



SENATE BILL 642

Maryland Beverage Container Recycling Refund and Litter Reduction Program

March 5, 2024

Position: Unfavorable

Mr. Chairman and Members of the Education, Energy & Environment Committee:

On behalf of members of the *Restaurant Association of Maryland*, we oppose SB 642. This legislation would require beverage distributors (wholesalers) to include a redeemable beverage container refund value as part of the wholesale price of beverage containers sold to restaurants, bars, and other retailers. The legislation prohibits restaurants, bars and other “on-premises sellers” from including the refund value of redeemable beverage containers in the retail price when sold to customers.

Despite language in the bill that allows on-premises sellers to arrange for pickup of empty redeemable beverage containers (with deposits refunded and materials handling fee paid) by a beverage container stewardship organization, many questions remain about the related logistics and prevalence of such stewardship organizations, particularly in less-populated areas of the state. Moreover, restaurants and bars in locations with limited storage space or in properties with shared disposal facilities (e.g., shopping centers, malls, etc.) would face challenges separately storing their beverage containers for pickup/redemption.

In 2023, the General Assembly passed legislation (SB 222) that requires the Maryland Department of Environment to hire a consultant to conduct a statewide recycling needs assessment and report the results by July 30, 2024. This new law also establishes an advisory council to provide advice and make recommendations for implementing a producer responsibility program for packaging materials (report due by December 1, 2024). We believe it would be prudent for the General Assembly to wait until after the recycling needs assessment report becomes available and producer responsibility program advisory council recommendations before giving serious consideration to any other recycling-related policy.

For these reasons, we oppose SB 642 and request an unfavorable report.

Sincerely,

A handwritten signature in black ink that reads "Melvin R. Thompson" with a long horizontal flourish extending to the right.

Melvin R. Thompson
Senior Vice President
Government Affairs and Public Policy