

Department of Legislative Services
Maryland General Assembly
2017 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

Senate Bill 99

(Senator Middleton)

Education, Health, and Environmental Affairs

Environment and Transportation

Department of the Environment - Yard Waste, Food Residuals, and Other
Organic Materials Diversion and Infrastructure - Study

This bill requires the Maryland Department of the Environment (MDE) to study and make recommendations regarding the diversion of yard waste, food residuals, and other organic materials from refuse disposal facilities in the State, including ways to encourage investment in infrastructure and to expand capacity for yard waste, food residuals, and other organic materials diversion. MDE must consult with specified State and local agencies as well as other specified entities and report its interim and final findings and recommendations to the Governor and the General Assembly by July 1, 2018, and July 1, 2019, respectively.

The bill takes effect July 1, 2017.

Fiscal Summary

State Effect: The bill is not expected to have a material fiscal impact on State finances but has an operational impact on MDE, as discussed below.

Local Effect: The bill is not expected to have a material impact on local operations or finances.

Small Business Effect: None.

Analysis

Bill Summary: Among other things, MDE must (1) study the diversion of yard waste, food residuals, and other organic materials from refuse disposal facilities in the State,

including laws and regulations both in Maryland and in other states, as specified; (2) review the status and availability of infrastructure for the diversion of yard waste, food residuals, and other organic materials in both Maryland and other states, in relation to large generators of food waste and organizations that use surplus food, as specified; (3) explore ways to promote composting and other methods of organic waste reduction and diversion, as specified; (4) identify the infrastructure needs and challenges that are unique to the different geographic regions of the State; (5) identify means to encourage investment in infrastructure and provide economic incentives to expand capacity for yard waste, food residuals, and other organic materials diversion in the State, as specified; (6) identify applicable sanitary and public health concerns related to yard waste, food residuals, and other organic materials composting and diversion; and (7) identify the current process for permitting anaerobic digestion facilities and recommend improvements that should be made to the permitting process.

MDE must also recommend (1) measures to promote the diversion of yard waste, food residuals, and other organic materials in the State and (2) subject to the approval of the affected local governments, a pilot program for the region, as specified. MDE must consult with the Maryland Department of Agriculture (MDA), the Department of Commerce, the Maryland Environmental Service (MES), and the University of Maryland, College Park (UMCP), along with specified nonprofit, local, and private entities while conducting the required activities.

Current Law/Background:

Broad Overview of Waste Management and Recycling in the State

The solid waste infrastructure in Maryland consists of both permitted and nonpermitted facilities, and solid waste is managed through a combination of recycling, composting, landfilling, energy recovery, and exporting for disposal or recycling. Privately and county-owned facilities make up the majority of facilities in the State. Historically, according to MDE, recycling facilities have not been required to obtain refuse disposal permits. However, as more recycling facilities are processing substantial quantities of solid waste and the uses and size of anaerobic digestion facilities increase, there has been some interest in clarifying the circumstances in which recycling facilities require a refuse disposal permit.

Composting

Composting is the biological decomposition of organic matter under controlled thermophilic aerobic conditions (growing best in a warm environment). In July 2015, MDE implemented regulations that established requirements for constructing and operating composting facilities in the State, as required by Chapter 686 of 2013, which was

a stated objective of the Zero Waste Plan, a statewide strategy to focus on recycling and increase emphasis on source reduction and reuse landfills. Further, in spring 2016, MDE created a general permit for composting and has begun to issue permits for these facilities. The general permit allows for an easier and more streamlined application and permit process to promote composting in the State.

Yard Waste

All yard waste collected separately from other solid waste may be transported to a composting facility. However, an owner or operator of a refuse disposal system may not accept truckloads of separately collected yard waste for final disposal unless the owner or operator provides for the composting or mulching of the yard waste.

Zero Waste Plan

In 2014, the State released *Zero Waste Maryland – Maryland’s Plan to Reduce, Reuse and Recycle Nearly All Waste Generated in Maryland by 2040* (Zero Waste Plan). The following year, Governor Martin J. O’Malley issued Executive Order 01.01.2015.01, titled *Zero Waste Plan for Maryland*, which reiterated major goals from the State’s Greenhouse Gas Plan. The executive order establishes goals of 85% waste diversion and 80% recycling in the State by 2040. The Zero Waste Plan lays out specific action items including, but not limited to, increasing source reduction and reuse; addressing specific target materials; incentivizing technology innovation and developing markets; and recovering energy from waste, including encouraging anaerobic digestion. One action item in particular, increasing diversion of organics, has specific initiatives that incorporate several of the areas highlighted for study under this bill, including the promotion of composting in a wide variety of applications and encouraging anaerobic digestion, encouraging food donations, and facilitating contact between food waste generators and organizations that accept donated food. The Zero Waste Plan anticipates that anaerobic digestion, along with composting, will contribute a large part to the recycling rate goals for food scraps and yard trimmings.

State Fiscal Effect: Although the bill establishes significant additional responsibilities for MDE to conduct required background research, organize meetings, consult with specified entities, and draft the interim and final reports, MDE advises that it can implement the bill’s requirements with existing budgeted staff and resources.

It is assumed that MDA, the Department of Commerce, UMCP, and MES can consult with MDE on the required topics using existing budgeted staff and resources.

Additional Information

Prior Introductions: HB 743 of 2016 and HB 603 of 2015, similar bills, both passed the House with amendments and received hearings in the Senate Education, Health, and Environmental Affairs committee, but no further action was taken.

Cross File: HB 171 (Delegate Robinson, *et al.*) – Environment and Transportation.

Information Source(s): Department of Commerce; Maryland Environmental Service; Maryland Municipal League; Maryland Department of Agriculture; Maryland Department of the Environment; Department of Legislative Services

Fiscal Note History: First Reader - January 20, 2017
fn/lgc Third Reader - March 15, 2017
Revised - Amendment(s) - March 15, 2017

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