

HOUSE BILL 1139

M3, M4
HB 1070/22 – ENT

3lr2371

By: **Delegate Boyce**

Introduced and read first time: February 10, 2023

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Solid Waste Disposal and Diversion and On-Farm Composting and Compost Use**

3 FOR the purpose of establishing the On-Farm Composting and Compost Use Grant Fund
4 as a special, nonlapsing fund; requiring interest earnings of the On-Farm
5 Composting and Compost Use Grant Fund to be credited to the Fund; establishing a
6 statewide solid waste disposal surcharge to be collected by certain owners and
7 operators of refuse disposal systems in the State and requiring owners and operators
8 to remit surcharge revenue on a quarterly basis beginning on a certain date to the
9 Comptroller; authorizing a county to submit a request to the Department to establish
10 a local solid waste disposal surcharge program and authorizing the Department to
11 approve a request if the county establishes a certain program to fund waste diversion
12 and composting in a certain manner; prohibiting the statewide surcharge from being
13 assessed on the final disposal or transfer of solid waste at a refuse disposal system
14 located in a county that has implemented a local solid waste disposal surcharge
15 program; establishing the Waste Reduction Grants Fund as a special, nonlapsing
16 fund; requiring interest earnings of the Waste Reduction Grants Fund to be credited
17 to the Fund; requiring the Comptroller, on an annual basis, to transfer certain solid
18 waste disposal surcharge revenue to certain funds for certain purposes; specifying
19 that a certain solid waste disposal surcharge transferred to the State Recycling Trust
20 Fund may not revert to the General Fund; requiring certain revenue transferred to
21 the State Recycling Trust Fund to be used by the Office of Recycling in the
22 Department of the Environment to award certain grants; and generally relating to
23 solid waste disposal and diversion and on-farm composting and compost use.

24 BY adding to

25 Article – Agriculture

26 Section 2-2201 through 2-2203 to be under the new subtitle “Subtitle 22. On-Farm
27 Composting and Compost Use Grant Fund”

28 Annotated Code of Maryland

29 (2016 Replacement Volume and 2022 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 BY repealing and reenacting, without amendments,
2 Article – Environment
3 Section 9–201(a) and (e) and 9–1701(a), (d), (m), and (q)
4 Annotated Code of Maryland
5 (2014 Replacement Volume and 2022 Supplement)
- 6 BY repealing and reenacting, with amendments,
7 Article – Environment
8 Section 9–1707(f)
9 Annotated Code of Maryland
10 (2014 Replacement Volume and 2022 Supplement)
- 11 BY adding to
12 Article – Environment
13 Section 9–17A–01 through 9–17A–07 to be under the new subtitle “Subtitle 17A.
14 Waste Reduction”
15 Annotated Code of Maryland
16 (2014 Replacement Volume and 2022 Supplement)
- 17 BY repealing and reenacting, without amendments,
18 Article – State Finance and Procurement
19 Section 6–226(a)(2)(i)
20 Annotated Code of Maryland
21 (2021 Replacement Volume and 2022 Supplement)
- 22 BY repealing and reenacting, with amendments,
23 Article – State Finance and Procurement
24 Section 6–226(a)(2)(ii)170. and 171.
25 Annotated Code of Maryland
26 (2021 Replacement Volume and 2022 Supplement)
- 27 BY adding to
28 Article – State Finance and Procurement
29 Section 6–266(a)(2)(ii)172. and 173.
30 Annotated Code of Maryland
31 (2021 Replacement Volume and 2022 Supplement)
- 32 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
33 That the Laws of Maryland read as follows:
- 34 **Article – Agriculture**
- 35 **SUBTITLE 22. ON–FARM COMPOSTING AND COMPOST USE GRANT FUND.**
- 36 **2–2201.**

1 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
2 **INDICATED.**

3 **(B) (1) “ELIGIBLE ENTITY” MEANS:**

4 **(I) A UNIT OF STATE OR LOCAL GOVERNMENT;**

5 **(II) A SOIL CONSERVATION DISTRICT;**

6 **(III) A LOCAL EDUCATION AGENCY;**

7 **(IV) AN INSTITUTION OF HIGHER EDUCATION;**

8 **(V) A NONPROFIT ORGANIZATION;**

9 **(VI) A FARMER, INCLUDING AN URBAN FARMER; AND**

10 **(VII) A CONSORTIUM OF ANY OF THE ENTITIES IDENTIFIED IN**
11 **ITEMS (I) THROUGH (VI) OF THIS PARAGRAPH.**

12 **(2) “ELIGIBLE ENTITY” DOES NOT INCLUDE A COUNTY THAT HAS**
13 **IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM IN**
14 **ACCORDANCE WITH § 9-17A-03 OF THE ENVIRONMENT ARTICLE.**

15 **(C) “FUND” MEANS THE ON-FARM COMPOSTING AND COMPOST USE**
16 **GRANT FUND.**

17 **2-2202.**

18 **(A) THERE IS AN ON-FARM COMPOSTING AND COMPOST USE GRANT**
19 **FUND.**

20 **(B) THE PURPOSE OF THE FUND IS TO AWARD GRANTS TO ELIGIBLE**
21 **ENTITIES TO ASSIST WITH THE COSTS OF DEVELOPING AND IMPLEMENTING**
22 **ON-FARM COMPOSTING AND COMPOST USE PROJECTS.**

23 **(C) THE SECRETARY, IN CONSULTATION WITH THE SECRETARY OF THE**
24 **ENVIRONMENT, SHALL ADMINISTER THE FUND.**

25 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
26 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

1 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
2 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

3 **(E) THE FUND CONSISTS OF:**

4 **(1) THE SOLID WASTE DISPOSAL SURCHARGE REVENUE**
5 **TRANSFERRED TO THE FUND UNDER § 9-17A-04(F)(3)(I) OF THE ENVIRONMENT**
6 **ARTICLE;**

7 **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

8 **(3) INTEREST EARNINGS; AND**

9 **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
10 **THE BENEFIT OF THE FUND.**

11 **(F) THE FUND MAY BE USED ONLY TO AWARD GRANTS TO ELIGIBLE**
12 **ENTITIES TO ASSIST WITH THE COSTS OF DEVELOPING AND IMPLEMENTING**
13 **ON-FARM COMPOSTING AND COMPOST USE PROJECTS, INCLUDING THE COSTS OF:**

14 **(1) PURCHASING COMPOST AND EQUIPMENT FOR ON-FARM**
15 **COMPOST APPLICATION;**

16 **(2) EQUIPMENT AND INFRASTRUCTURE IN SUPPORT OF ON-FARM**
17 **COMPOSTING;**

18 **(3) LABOR AND WAGES IN SUPPORT OF ON-FARM COMPOSTING AND**
19 **COMPOST USE;**

20 **(4) COMPOSTING MATERIALS GENERATED ON-SITE OR OFF-SITE,**
21 **INCLUDING ANIMAL MANURE GENERATED ON-SITE AND FOOD SCRAPS GENERATED**
22 **OFF-SITE;**

23 **(5) COMPOST MANAGEMENT TRAINING UNDER A PROGRAM OFFERED**
24 **BY THE UNIVERSITY OF MARYLAND EXTENSION, THE U.S. COMPOSTING COUNCIL,**
25 **OR OTHER APPROPRIATE ENTITY;**

26 **(6) (I) COMPOST TESTING EQUIPMENT; OR**

27 **(II) SUBMITTING COMPOST SAMPLES FOR TESTING TO A**
28 **LABORATORY WITH APPROPRIATE EXPERTISE;**

1 **(7) QUANTIFYING THE BENEFITS OF COMPOST APPLICATION TO SOIL**
2 **HEALTH AND CARBON SEQUESTRATION;**

3 **(8) STUDYING IMPACTS OF COMPOST APPLICATION ON ON-FARM**
4 **NUTRIENT AND WATER QUALITY MANAGEMENT TO INFORM RELEVANT**
5 **REGULATIONS;**

6 **(9) RESEARCHING AND DEVELOPING NEW COMPOST TREATMENTS OR**
7 **PRODUCTS THAT WILL BENEFIT OR INFORM ON-FARM COMPOST USE;**

8 **(10) CONSULTING WITH A NUTRIENT MANAGEMENT SPECIALIST OR**
9 **OTHER CONSULTANT; AND**

10 **(11) MEETING PERMIT REQUIREMENTS, INCLUDING REGISTERING**
11 **COMPOST FOR SALE WITHIN THE STATE.**

12 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
13 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

14 **(2) INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE**
15 **FUND.**

16 **2-2203.**

17 **(A) AN ELIGIBLE ENTITY MAY APPLY FOR A GRANT FROM THE FUND.**

18 **(B) (1) THE SECRETARY SHALL ESTABLISH GRANT APPLICATION**
19 **PROCEDURES.**

20 **(2) THE GRANT APPLICATION PROCEDURES SHALL INCLUDE:**

21 **(I) A PROCESS FOR FACILITATING PARTICIPATION OF**
22 **ELIGIBLE ENTITIES WITH LIMITED RESOURCES;**

23 **(II) A SIMPLE COMMON APPLICATION AND COMMON**
24 **REPORTING FORMAT;**

25 **(III) A PROCESS FOR AUTHORIZING ELIGIBLE ENTITIES TO USE**
26 **THE ENTITY'S STANDARD ANNUAL REPORT AND "LETTER OF INTEREST" TO MEET**
27 **APPLICATION AND REPORTING REQUIREMENTS;**

28 **(IV) A PROCESS FOR SUBMITTING APPLICATIONS IN WRITING**
29 **AND THROUGH VIDEO AND AUDIO FORMATS; AND**

1 **(V) TRANSLATION SERVICES FOR APPLICANTS TO OVERCOME**
2 **LANGUAGE BARRIERS IN THE APPLICATION PROCESS.**

3 **(C) IN AWARDING GRANTS UNDER THIS SUBTITLE, THE SECRETARY SHALL**
4 **GIVE PRIORITY FOR PROJECTS:**

5 **(1) FOR WHICH AN APPLICANT CLEARLY DESCRIBES HOW THE**
6 **PROJECT WILL SUPPORT ON-FARM COMPOSTING OR COMPOST USE;**

7 **(2) THAT COMPLY WITH COMAR 26.04.11, COMAR 15.18.04, AND**
8 **OTHER RELEVANT REGULATIONS;**

9 **(3) THAT DIVERT ORGANIC WASTE FROM REFUSE DISPOSAL**
10 **FACILITIES TO INSTEAD BE COMPOSTED WHERE THE RESULTING COMPOST IS**
11 **RETURNED TO MARYLAND SOIL TO GROW AGRICULTURAL PRODUCTS OR IMPROVE**
12 **SOIL HEALTH;**

13 **(4) FOR WHICH AN APPLICANT DEMONSTRATES KNOWLEDGE OF BEST**
14 **PRACTICES IN THE FIELD AND HOW TO INCORPORATE THOSE BEST PRACTICES IN**
15 **THE PROJECT;**

16 **(5) THAT SERVE A FARM OWNED OR OPERATED BY A FARMER WHO IS**
17 **A LOW-INCOME INDIVIDUAL, A SOCIALLY DISADVANTAGED INDIVIDUAL, A WOMAN,**
18 **OR A VETERAN;**

19 **(6) THAT SERVE A LOW-INCOME OR SOCIALLY DISADVANTAGED**
20 **COMMUNITY; OR**

21 **(7) THAT ENGAGE SMALL OR DIVERSE FARMING OPERATIONS.**

22 **Article – Environment**

23 9–201.

24 (a) In this subtitle the following words have the meanings indicated.

25 (e) “Refuse disposal system” includes:

26 (1) An incinerator;

27 (2) A transfer station;

28 (3) A landfill system;

- 1 (4) A landfill;
- 2 (5) A solid waste processing facility; and
- 3 (6) Any other solid waste acceptance facility.

4 9–1701.

5 (a) In this subtitle the following words have the meanings indicated.

6 (d) “Composting” means the controlled aerobic biological decomposition of organic
7 waste material in accordance with the standards established by the Secretary under this
8 title.

9 (m) “Office” means the Office of Recycling within the Department.

10 (q) “Recycling” means any process in which recyclable materials are collected,
11 separated, or processed and returned to the marketplace in the form of raw materials or
12 products.

13 9–1707.

14 (f) (1) There is a State Recycling Trust Fund.

15 (2) The Fund shall consist of:

16 (i) The newsprint recycling incentive fee;

17 (ii) The telephone directory recycling incentive fee collected under §
18 9–1709 of this subtitle;

19 (iii) The covered electronic device manufacturer registration fee
20 collected under § 9–1728 of this subtitle;

21 **(IV) THE SOLID WASTE DISPOSAL SURCHARGE REVENUE**
22 **TRANSFERRED TO THE FUND UNDER § 9–17A–04(F)(3)(II) OF THIS TITLE;**

23 ~~[(iv)]~~ **(V)** All fines and penalties collected under this subtitle;

24 ~~[(v)]~~ **(VI)** Money appropriated in the State budget to the Fund; and

25 ~~[(vi)]~~ **(VII)** Any other money from any other source accepted for the
26 benefit of the Fund.

27 (3) The Secretary shall administer the Fund.

1 (4) The Treasurer shall hold the Fund separately and the Comptroller shall
2 account for the Fund.

3 (5) (I) [At] **EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
4 **PARAGRAPH, AT** the end of each fiscal year, any unspent or unencumbered balance in the
5 Fund that exceeds \$2,000,000 shall revert to the General Fund of the State in accordance
6 with § 7–302 of the State Finance and Procurement Article.

7 (II) 1. **THE SOLID WASTE DISPOSAL SURCHARGE REVENUE**
8 **TRANSFERRED TO THE FUND UNDER § 9–17A–04(F)(3)(II) OF THIS TITLE IS NOT**
9 **SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE AND**
10 **MAY NOT REVERT TO THE GENERAL FUND OF THE STATE.**

11 2. **THE OFFICE MAY ESTABLISH A WASTE REDUCTION**
12 **GRANTS ACCOUNT IN THE FUND.**

13 (6) In accordance with the State budget, the Fund shall be used only:

14 (i) To provide grants to the counties to be used by the counties to
15 develop and implement local recycling plans;

16 (ii) To provide grants to counties that have addressed methods for
17 the separate collection and recycling of covered electronic devices in accordance with §
18 9–1703(c)(1) of this subtitle;

19 (iii) To provide grants to municipalities to be used by the
20 municipalities to implement local covered electronic device recycling programs; [and]

21 (IV) **TO PROVIDE GRANTS UNDER §§ 9–17A–05 AND 9–17A–06**
22 **OF THIS TITLE; AND**

23 [(iv)] (V) To carry out the purposes of the land management
24 administration.

25 (7) (i) The Treasurer shall invest the money in the Fund in the same
26 manner as other State money may be invested.

27 (ii) Any investment earnings of the Fund shall be credited to the
28 General Fund of the State.

29 **SUBTITLE 17A. WASTE REDUCTION.**

30 **9–17A–01.**

1 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
2 INDICATED.

3 (B) “COMPOSTING” HAS THE MEANING STATED IN § 9-1701 OF THIS TITLE.

4 (C) “HAULER” MEANS A PERSON THAT IS CONTRACTED TO COLLECT OR
5 HAUL SOLID WASTE.

6 (D) “OFFICE” HAS THE MEANING STATED IN § 9-1701 OF THIS TITLE.

7 (E) “RECYCLING” HAS THE MEANING STATED IN § 9-1701 OF THIS TITLE.

8 (F) “REFUSE DISPOSAL SYSTEM” HAS THE MEANING STATED IN § 9-201 OF
9 THIS TITLE.

10 9-17A-02.

11 (A) (1) THERE IS A STATEWIDE SOLID WASTE DISPOSAL SURCHARGE ON
12 THE FINAL DISPOSAL OF SOLID WASTE IN THE STATE.

13 (2) (I) THIS PARAGRAPH DOES NOT APPLY TO AN OWNER OR
14 OPERATOR OF A REFUSE DISPOSAL SYSTEM LOCATED IN A COUNTY THAT HAS
15 IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM IN
16 ACCORDANCE WITH § 9-17A-03 OF THIS SECTION.

17 (II) EACH OWNER OR OPERATOR OF A REFUSE DISPOSAL
18 SYSTEM IN THE STATE SHALL COLLECT THE STATEWIDE SOLID WASTE DISPOSAL
19 SURCHARGE IN ACCORDANCE WITH THIS SECTION.

20 (III) AN OWNER OR OPERATOR SHALL INCLUDE THE SURCHARGE
21 AMOUNT DUE AS A SEPARATE LINE ITEM ON THE BILL OR INVOICE THAT THE OWNER
22 OR OPERATOR PROVIDES TO A HAULER.

23 (3) A HAULER THAT PAYS A STATEWIDE SOLID WASTE DISPOSAL
24 SURCHARGE TO AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM IN
25 ACCORDANCE WITH THIS SECTION MAY COLLECT A RATE, FEE, OR SURCHARGE
26 FROM A CUSTOMER ONLY IN AN AMOUNT SUFFICIENT FOR THE HAULER TO RECOVER
27 THE AMOUNT OF THE SURCHARGE PAID BY THE HAULER.

28 (B) (1) THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE IS \$2 PER
29 TON OF SOLID WASTE PROCESSED BY A REFUSE DISPOSAL SYSTEM.

1 **(2) ON OR BEFORE JANUARY 1, 2026, AND EVERY 2 YEARS**
2 **THEREAFTER, THE OFFICE SHALL:**

3 **(I) ADJUST THE STATEWIDE SOLID WASTE DISPOSAL**
4 **SURCHARGE IN ACCORDANCE WITH THE CONSUMER PRICE INDEX FOR THE**
5 **MID-ATLANTIC DIVISION; AND**

6 **(II) EVALUATE THE STATEWIDE SOLID WASTE DISPOSAL**
7 **SURCHARGE TO DETERMINE WHETHER INCREASES TO THE SURCHARGE ARE**
8 **RECOMMENDED.**

9 **(C) IF A SURCHARGE HAS BEEN COLLECTED BY AN OWNER OR OPERATOR**
10 **OF A TRANSFER STATION, THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE MAY**
11 **NOT BE COLLECTED BY AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM**
12 **THAT RECEIVES THE SOLID WASTE FOR FINAL DISPOSAL.**

13 **(D) (1) THE COMPTROLLER SHALL COLLECT THE STATEWIDE SOLID**
14 **WASTE DISPOSAL SURCHARGE REVENUE ASSESSED UNDER THIS SECTION AND**
15 **DEPOSIT THE REVENUE INTO THE WASTE REDUCTION GRANTS FUND ESTABLISHED**
16 **UNDER § 9-17A-04 OF THIS SUBTITLE.**

17 **(2) (I) BEGINNING APRIL 1, 2024, ON A QUARTERLY BASIS, AN**
18 **OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM SHALL COMPLETE AND**
19 **SUBMIT, UNDER OATH, A RETURN AND REMIT THE STATEWIDE SOLID WASTE**
20 **DISPOSAL SURCHARGE REVENUE TO THE COMPTROLLER.**

21 **(II) A RETURN SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS**
22 **PARAGRAPH SHALL INCLUDE INFORMATION ON THE NUMBER OF TONS OF SOLID**
23 **WASTE ACCEPTED FOR DISPOSAL, TRANSFER, OR COLLECTION, AS APPROPRIATE,**
24 **DURING THE REPORTING PERIOD.**

25 **(E) THE COMPTROLLER MAY ADOPT REGULATIONS TO CARRY OUT THIS**
26 **SECTION.**

27 **9-17A-03.**

28 **(A) (1) A COUNTY, INCLUDING BALTIMORE CITY AND MID-SHORE**
29 **COUNTIES, MAY SUBMIT A REQUEST TO THE DEPARTMENT TO ESTABLISH A LOCAL**
30 **SOLID WASTE DISPOSAL SURCHARGE PROGRAM.**

31 **(2) THE DEPARTMENT MAY APPROVE A REQUEST SUBMITTED IN**
32 **ACCORDANCE WITH PARAGRAPH (1) OF THIS SUBSECTION, IF THE COUNTY**

1 ESTABLISHES A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM TO FUND
2 WASTE DIVERSION AND COMPOSTING IN ACCORDANCE WITH THIS SECTION.

3 (B) A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM ESTABLISHED
4 UNDER THIS SECTION SHALL:

5 (1) INCLUDE A SEPARATE AND PROTECTED FUND TO RECEIVE
6 SURCHARGE REVENUE;

7 (2) INCLUDE A SURCHARGE ASSESSED AT A RATE THAT IS GREATER
8 THAN OR EQUAL TO THE SURCHARGE RATE ESTABLISHED UNDER § 9-17A-02(B) OF
9 THIS SUBTITLE;

10 (3) ALLOCATE AT LEAST 40% OF THE SURCHARGE REVENUE
11 COLLECTED BY THE COUNTY TO NONGOVERNMENT PROGRAMS AND
12 INFRASTRUCTURE FOR THE PURPOSE OF DEVELOPING, MAINTAINING, OR
13 EXPANDING LOCAL REUSE, REPAIR, RECYCLING, AND COMPOSTING, INCLUDING
14 ASSOCIATED LABOR COSTS AND WAGES; AND

15 (4) AWARD GRANTS, LOANS, OR OTHER FUND DISBURSEMENTS TO AN
16 ENTITY, OR A CONSORTIUM OF ENTITIES, AS DEFINED UNDER § 9-17A-06 OF THIS
17 SUBTITLE.

18 (C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY
19 MAY ASSESS A LOCAL SOLID WASTE DISPOSAL SURCHARGE ESTABLISHED IN
20 ACCORDANCE WITH THIS SECTION AT THE LEVEL OF WASTE GENERATION,
21 COLLECTION, OR FINAL DISPOSAL.

22 (2) A COUNTY MAY NOT ASSESS A LOCAL SOLID WASTE DISPOSAL
23 SURCHARGE ON THE SAME SOLID WASTE MORE THAN ONCE.

24 (D) (1) THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE
25 ESTABLISHED UNDER § 9-17A-02 OF THIS SUBTITLE MAY NOT BE ASSESSED ON THE
26 FINAL DISPOSAL OR TRANSFER OF WASTE AT A REFUSE DISPOSAL SYSTEM LOCATED
27 IN A COUNTY THAT HAS IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL
28 SURCHARGE PROGRAM IN ACCORDANCE WITH THIS SECTION.

29 (2) SOLID WASTE DISPOSED AT REFUSE DISPOSAL SYSTEMS IN A
30 COUNTY THAT HAS IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE
31 PROGRAM IN ACCORDANCE WITH THIS SECTION IS SUBJECT TO THE LOCAL
32 SURCHARGE ESTABLISHED UNDER THE PROGRAM.

1 **(E) ON AN ANNUAL BASIS, THE DEPARTMENT SHALL REVIEW EACH LOCAL**
2 **SOLID WASTE DISPOSAL SURCHARGE PROGRAM ESTABLISHED UNDER THIS SECTION**
3 **TO:**

4 **(1) ENSURE COMPLIANCE WITH THE REQUIREMENTS OF THIS**
5 **SECTION; AND**

6 **(2) EVALUATE BEST PRACTICES AND LESSONS LEARNED FROM**
7 **LOCAL SOLID WASTE SURCHARGE PROGRAMS.**

8 **9-17A-04.**

9 **(A) THERE IS A WASTE REDUCTION GRANTS FUND.**

10 **(B) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING TO THE OFFICE**
11 **AND THE DEPARTMENT OF AGRICULTURE TO AWARD GRANTS TO ASSIST WITH THE**
12 **COSTS OF DEVELOPING, IMPLEMENTING, OR EXPANDING EQUIPMENT,**
13 **INFRASTRUCTURE, AND EDUCATION RELATING TO:**

14 **(1) REDUCING THE AMOUNT OF SOLID WASTE GENERATED IN THE**
15 **STATE;**

16 **(2) REUSING, REPAIRING, RECYCLING, AND COMPOSTING SOLID**
17 **WASTE;**

18 **(3) EDIBLE FOOD RESCUE;**

19 **(4) ON-FARM COMPOSTING AND COMPOST USE; AND**

20 **(5) MINIMIZING ILLEGAL DUMPING.**

21 **(C) THE COMPTROLLER SHALL ADMINISTER THE FUND.**

22 **(D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
23 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

24 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
25 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

26 **(E) THE FUND CONSISTS OF:**

27 **(1) THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE REVENUE**
28 **DEPOSITED INTO THE FUND UNDER § 9-17A-02 OF THIS SUBTITLE;**

1 **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

2 **(3) INTEREST EARNINGS; AND**

3 **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
4 **THE BENEFIT OF THE FUND.**

5 **(F) (1) THE FUND MAY BE USED ONLY TO:**

6 **(I) PROVIDE THE FUNDING NECESSARY TO AWARD GRANTS**
7 **UNDER TITLE 2, SUBTITLE 22 OF THE AGRICULTURE ARTICLE;**

8 **(II) PROVIDE THE FUNDING NECESSARY TO AWARD GRANTS**
9 **UNDER §§ 9-17A-05 AND 9-17A-06 OF THIS SUBTITLE; AND**

10 **(III) COVER THE REASONABLE ADMINISTRATIVE COSTS OF:**

11 **1. THE COMPTROLLER IN ADMINISTERING THE FUND;**

12 **2. THE DEPARTMENT OF AGRICULTURE IN AWARDING**
13 **GRANTS UNDER TITLE 2, SUBTITLE 22 OF THE AGRICULTURE ARTICLE; AND**

14 **3. THE OFFICE IN AWARDING GRANTS UNDER §§**
15 **9-17A-05 AND 9-17A-06 OF THIS SUBTITLE.**

16 **(2) UP TO 10% OF THE ESTIMATED ANNUAL SOLID WASTE**
17 **SURCHARGE REVENUE MAY BE USED TO COVER REASONABLE ADMINISTRATIVE**
18 **COSTS UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION.**

19 **(3) ON AN ANNUAL BASIS, AFTER COVERING REASONABLE**
20 **ADMINISTRATIVE COSTS, THE COMPTROLLER SHALL TRANSFER:**

21 **(I) 25% OF THE MONEY IN THE FUND TO THE ON-FARM**
22 **COMPOSTING AND COMPOST USE GRANT FUND ESTABLISHED UNDER TITLE 2,**
23 **SUBTITLE 22 OF THE AGRICULTURE ARTICLE; AND**

24 **(II) 75% OF THE MONEY IN THE FUND TO THE STATE**
25 **RECYCLING TRUST FUND ESTABLISHED UNDER § 9-1707(F) OF THIS TITLE.**

26 **(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
27 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

1 **(2) INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE**
2 **FUND.**

3 **9-17A-05.**

4 **(A) OF THE REVENUE TRANSFERRED TO THE STATE RECYCLING TRUST**
5 **FUND UNDER § 9-17A-04(F)(3)(II) OF THIS SUBTITLE, TWO-THIRDS SHALL BE USED**
6 **BY THE OFFICE TO PROVIDE GRANTS TO ELIGIBLE COUNTIES, INCLUDING**
7 **BALTIMORE CITY AND MID-SHORE COUNTIES, FOR DEVELOPING AND**
8 **IMPLEMENTING ACTIVITIES THAT ADVANCE WASTE PREVENTION, REUSE, REPAIR,**
9 **RECYCLING, OR COMPOSTING OR MINIMIZE ILLEGAL DUMPING IN THE STATE,**
10 **INCLUDING FOR:**

11 **(1) DEVELOPING, MAINTAINING, OR EXPANDING LOCAL REUSE,**
12 **REPAIR, RECYCLING, AND COMPOSTING INFRASTRUCTURE, AS WELL AS**
13 **INFRASTRUCTURE THAT MINIMIZES ILLEGAL DUMPING;**

14 **(2) DEVELOPING, MAINTAINING, OR EXPANDING LOCAL REUSE,**
15 **REPAIR, RECYCLING, AND COMPOSTING PROGRAMS, AS WELL AS PROGRAMS TO**
16 **MINIMIZE ILLEGAL DUMPING;**

17 **(3) ENCOURAGING SOURCE-SEPARATION OF UNCONTAMINATED**
18 **MATERIALS;**

19 **(4) PROVIDING EDUCATION AND TECHNICAL ASSISTANCE TO PUBLIC**
20 **AND PRIVATE ENTITIES, INCLUDING SMALL HAULERS, TO ADVANCE WASTE**
21 **PREVENTION, REUSE, REPAIR, RECYCLING, AND COMPOSTING AND TO MINIMIZE**
22 **ILLEGAL DUMPING;**

23 **(5) COLLECTING AND COMPOSTING SOURCE-SEPARATED**
24 **COMPOSTABLE MATERIALS; AND**

25 **(6) DEVELOPING, MAINTAINING, OR EXPANDING MEASURES THAT**
26 **ADDRESS AND MINIMIZE ILLEGAL DUMPING, INCLUDING MEASURES RELATING TO:**

27 **(I) COMMUNITY AND RIVER CLEAN-UPS AND CAMPAIGNS;**

28 **(II) TRAINING AND RESOURCES FOR SMALL HAULERS;**

29 **(III) SURVEILLANCE CAMERAS;**

30 **(IV) DROP-OFF RECYCLING RECEPTACLES;**

1 (V) RESOURCE RECYCLING CENTERS THAT ACCEPT A WIDE
2 RANGE OF MATERIALS; AND

3 (VI) ALTERNATIVES TO SINGLE-USE PLASTICS.

4 (B) A COUNTY MAY APPLY FOR A GRANT UNDER THIS SECTION IF THE
5 COUNTY HAS:

6 (1) CREATED A SEPARATE ACCOUNT IN ITS GENERAL FUND TO
7 DEPOSIT THE GRANT MONEY;

8 (2) ESTABLISHED ACCOUNTING PROCEDURES TO ENSURE THAT
9 GRANT MONEY IN THE SEPARATE ACCOUNT IS SPENT ONLY IN ACCORDANCE WITH
10 THIS SECTION; AND

11 (3) NOT IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL
12 SURCHARGE PROGRAM IN ACCORDANCE WITH § 9-17A-03 OF THIS SUBTITLE.

13 (C) (1) A COUNTY THAT IS AWARDED A GRANT UNDER THIS SECTION
14 SHALL REPORT TO THE OFFICE AT THE END OF EACH FISCAL YEAR ON:

15 (I) THE ACTIVITIES UNDERTAKEN UNDER THE GRANT TO
16 INCREASE THE COUNTY'S PROPORTION OF WASTE DIVERSION, INCLUDING THE
17 SPECIFIC ACTIVITIES RELATING TO WASTE PREVENTION, REUSE, REPAIR,
18 RECYCLING, AND COMPOSTING;

19 (II) THE ACTIVITIES UNDERTAKEN UNDER THE GRANT TO
20 MINIMIZE ILLEGAL DUMPING; AND

21 (III) THE GAINS ACHIEVED IN WASTE DIVERSION PRACTICES
22 AND ADDRESSING ILLEGAL DUMPING.

23 (2) THE REPORT REQUIRED UNDER THIS SUBSECTION:

24 (I) MAY BE SUBMITTED ELECTRONICALLY; AND

25 (II) SHALL BE POSTED ON THE COUNTY'S WEBSITE.

26 9-17A-06.

27 (A) (1) IN THIS SECTION, "ELIGIBLE ENTITY" MEANS:

28 (I) A UNIT OF STATE OR LOCAL GOVERNMENT;

1 (II) A LOCAL EDUCATION AGENCY;

2 (III) AN INSTITUTION OF HIGHER EDUCATION;

3 (IV) A NONPROFIT ORGANIZATION;

4 (V) A FARMER, INCLUDING AN URBAN FARMER;

5 (VI) A BUSINESS THAT IS:

6 1. OPERATING IN THE STATE IN GOOD STANDING; AND

7 2. INTENDED TO OPERATE AT A PROFIT AND RETURN A
8 PROFIT TO ITS OWNERS; OR

9 (VII) A CONSORTIUM OF ANY OF THE ENTITIES IDENTIFIED IN
10 ITEMS (I) THROUGH (VI) OF THIS PARAGRAPH.

11 (2) "ELIGIBLE ENTITY" DOES NOT INCLUDE A COUNTY THAT HAS
12 IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM IN
13 ACCORDANCE WITH § 9-17A-03 OF THIS SUBTITLE.

14 (B) (1) OF THE REVENUE TRANSFERRED TO THE STATE RECYCLING
15 TRUST FUND UNDER § 9-17A-04(F)(3)(II) OF THIS SUBTITLE, ONE-THIRD SHALL BE
16 USED BY THE OFFICE TO AWARD GRANTS TO ELIGIBLE ENTITIES FOR:

17 (I) DEVELOPING, MAINTAINING, OR EXPANDING LOCAL REUSE,
18 REPAIR, RECYCLING, AND COMPOSTING INFRASTRUCTURE, AS WELL AS
19 INFRASTRUCTURE THAT MINIMIZES ILLEGAL DUMPING;

20 (II) DEVELOPING, MAINTAINING, OR EXPANDING LOCAL REUSE,
21 REPAIR, RECYCLING, AND COMPOSTING PROGRAMS, AS WELL AS PROGRAMS TO
22 MINIMIZE ILLEGAL DUMPING;

23 (III) ENCOURAGING SOURCE-SEPARATION OF
24 UNCONTAMINATED MATERIALS;

25 (IV) PROVIDING EDUCATION AND TECHNICAL ASSISTANCE TO
26 PUBLIC AND PRIVATE ENTITIES, INCLUDING HAULERS, TO:

27 1. ADVANCE WASTE PREVENTION, REUSE, REPAIR,
28 RECYCLING, AND COMPOSTING; AND

1 **2. MINIMIZE ILLEGAL DUMPING;**

2 **(V) COLLECTING AND COMPOSTING SOURCE-SEPARATED**
3 **COMPOSTABLE MATERIALS;**

4 **(VI) ENABLING RESTAURANTS, MULTIFAMILY HOUSING**
5 **PROPERTY MANAGERS, HAULERS, AND OTHER SMALL BUSINESSES TO DEVELOP,**
6 **MAINTAIN, OR EXPAND PROGRAMS AND PROCURE NECESSARY EQUIPMENT FOR**
7 **WASTE DIVERSION AND TO MINIMIZE ILLEGAL DUMPING; AND**

8 **(VII) DEVELOPING, MAINTAINING, OR EXPANDING MEASURES**
9 **THAT ADDRESS AND MINIMIZE ILLEGAL DUMPING, INCLUDING MEASURES RELATING**
10 **TO:**

11 **1. COMMUNITY AND RIVER CLEAN-UPS AND**
12 **CAMPAIGNS;**

13 **2. TRAINING AND RESOURCES FOR HAULERS;**

14 **3. SURVEILLANCE CAMERAS;**

15 **4. DROP-OFF RECYCLING RECEPTACLES;**

16 **5. RESOURCE RECYCLING CENTERS THAT ACCEPT A**
17 **WIDE RANGE OF MATERIALS; AND**

18 **6. ALTERNATIVES TO SINGLE-USE PLASTICS.**

19 **(2) THE OFFICE SHALL ENSURE THAT GRANTS AWARDED UNDER THIS**
20 **SUBSECTION ARE AWARDED EQUITABLY AMONG ACTIVITIES RELATING TO WASTE**
21 **PREVENTION, REUSE, REPAIR, RECYCLING, COMPOSTING, AND MINIMIZING ILLEGAL**
22 **DUMPING.**

23 **(C) AN ELIGIBLE ENTITY MAY APPLY FOR A GRANT UNDER THIS SECTION.**

24 **(D) (1) THE OFFICE SHALL ESTABLISH GRANT APPLICATION**
25 **PROCEDURES.**

26 **(2) THE GRANT APPLICATION PROCEDURES SHALL INCLUDE:**

27 **(I) A PROCESS FOR FACILITATING THE PARTICIPATION OF**
28 **ELIGIBLE ENTITIES WITH LIMITED RESOURCES;**

1 **(II) A SIMPLE COMMON APPLICATION AND COMMON**
2 **REPORTING FORMAT;**

3 **(III) A PROCESS FOR AUTHORIZING ELIGIBLE ENTITIES TO USE**
4 **THE ENTITY'S STANDARD ANNUAL REPORT AND "LETTER OF INTEREST" TO MEET**
5 **APPLICATION AND REPORTING REQUIREMENTS;**

6 **(IV) A PROCESS FOR SUBMITTING APPLICATIONS IN WRITING**
7 **AND THROUGH VIDEO AND AUDIO FORMATS; AND**

8 **(V) TRANSLATION SERVICES FOR APPLICANTS TO OVERCOME**
9 **LANGUAGE BARRIERS IN THE APPLICATION PROCESS.**

10 **(E) IN AWARDING GRANTS UNDER THIS SECTION, THE SECRETARY SHALL**
11 **GIVE PRIORITY FOR PROJECTS:**

12 **(1) FOR WHICH AN APPLICANT CLEARLY DESCRIBES THE PROJECT**
13 **AND GOALS, INCLUDING A DESCRIPTION OF HOW THE PROJECT WILL ACHIEVE**
14 **WASTE PREVENTION, REUSE, REPAIR, RECYCLING, OR COMPOSTING GOALS OR**
15 **PREVENT ILLEGAL DUMPING IN THE STATE;**

16 **(2) FOR WHICH AN APPLICANT CLEARLY DESCRIBES HOW THE**
17 **PROJECT WILL PROVIDE DIRECT, MEANINGFUL, AND ASSURED BENEFITS TO THE**
18 **COMMUNITY AND ADDRESS IMPORTANT COMMUNITY NEEDS;**

19 **(3) THAT REUSE, RECYCLE, OR COMPOST MATERIALS WITHIN THE**
20 **LOCAL COMMUNITY;**

21 **(4) THAT INVOLVE THE CONSTRUCTION, RENOVATION, OR**
22 **EXPANSION OF SITES TO INCREASE IN-STATE INFRASTRUCTURE FOR WASTE**
23 **PREVENTION, REUSE, REPAIR, RECYCLING, OR COMPOSTING IN THE STATE;**

24 **(5) THAT SERVE A MARGINALIZED, LOW-INCOME, OR SOCIALLY**
25 **DISADVANTAGED COMMUNITY;**

26 **(6) THAT MINIMIZE NEGATIVE IMPACTS AND MAXIMIZE BENEFITS TO**
27 **THE LOCAL COMMUNITY, INCLUDING JOBS CREATED FOR THE COMMUNITY, JOB**
28 **TRAINING, OR SUPPORT FOR HIRING AND LEADERSHIP DEVELOPMENT PRACTICES**
29 **THAT ARE INCLUSIVE AND PROVIDE LIVING WAGES; AND**

1 **(7) THAT CLEAN UP DEBRIS IN AREAS AFFECTED BY ILLEGAL**
2 **DUMPING AND INCORPORATE COMPONENTS OF WASTE PREVENTION AND REUSE,**
3 **REPAIR, RECYCLING, OR COMPOSTING THE DEBRIS.**

4 **9-17A-07.**

5 **(A) (1) ON OR BEFORE DECEMBER 1 EACH YEAR, BEGINNING IN 2025,**
6 **THE OFFICE, IN COORDINATION WITH THE DEPARTMENT OF AGRICULTURE, SHALL**
7 **REPORT TO THE GENERAL ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE**
8 **STATE GOVERNMENT ARTICLE, ON THE GRANTS AWARDED UNDER TITLE 2,**
9 **SUBTITLE 22 OF THE AGRICULTURE ARTICLE AND UNDER §§ 9-17A-05 AND**
10 **9-17A-06 OF THIS SUBTITLE.**

11 **(2) THE REPORT SHALL INCLUDE:**

12 **(I) THE NUMBER AND TYPES OF GRANTS AWARDED; AND**

13 **(II) THE IMPACT OF GRANT AWARDS ON:**

14 **1. JOB CREATION AND OTHER BENEFITS TO THE STATE;**

15 **2. WASTE PREVENTION AND DIVERSION; AND**

16 **3. THE QUANTITY OF COMPOST UTILIZED BY FARMERS.**

17 **(3) THE OFFICE MAY REPORT THE INFORMATION REQUIRED UNDER**
18 **THIS SUBSECTION IN THE ANNUAL SOLID WASTE MANAGEMENT AND DIVERSION**
19 **REPORT REQUIRED UNDER § 9-204(N) OF THIS TITLE OR ANY OTHER EXISTING**
20 **REPORT, AS DETERMINED BY THE OFFICE.**

21 **(B) BEGINNING WITH THE REPORT DUE DECEMBER 1, 2025, AND EVERY 2**
22 **YEARS THEREAFTER, IN THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS**
23 **SECTION, THE OFFICE SHALL INCLUDE A RECOMMENDATION ON WHETHER AND TO**
24 **WHAT EXTENT AN ADJUSTMENT TO THE STATEWIDE SOLID WASTE DISPOSAL**
25 **SURCHARGE ESTABLISHED UNDER § 9-17A-02 OF THIS SUBTITLE IS**
26 **RECOMMENDED.**

27 **Article – State Finance and Procurement**

28 **6-226.**

29 **(a) (2) (i) Notwithstanding any other provision of law, and unless**
30 **inconsistent with a federal law, grant agreement, or other federal requirement or with the**
31 **terms of a gift or settlement agreement, net interest on all State money allocated by the**

1 State Treasurer under this section to special funds or accounts, and otherwise entitled to
2 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
3 Fund of the State.

4 (ii) The provisions of subparagraph (i) of this paragraph do not apply
5 to the following funds:

6 170. the Cannabis Public Health Fund; [and]

7 171. the Community Reinvestment and Repair Fund;

8 **172. THE ON-FARM COMPOSTING AND COMPOST USE**
9 **GRANT FUND; AND**

10 **173. THE WASTE REDUCTION GRANTS FUND.**

11 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 October 1, 2023.