

Department of Legislative Services
Maryland General Assembly
2009 Session

FISCAL AND POLICY NOTE

Senate Bill 530 (Senator Harrington)
Education, Health, and Environmental Affairs

Task Force to Study Required Deposits on Returnable Beverage Containers

This bill establishes a Task Force to Study Required Deposits on Returnable Beverage Containers. The Maryland Department of the Environment (MDE) and Department of Legislative Services must provide staff support for the task force. The task force must submit a report of its findings and recommendations to the Governor and General Assembly by December 31, 2009.

The bill takes effect June 1, 2009 and terminates December 31, 2009.

Fiscal Summary

State Effect: Given the State's fiscal difficulties, agency budgets have been constrained. Thus, the requirement to staff the task force is not absorbable within the existing budgeted resources of MDE. Instead, special fund expenditures may increase minimally in FY 2010 for staff to support the task force. Revenues are not affected.

Local Effect: The bill does not materially affect local operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: The task force is charged with studying:

- the costs, benefits, and feasibility of requiring deposits on returnable beverage containers in the State;

- how other states have implemented bottle bills and how effective such legislation has been in reducing litter and increasing recycling;
- how to most effectively integrate a bottle bill into the current statewide recycling program;
- issues related to the establishment and operation of recyclable container redemption centers;
- mechanisms to defray the operating and capital costs to local governments;
- the types of containers that should be subject to a bottle bill;
- the financial and operational effect of a bottle bill on State retailers; and
- any other relevant issues.

Members of the task force may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations.

Current Law: In 1988, the Maryland Recycling Act required each county to submit a recycling plan. Jurisdictions with over 150,000 residents were required to reduce their solid waste by 20%, and jurisdictions with less than 150,000 residents were required to reduce their solid waste by 15%. Legislation enacted in 2000 established a voluntary statewide diversion goal of 40% by 2005. Counties have the flexibility to determine the best way to reach the required recycling rates.

Background: In 2007, the municipal solid waste stream totaled just over 6.9 million tons statewide. Data from the U.S. Environmental Protection Agency indicates that beverage containers constitute, on average, 4.7% of the municipal solid waste stream. Based on that percentage, there were approximately 322,579 tons of beverage containers in Maryland in 2007. MDE reports that 112,006 tons of beverage containers were recycled in 2007 (an estimated 35% of the total).

Eleven states (California, Connecticut, Delaware, Hawaii, Iowa, Maine, Massachusetts, Michigan, New York, Oregon, and Vermont) currently have container deposit programs.

Additional Information

Prior Introductions: HB 509 of 2008 received an unfavorable report by the House Environmental Matters Committee.

Cross File: HB 248 (Delegate Niemann, *et al.*) - Environmental Matters.

Information Source(s): Maryland Department of the Environment, Department of Legislative Services

Fiscal Note History: First Reader - March 4, 2009
ncs/ljm

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