[First Reprint]

SENATE, No. 1441

STATE OF NEW JERSEY

221st LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2024 SESSION

Sponsored by:
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District 7 (Burlington)
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District 40 (Bergen, Essex and Passaic)

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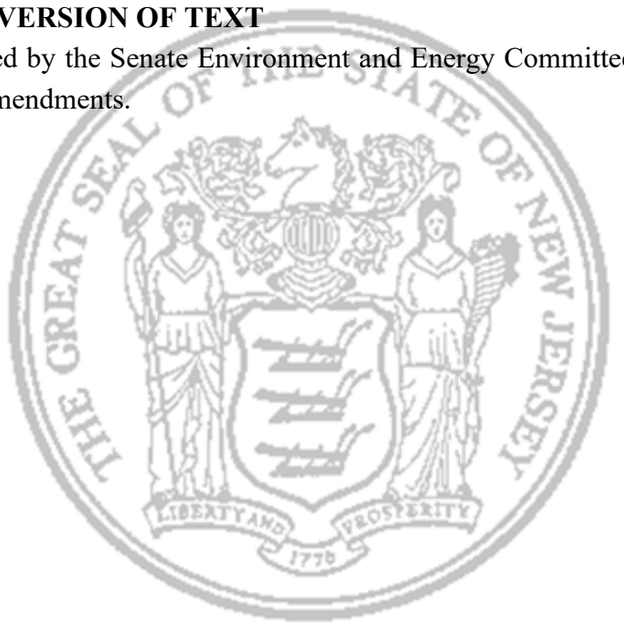
SYNOPSIS

Establishes School Plastics Upcycling Grant Program in DEP to provide proportional awards to eligible schools based on pro rata share of plastics collected, by each school, for upcycling purposes.

CURRENT VERSION OF TEXT

As reported by the Senate Environment and Energy Committee on May 13, 2024, with amendments.



(Sponsorship Updated As Of: 12/18/2025)

AN ACT concerning the establishment of a grant program to provide proportional awards to schools engaged in the collection and donation of plastics for upcycling purposes [1]**[**,**]** and[1] supplementing Title 13 of the Revised Statutes [1]**[**, and making an appropriation**]**[1] .

BE IT ENACTED *by the Senate and General Assembly of the State of New Jersey:*

1. As used in this act:

"Authorized upcycler" means a person or entity, including, but not limited to, a recycling center or similar facility, that is identified by the commissioner, pursuant to subsection d. of section 3 of this act, as being appropriately qualified to engage in plastics upcycling and capable of upcycling donated school-collected plastics into school-appropriate furnishings for the purposes of this act.

"Collected plastics" means and includes those used, useless, or unwanted plastic bags or other plastic materials or products which have been collected by students or staff, for the purposes of upcycling, either at or on behalf of an eligible applicant school during the school year immediately preceding the date on which the school submits its program grant application pursuant to subsection b. of section 3 of this act.

"Commissioner" means the Commissioner of Environmental Protection.

"Department" means the Department of Environmental Protection.

"Eligible applicant school" means an eligible school that submits an application for a program grant award, in any year of program operations, by the deadline established pursuant to subsection b. of section 3 of this act.

"Eligible costs" means the costs set forth in subsection c. of section 4 of this act which are incurred by a grantee, within the limits of program grant funding awarded thereto, in association with the grantee's purchase and acquisition of school-appropriate furnishings produced, by authorized upcyclers, through the upcycling of school-collected plastics.

"Eligible school" means a school that satisfies the criteria, set forth in subsection a. of section 3 of this act, as necessary to establish the school's eligibility for a grant award, in any year, under the School Plastics Upcycling Grant Program.

"Grant program" or "program" means the School Plastics Upcycling Grant Program established pursuant to section 2 of this act.

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.
Matter enclosed in superscript numerals has been adopted as follows:
[1]Senate SEN committee amendments adopted May 13, 2024.

"Grantee" means an eligible school that receives a grant award, in any year, under the School Plastics Upcycling Grant Program.

"Plastic collection activities" means and includes any activities that are undertaken or overseen by a school's students or staff to facilitate the collection and storage of used, useless, or unwanted plastics, either at or on behalf of the school, for the purposes of upcycling.

"Program grant award" means a grant award issued to an eligible school under the School Plastics Upcycling Grant Program.

"School" means a public or private elementary or secondary school that is located in the State and provides education to students in grades K-12 or any combination thereof.

"School-appropriate furnishings" or "school-appropriate furniture" means and includes any furnishings, including, but not limited to, benches, tables, desks, or chairs, which are suitable for use by schools, have been produced by an authorized upcycler through the upcycling of school-collected plastics, and are available for purchase and acquisition, by an eligible school, through the use of program grant funds awarded pursuant to this act.

"School-collected plastics" means and includes the total amount of used, useless, and unwanted plastic bags and other plastic products and materials that have been collected by schools, for the purposes of upcycling, in the school year immediately preceding the annual deadline established, pursuant to subsection b. of section 3 of this act, for the submission of program grant applications.

"Upcycling" means the process that is used, by an authorized upcycler, to transform and reconstitute used, useless, or unwanted plastic bags and other plastic products and materials into new and repurposed materials or products of higher value and greater quality.

2. a. Commencing at the end of the school year next following the effective date of this act, the Commissioner of Environmental Protection shall establish and operate a School Plastics Upcycling Grant Program [1]using funds appropriated or otherwise made available for the program's purposes[1] , the purpose of which shall be to annually provide proportional grant funding to each eligible applicant school in the State, consistent with, based on, and in proportion to, each such school's annual, pro rata share of school-collected plastics, in order to enable each such school to purchase and acquire a fair, equitable, and proportional pro rata share of school-appropriate furnishings annually produced, by authorized upcyclers, through the upcycling of all school-collected plastics.

b. The School Plastics Upcycling Grant Program shall be operated by the commissioner, on a pilot basis, for a period of three years [1][or until the funds appropriated pursuant to section 7 of this act have been fully expended or are no longer deemed, by the commissioner, to be sufficient to enable the issuance, in any

program year, of proportional, pro rata grant awards to all eligible applicant schools**]**[1].

c. (1) At the conclusion of the pilot period set forth in subsection b. of this section, and upon the commissioner's submission of an associated report, pursuant to subsection b. of section 5 of this act, recommending continuation of the program on a permanent, ongoing, or year-to-year basis, the commissioner shall be authorized to continue the School Plastics Upcycling Grant Program, in each year thereafter, within the limits of funds annually appropriated or otherwise made available, to the department, for the program's purposes.

(2) Notwithstanding the provisions of paragraph (1) of this subsection to the contrary, the commissioner shall temporarily discontinue the program, and shall suspend the issuance of grant awards thereunder, in any year in which the amount of available program funding is insufficient to enable all eligible applicant schools to receive a proportional grant award under the program, consistent with the requirements of subsection a. of this section and subsection c. of section 3 of this act.

3. a. A school shall be eligible for a proportional grant award under the School Plastics Upcycling Grant Program, in at least the minimum dollar amount prescribed by paragraph (1) of subsection c. of this section, if it establishes, to the department's satisfaction, in an application submitted pursuant to subsection b. of this section, that:

(1) the school's students or staff were engaged in plastic collection activities, either at or on behalf of the school, during the school year immediately preceding the submission of the school's grant application; and

(2) the plastics collected by school students or staff, during the immediately preceding school year, either have been or will be donated, by the school, to an authorized upcycler for upcycling purposes, consistent with the purposes and goals of this act.

b. An eligible school wishing to obtain a grant under the School Plastics Upcycling Grant Program shall submit an application therefor to the department, in a form and manner prescribed by the commissioner, within 30 days after the conclusion of the school year during which its students or staff engaged in the collection of plastics. An application submitted pursuant to this subsection shall:

(1) identify the nature and extent of all plastic collection activities undertaken by students or staff, either at or on behalf of the school, during the immediately preceding school year, including, but not limited to, the types of plastic collection activities undertaken, the dates on which such plastic collection activities were conducted; and the total number and percentage of students

and staff who actively participated in such plastic collection activities;

(2) identify the total number and weight, and the types and sources, of used, useless, or unwanted plastics that were collected by school students or staff during the school year for the purposes of upcycling;

(3) include a statement certifying that the school's collected plastics either have been or will be donated, at no cost, to an authorized upcycler for purposes of upcycling, and identifying the name and address of each authorized upcycler that has accepted or has agreed to accept the school's collected plastics for the purposes of this act;

(4) identify the number and specific types of school-appropriate furnishings, produced by an authorized upcycler with upcycled school-collected plastics, that the school wishes to acquire with awarded grant funds, and provide an estimate of the eligible costs expected to be incurred, by the school, in association with the purchase and acquisition of such furnishings;

(5) indicate whether the school has previously received a grant award, under the School Plastics Upcycling Grant Program, in one or more prior years of program operations; identify the amount of each such prior grant award, as well as the number and types of furnishings, produced with upcycled plastics, that have been purchased and acquired by the school with the use of previously awarded program grant funds; and indicate whether, and the extent to which, the previously awarded grant funds have been fully expended by the school or remain unspent and available for roll-over use, by the school, as authorized by subsection b. of section 4 of this act;

(6) identify all other sources of funding, if any, that are available to finance the school's eligible costs; and

(7) provide any other information required by the commissioner.

c. The dollar amount of each grant award issued to an eligible applicant school, in each year of program operations, shall be determined in accordance with a funding formula developed by the commissioner. The funding formula developed for these purposes shall be designed to ensure, to the greatest extent practicable, the fair, and equitable apportionment and distribution of available grant funds to all eligible applicant schools, in each year, based on each such school's pro rata share of all school-collected plastics. To that end, the funding formula shall:

(1) provide for each eligible applicant school to receive a minimum program grant award, in each year, in an amount that is sufficient to enable the school to purchase and acquire at least one piece of school-appropriate furniture produced by an authorized upcycler through the upcycling of school-collected plastics; and

(2) provide for each eligible applicant school to receive a proportional increase in the grant funding being awarded thereto

under the program, in each year, above and beyond the minimum funding amount required pursuant to paragraph (1) of this subsection, if, and to the extent that, the commissioner determines that the eligible applicant school's pro rata share of school-collected plastics is proportionately higher than that of other similarly sized or similarly situated schools. The amount of enhanced grant funding authorized under this paragraph may vary by eligible applicant school, but, in each case, shall be based on, proportional to, and consistent with, the school's pro rata share of all school-collected plastics.

d. Within 180 days after the effective date of this act, the commissioner shall develop, and shall publish and maintain on the department's Internet website, a list of authorized upcyclers that have been determined, by the department, to be appropriately qualified to engage in the efficient and effective upcycling of plastics, capable of producing high quality school-appropriate furnishings through upcycling, and capable of, and willing to, accept donations of plastics collected by schools under the grant program. The list maintained pursuant to this subsection shall be regularly updated, as necessary to ensure that it contains the most up-to-date contact information for all authorized upcyclers in the State.

4. a. Grant moneys awarded under the program shall be distributed directly to the grantee for use thereby in financing the grantee's eligible costs.

b. Any grant moneys awarded under the program and remaining unexpended, by the grantee, at the conclusion of the school year next following the issuance of the grant award, may be rolled-over and used by the grantee, for the same purposes, in one or more subsequent school years. Nothing in this subsection, or in any other provision of law, rule, or regulation, shall be deemed to prohibit an eligible school from applying for a new program grant award, in each year, regardless of whether such eligible school is a prior grantee or has any rolled-over balance of previously awarded grant funds remaining unexpended. However, to the extent that a school retains access to any such rolled-over funds at the time of its application for a new program grant award, the commissioner shall reduce the dollar amount of the new grant award by the same amount of rolled-over grant funds remaining. Notwithstanding any other law, rule, or regulation to the contrary, a grant award reduced by the commissioner, pursuant to this paragraph, may be reduced to a dollar amount that is less than the minimum dollar amount required to be awarded to each eligible school, pursuant to paragraph (1) of subsection c. of section 3 of this act, provided that the sum of moneys awarded under the new program grant and the sum of rolled-over grant moneys remaining unexpended by the school are, together, equal to or greater than the minimum dollar

amount established for a program grant award, pursuant to paragraph (1) of subsection c. of section 3 of this act.

c. Of the program grant funds annually awarded to a grantee, pursuant to this act:

(1) at least 80 percent shall be used to finance the costs incurred, by the grantee, in purchasing, from one or more authorized upcyclers, the grantee's pro rata share of school-appropriate furnishings produced through the upcycling of school-collected plastics; and

(2) up to 20 percent may be used to finance the administrative or other incidental costs being incurred, by the grantee, either in association with its purchase of school-appropriate furnishings from an authorized upcycler, pursuant to paragraph (1) of this subsection, or in association with its successful acquisition of such purchased furnishings, including, but not limited to, the costs associated with: (a) the temporary storage of the grantee's collected plastics or of school-appropriate furnishings purchased thereby; (b) the transfer, between the grantee and authorized upcyclers, of any such collected plastics or grantee-purchased furnishings; or (c) the grantee's acquisition, maintenance, repair, replacement, or updating of equipment, vehicles, storage facilities, or supplies, or its employment and training of relevant staff, as may be necessary to ensure the grantee's cost-effective and efficient use of awarded program funds.

d. Grant moneys awarded pursuant to the School Plastics Upcycling Grant Program shall be used only to finance a grantee's eligible costs, and shall not be used to finance any such eligible costs that are already being financed with, or are subject to reimbursement using, other sources of State or federal funds. In any case where another State or federal agency or program is providing funding to cover a grantee's eligible costs, the commissioner may reduce the total amount of program grant funding being awarded to the grantee, in the current year, by the amount of the other State or federal contributions, or if necessary, may take other appropriate action to recoup, from program grant funds already disbursed to the grantee, a sum equal to the amount of funding made available, through other State or federal contributions, to finance the grantee's eligible costs.

5. a. Each eligible school that receives a program grant in any year of program operations shall be required to submit a grant expenditures report, to the department, on an annual or more frequent basis, as required by the commissioner. Each report submitted by the grantee, pursuant to this subsection, shall include:

(1) the name, address, and other contact information for, each authorized upcycler that: (a) has accepted, for upcycling purposes, the plastics collected by the grantee during the preceding school year; or (b) from which the grantee has purchased and acquired

school-appropriate furnishings with the use of program grant funds awarded pursuant to this act;

(2) an accounting statement identifying the eligible costs that have been financed, by the grantee, through the use of program grant funding, and indicating whether, and the extent to which, awarded grant funds have been fully expended or remain available for roll-over use in the next year, as authorized by subsection b. of section 4 of this act;

(3) a list identifying the number and type of school-appropriate furnishings that have been purchased by the grantee, with the awarded grant funds, from each authorized upcycler identified under paragraph (1) of this subsection;

(4) appropriate receipts, photos, or other documentation verifying the expenditures accounted for in the report and documenting the grantee's successful acquisition of the school-appropriate furnishings purchased thereby with awarded grant moneys; and

(5) any other information required by the commissioner.

b. Not more than 60 days after the conclusion of the pilot program period established pursuant to subsection b. of section 2 of this act, and annually thereafter in any year in which the commissioner elects to continue program operations as authorized by subsection c. of section 2 of this act, the commissioner shall submit, to the Governor, and, pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), to the Legislature, a written report evaluating the success, effectiveness, and need for continued implementation of the grant program. Each such annual report shall:

(1) identify the total number of eligible applicant schools that received a program grant award during the pilot period or the current year of continuing program operations, as the case may be; the total number and weight of all plastics annually collected by all such schools; the individual, pro rata share of school-collected plastics annually collected by each such school; the number and percentage of eligible applicant schools that received proportionally enhanced grant awards under the program, as authorized by paragraph (2) of subsection c. of section 3 of this act; the amount of each such proportionally increased grant award issued during the year; the basis upon which each such proportional increase in funding was authorized; and the number and types of school-appropriate furnishings that have been purchased and acquired, by grantees, with the use of awarded program funds;

(2) evaluate whether, and the extent to which, the program has been successful both in promoting, facilitating, incentivizing, and rewarding the increased collection of plastics, by schools in the State, for the purposes of upcycling, and in facilitating a concomitant increase in the total number and weight of used, useless, and unwanted plastics made available to, and upcycled into

new and more valuable commercial products by, authorized upcyclers;

(3) include the commissioner's findings and recommendations regarding the necessity, appropriateness, and feasibility of continuing the program on a permanent, ongoing, or year-by-year basis; and

(4) identify whether, and the extent to which, appropriated funds remain available and sufficient to finance the issuance, in future years, of proportional program grant awards to all eligible applicant schools, and indicate whether, and the extent to which, additional legislative appropriations will be necessary to facilitate the program's continued operations in future years, consistent with the provisions of this act.

6. a. The commissioner shall adopt rules and regulations, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), as may be necessary to implement the provisions of this act.

b. The rules and regulations adopted pursuant to this section shall identify, at a minimum:

(1) the procedures and standards to be used, by the department, in identifying and publicizing, for eligible schools, the name and contact information of authorized upcyclers;

(2) the procedures and standards with which grantees are required to comply when donating collected plastics to, or when expending program grant funds in association with the purchase and acquisition of school-appropriate furnishings from, an authorized upcycler for the purposes of this act;

(3) the procedures to be used, by eligible schools, when submitting a program grant application, in each year, pursuant to subsection b. of section 3 of this act, and when submitting a grant expenditures report pursuant to subsection a. of section 5 of this act;

(4) the procedures, standards, and funding formula that will be used by the department in evaluating program grant applications, in determining each eligible applicant school's pro rata share of all school-collected plastics, and in determining the proportional dollar amount of each grant award issued to an eligible applicant school under the program; and

(5) any limitations, restrictions, or other requirements, imposed by the department, in association with the awarding or use of grant funds under the program.

[1] **[**7. There is appropriated, from the General Fund to the Department of Environmental Protection, the sum of $5,000,000 for the purposes of issuing grants to schools, as provided by this act.**]** **[1]**

[1] **[**8.**]** 7. **[1]** This act shall take effect immediately.