



HOUSE BILL 28: NC Managing Environmental Waste Act of 2023.

2023-2024 General Assembly

Committee:	House Regulatory Reform. If favorable, re- refer to Rules, Calendar, and Operations of the House	Date:	April 19, 2023
Introduced by:	Rep. Warren	Prepared by:	Aaron McGlothlin Committee Counsel
Analysis of:	PCS to Second Edition H28-CSCCa-2		

OVERVIEW: *The Proposed Committee Substitute (PCS) to House Bill 28 would enact several measures related to food service ware as follows:*

- *Establish that it is the policy of this State that all State agencies, community colleges, and local school administrative units shall, to the extent economically practicable, purchase and use materials with compostable or recyclable content in their food establishments.*
- *Restore certain annual reporting requirements concerning the amounts and types of materials and supplies with recycled content purchased and the amounts and types of materials collected for recycling by State agencies, community colleges, and local school administrative units.*
- *Require the North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill to study the issue of food service ware, and appropriate \$50,000 to the Collaboratory in nonrecurring funds to carry out this study.*
- *Require the Legislative Services Officer to evaluate and implement opportunities to reduce the use of food service ware in food establishments and beverage services operated by the General Assembly.*
- *Require the Department of Cultural and Natural Resources to implement a pilot program to eliminate the use of food service ware at five facilities operated by the Department.*

The PCS makes the following changes from the Second Edition:

- *Removes Section 1, which would allocate 5% of the revenue generated by the solid waste disposal tax to cities and counties in the State that provide plastics recycling services and food service ware reduction programs within their jurisdiction.*
- *Establishes that it is the policy of this State that all State agencies, community colleges, and local school administrative units shall, to the extent economically practicable, purchase and use materials with compostable or recyclable content in their food establishments.*
- *Substitutes the North Carolina Policy Collaboratory for the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources as the entity to carry out the study on food service ware.*
- *Appropriates \$50,000 to the North Carolina Policy Collaboratory in nonrecurring funds to carry out the study on the issue of food service ware.*

Jeffrey Hudson
Director



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- *Substitutes the Department of Natural and Cultural Resources for the Division of Services for the Blind, within the Department of Health and Human Services, as the State agency directed to implement the pilot program to eliminate food service ware at five of its facilities.*
- *Requires the Department of Natural and Cultural Resources and the Legislative Services Officer to include information in their reports to the Environmental Review Commission about any additional costs associated with replacing food service ware.*
- *Revises the definition of the term "food service ware."*
- *Makes other technical and clarifying changes.*

BILL ANALYSIS:

Section 1.(a) of the PCS would provide that it is the policy of this State that all State departments, institutions, agencies, community colleges, and local school administrative units shall, to the extent economically practicable, purchase and use, or require the purchase and use of, materials and supplies with compostable or recyclable content in food establishments operated under the auspices of the department, institution, agency, community college, and local school administrative unit.

Section 1.(a) and 1.(b) of the PCS would restore certain reporting requirements applicable to State agencies, community colleges, and local school administrative units concerning the amounts and types of materials and supplies with recycled content purchased annually by these entities, and the amounts and types of materials collected for recycling annually by these entities. The Department of Environmental Quality (DEQ) would be required to report this data to the Environmental Review Commission (ERC) and the Joint Legislative Commission on Governmental Operations. These reporting requirements were repealed in 2009 and 2010.

Section 2 of the PCS would direct the North Carolina Policy Collaboratory (Collaboratory) to study the issue of food service ware, including examination of all the following matters:

- The environmental impacts of plastics pollution.
- The State's current requirements for plastics recycling.
- Estimates of the proportionate volume of plastics recycled versus plastics disposed of in landfills in the State.
- Recycling markets and available information on the fate of plastics collected for recycling in the State, including data on plastics used as feedstock for in-State recycling, and national and international markets.
- Pending and enacted legislation in other states to regulate food service ware, including bans on specific types of food service ware.
- The impact that bans on specific types of food service ware have had on people with disabilities.
- Current private sector initiatives to reduce plastics pollution and additional financial and market tools that may be employed by private sector interests for this purpose.
- Alternatives to use of food service ware for serving or transporting food and beverages.
- New technologies for plastics recycling and waste reduction.

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The PCS would require the Collaboratory to consult with stakeholders in conducting the study, including DEQ, the Department of Health and Human Services, the Department of Administration, representatives of the environmental community, the North Carolina Retail Merchants Association, and the North Carolina Beverage Association. The Collaboratory would be required to report its findings and recommendations, including any legislative proposals, to the 2024 Regular Session of the 2023 General Assembly upon its convening.

Section 3 of the PCS would require:

- The Legislative Services Officer to evaluate all opportunities to reduce the use of food service ware in food establishments and beverage services operated by the General Assembly and implement such measures at the earliest date that (i) does not result in disposal, prior to use, of food service ware already procured on the date this act becomes law and (ii) does not impair contracts for purchase of such food service ware in effect on the date this act becomes law.
 - The Legislative Services Officer must issue a preliminary report on implementation of the requirements of this section, including any additional costs associated with replacing food service ware with compostable or recyclable materials, to the ERC no later than September 1, 2023, and provide a final report to the ERC no later than March 1, 2024.
- The Department of Natural and Cultural Resources to implement a pilot program to eliminate the sale or provision of food or beverages in or with food service ware. In implementing this pilot, the Department must identify five facilities operated by the Department to implement measures to eliminate food service ware at the earliest possible date that (i) does not result in disposal, prior to use, of food service ware already procured by the agency on the date this act becomes law and (ii) does not impair contracts for purchase of such food service ware in effect on the date this act becomes law.
 - The Department must issue a preliminary report on implementation of the requirements of this section, including any additional costs associated with replacing food service ware with compostable or recyclable materials, to the ERC no later than September 1, 2023, and provide a final report to the ERC no later than March 1, 2024.

Section 4 of the PCS, for purposes of this act, defines "food service ware" as products, other than compostable or recyclable products, used by a food service provider that are designed for one-time use for serving or transporting prepared, ready-to-consume food or beverages, including plates, cups, bowls, trays, utensils, straws, cup lids, and hinged or lidded containers.

Section 5 of the PCS would appropriate \$50,000 in nonrecurring funds for the 2023-2024 fiscal year from the General Fund to the North Carolina Policy Collaboratory to carry out the study on the issue of food service ware, as required by **Section 2** of the PCS.

EFFECTIVE DATE: Section 5 of the bill would become effective July 1, 2023. The remainder of the bill would be effective when it becomes law.