LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

SENATE, No. 2359

STATE OF NEW JERSEY
222nd LEGISLATURE

DATED: NOVEMBER 13, 2026

SUMMARY

Synopsis:	"Mattress Stewardship Act;" requires mattress producers to join stewardship organization and implement mattress stewardship program.
Type of Impact:	Annual State expenditure and revenue increases; annual local revenue decreases and local expenditure net impacts.
Agencies Affected:	Department of Environmental Protection; Judiciary; local governments.

Office of Legislative Services Estimate

Annual Fiscal Impact	
State Expenditure Increase	Indeterminate
State Revenue Increase	Indeterminate
Local Revenue Decrease	Indeterminate
Local Expenditure Net Impact	Indeterminate

- The Office of Legislative Services (OLS) finds that this bill will result in indeterminate annual State expenditure increases. This bill creates a mattress stewardship program to require the environmentally sound management of discarded mattresses in the State, including their collection and disposal. The Department of Environmental Protection is required to review and approve mattress recycling plans; prepare annual reports; collect an annual fee from a stewardship organization; and assess penalties for violations. Notably, as a mattress purchaser, the State would be subject to the stewardship assessment established in the bill.

- An indeterminate amount of annual revenue will accrue to the State from the annual fee charged to a mattress stewardship organization and from civil administrative penalties and civil penalties established by the bill. After the initial annual fee is set, the bill requires the department to establish the amount of the fee for the upcoming year by April 1 and to set the fee to cover its costs to implement, administer, and enforce the provisions of the bill. This grants the department the flexibility to set the fee so that it is sufficient to offset its annual costs under the stewardship program. However, because the annual fee may not be established until after the stewardship organization submits its first annual report, the department would likely incur upfront costs before fee revenue becomes available to offset them.

- The bill would have an indeterminate net impact on local government expenditures. Local governments may realize savings from reduced mattress collection and disposal costs as discarded mattresses are diverted to the stewardship program, offset to some extent by the stewardship assessment they would pay on mattresses they purchase. Counties and municipalities that operate solid waste facilities may also experience a decrease in tipping fee revenue.

BILL DESCRIPTION

This bill requires every producer, retailer, and renovator of mattresses sold in the State to join a stewardship organization to implement a mattress stewardship program. The purpose of the program is to provide for the environmentally sound management of discarded mattresses in the State.

The bill requires a mattress stewardship organization to prepare and submit a plan and any successive plan amendments to the Department of Environmental Protection for the development and implementation of a mattress stewardship program.

Beginning one year after the bill's effective date, a producer, retailer, or renovator is prohibited from selling any mattress in the State unless it is registered with a mattress stewardship organization. The department is required to publish on its website a list of all producers, renovators, and retailers that are in compliance with the bill's provisions.

The bill provides that when the department determines that any producer, renovator, or retailer is in violation of the bill's provisions, the department may assess a civil administrative penalty not to exceed $1,000 for each violation, and a court may impose a civil penalty not to exceed $1,000 per day of violation. Each day of violation would constitute a separate violation.

The bill requires, no later than July 1 of the year after the mattress stewardship program is implemented, and annually thereafter, a stewardship organization to prepare and submit a written report to the department, which would evaluate the implementation of the mattress stewardship program. Within 90 days of receiving the initial report, the department is required to establish an annual fee to be paid by a stewardship organization that is reasonably calculated to cover the actual costs of the department to administer and enforce the bill's provisions. For future years, the department is required to provide notice to a stewardship organization, no later than April 1 of each year, of the annual fee for the upcoming calendar year.

All penalties and fees collected by the department are required to be deposited in the Mattress Stewardship Fund established in the Department of the Treasury by the bill and be used to implement the mattress stewardship program and administer and enforce the provisions of the bill.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS finds that this bill will result in indeterminate annual revenue and expenditure increases to the State to implement, administer, and enforce the mattress stewardship program. Local governments would also experience an indeterminate net impact on their expenditures along with annual revenue decreases.

State Revenue Increases

The State would realize an indeterminate amount of revenue from the annual fee charged to a mattress stewardship organization to cover the department's costs to implement, administer, and enforce the provisions of the bill. Notably, after the initial annual fee is set, the bill provides that the department is to evaluate the size of the fee annually by April 1 for the upcoming year, which will allow it the flexibility to set the fee sufficient to cover its costs of implementing the mattress stewardship program. However, because the annual fee may not be established until after a stewardship organization submits its first annual report, the department would likely incur upfront costs, beginning upon enactment, before fee revenue becomes available to offset them. The OLS lacks the informational basis to determine the level at which the department will initially set the fee or how it will be adjusted in future years to cover its costs.

Moreover, a certain amount of civil administrative penalty and civil penalty revenues will accrue annually to the State from those producers, retailers, and renovators violating the provisions of the bill, which would be deposited into the Mattress Stewardship Fund. No penalty revenue is anticipated in the first year following enactment, as the prohibition on sales by unregistered producers, renovators, and retailers does not take effect until one year after enactment.

State Cost Increases

As mentioned, annual fees are to be set by the department so they are sufficient to offset its costs in administering the program. However, the department may not establish the annual fee until it receives a stewardship organization's first annual report, which is due no earlier than July 1 of the year after the program is implemented. As a result, the department would incur costs to adopt rules, review the stewardship plan, and oversee implementation for several years following enactment before fee revenue becomes available, and the bill does not appropriate funds for these initial costs. Moreover, as a mattress purchaser, the State would be subject to the stewardship assessment fee established in the bill and pay higher prices for any mattresses it purchases (such as for State colleges and universities and prisons).

Local Fiscal Effects

The bill would have an indeterminate net impact on local government expenditures. Local governments may realize savings from reduced mattress collection and disposal costs as discarded mattresses are diverted to the stewardship program, offset to a certain extent by the stewardship assessment they would pay on any mattresses they purchase. Counties and municipalities that operate solid waste facilities may also experience a decrease in tipping fee revenue, although this revenue loss cannot be estimated.

Section:	*Environment, Agriculture, Energy, and Natural Resources*
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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

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