

Department of Legislative Services  
Maryland General Assembly  
2015 Session

FISCAL AND POLICY NOTE  
Revised

House Bill 603

(Delegate S. Robinson, *et al.*)

Environment and Transportation

Education, Health, and Environmental Affairs

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**Yard Waste and Food Residuals Diversion and Infrastructure Task Force**

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This bill establishes the Yard Waste and Food Residuals Diversion and Infrastructure Task Force. The bill provides for the membership of the task force and requires the Maryland Department of the Environment (MDE) and the Department of Business and Economic Development (DBED) to jointly provide staff for the task force. The task force must study numerous items, including the identification of current food waste recovery in the State, organic waste recycling capacity, generators of one ton of food waste per week or more, properties or zones for infrastructure development, and tax or other incentives that may be offered, as well as how other states ban or regulate yard or food waste or anaerobic digestion facilities. The task force must recommend specific legislative and other policy initiatives to implement the recommendations in MDE's composting workgroup's final report and the goals of the State's zero waste plan. The task force must report its interim and final findings and recommendations to the Governor and the General Assembly by January 1, 2016, and January 1, 2017, respectively.

The bill takes effect July 1, 2015, and terminates June 30, 2017.

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**Fiscal Summary**

**State Effect:** Although the bill establishes significant additional responsibilities for MDE and DBED, each agency can staff the task force with existing resources. General and/or special fund expenditures increase negligibly in FY 2016 and 2017 for reimbursement of task force member expenses. Revenues are not affected.

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

### Current Law/Background:

#### *Yard Waste*

All yard waste collected separately from other solid waste may be transported to a composting facility. An owner or operator of a refuse disposal system may not accept truckloads of separately collected yard waste for final disposal unless the owner or operator provides for the composting or mulching of the yard waste.

#### *Composting*

Chapter 363 of 2011 required MDE, in consultation with the Maryland Department of Agriculture (MDA) and the Maryland Environmental Service, to study composting in Maryland, including the laws or regulations governing composting, and to make recommendations about how to promote composting in Maryland. The composting workgroup established pursuant to Chapter 363 reviewed other states' composting requirements, determined ways to further encourage composting in Maryland, and considered model composting regulations from the U.S. Composting Council. The workgroup made several recommendations for establishing a conceptual framework for the future regulation of composting facilities, as well as recommendations for State and local actions related to developing pilot projects and identifying financial and technical assistance for composting companies, end markets for compost, and available properties able to manage organic materials.

Chapter 686 of 2013 required MDE to adopt regulations governing the permitting and operation of composting facilities and prohibited a person from operating a composting facility that is not in accordance with the regulations or any permit or order issued under specified composting laws. Chapter 686 also altered several definitions in order to treat compost and composting separately from more traditional regulation of solid waste. Chapter 686 specifically authorized MDE to include in the new composting regulations (1) conditions for constructing and operating a composting facility; (2) a tiered system of permits for facilities based on size, feedstock type, or other factors; (3) design and operational conditions to protect public health and the environment and to minimize nuisances; (4) permit exceptions; and (5) an exemption for certain organic materials from designation as solid waste.

The proposed regulations were published for public comment in the January 10, 2014 issue of the *Maryland Register* but subsequently withdrawn. Substantially similar regulations were later published on December 12, 2014, but have not been published for final adoption

by MDE as of February 2015. MDE advised that, as of February 13, 2015, it was still reviewing the public comments.

Prior to the enactment of Chapter 686, composting facilities were considered solid waste acceptance facilities subject to the requirements of a refuse disposal permit if the facility's primary purpose was the processing of solid waste. Because the former definition of solid waste included organic materials capable of being composted, composting facilities were typically required to obtain a refuse disposal permit. By altering the definition of solid waste and several other definitions, Chapter 686 allowed compost and composting facilities to be regulated separately and in a manner anticipated to reduce barriers to the construction of new facilities and to encourage additional composting in Maryland.

Generally, composting diverts waste from landfills; reduces methane emissions, a greenhouse gas; and provides an inexpensive source of natural fertilizer, among other economic and environmental benefits. According to the U.S. Environmental Protection Agency (EPA), yard trimmings and food residuals together constituted about 28% of the U.S. municipal solid waste generated in 2012.

MDE advises that it is aware of three composting facilities that accept food residuals in Maryland. MDE also advises that it is aware of at least nine composting facilities that accept yard waste, which are registered with MDA, but that there are likely numerous additional facilities that are not registered. Finally, MDE estimates that, based on a study conducted by the Massachusetts Department of Environmental Protection and the relative population of the two states, there may be nearly 2,000 generators of two tons of food residuals per week in Maryland. Many of these generators include food manufacturers and distribution facilities, supermarkets, colleges, and correctional facilities.

### *Anaerobic Digestion*

According to EPA, anaerobically digesting food waste produces two valuable products – renewable energy and soil amendment. Additionally, EPA advises that, if 50% of the food waste generated each year in the United States was anaerobically digested, enough electricity would be generated to power 2.5 million homes for a year. MDE advises that it is aware of two anaerobic digesters in the State, although both facilities are used for processing dairy manure, and only one of the facilities may combine limited amounts of food residuals with dairy manure.

MDE published a final greenhouse gas reduction plan in July 2013 pursuant to the Greenhouse Gas Reduction Act of 2009 (Chapters 171 and 172). The extensive plan includes numerous strategies, programs, and initiatives that, in combination, are projected to achieve a 25% reduction of greenhouse gas emissions from 2006 levels by 2020. One of the major strategies included in the plan is a “zero waste” initiative, which is estimated

to provide 8.7% of the emissions reductions – the fourth largest component of the plan. Anaerobic digestion is one component of the zero waste strategy envisioned by the plan.

In December 2014, MDE released its zero waste plan to eliminate the need for disposal of solid waste and to maximize the amount of treated wastewater that is beneficially reused. The plan calls for an overall recycling goal of 80% by 2040, as well as yard waste and food scrap recycling goals. For yard waste, the plan calls for an increase in yard waste recycling to 73% by 2015, 76% by 2020, 80% by 2025, 83% by 2030, and 90% by 2040. For food scrap recycling, the goal is to increase the recycling rate to 15% by 2015, 35% by 2020, 60% by 2025, 70% by 2030, and 90% by 2040. Specific actions listed in the plan include encouraging food donation, phasing in a commercial/institutional ban on disposal of organic materials, and encouraging anaerobic digestion.

MDE advises that it is not aware of any anaerobic digestion facilities in the State that currently accept yard waste.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Department of the Environment, Department of Business and Economic Development, Northeast Maryland Waste Disposal Authority, U.S. Environmental Protection Agency, Department of Legislative Services

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