

State of New Jersey

DEPARTMENT OF ENVIRONMENTAL PROTECTION

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SHAWN M. LATOURETTE

Commissioner

PHILIP D. MURPHY Governor

TAHESHA L. WAY
Lt. Governor

Regarding: 2024 Municipal Tonnage Grant Guide

Dear Municipal Recycling Coordinator:

Attached for your review and action are the 2024 Municipal Tonnage Grant (MTG) Guide and application documents. With the issuance of this Guide, the Department of Environmental Protection (DEP or the Department) is initiating the 2024 MTG Program Year. Grant years are named for the year in which the recycling was accomplished. Grant applications for the 2024 Program are due to the Department no later than April 30, 2025, and awards will be distributed in the 4th quarter of 2026. The Guide constitutes the guidelines of the Department concerning the administration of the Recycling Enhancement Act (REA or Act) Tonnage Grant (Grant) Program pursuant to P.L. 2007 c.311. Please closely review the Guide as it identifies parameters required in order to qualify for the Grant.

As the enclosed 2024 MTG Guide details, each municipality must, without limit:

- Submit applications for the 2024 MTG no later than April 30, 2025. Applications received after April 30, 2025, will not be processed and the grant will be forfeited. Pursuant to section F1 of the Guide, recycling data can be revised by June 15, 2025.
- Have their Municipal Recycling Coordinator (MRC) verify that they attended at least one County Recycling Coordinator (CRC) sponsored recycling meeting and visited/toured at least one Class A Recycling facility during calendar year 2024.
- Have their MRC verify that they intend to attend at least one CRC sponsored recycling meeting during calendar year 2025.
- Have their mayor (or equivalent) sign a certification stating that the municipality complied in calendar year 2024 with N.J.A.C. 7:26A-11 (Standards for Municipalities) and intends to comply with same in calendar year 2025.

Failure to timely and completely comply with these requirements and others contained in the Guide shall cause the municipality to forfeit their 2024 MTG. For an application to be considered complete, the Recycling Tonnage Report, Expenditure Report, Statement of Compliance/Intent, and Certification must be submitted to tonnagegrant@dep.nj.gov no later than April 30, 2025. An application missing one or more of the required parts is incomplete and will not be eligible for a Grant award.

All application requirements must be attached to the email in the correct format (Excel for the Tonnage Report and Expenditure Form; PDF for the Statement of Compliance/Intent and Certification).

Although MTG funds can be spent on any expense related to a municipal recycling program, with a short list of exemptions, the Department encourages every municipality to use a portion of their funding to update the recycling information found on municipality websites. Having accurate recycling information available to residents is vital to the success of a local recycling program.

Should you have any questions or need assistance in preparing your application, please contact Erin Jensen of the Bureau of Solid Waste Planning & Licensing at (609) 940-5832 or at tonnagegrant@dep.nj.gov.

Sincerely,

Paul D. Baldauf Assistant Commissioner Air, Energy & Materials Sustainability

Attachments

C: Janine MacGregor, Director, Division of Sustainable Waste Management (DSWM)
Seth Hackman, Chief, DSWM Bureau of Solid Waste Planning and Licensing (BSWPL)
Jill Aspinwall, Section Chief, BSWPL
Erin Jensen, Environmental Specialist, BSWPL



DEPARTMENT OF ENVIRONMENTAL PROTECTION DIVISION OF SUSTAINABLE WASTE MANAGEMENT

RECYCLING ENHANCEMENT ACT MUNICIPAL TONNAGE GRANT PROGRAM, N.J.S.A. 13:1E-96

2024 MTG PROCEDURAL GUIDE ISSUED JANUARY 22, 2025

FOR RECYCLING ACCOMPLISHED IN 2024 APPLICATION TO DEP NO LATER THAN APRIL 30, 2025 AWARDS TO BE ISSUED 4^{TH} QUARTER, 2026

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2024 REA MUNICIPAL TONNAGE GRANT PROCEDURAL GUIDE FORWARD

With the issuance of this Municipal Tonnage Guide (Guide) the Department of Environmental Protection (DEP or the Department) is initiating the 2024 Municipal Tonnage Grant (MTG) Program Year. Grant years are named for the year in which the recycling was accomplished. Applications for the 2024 MTG program shall reflect recycling accomplished in 2024. Applications are due to the Department no later than April 30, 2025, and awards will be distributed in the 4th quarter of 2026. New Jersey's MTG program provides grants to local and county governments to encourage recycling of solid waste. This Guide and application requirements are designed to allow DEP to calculate and disburse awards as early in the 4th quarter of 2026 as possible and track how grant money generally is spent.

This Guide explains in detail the current program requirements, schedule, and conditions. Grant applicants should carefully read this Guide to be sure that their applications and programs comply with the current program parameters described in this document.

Applicants must comply with all the due dates, deadlines, parameters, and timeframes for the MTG program in order to be eligible for a grant. Please note that applications are due no later than April 30, 2025. Municipalities or Counties whose applications are submitted late, or that do not meet the conditions of the program, will not be eligible for a 2024 MTG. Awards will be distributed in the 4th quarter of 2026.

This Guide includes information about:

- Completing applications for the 2024 MTG which are due no later than April 30, 2025. Applications received after April 30, 2025, may not be processed and the grant may be forfeited except as identified in Section F1 herein.
- What a municipality should do if it wishes to guarantee that the MTG award will not be less than the amount of recycling tax paid for 2024 and explains that the amount of recycling tax paid in 2024 shall be identified in the field so provided on the 2024 recycling tonnage reporting form.
- The DEP-issued Expenditure Form on which to submit a summary of how grant funds were spent during calendar year 2024. Submission of receipts/invoices is not required. This information is for Department planning purposes only; this is not an audit and amounts of funds spent for the different appropriate grant uses may be estimates.
- A required statement that the Municipal Recycling Coordinator (MRC) attended at least one County Recycling Coordinator (CRC) sponsored recycling meeting during calendar year 2024 and intends to do the same during calendar year 2025.
- A statement confirming that the MRC visited/toured at least one Class A recycling center during calendar year 2024. This requirement must be completed every other year (2024, 2026, etc....)
- Instructions to complete the required statement that the municipality complied in calendar year 2024 with N.J.A.C. 7:26A-11 (Standards for Municipalities) and intends to comply with same in calendar year 2025.

Should you have any questions, please contact Erin Jensen at (609) 940-5832 or tonnagegrant@dep.nj.gov

A. Scope

This Guide constitutes the guidelines of the Department concerning its authority and responsibilities in the administration of the State Recycling Fund N.J.S.A. 13:1E-96 and Recycling Enhancement Act Municipal Tonnage Grant Program pursuant to the Recycling Enhancement Act P.L. 2007 c.311 (REA or Act). Failure to act in accordance with this Guide may result in the denial, rescission, or return/refund of Grant funds.

B. Purpose

This Guide was developed to establish and disseminate conditions, requirements, procedures, and policies for the administration and distribution of recycling tax funds, pursuant to the Act, to municipal and/or qualifying county governing bodies for recycling activities as authorized in the Act.

C. Recycling Enhancement Act

The "Clean Communities and Recycling Act" of 1981 created the MTG Program, whereby municipalities could receive a grant for material documented as being recycled during the previous calendar year.

In 1987, the "New Jersey Statewide Mandatory Source Separation and Recycling Act" (the Act), specifically N.J.S.A. 13:1E-99.16, mandated the governing body of each municipality to submit an annual Recycling Tonnage Report identifying the amount of material recycled during the previous calendar year.¹

In January 2008, the Act reestablished funding for local recycling programs through a tax of \$3.00 per ton on all solid waste accepted for disposal or transfer at solid waste facilities in New Jersey except those designed exclusively to transport waste by railroad (N.J.S.A. 13:1E-96.5). The REA requires that a Certified Recycling Coordinator (CRC- sometimes referred to as a Certified Recycling Professional - CRP) certify recycling tonnage reports, specify that grants received may only be expended on recycling (N.J.S.A. 13:1E-96(b)1), and that the amount of grant monies received by the municipality shall not be less than the annual amount of recycling tax paid by the municipality (N.J.S.A. 13:1E-96(b)1).

D. Administration of the MTG

Pursuant to N.J.S.A 13:1E-96(a), the DEP, Division of Sustainable Waste Management (DSWM) administers the MTG Program.

¹ Pursuant to N.J.S.A 13:1E-99.16(e), should a municipality not apply for a MTG, that municipality is still required to submit a recycling tonnage report by July 1 for the previous calendar year. Failure to submit a REA Municipal Tonnage Grant Application or recycling tonnage report is a violation of the above statute and may subject the municipality to appropriate enforcement action including, but not limited to, the assessment of civil administrative penalties. Submission of a complete and timely MTG Application also satisfies the recycling tonnage report requirement at N.J.S.A. 13:1E-99.16(e) and a second, separate submission is not necessary.

E. Naming of the Grant Years

Grant years are named for the year in which the recycling was accomplished. For example, for the 2024 MTG program, municipalities shall submit recycling tonnage reports (and other information such as recycling tax payments) utilizing data for materials recycled and recycling tax paid during the 2024 calendar year. The Grant applications utilizing this data are due to the Department no later than April 30, 2025, and the grant awards will be distributed in the 4th quarter of 2026.

F. Application Schedule and Requirements

Failure to timely and completely comply with these requirements may cause the municipality to forfeit or return their MTG for the year under which the application was to be filed. For an application to be considered complete, the Recycling Tonnage Report, Expenditure Report, Statement of Compliance/Intent, and Certification must be submitted to tonnagegrant@dep.nj.gov no later than April 30, 2025. An application missing one or more of the required parts is incomplete and may not be eligible for a Grant award. Pursuant to Section F1 below, the Recycling Tonnage Report form may be entirely replaced (not modified) with updated recycling data by June 15, 2025.

Complete application packages shall be submitted via email to tonnagegrant@dep.nj.gov. To facilitate timely and efficient processing of submitted applications, emails submitting applications shall display the name of the municipality whose application is being submitted in the subject heading, as well as the grant year in which the submission pertains. The name and phone number of the CRC signing the Recycling Tonnage Report and the municipal official endorsing the submission of the Recycling Tonnage Report shall be included in the body of the email.

1. Municipalities may, contingent on all application requirements being met, including a 2024 Recycling Tonnage Report, Expenditure Report, Statement of Compliance/Intent, and Certification, submitted by April 30, 2025, replace in entirety (not modified but completely replaced) their Recycling Tonnage Report by June 15, 2025. No Recycling Tonnage Report replacement will be accepted subsequent to June 15, 2025. If a timely and complete replacement of the Recycling Tonnage Report is not filed by June 15, 2025, the Department will utilize the Recycling Tonnage Report originally submitted by April 30 as the basis for calculating the awards. Only the Recycling Tonnage Report should be submitted during the resubmission process. The resubmitted Recycling Tonnage Report must be submitted by the CRC signing off on the report.

2. A complete 2024 MTG application consists of:

- a. A 2024 Recycling Tonnage Report in the prescribed Microsoft Excel format provided by the Department at: http://www.nj.gov/dep/dshw/resource/tonnage/. A copy can also be obtained by emailing tonnagegrant@dep.nj.gov.
 - i. The Recycling Tonnage Report must be signed by a CRC by typing their name into the CRC field at the top of the tonnage report.
 - ii. The MRC compiling the tonnage report must "sign" their name into the MRC field at the top of the tonnage report.
 - iii. To the extent information is available, end market information should be entered on the form. End Market name is required.

- iv. The Recycling Tonnage Report, identified in section 2a above, must be submitted in the format provided by the Department as an Excel spreadsheet attachment.
- v. A scanned or faxed copy of the Recycling Tonnage Report shall **not** be accepted by the Department and the submission may be considered incomplete. The Department has automated the processing of the recycling data which can only be accomplished by receipt of an appropriately completed Excel spreadsheet.
- b. An informal expenditure report on the required Excel form indicating how grant funds were spent during calendar year 2024. Click <u>here</u> for previous year payout information. The expenditure reporting form is available at http://www.nj.gov/dep/dshw/resource/Tonnage/index.htm.
 - i. If a municipality is holding a portion of these awards for a future purchase or expenditure, please indicate this on the form.
 - ii. This information is for Department planning purposes only; is not an audit, and the amount of funds spent for the different appropriate uses may be estimates.
 - iii. A scanned/PDF copy of the informal expenditure report shall <u>not</u> be accepted by the Department and the submission may be considered incomplete. The Department must receive an appropriately completed Excel spreadsheet as an attachment.
- c. A Certification that the municipality complied in calendar year 2024 with the Standards for Municipalities, identified at N.J.A.C. 7:26A-11 and intends to comply with same in calendar year 2025. The certification form is available at http://www.nj.gov/dep/dshw/resource/Tonnage/index.htm.
 - The Mayor (or highest elected official for Municipalities without a Mayor title) of the municipality submitting the MTG application must complete the certification form.
- d. A Statement of Compliance/Intent form referencing the requirement that the MRC of the Municipality submitting the application attend at least one County- sponsored recycling meeting and visited/toured at least one Class A Recycling Facility. The requirement to visit/tour a Class A facility will be for every other year (to be completed again during calendar year 2026). The 2024 form will confirm attendance of a county recycling meeting and a visit/tour of a Class A Recycling facility during calendar year 2024 and confirm intent to attend a county recycling meeting during calendar year 2025.
 - i. The form must be filled out, and activities must be completed, by the MRC of the municipality submitting the application, whether they are a CRP or not.
 - ii. The form must include the date(s) and location(s) for any and all county-sponsored recycling meeting(s) attended by the MRC during calendar year 2024. The CRC's are required to hold at least 2 meetings annually. Sign in sheets for these meetings will be submitted to the Department by the CRC holding the meeting as verification of the MRC's attendance.
 - Virtual meetings held by a CRC are allowable and, if attended by the MRC, will comply with the requirement to attend at least one County recycling meeting.
 - iii. The form must include the name of the recycling facility and date of the tour/visit that MRC completed at a Class A recycling center during calendar year 2024.
 - iv. It is important to notice/inquire about the contamination issues facing the facility.
 - v. If possible, visits are encouraged to be conducted at a facility where the subject

municipality's recyclables are being sent and to view some of the subject municipality's loads as they are tipped.

- 3. As per N.J.S.A. 13:1E-96.5(a)1, should a municipality elect to have their 2024 MTG award compared to the amount of 2024 recycling tax paid (receiving the higher of the two) the amount of recycling tax paid in 2024² must be submitted with the 2024 Recycling Tonnage Report as provided for in the Recycling Tonnage Report form. If no recycling tax amount is submitted with the 2024 Recycling Tonnage Report, the Department cannot compare the calculated award with the recycling tax paid and the applicant will receive the calculated award regardless of any recycling tax paid. The submission of the 2024 recycling tax amount is optional and must be submitted only if the municipality elects to have the 2024 calculated award compared to the 2024 recycling tax paid (receiving the higher of the two).
 - a. Municipalities whose residents pay for their own solid waste collection (subscription services) may have little to no REA taxes to report.

G. Materials Eligible for Grant Award

- 1. See N.J.A.C. 7:26-15.5(a), (b), (c) for further details on materials eligible for the MTG. Pursuant to N.J.A.C. 7:26-15.5(c), Applicants shall be entitled to receive MTG Grants based on the tonnage of recyclable material generated by and recovered for recycling from residential, commercial, and/or institutional sources within the municipality.
 - a. Recyclable material generated by residential, commercial, and institutional sources shall include:
 - i. All types and grades of paper and paperboard products;
 - ii. All types and grades of glass;
 - iii. Ferrous and non-ferrous metals;
 - iv. Textiles:
 - v. Food;
 - vi. Yard materials;
 - vii. Plastics;
 - viii. Rubber products;
 - ix. Used oil; and
 - x. Additional solid or liquid materials which are non-hazardous which are approved by the Department upon application by the Applicant.
- 2. Pursuant to N.J.A.C. 7:26-15.5(c)2 and (c)3 recyclable material which is generated and collected as specified therein shall not be eligible for the purposes of this grant if it is:
 - a. Landfilled;
 - b. Dumped;
 - c. Burned or otherwise used for direct energy recovery³;
 - d. Converted to a fuel or fuel product, except as specifically permitted by the Department upon application by an Applicant;
 - e. Subject to a deposit or tax imposed by the county or municipality to ensure its return to a

² For the 2024 MTG program, the 2024 calculated grant award will be compared to the 2024 recycling tax paid, if submitted, (with the applicant receiving the larger of the two) and the award issued in the 4th quarter of 2026.

³ Incineration is a form of disposal as solid waste and thus is not considered recycling or counted as recycling in New Jersey.

- collection center;
- f. Classified as a Beneficial Use Determination (BUD) (N.J.A.C. 7:26A-1.3); or;
- g. Used as landfill cover.
- 3. Tonnages collected from industrial sources, defined in <u>N.J.A.C.</u> 7:26-2.13(g), are not eligible to be counted towards the municipality's grant award. However, these tonnages are counted towards the overall recycling rate.
- 4. Industrial food waste, ID 23, is not an authorized material under the Municipal Tonnage Grant program pursuant to N.J.S.A. 13:1E-96 and N.J.A.C. 7:26-15. and shall not be counted towards Municipal Solid Waste (MSW) recycling. Industrial food waste shall be counted towards the overall recycling rate and must be included in the tonnage report.
- 5. Street sweepings managed as a Beneficial Use under a BUD are not eligible for the MTG Program and shall not be included in the tonnage report pursuant to N.J.A.C. 7:26A-1.3.

H. Allowable/Dis-Allowable Grant Expenses

- 1. Pursuant to the Act, "All grant monies received by a municipality shall be expended only for its recycling program". Grant awards must be used solely for recycling activities. Although no specific exhaustive list of eligible uses has been established, the following are examples of previously approved uses:
 - a. Salary for the Municipal Recycling Coordinator or staff
 - b. Purchase of recycling containers, except for containers used for CEDs (see Section I below)
 - c. Food waste recycling initiatives
 - d. Maintenance of municipal recycling convenience centers
 - e. Management of municipal compost sites
 - f. Tire amnesty events
 - g. Salary and costs related directly to recycling education or recycling compliance monitoring/reporting
 - h. Costs for recycling collection
- 2. Purchasing items made from recycled materials but not used for recycling purposes is not an eligible expense.
- 3. The purchase or lease of vehicles used for any commutation is strictly prohibited. MTG monies may only support appropriate vehicles proportionally to the extent they will be used exclusively for qualifying recycling activities.
- The Act prohibits municipalities from using grant awards for construction or operation of any facility which bales wastepaper or shears, shreds, or bales ferrous or non-ferrous metals. (N.J.S.A. 13:1E-96(b)).

I. Electronic Waste Recycling

A municipality may only use MTG funds for the collection, transportation, recycling, and handling costs of electronic waste (e-waste) that is <u>not</u> otherwise required to be recycled by e-waste manufacturers pursuant to the Electronic Waste Management Act (EWMA) at <u>N.J.S.A.</u> 13:1E-99.94 et seq.⁴ For more information please visit https://www.nj.gov/dep/dshw/ewaste/index.html or contact the Department's e-waste recycling program at (609) 984-3438 or ecycle@dep.nj.gov.

J. MTG Recycling Report Data Validation, Review Period, Metal Add-On Calculation

1. Recycling Report Data Validation

- a. The Department shall perform a validation of the recycling data submitted prior to the posting for review of recycling tonnages reported by each applicant and draft grant awards.
- b. Validation consists of the Department reviewing submitted recycling data in the Recycling Tonnage Report and determining that the data submitted appears reasonable, consistent with prior years' tonnages, and/or major deviations from prior years' tonnages are justified.
 - i. When submitting data that significantly deviates from previous years' tonnage, applicants should note, in the body of the email in which the application is attached, why such deviations have occurred, i.e. large building demolished, road project in town, new store opened, town required additional entities to recycle/report, town started a program to recycle residential cardboard, etc.
 - ii. Most recycling data errors occur because units get reported in pounds, not in tons as required.
 - iii. During this period of the MTG cycle, applicants must be responsive to Department attempts to explain/verify large variations in data. Should the Department not be able to verify significant deviations, unexplained large variations in data may be disallowed at the Department's discretion.
 - iv. Should the Department contact a municipality, via email, to verify an anomaly in reported recycling and not receive a response within 10 business days of contact, the Department shall continue to process the MTG as it deems appropriate.

2. MTG Review Period

Subsequent to Validation pursuant to Section J1 above, tonnages reported by each Applicant for each material recycled and draft grant awards (subsequent to comparing calculated grant awards with 2023 recycling taxes if submitted, with municipalities receiving the larger of the two, and prior to the addition of Metal Add-ons pursuant to Section J3 below) shall be posted for applicant review and comment when available. Notice of the opening and closing dates of this MTG Review Period shall

⁴ The Department shall reject for award any costs incurred for the collection, transportation, or recycling of covered electronic devices required to be recycled by electronics manufacturers pursuant to the EWMA. The January 2017 amendments to the e-waste law define a covered electronic device as a desktop or personal computer, computer monitor, portable computer, desktop printer, desktop fax machine, or television sold to a consumer. A consumer is defined as a person, State entity, school district, or local government unit who purchases a covered electronic device in a transaction that is a retail sale. 'Consumer' does not include any business concern purchasing covered electronic devices.

be posted on the Department's website at http://www.nj.gov/dep/dshw/recycling/stats.htm and distributed via CRC's. Comments and/or corrections to the posted draft recycling tonnages and awards must be received during the MTG Review Period. Comments received after the close of the MTG Review Period may not be considered.

3. Metal Add-Ons

- a. To the extent DSWM receives timely and sufficient recycling information from the Institute of Scrap Recycling Industries and Auto and Metals Recyclers Association (ISRI/AMRA), it shall apportion 90%⁵ of the overall statewide metal recycling tonnage as an industrial source and the remaining 10% of same as commercial or residential tonnages to the municipalities in the following manner:
 - i. The Department when calculating the metal add-on, will compare 10% of the tonnage of qualifying metals marketed through an ISRI or AMRA facility with the total amount of qualifying metals reported in all of the Municipal Recycling Reports. If the 10% value exceeds the total amount of qualifying metals submitted by all municipalities, the difference between the two values will be distributed as an add-on to all municipalities in proportion to their population according to the most recent statewide census as related to the overall state population. For example, if a municipality's population equaled 2% of the total state population, that municipality would be apportioned 2% of the add-on calculated above.
- b. The Department reserves the right to cancel the process of apportioning metal add-ons at its sole discretion and would in that case exclusively utilize the qualifying metal tonnages submitted in municipal recycling reports as the basis for grant awards.

K. MTG Program Payment Procedure

Following finalization of grant awards, the Department shall transmit to the State Treasurer a State Payment Voucher PV 3/93 (Vendor Invoice) to initiate the release of the grant award to the municipality.

L. File Retention

1. Applicants shall retain the appropriate documentation and back-up for five (5) years in the event of

- a. The material is a qualifying material pursuant to <u>N.J.A.C.</u> 7:26-5.5 (i.e., generated from a residential, commercial, or institutional source).
- b. The material was generated within the applicant's municipality;
- c. The total quantity claimed by the generator was eligible for recycling as defined by law;
- d. The material was recycled or sold for recycling in the year in which it was claimed;

a field review or audit. Municipalities are required to keep records to substantiate the following:

⁵ It is assumed that 10% of the metal reported by ISRI/AMRA was generated by commercial or residential generators and thus qualifies for MTG award. Therefore, 10% of the full amount of ISRI/AMRA metal will be compared to the sum of qualifying metal submitted in municipal recycling reports, and if greater, the difference will be apportioned to the municipalities as an add-on to their MTG in proportion to their population as a percentage of the state's population. For example, if the sum of the metal reported on Recycling Tonnage Reports is 1 million tons and the amount of metal recycled reported by ISRI/AMRA is 20 million tons, the Department will take 10% of the ISRI/AMRE portion (or 2 million tons) as qualifying for a MTG, and apportion the difference (2 million tons – 1 million tons) of 1 million tons to the municipalities in proportion to their population as related to the overall total state population.

- e. The material was not landfilled, re-used in the same form or used for energy recovery, and
- f. The material was not an "industrial-prompt" scrap (i.e. material, which was discarded from the manufacturing process, collected and reused as a virgin material by the same manufacturer).
- 2. If access to the records is denied or reported tonnages are unable to be verified, the reported tonnage in question may be disallowed and grant funds may be denied or repaid.

M. Audit

The Department retains the authority to audit, contract for an audit, or request an audit of any part of this program to the extent allowed by law. Failure of applicants to cooperate with audit efforts may be cause for disqualification from program participation for the year under review.

N. Disqualification of Claims

- 1. Should a subsequent review or audit result in the disallowance for any reason of a tonnage which had been previously awarded, municipalities may be required to repay (or the Department may deduct from the next year's MTG) all or some portion of the grant funds awarded if disallowed.
- Municipalities shall be disqualified from receiving a tonnage grant if any part of the application is
 proven to be intentionally falsified. If such a discovery is made after the funds have been disbursed,
 the Applicant may be required to refund to the State all grant awards pertaining to the disallowed
 tonnage.
- Grant awards must be used solely for recycling activities. The Act prohibits municipalities from using
 grant awards for construction or operation of any facility which bales wastepaper or shears, shreds,
 or bales ferrous or non-ferrous metals.
- 4. Material claims may be disallowed if at the Department's discretion:
 - a. The material, the end market (to the extent known by the municipality) or the quantity is not clearly identified;
 - b. The material claimed is not eligible;
 - c. The tonnage reported is not reasonable; or
 - d. Other reasons as determined by the Department.

O. Commodity Values and Calculation of the Grant Award

1. To calculate the Grant Award, the Department will, after validation and metal add-on, multiply each of the 30 identified commodities by the value assigned to its rate 'band' for that grant year. The Department may modify the rate bands or the commodity designation for any given commodity as it deems appropriate at any time at the Department's sole discretion to prioritize, incentivize, or support the recycling of certain materials, distribute the entire budgeted program allotment, address current issues with recycling, generally support recycling in New Jersey, and/or achieve other goals as

provided in the applicable MTG Guide for the applicable program year, or as deemed appropriate by the Department.⁶ The final value for each band will not be determined until after the budgeted amount is known, final recycling tonnages are processed, any bonus grant program implemented, and recycling tax minimums addressed. The following chart represents the rate band values for the 2019 MTG, is for illustrative purposes only, and is subject to change at the Department's discretion.

- 2. The Department's intention, in regard to assigning a per ton value to each rate band, is to continue to focus funding to "band 2" which encompasses materials 1-8, food waste and other plastic (which includes single use plastic bags) whenever possible to assist municipalities whose costs to recycling these materials is increasing. The Department will continue to decrease the funding to material ID 21 (consumer electronics (e-waste)) due to the full implementation of the EWMA at N.J.S.A. 13:1E-99.94 et seq. which causes additional types of devices and an expanded universe of generators to be charged by an e-waste manufacturer.
- 3. For any municipality whose county does not participate in the MTG program, after the award is calculated based on the final band values and recycling tonnage report, the award total will be compared to the recycling tax amount for the year the recycling was performed (if the municipality provided their REA tax information on the Tonnage Report), and the municipality will receive the larger of the two amounts.
- 4. In counties in which the county government provides recycling services and applies for a MTG, awards will be calculated in the same manner as above with award amounts distributed to the county pursuant to the commodities (i.e. commodities 1-8) processed by the county, with the municipalities awarded a grant pursuant to the commodities recycled by the municipality. After final awards are calculated, the municipal award will be compared to the recycling tax paid in the year the recycling occurred, with the municipality receiving the larger of the two. Awards to counties who participate in the MTG will be calculated based on the recycling tonnage reports they submit.

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⁶ The Act restricts the dollar amount of the tonnage grant monies to no more than \$10.00 per ton for any given material.

P. 2022 REA Rate Band Table

For illustration purposes only - Rates are subject to change without notice.

Band Value per					
ton	\$7.11	\$5.34	\$1.07	\$0.12	\$0.06
Commodity	23 Food Waste	01 Corrugated	15 Tires	10 Aluminum	
	(Non-			Scrap (non-	
	industrial)			ferrous)	09 Heavy Iron
		02 Mixed Office	16 Used Motor	11 White Goods	
		Paper	Oil	and Light Iron	12 Anti-freeze
		03 Newspaper	17 Brush/Tree		
			Parts	24 Paint/Stain	13 Auto Batteries
		04 Other	19 Leaves		
		Paper/Mag/Junk		24 Dry Cell	
		Mail		Batteries	14 Auto Scrap
		05 Glass	29 Textiles	24 Fluorescent	
		Containers		Lights	18 Grass Clippings
		06 Aluminum		24 Misc.	
		Containers		Materials	20 Stumps
		07 Steel			22
		Containers			Concrete/Asphalt/
					Brick/Block
		08 Plastic			
		Containers			25 Other Glass
		21 Consumer			27 Oil
		Electronics			Contaminated Soil
		26 Other Plastic			28 Process Residue
					30 Wood Scraps