

**Department of Legislative Services**  
Maryland General Assembly  
2019 Session

**FISCAL AND POLICY NOTE**  
**Third Reader - Revised**

House Bill 510

(Delegate Cassilly, *et al.*)

Environment and Transportation

Education, Health, and Environmental Affairs

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**Organic Waste – Organics Recycling – Collection and Acceptance for Final Disposal**

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This bill prohibits an owner or operator of a refuse disposal system from accepting loads of separately collected food waste for final disposal unless the owner or operator provides for the “organics recycling” of the food waste. However, if an organics recycling facility determines the separately collected food waste is unacceptable for recycling due to contamination, the food waste may be accepted by a refuse disposal system for final disposal. The bill also allows the owner or operator of a refuse disposal system to accept separately collected yard waste if the owner or operator provides for the *organics recycling* of the yard waste. An individual who violates the bill’s provisions is subject to existing injunctive action and the imposition of civil and administrative penalties.

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**Fiscal Summary**

**State Effect:** The Maryland Department of the Environment (MDE) can implement the bill within the course of its normal inspection process for refuse disposal systems. Thus, the bill does not materially affect State expenditures. The bill’s imposition of existing penalty provisions does not materially impact State revenues.

**Local Effect:** The bill is not expected to materially affect local finances or operations, as discussed below.

**Small Business Effect:** Minimal.

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## Analysis

**Bill Summary:** “Organics recycling” means any process in which organic materials are collected, separated, or processed and returned to the marketplace in the form of raw materials or products. “Organics recycling” includes anaerobic digestion and composting. An “organics recycling facility” is a facility where organics recycling takes place. Composting is removed from the definition of “recycling.” “Anaerobic digestion” is defined as the controlled anaerobic biological decomposition of organic waste material to produce biogas and digestate.

**Current Law/Background:** 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. MDE advises that the Department’s Solid Waste Program regularly inspects refuse disposal systems.

### *Yard Waste*

All yard waste collected separately from other solid waste may be transported to a composting facility, which may be located at a refuse disposal system. 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.

### *Composting in Maryland*

Composting is the biological decomposition of organic matter under controlled thermophilic aerobic conditions (growing best in a warm environment). Regulations establish the permitting requirements for constructing and operating composting facilities in the State. The permit has a tiered design, and operational requirements based on the size of the facility and the types of feedstocks composted. 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. According to MDE’s website, as of January 2019, 18 facilities are operational, and five more permits have been issued for planned facilities. MDE is required to maintain information on its website to educate the public about composting and to promote composting in the State as part of the department’s efforts to encourage waste diversion.

Chapters 383 and 384 of 2017 required 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. The workgroup published an interim [report](#) in September 2018.

### *Applicable Penalty Provisions*

A person who violates Maryland’s composting and yard waste statutory or regulatory provisions, or any order or permit issued related to composting and yard waste, is subject to injunctive action and the imposition of civil and administrative penalties.

### *Anaerobic Digestion*

The U.S. Environmental Protection Agency (EPA) indicates that anaerobic digestion is the natural process in which microorganisms break down organic materials. Materials that are generally considered “organic” and can be processed in a digester include (1) animal manures; (2) food scraps; (3) fats, oils, and greases; (4) industrial organic residuals; and (5) sewage sludge (biosolids). “Digestate” is the material that is left after the anaerobic digestion process and can be made into products including soil amendments and fertilizers. According to EPA, digestate can be directly land applied and incorporated into soils to improve soil characteristics and facilitate plant growth and can also be further processed into products that are bagged and sold in stores.

**Local Fiscal Effect:** Several refuse disposal systems, particularly those that accept municipal solid waste, are owned by local governments. Under current law, a locally owned or operated refuse disposal facility is subject to a refuse disposal permit, and, therefore, already subject to restrictions regarding acceptable types of waste. Thus, refuse disposal systems generally already have a method in place to inspect incoming loads of waste. Further, food waste from most residences and businesses is not collected separately from other solid waste unless the waste is specifically being collected for the purpose of being composted or otherwise recycled. Therefore, this analysis assumes that locally owned or operated refuse disposal facilities can implement the bill with existing resources.

The authorization for the owner or operator of refuse disposal system to accept separately collected yard waste if the owner or operator provides for the organics recycling of the yard waste gives refuse disposal system owners and operators more flexibility, and does not materially affect local governments.

**Small Business Effect:** Most businesses that generate solid waste, including small businesses, are unaffected by the bill, because, as noted above, a small business likely only separates food waste from other types of waste for the express purpose of composting or otherwise recycling the waste.

## **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Maryland Environmental Service; Harford, Montgomery, and Talbot counties; Maryland Association of Counties; North East Maryland Waste Disposal Authority; City of College Park; Maryland Department of the Environment; Department of Legislative Services

**Fiscal Note History:** First Reader - February 25, 2019  
an/lgc Third Reader - March 22, 2019  
Revised - Amendment(s) - March 22, 2019

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