

MARYLAND RETAILERS ALLIANCE

The Voice of Retailing in Maryland



SB642 Maryland Beverage Container Recycling Refund and Litter Reduction Program **Education, Energy, and the Environment Committee** **March 5th, 2024**

Position: Unfavorable

Background: SB642 would establish a beverage container deposit program in Maryland.

Comments: The Maryland Retailers Alliance (MRA) strongly opposes the passage of a beverage container deposit program in Maryland. While we appreciate efforts made by proponents to address concerns expressed by our organization on previous iterations of the bill, we must continue to oppose the proposal due to the overall expected impact that it could have on businesses in Maryland.

We would first request that the Committee wait to pass recycling policies until you have received the information mandated by SB222 Environment - Statewide Recycling Needs Assessment and Producer Responsibility for Packaging Materials in 2023. MRA has repeatedly testified in support of studies and has urged the State to take an informed, wholistic approach to addressing concerns with the waste and recycling streams in Maryland. Knowing that you will be better informed on the needs of our state before the 2025 legislative Session, we would respectfully urge you to avoid passage of policies that could run contrary to the State's needs.

Regarding SB642, our members, particularly those that operate in jurisdictions with bottle deposit laws in place, continue to have concerns about the effect that this proposal would have on their ability to meet the demands of the bill and provide a clean shopping environment for customers. Reverse vending machines (RVMs) may allow retailers to operate as collection sites without devoting an abundance of space inside the store to bottle collections, but stores often need multiple RVMs to meet demands and store designs are not universal; many retailers may not have excess space in an entry vestibule to devote to an entire row of RVMs. SB642 includes language regarding the minimum number of RVMs that would be required at businesses in certain communities, and this could be overly burdensome for businesses that do not have the space to meet those requirements. Additionally, we are unaware of methods to restrict customers from placing uncleaned bottles into an RVM. The crushing method employed by RVMs to ensure that bottles cannot be deposited more than once results in contamination of the machine due to materials that may be left inside of the bottles. Regular cleaning of these machines can be costly and labor-intensive, and dirty machines cause odors and attract pests to the retail space.

MRA has historically expressed concerns about the passage of recycling, packaging, and stewardship policies that hinge on the continued operations of only a few existing operators. This approach results in an industry environment that lacks competition and oversight, forcing businesses to work with an extremely limited list of operators in order to comply with the law. We cannot support policies that would set up programs and industries that depend on the success of “if we build it, they will come”, and we believe it would be unwise for the State to pass legislation based on the repeated testimony of only a few industry companies that promise to change the landscape of recycling in our region.

For these reasons, we would urge an unfavorable report on SB642. Thank you for your consideration.