

Department of Legislative Services
Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 179 (Delegate Charkoudian, *et al.*)

Environment and Transportation and
Economic Matters

Maryland Recycling Act - Recyclable Materials and Resource Recovery Facilities
- Alterations

This bill (1) repeals a county’s authority to use one or more resource recovery facilities (that were in operation as of January 1, 1988) to achieve a 5% reduction in its solid waste stream for the purposes of meeting required solid waste reductions and mandatory recycling rates under the Maryland Recycling Act (MRA); (2) excludes incinerator ash from the definition of “recyclable materials” for the purposes of MRA; and (3) makes conforming changes, including repealing the definition of a “resource recovery facility.”

Fiscal Summary

State Effect: State finances are not materially affected; the Maryland Department of the Environment (MDE) can implement the bill’s changes with existing budgeted staff and resources.

Local Effect: Minimal overall, but potential meaningful increase in local expenditures to meet MRA recycling rates and revise county plans for Baltimore City and Baltimore and Montgomery counties, as discussed below. Local revenues are not affected. **This bill may impose a mandate on a unit of local government.**

Small Business Effect: None.

Analysis

Current Law: “Recyclable materials” means those materials that (1) would otherwise become solid waste for disposal in a refuse disposal system and (2) may be collected,

separated, composted, or processed and returned to the marketplace in the form of raw materials or products. A “resource recovery facility” is a facility that was in existence as of January 1, 1988, that (1) processes solid waste to produce valuable resources, including steam, electricity, metals, or refuse-derived fuel, and (2) achieves a volume reduction of at least 50% of its solid waste stream.

Maryland’s recycling policy is guided by MRA, which sets mandatory recycling rates for State government and local jurisdictions, as well as a voluntary statewide recycling goal of 60% by 2020. Each county (including Baltimore City) must prepare a recycling plan that addresses how the jurisdiction will achieve its mandatory recycling rate. The plan must be submitted to MDE’s Office of Recycling for approval when the jurisdiction submits its water and sewerage plan at least every 10 years. At least every 2 years, each county must also submit a progress report to MDE, which must include any revision of or amendment to the county plan that has been adopted.

The county recycling plan must address a variety of topics, including methods to reduce the solid waste stream; the feasibility of source separation of the solid waste stream generated within the county; and the strategy for the collection, processing, marketing, and disposition of recyclable materials. A county that achieves a reduction of at least 5% in the volume of its waste through the utilization of one or more resource recovery facilities (that were in operation as of January 1988) must be considered to have achieved a 5% credit toward its required recycling rate.

The Office of Recycling within MDE must submit biannual reports, in coordination with the Maryland Environmental Service, to the Governor and the General Assembly on specified information related to recycling in Maryland. Beginning in 2009, MDE combined the *Maryland Waste Diversion Activities Report* and the *Solid Waste Managed in Maryland Report* into one report. Counties are required to report to MDE on solid waste generation, incineration, and recycling tonnages by March 1 annually on data from the previous calendar year.

Background: MDE advises that two of the four operational incinerators (which are resource recovery facilities) in Maryland were in operation before January 1, 1988: Smith Island and Wheelabrator. In calendar 2018, Baltimore City and Anne Arundel, Baltimore, Howard, Montgomery, Somerset, and St. Mary’s counties sent 695,074 tons of solid waste to those two incinerators, which generated 188,274 tons of ash. Of those jurisdictions, only Baltimore City and Baltimore County earned the 5% credit toward their required recycling rates through the use of a resource recovery facility. MDE notes that currently, the only operational resource recovery facilities in the State are incinerators.

MDE also advises that incinerator ash consists of inorganic material, including metals that can be recovered and recycled. The nonmetal components of incinerator ash can either be

used for other purposes, such as in construction applications, or disposed of in a landfill. In calendar 2018, only Montgomery County received credit toward its recycling rate for recycling 155,245 tons of ash in Virginia as alternative daily material cover at a landfill, which accounts for approximately 5% of the county's recycling rate of 56.91%.

Local Expenditures: Most counties in the State do not use resource recovery facilities or incinerator ash recycling to meet MRA goals. Accordingly, local expenditures are likely not materially affected in most counties.

Based on recycling data from calendar 2018, however, local expenditures for Baltimore City and Baltimore and Montgomery counties may increase to (1) revise their county recycling plans to reflect the bill's changes and (2) potentially revise their 10-year solid waste plans, as appropriate. To the extent that the required changes to these plans are relatively minor, and can be accomplished within a county's normal update and review schedule, the increase in costs may be minimal. On the other hand, to the extent that county plans must be revised earlier than they otherwise would be, or involve more significant changes, some of the affected counties may need to hire consultants, resulting in additional costs.

Costs may also increase in affected counties to meet MRA recycling rates and solid waste stream reduction requirements without the use of resource recovery facilities or recycling incinerator ash. However, a reliable estimate of any increase in costs cannot be made at this time.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore, Carroll, Cecil, Harford, Montgomery, Queen Anne's, and St. Mary's counties; Maryland Association of Counties; Northeast Maryland Waste Disposal Authority; Maryland Department of the Environment; Department of Legislative Services

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