

Department of Legislative Services  
Maryland General Assembly  
2013 Session

FISCAL AND POLICY NOTE  
Revised

Senate Bill 799

(Senator Middleton, *et al.*)

Finance and Education, Health, and  
Environmental Affairs

Environmental Matters

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Environment - Solid Waste Management Practices - Maryland Recycling and  
Landfill Diversion Task Force

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This bill requires each county and the Maryland Department of the Environment (MDE) to adopt the U.S. Environmental Protection Agency's (EPA) solid waste management hierarchy. The bill also states the intent of the General Assembly relating to recycling goals and rates and landfill disposal rates. Finally, the bill establishes a Maryland Recycling and Landfill Diversion Task Force staffed by MDE with assistance from the Maryland Energy Administration (MEA) and the Department of Legislative Services (DLS). The task force must report final findings and recommendations by December 31, 2013, except that, if the task force has not finished its work by that date, it must instead report its preliminary findings and recommendations by that date and its final findings and recommendations by December 31, 2014.

The bill takes effect June 1, 2013, and terminates December 31, 2014.

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**Fiscal Summary**

**State Effect:** Any expense reimbursements for task force members and staffing costs for MDE, MEA, and DLS are assumed to be absorbable within existing budgeted resources. Because existing resources are limited, and staff assigned to the task force are diverted from other activities, it is assumed that the task force's final report is not completed until December 31, 2014. Finally, it is assumed that the adoption of the solid waste management hierarchy has no material effect on State operations or finances.

**Local Effect:** The bill is not anticipated to materially affect local operations or finances. It is assumed that the adoption of the solid waste management hierarchy has no material effect.

**Small Business Effect:** Minimal.

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## Analysis

**Bill Summary:** The bill states that the General Assembly finds that EPA has ranked the most environmentally sound strategies for solid waste, and that the following solid waste management practices are listed in order of preference: (1) source reduction, including reuse; (2) recycling, including composting and anaerobic digestion; (3) energy recovery; and (4) treatment and disposal. The bill also requires each county and MDE to adopt EPA's solid waste management hierarchy.

The bill states that it is the intent of the General Assembly that the State (1) set an aspirational statewide recycling goal; (2) mandate minimum recycling rates and maximum landfill disposal rates; (3) in the development of recycling and landfill disposal rate requirements, consider a rate structure that accounts for differences in the population of the counties and includes municipal corporations; (4) assist counties and municipal corporations in meeting recycling and landfill disposal rate requirements by stimulating business opportunities and the development of the waste management industry, identifying appropriate methods of funding for counties and municipal corporations, and identifying appropriate incentives; and (5) consider imposing penalties, including a compliance fee, on counties for noncompliance with the recycling and landfill disposal rate requirements, taking into consideration appropriate exemptions from the penalties and appropriate uses of the funding.

The task force must:

- determine whether an aspirational statewide recycling goal of 80% should be set in statute based on the recycling achievements of other states and countries;
- determine a recycling and landfill diversion portfolio standard (RLDPS) that will reduce the amount of solid waste being sent to landfills;
- determine whether recycling rate and landfill disposal rate requirements should be uniform for counties based on specified populations;
- consider specified RLDPS targets and requirements;
- determine how solid waste is currently being handled;
- determine the appropriate definition of "solid waste" for the RLDPS;
- evaluate how a RLDPS will affect recycling and comprehensive solid waste plans;
- determine how to integrate municipal recycling and waste management into county plans;
- evaluate and identify county infrastructure needs, including potential siting issues;
- determine how a RLDPS would apply to counties that have existing landfill debt;

- review best practices in other states and countries;
- determine whether new technologies may assist counties in achieving a RLDPS;
- determine how the Department of Business and Economic Development may stimulate opportunities in the waste management industry;
- identify appropriate methods of providing funding for local governments to achieve the RLDPS;
- consider municipal eligibility for State funds if it would assist in achieving the RLDPS;
- consider requiring any recycling rate requirement to be adjusted for noninclusion of a municipal corporation if the municipal corporation does not cooperate with the county;
- determine whether a compliance fee is appropriate to achieve the applicable RLDPS requirements and evaluate specified aspects pertinent to the creation of a compliance fee;
- examine whether other incentives or penalties should be considered; and
- determine whether legislation is appropriate to implement the RLDPS.

Task Force members may not receive compensation but are entitled to reimbursement for expenses under the standard State travel regulations.

### **Current Law/Background:**

#### *Recycling in Maryland*

MDE promotes and encourages waste diversion across the State. Waste diversion combines both recycling and source-reduction activities. The Maryland Recycling Act, as amended by Chapter 692 of 2012 (HB 929), requires all counties and Baltimore City to recycle 20% or 35% of their waste generated, depending on population. Additionally, Chapter 692 established a new statewide recycling rate goal of 55% and a waste diversion rate goal of 60% by 2020.

Counties have flexibility to determine the best way to reach the required recycling rates. The county recycling plan, revised on a triennial basis, must address specified issues such as the feasibility of composting mixed solid waste, methods for the separate collection and composting of yard waste, and methods of financing county recycling efforts, among other issues. Chapters 264 and 265 of 2009 (SB 473/HB 1290) added to this list a strategy for collecting, processing, marketing, and disposing of recyclable materials from county public schools, and Chapter 430 of 2010 (HB 685) added to this list a strategy for the collection and recycling of fluorescent lights containing mercury.

Chapters 191 and 192 of 2012 (SB 208/HB 1) also require the property owner or manager of an apartment building or the council of unit owners of a condominium containing

10 or more units to provide for the collection and removal of recyclable materials by October 1, 2014.

The State Recycling Trust Fund within MDE is used to provide grants to counties and municipalities to support local recycling activities and now comprises primarily computer manufacturer registration fees under the State's electronic waste recycling law.

### *Municipal Solid Waste Management Hierarchy*

EPA has developed a municipal solid waste management hierarchy to help educate the public on the relative value of waste disposal methods. From the top of the hierarchy to the bottom, in order of most preferred to least preferred, EPA lists (1) source reduction and reuse; (2) recycling and composting; (3) energy recovery *including anaerobic digestion*; and (4) treatment and disposal.

### *Renewable Energy Portfolio Standard*

Maryland's Renewable Energy Portfolio Standard requires that renewable sources generate specified percentages of Maryland's electricity supply each year, increasing to 20% by 2022. Energy sources are classified as either Tier I or II, and examples of Tier I energy sources include methane from anaerobic decomposition of organic materials in a landfill or wastewater treatment plant; poultry litter-to-energy; and waste-to-energy.

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## **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1266 (Delegate Lafferty, *et al.*) - Economic Matters.

**Information Source(s):** Baltimore, Carroll, Harford, Montgomery, Queen Anne's counties; Maryland Department of the Environment; Maryland Association of Counties; Maryland Energy Administration; Maryland Municipal League; Northeast Maryland Waste Disposal Authority; Public Service Commission; U.S. Environmental Protection Agency; Department of Legislative Services

**Fiscal Note History:** First Reader - March 3, 2013  
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