Maryland-Delaware Solid Waste Association

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Collect. Recycle. Innovate.

TO: The Honorable Marc Korman, Chair

Members, House Environment and Transportation Committee

The Honorable Regina T. Boyce

FROM: Pamela Metz Kasemeyer

J. Steven Wise Danna L. Kauffman Andrew G. Vetter

DATE: March 1, 2024

RE: **OPPOSE** – House Bill 1318 – Solid Waste Disposal Surcharge and Wasted Food Reduction

and Diversion Fund and Grant Programs – Established

The Maryland-Delaware Solid Waste Association (MDSWA), a chapter of the National Waste and Recycling Association, is a trade association representing the private solid waste industry in the State of Maryland. Its membership includes hauling and collection companies, processing and recycling facilities, transfer stations, and disposal facilities. MDSWA and its members **oppose** House Bill 1318.

House Bill 1318 proposes to establish an On-Farm Organic Diversion and Composting Grant Program that is funded through the establishment of a new solid waste disposal surcharge on the final disposition of solid waste in the State. The solid waste disposal surcharge will impose a surcharge of \$2 per ton of solid waste processed by a refuse disposal system. The surcharge must also be adjusted every two years after establishment in accordance with the Consumer Price Index for the Mid-Atlantic Division and gives the Maryland Department of the Environment the authority to evaluate the surcharge to determine whether it should be increased. The legislation also allows a County to be exempt from the statewide surcharge if they enact their own surcharge. The Counties would then not be required to pay the statewide surcharge. Given that is not always possible to allocate waste that is disposed of at a disposal facility by jurisdiction, it would be impossible to allocate surcharge payments by jurisdiction as there may be waste from more than one jurisdiction in a collection vehicle. Furthermore, not all jurisdictions have disposal facilities and, therefore, it is unclear how surcharges could be assessed for those counties and what surcharges would be paid at a facility not within the jurisdiction of origin. Having a statewide surcharge combined with multiple local jurisdiction surcharges is not operationally possible to implement.

MDSWA does not object to the intent of this legislation, which is to identify ways to offset the costs of developing and implementing on-farm composting and compost use, food waste prevention, and food rescue projects. However, we do not believe that the proposed surcharge is the most effective way to accomplish these goals. Any new solid waste disposal surcharge will most likely be passed on to the generators of solid waste, meaning nearly every household and business in Maryland would have higher charges for waste disposal. At a time when household budgets are being squeezed by inflation and other

economic pressures, legislation resulting in higher waste disposal costs is not prudent. In addition to increased costs for consumers, this legislation would also result in increased costs for local governments. This surcharge would apply equally to the public and private refuse disposal systems. Local governments are already struggling financially to provide essential public services. A new cost in the form of a surcharge would place another burden on local governments and taxpayers.

Increased disposal fees will lead to more out of state waste disposal; higher collection rates and transportation costs, which will be passed down to the consumers and businesses; and will further challenge the efficient and effective operation of the State's current recycling facilities as they seek to manage market volatility and work to increase the effectiveness of their material processing functions.

For more information:

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