

May 11, 2015

**SENATE BILL NO. 2166  
(First Reprint)**

To the Senate:

Pursuant to Article V, Section I, Paragraph 14 of the New Jersey Constitution, I am returning Senate Bill No. 2166 (First Reprint) without my approval.

While perhaps not widely known, used cooking oil, commonly called grease, is valued for industrial and pharmacological applications, including its use in manufacturing biofuels. A lucrative market for recycled grease satisfies this demand, with private vendors retrieving and reselling discarded cooking oil used in restaurants. And while there is a legitimate market for this business, there will always be some who see a quicker payoff through crime. As such, grease is sometimes a target for thieves who steal the used oil that restaurants intend for pickup by reputable recyclers. Theft undoubtedly presents a problem for both buyers and sellers in the grease market, as it does in virtually every commercial, and non-commercial, setting. For that reason, our laws seek to deter theft by punishing thieves.

Unfortunately, this bill abandons all logic and offers instead a mammoth new government bureaucracy to regulate, oversee, and monitor the entire grease recycling industry. Entitled the "Comprehensive Regulated Grease Recycling Act," the bill imposes a raft of new requirements on grease collectors through a new registration system within the Department of Environmental Protection ("DEP"). As proposed, each recycler would be required to submit an application, pay a fee, post a bond, and submit proof of insurance. Then, recyclers must identify their employees, their facilities, and their vehicles on a publicly available website. Next, recyclers must prepare and submit annual reports to the DEP for inspection and review.

Further, registrants would be required to record each and every grease transaction on a special manifest, and retain those manifests for five years.

But there is still more. Recyclers who navigate this new labyrinth are rewarded with a special decal from DEP to display on their now-registered vehicles. Each facility that receives grease for processing must record the name and decal number of each person who delivers grease to the facility, a copy of that person's driver's license, and maintain receipts pertaining to each shipment.

Curbing theft is a noble goal. Curbing theft with a sprawling regulatory framework, with new fees and presumably new public employees to staff these responsibilities, is not. My concerns with this bill are only magnified by the severe consequences that would be imposed on those who violate the proposed registration requirements. Any violation would be treated as a disorderly persons offense, and carry a minimum fine of \$2,500. The bill would further require a judge to impose a term of community service and a minimum six-month driver's license suspension, even for first offenders. Additionally, assets used in the unlawful transportation or disposal of grease would be subject to civil forfeiture. The bill would also put in the crosshairs restaurants that sell their grease, since a restaurant would run afoul of the bill merely by selling grease to someone who is unregistered.

This bill constitutes governmental overreach and bureaucratic empire building at its finest. I am mindful that some members of the grease recycling industry support this bill, but the regulatory overreach contemplated by this bill would have cascading impacts on the business community beyond just one industry. We have worked hard over the past five and one-half

years to reduce the size of state government and to make our State more business friendly. This bill is a giant step backwards in those efforts.

Accordingly, I am returning Senate Bill No. 2166 (First Reprint) without my approval.

[seal]

Respectfully,

/s/ Chris Christie

Governor

Attest:

/s/ Christopher S. Porrino

Chief Counsel to the Governor