

## Senate Bill 901

Date: March 27, 2025

Committee: House Environment and Transportation

**Position: Information**

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Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners working to develop and promote strong public policy that ensures sustained economic growth and recovery for Maryland businesses, employees, and families.

Seante Bill 901 (SB 901) requires certain producers of covered materials, either individually or as part of a producer responsibility organization, to submit a producer responsibility plan to the Maryland Department of the Environment for review and approval by July 1, 2028, and every five years thereafter. The bill also establishes a fee structure for producers and producer responsibility organizations.

SB 901 proposes an overhaul of the state's recycling system through an extended producer responsibility (EPR) program for covered materials, which include packaging and paper products sold, imported or distributed in Maryland. The Chamber acknowledges the intent to improve recycling and waste management outcomes across the state. At the same time, we offer the following considerations for the Committee's review:

- Needs assessment and advisory council process: Given that the needs assessment was released on Feb. 21, 2025, we believe the legislature and stakeholders should have ample time to complete a thorough review prior to implementing EPR legislation to ensure that the policy is well-informed, data-driven, and effective, without causing any undue harm to businesses impacted.
- Opportunities to learn from other states: States such as Oregon are further along in the implementation of their EPR programs. Oregon's system is expected to be fully operational by mid-2025, offering an opportunity to observe real-world outcomes and refine Maryland's approach based on lessons learned. Additionally, aligning with other states' policies will help avoid a patchwork regulatory environment for businesses operating in multiple jurisdictions.
- Cost and compliance considerations: The bill does not currently include specific details about fee structures, reimbursement mechanisms, or compliance costs. This uncertainty makes it difficult for businesses to assess their financial obligations and plan accordingly. Greater clarity on these issues would help businesses better prepare for participation in the program while minimizing unintended economic impacts. We want to ensure businesses, especially those operating across state lines, avoid complex requirements to track, report and pay fees.
- Regional recycling dynamics: Maryland's existing recycling systems – particularly in rural areas – often depend on regional partnerships with neighboring states such as Delaware

and Pennsylvania. A uniform EPR program that does not account for regional dynamics could disrupt these relationships and create implementation challenges for local governments and private sector partners.

- Inclusion of greenhouse gas reduction goals: We do not believe it is appropriate to require producer responsibility plans to include greenhouse gas reduction goals. This seems to go beyond the scope of an EPR policy and what responsibility plans should encompass. The state also already has the most stringent greenhouse gas reduction goals in the country (Climate Solutions Now Act), so we believe this provision is unnecessary and should be removed.

We encourage continued engagement with a wide range of stakeholders – including producers, local governments, and regional partners – to ensure any future EPR framework is equitable, practical, and effective.

We appreciate your consideration of these comments on **SB 901**.

