

Department of Legislative Services
Maryland General Assembly
2003 Session

FISCAL AND POLICY NOTE

Senate Bill 473 (Senators Colburn and Stoltzfus)
Education, Health, and Environmental Affairs Health and Government Operations

Procurement - Percentage Price Preference for Recycled Materials - Chicken Litter

This bill includes processed and pasteurized chicken litter in the definition of recycled materials that receive a price preference in State procurement of goods.

Fiscal Summary

State Effect: This bill would not materially affect State government operations.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: Recycled materials are defined as material recovered from or otherwise destined for the waste stream. They include post-consumer material, industrial scrap material, compost, and obsolete inventories. The State offers a 5% price-preference for the purchase of products made with recycled materials. The Department of General Services publishes a list of acceptable products that contain recycled materials twice a year for use by State agencies.

Background: Perdue AgriRecycle™ (Perdue), a joint venture between Perdue Farms, Inc. of Salisbury, MD and AgriRecycle of Springfield, MO, has constructed a 68,000 square foot facility in Seaford, DE that processes chicken litter for use as a fertilizer. Perdue contracts with poultry farmers, including farmers on Maryland's Eastern Shore,

for the litter and compensates farmers by providing free cleanout services. The fertilizer is currently being sold in the Midwest and New England by Perdue and in the Mid-Atlantic region through an agreement with the Maryland Environmental Service.

Perdue indicates that the fertilizer does not currently meet the definition of a recycled material for the price preference, as it is not post-consumer material, industrial scrap material, compost, or excess inventory. Representatives of the company indicate that the product would be of potential benefit to the State Highway Administration, the Department of General Services (grounds maintenance), and the Department of Health and Mental Hygiene (State hospital grounds maintenance).

Additional Information

Prior Introductions: None.

Cross File: HB 325 (Delegate Conway, *et al.*) – Health and Government Operations.

Information Source(s): Perdue AgriRecycle™ (Piper Rudnick, LLP), Department of General Services, University System of Maryland, Board of Public Works, Department of Budget and Management, Department of Public Safety and Correctional Services, Department of Transportation, Department of Legislative Services

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