

LEGISLATIVE FISCAL ESTIMATE

ASSEMBLY, No. 1651

STATE OF NEW JERSEY

222nd LEGISLATURE

DATED: MARCH 3, 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.
- Agencies Affected:

Department of Environmental Protection.

Office of Legislative Services Estimate

Fiscal Impact	Annual
State Expenditure Increase	Indeterminate
State Revenue Increase	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 assessment fees; and assess penalties for violations.
- An indeterminate amount of annual revenue will accrue to the State from the annual assessment fee charged to mattress retailers and renovators and from civil administrative penalties and civil penalties established by the bill. Notably, after the initial assessment 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 administer, implement, 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 program.

BILL DESCRIPTION

This bill requires every producer of mattresses sold in the State, as defined in the bill, 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 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.

The bill requires each manufacturer, retailer, and renovator that sells mattresses in this State to register with the stewardship organization and comply with the bill's provisions. Beginning one year after the bill's effective date, a retailer or renovator is prohibited from selling any mattress in the State unless it is registered with the stewardship organization.

Under the mattress stewardship program, a retailer is required to: (1) purchase a mattress only from a producer or renovator that is registered with a stewardship organization; (2) collect the mattress stewardship assessment fee and remit it to the stewardship organization, unless the retailer or renovator elects to cover the costs of the stewardship fee; and (3) provide information to consumers on collection opportunities for discarded mattresses. The bill allows a retailer or renovator to elect to directly pay the stewardship fee to the stewardship organization on behalf of the consumer if the retailer or renovator enters into a written agreement with the stewardship organization to remit the applicable charge of the stewardship fee to the stewardship organization on behalf of the consumer.

The department is also required to publish on its website a list of all producers, renovators, and retailers that are in compliance with the bill's provisions. The department is directed to update the list to remove producers, renovators, or retailers that are found not to be in compliance with the bill's requirements.

The bill also 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 civil penalty not to exceed \$1,000 for each violation. Each day of violation would constitute a separate violation.

The bill requires, no later than July 1 of the year the mattress stewardship program is implemented, and annually thereafter, the 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 each 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 the 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 and enforce the mattress stewardship program.

Mattress Stewardship Fund

The State would realize an indeterminate amount of revenue from the annual assessment fee charged to mattress retailers and renovators and remitted to the stewardship organization to cover the department's actual costs to administer, implement, and enforce the bill. Notably, after the initial assessment fee is set, the bill provides that the department is to evaluate the size of the assessment 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. 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 retailers and renovators violating the provisions of the bill. In addition to the assessment fee revenues, these penalty revenues would be deposited into the Mattress Stewardship Fund. Any penalty revenue is anticipated to be less than \$50,000 in the first year following enactment. As the program continues, penalty revenues deposited to the fund are expected to increase to \$100,000. Other states' examples of similar programs suggest that penalty fees paid by retailers out of compliance with the bill may reach \$1 million in the years following the law's implementation.

State Administrative Costs

As mentioned, stewardship assessment fees are to be set so they are sufficient to offset the department's costs in administering the program, including costs related to: (1) review of the mattress stewardship organization's stewardship plans and annual reports; (2) regulation of retailers and stewardship organizations through the program; (3) development of comprehensive annual reports on the mattress stewardship program; and (4) Internet disclosures of retailer and mattress stewardship organization compliance with the provisions of the bill. Estimates from the State of Washington's Mattress Stewardship Act, HB 2633 of 2025, projected state expenditures of \$500,000 in the first and third years of the program, reaching \$1.2 million in the second year. Washington's Mattress Stewardship Fund revenues paralleled these revenues, amounting to \$450,000 in the first and third years, with \$1.2 million in the second year.

Other Impacts

For reference, the Washington Department of Corrections, which manufactures over 5,000 mattresses annually, estimated, based on legislation passed in other states, that the cost of mattress production would increase approximately \$22.50 against the current price, resulting in \$1.5 million (50 percent) in lost sales revenue. For context, the 2022 U.S. Census Multi-Product Statistics for New Jersey recorded retail sales of mattresses, box springs, and air mattresses of \$780.8 million.

Public Act 13-42 of Connecticut requires mattress manufacturers to establish a program to manage unwanted mattresses generated in the state. Mattress manufacturers must join the Mattress Recycling Council. Mattress manufacturers must also submit a Mattress Stewardship Plan to the Connecticut Department of Energy and Environmental Protection. A standardized \$11.75 mattress eco-fee is assessed on those purchasing mattresses and box springs at the point of sale. As of 2021, the Connecticut Mattress Stewardship Program had recovered over 1.2 million mattresses in the six years of its implementation and had reached a 76 percent mattress recycling rate. In 2021, this amounted to 213,543 mattresses from 140 towns, for a total of 3,813 tons of material. The program evaluation, required by the law, reported that municipalities had realized over \$12 million in avoided mattress disposal costs through the program and that the program created 42 jobs.

The Rhode Island Mattress Stewardship Program was established through Rhode Island Public Law section 23-90-5. By the conclusion of its ninth year, the state's Mattress Stewardship Council had collected over 825,000 mattresses, recycling over 14,500 tons of mattress material. As in

Connecticut, state law requires that mattress retailers collect a standardized recycling fee on each mattress and box spring sold, in order to fund the council and the collection, transportation, and recycling of mattresses and box springs.

Similarly, municipalities in New Jersey may notice savings on mattress disposal as a result of avoided trash collection and the reduction in solid waste tipping fees charged at landfills.

Additional Information

As observed in Connecticut and Rhode Island, actual mattress recycling rates may depend on the number of landfills in the State, the rate of waste transport outside the State, and the feasibility of inter-state purchases. Retailers or mattress customers may travel out of State to purchase mattresses, to avoid the mattress stewardship assessment, and thus may be exempted from the requirements of recycling the discarded mattress.

The annualized ongoing fiscal impact of the bill would continue in the years following the bill's enactment, subject to consumer price inflation, the number of mattresses diverted from the municipal solid waste stream, the current method an individual municipality utilizes for mattress collection, and any fines collected by department from civil enforcement.

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.).