or recycling association;

47 (f) a materials recovery facility located within the state;

48 (g) a recycling collection provider;

49 (h) a manufacturer of packaging materials utilizing post-consumer
50 recycled content;

51 (i) a consumer advocate;

52 (j) a retailer;

53 (k) a public health specialist; and

54 (l) a producer and an organization established under this title as
55 non-voting members.

1 3. Appointments to the advisory council are term-limited to ten
2 consecutive years of service; the chair shall be chosen through a major-
3 ity vote of its members and shall serve no longer than three consecutive
4 years.

5 4. Advisory council members shall serve without compensation, except
6 that a member of the committee who is a state officer or employee may
7 receive his or her regular compensation while engaging in the business
8 of the committee, but shall be entitled to receive reimbursement for any
9 actual, necessary expenses incurred in the course of performing business
10 for the committee.

11 5. All decisions made by the advisory council shall be decided by
12 voting and votes shall only be valid when a quorum is present. A quorum
13 shall exist when greater than fifty percent of voting members are pres-
14 ent. The advisory council shall meet at least once a year by the call of
15 the chair or by request of more than half the members. The decisions of
16 the advisory council shall be by vote of the majority of its membership.

17 6. The council shall determine whether the plan submitted under
18 section 27-3409 of this title meets the criteria and objectives under
19 such section in making its recommendation.

20 7. The advisory council shall, within ninety days of the submission of
21 a packaging reduction and recycling plan, either:

22 (a) forward the plan to the commissioner with its recommendation for
23 approval; or

24 (b) forward the plan to the commissioner with its disapproval and
25 stated reasons therefor, including any recommended changes to the plan
26 necessary for approval.

27 8. An organization may resubmit a packaging reduction and recycling
28 plan for approval at any time. Upon such resubmission, the advisory
29 council shall, within ninety days, forward the plan to the commissioner
30 with its recommendation for approval or disapproval.

31 9. The advisory council shall review the submitted annual reports and
32 make such recommendations to the department and the organization for
33 improving future administration of the program and compliance with this
34 title.

35 10. Thirty months from the date the department adopts rules and regu-
36 lations pursuant to this title, and every three years thereafter, the
37 advisory council shall conduct a review of all relevant data, including
38 annual reports, the latest scientific data available, any pertinent
39 statewide waste and reuse data, and any other information deemed impor-
40 tant, to make recommendations to the following:

41 (a) organizations for any changes in administration of the program,
42 including feedback on the education and outreach program as outlined in
43 section 27-3423 of this title;

44 (b) the department for any necessary changes to regulations, the fund-
45 ing mechanism, reimbursement and expenditure policies or whether it
46 would be beneficial for there to be additional organizations implement-
47 ing the program; and

48 (c) the legislature for recommended statutory changes. Such recommen-
49 dations shall include a recommendation as to whether to modify the defi-
50 nition of recycling under this title.

51 § 27-3413. Funding mechanism.

52 1. All costs of the program, including administration, enforcement,
53 and all other state costs of the program and organizations' costs of the
54 program, including but not limited to those costs described in subdivi-
55 sion three of this section shall be covered by producer payments. The
56 department shall promulgate rules and regulations in the manner required

1 by section 27-3419 of this title setting forth the manner in which
2 producer payments on packaging materials shall be calculated and
3 assessed. Payments shall be calculated based on:

- 4 (a) The packaging material type;
- 5 (b) The quantity of each packaging material type, by weight, that the
6 producer sells, offers for sale, or distributes in the state;
- 7 (c) Eco-modulation, including as described in subdivision seven of
8 this section.

9 2. The list of packaging material types for which there is a specific
10 fee shall include, at a minimum, the following material types:

- 11 (a) Paper;
- 12 (b) Cardboard;
- 13 (c) Corrugated cardboard;
- 14 (d) Wood;
- 15 (e) Glass;
- 16 (f) Polyethylene terephthalate (PET);
- 17 (g) High density polyethylene (HDPE);
- 18 (h) Expanded polystyrene (EPS);
- 19 (i) Polystyrene;
- 20 (j) Bio-plastics;
- 21 (k) Generic plastics;
- 22 (l) Plastic film;
- 23 (m) Other plastics;
- 24 (n) Steel or ferrous;
- 25 (o) Aluminum;
- 26 (p) Tinplate;
- 27 (q) Generic metals; and
- 28 (r) Mixed materials including laminates and packaging containing more
29 than one of the above materials.

30 3. Packaging fees shall be designed to cover, at minimum, the total
31 costs associated with:

- 32 (a) Costs to provide curbside collection or other form of residential
33 service that is, at minimum, as convenient as detailed in section
34 27-3415 of this title;
- 35 (b) The department's and other state agencies' administration of this
36 title;
- 37 (c) Organizations' administration of this title;
- 38 (d) The cost associated with the development of the needs assessment,
39 as required in section 27-3421 of this title;
- 40 (e) The costs associated with the advisory council and the toxic pack-
41 aging task force;
- 42 (f) The costs associated with establishing packaging reduction and
43 reuse infrastructure;
- 44 (g) The cost of providing recycling services, including the collection
45 cost, processing cost for each recyclable material, cost of handling
46 non-recyclable material types collected as part of a recycling opera-
47 tion, transportation cost of recycling for each material type; and
- 48 (h) Any other factors determined by the department.

49 4. The department may adjust fees to be paid by producers based on
50 factors that affect system costs. At a minimum, fees shall be variable
51 based on:

- 52 (a) costs to process packaging materials for acceptance by secondary
53 material markets;
- 54 (b) whether the packaging material would typically be readily-recycla-
55 ble as determined by the department after consultation with the advisory
56 council, except that as a consequence of the packaging design, the pack-

1 aging product has the effect of disrupting recycling processes or the
2 product includes labels, inks, and adhesives containing heavy metals or
3 other toxic substances that would result in contamination of the recycl-
4 ing process;

5 (c) whether the packaging material is specifically designed to be
6 reusable or refillable and has high reuse or refill rate;

7 (d) the commodity value of a packaging material, as determined by the
8 department after consultation with the advisory council; and

9 (e) any other factors determined by the department.

10 5. The fees shall be adjusted, or the producers may be provided a
11 credit, based upon the percentage of post-consumer recycled material
12 content and such percentage of post-consumer recycled content shall be
13 verified by the organization or through an independent third party
14 approved to perform verification services to ensure that such percentage
15 exceeds the minimum requirements in the packaging, as long as the recy-
16 clered content does not, in the determination of the department, disrupt
17 the potential for future recycling.

18 6. In addition to the annual schedule of fees, the department fee
19 schedule may include a special assessment on specific categories of
20 packaging materials at the request of responsible entities representing
21 and approved by the advisory council if the nature of the packaging
22 material imposes unusual costs in collection or processing or requires
23 special actions to address effective access to recycling or successful
24 processing in local government recycling facilities, as determined by
25 the department after consultation with the advisory council.

26 7. The program charges shall be structured to provide producers with
27 financial incentives to encourage:

28 (a) A reduction in total packaging as measured by unit weight used by
29 producers, and discarded by consumers, businesses, institutions, and
30 other users. Weight reductions shall not be achieved by substituting
31 plastic for other materials types;

32 (b) An increase in the proportion of a producer's total packaging that
33 is managed within a reuse and refill system;

34 (c) An increase in the proportion of a producer's total packaging that
35 is deemed recyclable as determined by an annual review process as
36 described in section 27-3405 of this title;

37 (d) An increase in the proportion of a producer's total packaging that
38 is ultimately recycled;

39 (e) A reduction in toxic components in packaging materials; and

40 (f) A reduction in litter from packaging materials.

41 8. There shall be no fee assessed on packaging that is designed for
42 reuse and refill and contained within a reuse or refill system.

43 9. Any funds directly collected pursuant to this title shall not be
44 used to carry out lobbying activities on behalf of an organization.

45 10. No retailer may charge a point-of-sale or other fee to consumers
46 to facilitate a producer to recoup the costs associated with meeting the
47 obligations under this title.

48 11. Nothing in this title shall require a local government to partic-
49 ipate in the program.

50 12. The department shall update and revise the fees with input from
51 the advisory council every three years.

52 § 27-3415. Collection and convenience.

53 1. The program shall provide for widespread, convenient, and equitable
54 access to collection opportunities for recyclable packaging materials at
55 no additional cost. Such opportunities shall be provided to all resi-

1 dents of the state in a manner that is as convenient as the collection
2 of municipal solid waste.

3 2. Participation in the program shall not restrict a jurisdiction's
4 consumer's ability to contract directly with third parties to obtain
5 recycling collection services if consumers have the option to enter into
6 such contracts as of the effective date of this title, as long as the
7 consumer still voluntarily chooses to contract directly with the third
8 party. The local government shall not provide disbursement to such
9 third party should the local government provide widespread recycling
10 services either directly or through a contract that is different from
11 the contract with such third party, and there shall be procedures in
12 place to ensure that no service provider is compensated more than once
13 for the same service.

14 3. All local government or private recycling service providers shall
15 provide for the collection and recycling of all packaging materials
16 contained on the minimum recyclables lists, based on geographic regions,
17 in order to be eligible for reimbursement; provided, however, nothing
18 shall penalize a local government or private recycling service for
19 recovering and recycling materials that are generated in the local
20 government or geographic region that are not included on the minimum
21 recyclables lists as long as it can be demonstrated that such materials
22 have a consistent regional market for purchase as determined by the
23 department in consultation with the producer or organization.

24 4. Reimbursement shall cover reduction, as contemplated by section
25 27-3413 of this title, collection, processing, transportation, and recy-
26 cling and disposal of all packaging materials so long as the program
27 includes at least the minimum recyclables list. The department may grant
28 an exception of the requirements in this subdivision upon a written
29 showing by the local government or private recycling service that
30 compliance with the requirements is not practicable for a specific iden-
31 tified product or material and if the department finds it is in the best
32 interest of the intent of this title to grant an exception; provided,
33 however, that any such exception granted by the department shall not
34 exceed twelve months.

35 5. The department shall promulgate rules and regulations to ensure
36 that program funds shall be used for investment in collection systems,
37 transportation systems, reuse systems, washing systems, redistribution
38 systems, technology for tracking and data collection, capital expendi-
39 tures on new and emerging technology that is focused on reusable and
40 refillable packaging, as well as equipment, and facilities, and other
41 projects determined by the department to facilitate the goals and
42 objectives of this title.

43 6. Nothing in this title shall be deemed to automatically void or
44 nullify any collection contracts in effect as of the effectiveness of
45 this title.

46 § 27-3417. Producer responsibilities.

47 1. Beginning thirty months after the effective date of this title, a
48 producer shall not sell, offer for sale, or distribute into the state a
49 product contained, protected, delivered, presented, or distributed in
50 packaging unless the producer is registered with an organization and in
51 full compliance with all requirements of this title.

52 2. Either when the producer registers, or within thirty months of the
53 effective date of this title, whichever is later and annually thereaft-
54 er, each producer shall provide the organization with the following
55 information:

1 (a) Contact information, including the name, electronic and physical
2 address, and telephone number of the authorized representative of the
3 producer;

4 (b) A comprehensive list of the types and brands of packaging materi-
5 als for which the producer or producers are responsible for;

6 (c) The total amount, in units and weight, of each type of packaging
7 material sold, offered for sale, or distributed for sale into the state
8 by the producer in the prior calendar year; and

9 (d) Any other information required by the department.

10 3. Producers are responsible for payment of fees, through an organiza-
11 tion, based on the quantity, type of packaging used in the state, and
12 other factors.

13 4. Producers are responsible for meeting the toxic substances, packag-
14 ing reduction, post-consumer content, and recycling standards under this
15 title.

16 5. A producer shall electronically submit annually, to both the
17 department and the packaging reduction and recycling organization, a
18 written declaration signed by its chief executive officer, verifying the
19 producer's compliance with:

20 (a) The packaging material reduction requirements of this title;

21 (b) The packaging material recycled content requirements of this
22 title;

23 (c) The packaging material recycling requirements of this title;

24 (d) The toxic substance reduction requirements of this title; and

25 (e) Any reimbursement obligations they have to local governments or
26 third party service providers in connection with this title.

27 6. A producer is exempt from the requirements and prohibitions of this
28 title in a calendar year in which:

29 (a) The producer realized less than one million dollars in total gross
30 revenue during the prior calendar year; or

31 (b) The producer sold, offered for sale, or distributed for sale
32 products contained, protected, delivered, presented, or distributed in
33 or using less than one ton of packaging material in total during the
34 prior calendar year.

35 7. A producer claiming an exemption pursuant to subdivision six of
36 this section shall provide the department with sufficient information to
37 demonstrate that the claimant is eligible for an exemption.

38 § 27-3419. Department responsibilities.

39 1. Within eighteen months of the effective date of this title, the
40 department shall, in accordance with section 27-3437 of this title,
41 promulgate all rules and regulations necessary to implement, administer,
42 and enforce the provisions of this title, including setting standards
43 for consumer protection when the organization directly disburses funds
44 to third parties. These rules and regulations shall include prohibiting
45 certain packaging toxins pursuant to section 27-3425 of this title and
46 setting recommended producers' program fees, after consulting with
47 multiple stakeholders, including local governments, businesses, insti-
48 tutions, and other extended producer responsibility programs. Program
49 fees shall be set as required by section 27-3413 of this title.

50 2. The department shall revise recommended program fees every three
51 years, beginning three years after the first set of program fees is
52 established, to reflect new data received about material use and manage-
53 ment, or whenever the targets set in this title are not met, to drive
54 compliance with such targets.

1 3. Beginning two years after the effective date of this title, and
2 annually thereafter, the department shall work with each organization
3 to:

4 (a) Calculate the amount of packaging that was generated during the
5 prior calendar year;

6 (b) Calculate the recycling rate for all packaging during the prior
7 calendar year;

8 (c) Calculate the recycling rate for each packaging material type
9 during the prior calendar year;

10 (d) Develop a list of producers reasonably believed to be out of
11 compliance with the requirements of this title; and

12 (e) Utilize this information with input from the advisory council to
13 produce an annual report to be shared with the legislature and posted
14 publicly on the department's website.

15 4. In the event that the department determines that the organization
16 no longer meets the requirements of this title, or fails to implement
17 and administer the requirements of this title in a manner that effectuates
18 the purposes of this title, after reasonable opportunity to cure
19 such deficiencies, the department shall revoke its approval of such
20 organization and shall either select a new organization pursuant to
21 section 27-3403 of this title or elect to operate the program itself.

22 § 27-3421. Statewide packaging reduction, reuse, and recycling needs
23 assessment.

24 1. No later than one year after the effective date of this title and
25 every five years thereafter, the department shall complete or cause to
26 be completed a statewide packaging reduction, reuse, and recycling needs
27 assessment to determine the current state of packaging reuse, recycling,
28 and disposal, and identify barriers and opportunities to reduce the
29 amount of packaging discarded and disposed of, and increase the reusa-
30 bility and recyclability of packaging.

31 2. The needs assessment, at a minimum, shall cover the following:

32 (a) The current recycling rate for each type of packaging material
33 material;

34 (b) The amount, by weight and material type, of packaging material
35 recycled at each recycling facility that accepts discarded packaging
36 generated in the state;

37 (c) The processing capacity, market conditions, and opportunities in
38 the state and regionally for recyclable materials generally, and packag-
39 ing material categories specifically;

40 (d) The net cost of end-of-life management of discarded packaging
41 material in the state, including the cost associated with the
42 collection, transportation, sortation, recycling, littering, landfill-
43 ing, or incineration of discarded packaging;

44 (e) The availability of opportunities in the recycling and reuse
45 system for minority- and women-owned businesses;

46 (f) Current barriers affecting recycling access and availability in
47 the state;

48 (g) Current barriers to the marketability of recyclable materials
49 generated in the state;

50 (h) Opportunities for the creation of packaging material reuse and
51 refill programs in the state;

52 (i) Opportunities for the improvement of packaging material recycling
53 in the state, including the development of end markets for recycled
54 packaging materials.

55 (j) Current barriers affecting the creation and implementation of
56 packaging material reuse and refill programs;

1 (k) Consumer education needs in the state with respect to packaging
2 material waste reduction, recycling, and reducing contamination in recy-
3 cling, and reuse and refill systems for packaging material; and

4 (1) Landfill capacity.

5 3. The cost incurred by the department associated with conducting the
6 needs assessment shall be paid for by the organization.

7 4. The department shall report the results of the needs assessment to
8 the public, the state legislature, and the governor, and shall post the
9 results on its website.

10 § 27-3423. Education and outreach program.

11 1. The organization shall develop and implement an educational
12 outreach program designed to educate the public about waste reduction
13 and improve the effectiveness of local government recycling and, at a
14 minimum, include:

15 (a) Educational and informational materials for consumers related to
16 reducing the amount of packaging discarded, recycled, and disposed of in
17 the state;

18 (b) A description of the environmental, social, economic, and environ-
19 mental justice impacts associated with improper disposal of packaging
20 material and failure to reuse or recycle packaging materials;

21 (c) Information on the proper end-of-life management of packaging
22 material, including reuse, recycling, composting, and disposal;

23 (d) The location and availability of curbside collection and addi-
24 tional drop-off collection opportunities for packaging material, includ-
25 ing deposit and take-back programs;

26 (e) How to prevent litter of packaging material in the process of
27 collection;

28 (f) Recycling instructions that are consistent statewide, except as
29 necessary to take into account differences among local laws and process-
30 ing capabilities, easy to understand, and easily accessible; and

31 (g) Any other information required by the department.

32 2. The educational outreach program shall incorporate, at a minimum,
33 electronic, print, web-based and social media elements, including for
34 use by local governments at their discretion, as well as including a
35 variety of outreach and education tools. Such educational outreach
36 programs shall ensure materials are widely accessible and available in
37 multiple languages.

38 3. The educational outreach program shall be coordinated with and
39 assist local government programs, local government contracted programs,
40 solid waste collection companies, and other entities providing services.

41 4. The educational outreach program shall be developed to ensure envi-
42 ronmental justice communities receive targeted outreach and support.

43 5. The educational outreach program shall include a plan to work with
44 producers to label or mark packaging material, in accordance with
45 reasonable labeling standards, with information to assist consumers in
46 responsibly managing and recycling covered products.

47 6. The organization shall consult with local governments on the devel-
48 opment of educational materials and may coordinate with local govern-
49 ments on outreach and communication.

50 7. The organization shall be authorized to provide producers and
51 retailers with educational materials related to the responsible
52 reduction, reuse, recycling, or disposal of discarded packaging materi-
53 al. The educational and informational materials provided to the retailer
54 under this subdivision may include, but need not be limited to, printed
55 materials, signage, templates of materials that can be reproduced by
56 retailers and provided thereby to consumers at the time of a product's

1 purchase, and advertising materials that promote and encourage consumers
2 to properly reuse, recycle, or dispose of packaging material.

3 § 27-3425. Prohibition on certain toxic substances and materials.

4 1. Beginning two years after the promulgation of rules and regulations
5 pursuant to this title, no person or entity shall sell, offer for sale,
6 or distribute into the state any packaging containing any of the follow-
7 ing toxic substances:

8 (a) Ortho-phthalates;

9 (b) Bisphenols;

10 (c) Per- and polyfluoroalkyl substances (PFAS);

11 (d) Heavy metals and compounds, including lead, hexavalent chromium,
12 cadmium, and mercury;

13 (e) Benzophenone and its derivatives;

14 (f) Halogenated flame retardants;

15 (g) Perchlorate;

16 (h) Formaldehyde;

17 (i) Toluene;

18 (j) Antimony and compounds;

19 (k) Carbon black;

20 (l) UV 328 (2-(2H-benzotriazol-2-yl)-4,6-di-tert-pentylphenol);

21 (m) Polyvinyl chloride, including polyvinylidene chloride;

22 (n) Polystyrene; or

23 (o) Polycarbonate.

24 2.(a) There is hereby established within the department a toxic pack-
25 aging task force to review the toxicity in packaging in the state, and
26 to recommend to the department the designation of additional toxic
27 substances which shall be subject to the same prohibition as those
28 substances listed in subdivision one of this section.

29 (b) The toxic packaging task force shall have seven members, one of
30 whom shall be the commissioner or their designee who shall be chair, and
31 one of whom shall be the commissioner of health or their designee. The
32 other members shall include: (i) a representative of the packaging
33 industry; (ii) a representative of an environmental justice organiza-
34 tion; and (iii) a representative from the chemical industry; all of whom
35 shall be appointed by the commissioner. The remaining members shall be
36 persons with significant professional or academic expertise in public
37 health and toxicology, one of whom shall be appointed by the temporary
38 president of the senate and one of whom shall be appointed by the speak-
39 er of the assembly. Appointments to the toxic packaging task force are
40 term limited to five consecutive years of service.

41 (c) The task force shall meet at least twice per year to review and
42 recommend to the department whether there are additional toxic
43 substances or classes of toxic substances that should no longer be sold,
44 offered for sale, distributed for sale, or distributed for use in pack-
45 aging in this state.

46 3. Within one hundred eighty days of the toxic packaging task force
47 recommending the designation of an additional toxic substance, the
48 department shall adopt rules and regulations to designate such substance
49 as a toxic substance under this section and prohibit the use of such
50 toxic substance in packaging in the same manner as those toxic
51 substances listed in subdivision one of this section, with an effective
52 date no later than two years after the date of such recommendation.

53 4. Any producer that violates this section, or any rules or regu-
54 lations promulgated pursuant to this section, shall be subject to a fine
55 for each violation not to exceed ten thousand dollars per violation. For
56 the purposes of this section, each product line that is sold, offered

1 for sale, or distributed to consumers, via retail commerce, in the
2 state, including through an internet transaction shall be considered a
3 separate violation.

4 § 27-3427. Non-reusable packaging reduction standards.

5 1. Each individual producer is required to meet the following packag-
6 ing reduction requirements:

7 (a) Beginning three years after a producer first registers with an
8 organization, such producer shall reduce the amount of primary plastic
9 packaging and the amount of non-primary packaging for all materials used
10 to contain, protect, deliver, present, or distribute the products they
11 sell, offer for sale, or distribute for sale into the state, by ten
12 percent by unit weight.

13 (b) Beginning five years after a producer first registers with an
14 organization, such producer shall reduce the amount of primary plastic
15 packaging and the amount of non-primary packaging for all materials used
16 to contain, protect, deliver, present, or distribute the products they
17 sell, offer for sale, or distribute for sale into the state, by twenty
18 percent by unit weight.

19 (c) Beginning eight years after a producer first registers with an
20 organization, such producer shall reduce the amount of primary plastic
21 packaging and the amount of non-primary packaging for all materials used
22 to contain, protect, deliver, present, or distribute the products they
23 sell, offer for sale, or distribute for sale into the state, by thirty
24 percent by unit weight.

25 (d) Beginning ten years after a producer first registers with an
26 organization, such producer shall reduce the amount of primary plastic
27 packaging and the amount of non-primary packaging for all materials used
28 to contain, protect, deliver, present, or distribute the products they
29 sell, offer for sale, or distribute for sale into the state, by forty
30 percent by unit weight.

31 (e) Beginning twelve years after a producer first registers with an
32 organization, such producer shall reduce the amount of primary plastic
33 packaging and the amount of non-primary packaging for all materials used
34 to contain, protect, deliver, present, or distribute the products they
35 sell, offer for sale, or distribute for sale into the state, by fifty
36 percent by unit weight.

37 2. The reductions required by this section shall be measured against
38 the total amount of packaging the producer used to contain, protect,
39 deliver, present, or distribute the products they sold, offered for
40 sale, or distributed for sale, during the first year such producer
41 registered with the packaging reduction organization.

42 3. These reductions shall be achieved by eliminating single-use pack-
43 aging, including secondary or tertiary packaging, elimination of packag-
44 ing components, reduction of packaging components, or by transitioning
45 to reusable or refillable packaging systems.

46 4. The reductions required by this section shall not be achieved by
47 substituting non-plastic materials with plastic materials or substitut-
48 ing recyclable materials with non-recyclable materials.

49 5. In the case of a producer for which, as of the effective date of
50 this title or upon entry into the market after such effective date, a
51 portion of its packaging is reusable and contained within a reuse and
52 refill system, such producer may apply to the department for a waiver
53 from the packaging reduction requirements set forth in subdivision one
54 of this section with respect to that percentage of its packaging, by
55 unit weight, which is contained within a reuse and refill system.

1 6. In the case of a producer that demonstrates in a manner satisfac-
2 tory to the department that, for the period beginning five years prior
3 to the effective date of this title and ending on the date which is two
4 years after the effective date of this title, the producer reduced the
5 amount of packaging used to contain, protect, deliver, present, or
6 distribute the products the producer sells, offers for sale, or distrib-
7 utes for sale into the state, such producer may apply to the department
8 for a waiver from the packaging reduction requirements of this section
9 with respect to that percentage of its packaging, by unit weight, which
10 was reduced during such five-year period.

11 7. A producer may apply to the department for a waiver from the
12 reduction requirements of this section if compliance is impossible due
13 to federal law. Such waiver must be applied for annually. In such
14 application the producer shall provide the department and the advisory
15 council with sufficient information, in the determination of the depart-
16 ment in consultation with the advisory council, to make a determination
17 on such application, including proof that the producer has taken all
18 feasible actions to achieve the reductions required by this section.

19 8. Nothing in this section shall preclude a producer from going beyond
20 the reduction standards in subdivision one of this section.

21 § 27-3429. Recycled content standards.

22 1. Each individual producer shall meet the recycling content targets
23 contained in this section.

24 2. Beginning two years after the effective date of this section:

25 (a) all glass containers manufactured in the state used by the produc-
26 er shall contain, on average, at least thirty-five percent post-consumer
27 recycled content;

28 (b) all paper carryout bags sold, offered for sale, or given away free
29 in the state by a producer shall contain, on average, at least forty
30 percent post-consumer recycled content; except that a paper carryout bag
31 that holds eight pounds or less shall only be required to contain, on
32 average, at least twenty percent post-consumer recycled content; and

33 (c) all plastic trash bags sold or offered for sale in the state by a
34 producer shall contain, on average, at least twenty percent post-consum-
35 er recycled content.

36 3. The requirements of this section shall not apply to reusable or
37 refillable packaging or containers.

38 4. Beginning two years after plan implementation begins for the
39 initial organization, the department is authorized, in consultation with
40 the advisory council, to:

41 (a) establish content requirements for materials not listed in subdivi-
42 vision two of this section; and

43 (b) modify the post-consumer recycled content targets for the materi-
44 als set forth in subdivision two of this section, provided that modifi-
45 cations do not result in a lesser percentage or an earlier year for the
46 respective target.

47 § 27-3431. Recyclability criteria and packaging recycling requirements.

48 1. Beginning two years after the effective date of this section, pack-
49 aging materials used by a producer shall meet the following recyclabili-
50 ty criteria:

51 (a) be capable of being sorted by entities that process recyclable
52 material generated in the state;

53 (b) has a consistent regional market for purchase, by end users in the
54 production of new products;

55 (c) does not contain the following:

1 (i) non-detectable pigments, including but not limited to carbon
2 black;

3 (ii) the toxic substances set forth in subdivision one of section
4 27-3425 of this title and those designated by the toxic packaging task
5 force pursuant to subdivision two of section 27-3425 of this title;

6 (iii) opaque or pigmented polyethylene terephthalate;

7 (iv) oxo-degradable additives, including oxo-biodegradable additives;

8 (v) polyethylene terephthalate glycol in rigid packaging;

9 (vi) label constructions, including adhesives, inks, materials and
10 formats, or features that render a package non-recyclable or disruptive
11 to the recycling process, as determined by the department in consulta-
12 tion with the advisory council; and

13 (vii) DoPS - polystyrene, including EPS (expanded polystyrene);

14 (d) meets the post-consumer content requirements of this title; and

15 (e) any other criteria determined by the department.

16 2. The department shall maintain a list of packing material that meet
17 these criteria and are deemed to be recyclable. The department shall
18 update this list annually.

19 3. Each individual producer shall be required to meet the following
20 recycling rate standards:

21 (a) With respect to the producer's non-plastic packaging:

22 (i) Beginning January first, two thousand twenty-eight, a minimum of
23 thirty-five percent of packaging material reported by the producer or an
24 organization as supplied into the state shall be reused or recycled,
25 with a minimum of five percent being reused;

26 (ii) Beginning January first, two thousand thirty-five, a minimum of
27 fifty percent of packaging material reported by the producer or an
28 organization as supplied into the state shall be reused or recycled,
29 with a minimum of ten percent being reused; and

30 (iii) Beginning January first, two thousand fifty, a minimum of seven-
31 ty-five percent of packaging material reported by the producer or an
32 organization as supplied into the state shall be reused or recycled,
33 with a minimum of twenty percent being reused.

34 (b) With respect to plastic packaging:

35 (i) Beginning January first, two thousand twenty-eight, a minimum of
36 twenty-five percent of plastic packaging material reported by the
37 producer or an organization as supplied into the state shall be reused
38 or recycled;

39 (ii) Beginning January first, two thousand thirty-five, a minimum of
40 fifty percent of plastic packaging material reported by the producer or
41 an organization as supplied into the state shall be reused or recycled;
42 and

43 (iii) Beginning January first, two thousand fifty, a minimum of seven-
44 ty-five percent of plastic packaging material reported by the producer
45 or an organization as supplied into the state shall be reused or recy-
46 clcd.

47 4. The department may adjust the recycling rates in subdivision three
48 of this section by rulemaking based on information gathered through the
49 needs assessment or provided in producer plans and reports, or based on
50 consideration of environmental, technical and economic conditions. An
51 adjustment to the statewide recycling and reuse performance targets may
52 not adjust the recycling rate target to less than thirty-five percent or
53 more than seventy-five percent.

54 5. A producer may apply to the department for a waiver from the
55 reduction requirements of this section if compliance is impossible due
56 to federal law. Such waiver shall be applied for annually. In such

1 application the producer shall provide the department and the advisory
2 council with sufficient information, in the determination of the depart-
3 ment in consultation with the advisory council, to make a determination
4 on such application, including proof that the producer has taken all
5 feasible actions to achieve the reductions required by this section.

6 6. The requirements of subdivision three of this section shall not
7 apply to reusable or refillable packaging or containers.

8 § 27-3433. Establishment of the office of recycling inspector general.

9 1. The commissioner shall establish an independent office of recycling
10 inspector general within the department. The recycling inspector general
11 shall evaluate the programs created pursuant to this title on an annual
12 basis and shall ensure such programs are functioning properly, and that
13 all producers are in compliance with the requirements of this title.

14 2. The recycling inspector general shall have the authority to inves-
15 tigate the compliance of producers and the organization with all
16 provisions of this title and to bring enforcement actions for violations
17 of this title pursuant to the provisions of section 27-3435 of this
18 title.

19 § 27-3435. Penalties and enforcement.

20 1. Failure to comply with the requirements of this title shall subject
21 the organization or an individual producer to penalties for violations.
22 The department, recycling inspector general, or attorney general, may
23 conduct investigations, including inspecting operations, facilities, and
24 records of producers and organizations, and performing audits of produc-
25 ers and organizations, to determine whether such producers and organiza-
26 tions are complying with the requirements of this title.

27 2. The department, the recycling inspector general, or the attorney
28 general, shall notify an organization or producer of any conduct or
29 practice that does not comply with the requirements of this title and of
30 any inconsistencies identified in an audit.

31 3. The department, the recycling inspector general, and the attorney
32 general, may issue a notice of violation to, and impose an administra-
33 tive civil penalty not to exceed one thousand dollars per day per
34 violation on any entity not in compliance with this title or any of the
35 regulations the department adopts to implement this title. For the
36 purposes of this section, each product line that is sold, offered for
37 sale, or distributed to consumers via retail commerce in the state,
38 including through an internet transaction, shall be considered a sepa-
39 rate violation.

40 4. Civil penalties under this section shall be assessed by the depart-
41 ment after an opportunity to be heard pursuant to the provisions of
42 section 71-1709 of this chapter, or by the court in any action or
43 proceeding pursuant to section 71-2727 of this chapter, and in addition
44 thereto, such person or entity may by similar process be enjoined from
45 continuing such violation and any permit, registration or other approval
46 issued by the department may be revoked or suspended or a pending
47 renewal denied.

48 § 27-3437. Rules and regulations.

49 1. Within eighteen months after the effective date of this section,
50 the department shall promulgate all rules and regulations necessary to
51 implement, administer, and enforce the provisions of this title.

52 2. When promulgating rules pursuant to the provisions of this section,
53 the department shall solicit input from the public of any draft rule or
54 regulation to implement this section, including at a minimum a ninety-
55 day comment period and one public hearing on such draft rules.

56 § 27-3439. State preemption.

1 Jurisdiction in all matters pertaining to costs and funding mechanisms
2 of packaging reduction and recycling organizations relating to the
3 recovery of packaging materials shall, by this title, be vested exclu-
4 sively in the state; provided, however, that nothing in this title shall
5 preclude any city, town, village or other local planning units from
6 determining what materials shall be included for recycling in a local
7 government recycling collection program or shall preclude any person
8 from coordinating, for recycling or reuse, the collection of packaging
9 materials and products.

10 § 27-3441. Other assistance programs.

11 Nothing in this title shall impact any producer eligibility for any
12 state or local incentive or assistance program to which they are other-
13 wise eligible.

14 § 27-3443. Severability.

15 The provisions of this title shall be severable and if any phrase,
16 clause, sentence or provision of this title or the applicability thereof
17 to any person or circumstance shall be held invalid, the remainder of
18 this title and the application thereof shall not be affected thereby.

19 § 3. The environmental conservation law is amended by adding a new
20 section 37-0202 to read as follows:

21 § 37-0202. Applicability.

22 This article shall only have effect to the extent that the prohibi-
23 tions in this title are not otherwise substantially given effect or in
24 conflict with the provisions of title thirty-four of article twenty-sev-
25 en of this chapter.

26 § 4. This act shall take effect immediately.