

HOUSE BILL 284

M3
SB 292/22 – FIN

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CF SB 222

By: **Delegates Love, Foley, Forbes, Fraser–Hidalgo, D. Jones, Lehman, R. Lewis, Moon, Palakovich Carr, Patterson, Ruth, and Turner**

Introduced and read first time: January 25, 2023

Assigned to: Environment and Transportation and Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Reducing Packaging Materials – Producer Responsibility**

3 FOR the purpose of requiring certain producers of packaging materials to individually or
4 as part of a producer responsibility organization submit a certain packaging
5 materials producer responsibility plan to the Department of the Environment for
6 review and approval on or before a certain date and in accordance with certain
7 requirements; prohibiting, on or after a certain date, a producer of certain packaging
8 materials from selling, offering for sale, distributing, or importing certain packaging
9 materials unless the producer, individually or as part of a producer responsibility
10 organization, has an approved producer responsibility plan on file with the
11 Department; requiring a producer responsibility organization to pay certain costs to
12 the Department; requiring a producer responsibility organization to implement a
13 producer responsibility plan within a certain amount of time after the Department
14 approves the producer responsibility plan; establishing a producer responsibility
15 plan advisory council; authorizing a local government to request reimbursement
16 from a certain producer that has an approved producer responsibility plan on file
17 with the Department for certain costs in a certain manner; requiring the Office of
18 Recycling in the Department to conduct certain statewide recycling needs
19 assessments in a certain manner and to submit certain reports on the results of the
20 assessments to the Governor and the General Assembly on or before certain dates;
21 and generally relating to producer responsibility for packaging materials.

22 BY repealing and reenacting, with amendments,
23 Article – Environment
24 Section 9–1702 and 9–1707(f)
25 Annotated Code of Maryland
26 (2014 Replacement Volume and 2022 Supplement)

27 BY adding to
28 Article – Environment

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 9–1702.2; and 9–2501 through 9–2510 to be under the new subtitle “Subtitle
2 25. Producer Responsibility for Packaging Materials”
3 Annotated Code of Maryland
4 (2014 Replacement Volume and 2022 Supplement)

5 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
6 That the Laws of Maryland read as follows:

7 **Article – Environment**

8 9–1702.

9 (a) There is an Office of Recycling created within the Department.

10 (b) The Secretary shall appoint a Director and sufficient staff to perform the
11 functions of the Office. After July 1, 1989, the number of staff shall be as provided in the
12 budget.

13 (c) The Secretary may adopt regulations to carry out the provisions of this
14 subtitle.

15 (d) The Office shall:

16 (1) Assist the counties in developing an acceptable recycling plan required
17 under § 9–1703 of this subtitle and § 9–505 of this title, including technical assistance to
18 the local governments;

19 (2) Coordinate the efforts of the State to facilitate the implementation of
20 the recycling goals at the county level;

21 (3) Review all recycling plans submitted as part of a county plan as
22 required under § 9–505 of this title and advise the Secretary on the adequacy of the
23 recycling plan;

24 (4) Administer the Statewide Electronics Recycling Program under Part IV
25 of this subtitle; [and]

26 (5) Promote the development of markets for recycled materials and
27 recycled products in the State in accordance with § 9–1702.1 of this subtitle;

28 **(6) CONDUCT A STATEWIDE RECYCLING NEEDS ASSESSMENT IN
29 ACCORDANCE WITH § 9–1702.2 OF THIS SUBTITLE; AND**

30 **(7) REVIEW AND APPROVE, IN CONSULTATION WITH THE PRODUCER
31 RESPONSIBILITY PLAN ADVISORY COUNCIL ESTABLISHED UNDER § 9–2505 OF THIS
32 TITLE, PRODUCER RESPONSIBILITY PLANS AND ANNUAL REPORTS SUBMITTED IN**

1 **ACCORDANCE WITH SUBTITLE 25 OF THIS TITLE.**

2 (e) Beginning on January 1, 1990, and biannually thereafter, the Office shall, in
3 coordination with the Maryland Environmental Service, study and report to the Governor
4 and, subject to § 2-1257 of the State Government Article, the General Assembly on:

5 (1) The identification and location of recycling centers, including an
6 analysis of existing recycling centers and the need to expand these facilities or construct
7 new recycling centers;

8 (2) Programs necessary to educate the public on the need to participate in
9 recycling efforts;

10 (3) The economics and financing of existing and proposed systems of waste
11 disposal and recycling;

12 (4) State procurement policies for the purchase of recycled materials;

13 (5) Programs necessary to reduce the amount of solid waste generated for
14 disposal by a State agency or unit;

15 (6) The liaison role with local governments, the federal government, and
16 the private sector;

17 (7) The percentage reduction in the amount of solid waste that has been
18 achieved by each county; and

19 (8) Economically feasible methods for the recycling of scrap automobile
20 tires, batteries, and white goods.

21 (f) (1) By December 1, 1988, the Office shall, in coordination with the
22 Maryland Environmental Service and the Governor's Task Force on Solid Waste, make
23 recommendations to the General Assembly for the financing of a comprehensive system of
24 recycling at the State and local level, including funding for recycling centers, recycling
25 equipment, recycling education, and marketing strategies.

26 (2) After the financing recommendations are made under paragraph (1) of
27 this subsection, each county may submit to the Office and the Governor a detailed request
28 for funds necessary to assist in the development and implementation of a recycling plan
29 under guidelines developed by the Office.

30 (g) In studying feasible methods for the management and recycling of used tires
31 under subsection (e)(9) of this section, the Office of Recycling shall consult with the
32 appropriate industry, including representatives of:

33 (1) Tire manufacturers;

1 (2) Tire dealers; and

2 (3) Tire recyclers.

3 **9-1702.2.**

4 (A) IN THIS SECTION, “ADVISORY COUNCIL” AND “PRODUCER
5 RESPONSIBILITY ORGANIZATION” HAVE THE MEANINGS STATED IN § 9-2501 OF THIS
6 TITLE.

7 (B) IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION AND TO CARRY
8 OUT THE REQUIREMENTS OF § 9-1702(D)(6) OF THIS SUBTITLE, THE OFFICE SHALL
9 CONDUCT A STATEWIDE RECYCLING NEEDS ASSESSMENT AT LEAST ONCE EVERY 10
10 YEARS OR AS RECOMMENDED BY THE ADVISORY COUNCIL THAT INCLUDES:

11 (1) AN EVALUATION OF THE CURRENT INFRASTRUCTURE AND
12 CAPACITY RELATED TO, NEED FOR, AND ASSOCIATED COSTS OF:

13 (I) RECYCLING ACCESS AND AVAILABILITY;

14 (II) COLLECTING AND HAULING RECYCLABLE OR
15 COMPOSTABLE MATERIALS IN THE STATE;

16 (III) PROCESSING RECYCLABLE OR COMPOSTABLE MATERIALS
17 IN THE STATE;

18 (IV) TAKING ADVANTAGE OF FAVORABLE MARKET CONDITIONS
19 OR OTHER OPPORTUNITIES FOR INCREASING RECYCLING OR ORGANICS RECYCLING
20 IN THE STATE;

21 (V) IN COORDINATION WITH LOCAL GOVERNMENTS, CONSUMER
22 EDUCATION REGARDING RECYCLING, ORGANICS RECYCLING, AND CONTAMINATION
23 REDUCTION;

24 (VI) REUSE INFRASTRUCTURE; AND

25 (VII) ORGANICS RECYCLING INFRASTRUCTURE;

26 (2) AN EVALUATION OF COMMINGLED RECYCLING PROCESSING
27 FACILITY WORKER CONDITIONS, WAGES, AND BENEFITS;

28 (3) AN EVALUATION OF OPPORTUNITIES IN THE RECYCLING SYSTEM
29 FOR WOMEN AND MINORITY INDIVIDUALS;

1 **(4) AN EVALUATION OF LOCAL GOVERNMENT REQUIREMENTS**
2 **RELATED TO MULTIFAMILY RECYCLING SERVICES AND THEIR IMPLEMENTATION;**

3 **(5) THE SUFFICIENCY OF RECYCLING EDUCATION PROGRAMS**
4 **RELATIVE TO DESIRED EQUITY OUTCOMES;**

5 **(6) AN EVALUATION OF OPPORTUNITIES IN THE RECYCLING SYSTEM**
6 **FOR BUSINESSES IN THE STATE; AND**

7 **(7) RECOMMENDATIONS FOR IMPROVING EQUITY AND EQUITABLE**
8 **OUTCOMES FOR UNDERSERVED POPULATIONS IN THE STATE'S RECYCLING SYSTEM,**
9 **INCLUDING RECOMMENDATIONS FOR NEW RESPONSIBILITIES OF PRODUCER**
10 **RESPONSIBILITY ORGANIZATIONS AND RECOMMENDATIONS FOR FUNDING THE NEW**
11 **RESPONSIBILITIES.**

12 **(C) ON OR BEFORE APRIL 1, 2025, AND EACH APRIL 1 EVERY 10 YEARS**
13 **THEREAFTER OR AS RECOMMENDED BY THE ADVISORY COUNCIL, THE OFFICE**
14 **SHALL REPORT ON THE RESULTS OF THE MOST RECENT ASSESSMENT CONDUCTED**
15 **UNDER THIS SECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF**
16 **THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

17 **(D) IN CONDUCTING THE ASSESSMENT REQUIRED UNDER THIS SECTION,**
18 **THE OFFICE SHALL CONSULT WITH PRODUCER RESPONSIBILITY ORGANIZATIONS,**
19 **THE PRODUCER RESPONSIBILITY PLAN ADVISORY COUNCIL ESTABLISHED UNDER §**
20 **9-2505 OF THIS TITLE, APPROPRIATE LOCAL GOVERNMENTAL ENTITIES, AND**
21 **REGIONAL SOLID WASTE ORGANIZATIONS IN THE STATE.**

22 **(E) THE OFFICE SHALL ESTABLISH AND COLLECT A FEE TO BE PAID BY**
23 **PRODUCER RESPONSIBILITY ORGANIZATIONS TO COVER THE COSTS ASSOCIATED**
24 **WITH CONDUCTING THE ASSESSMENTS REQUIRED UNDER THIS SECTION.**

25 9-1707.

26 (f) (1) There is a State Recycling Trust Fund.

27 (2) The Fund shall consist of:

28 (i) The newsprint recycling incentive fee;

29 (ii) The telephone directory recycling incentive fee collected under §
30 9-1709 of this subtitle;

31 (iii) The covered electronic device manufacturer registration fee
32 collected under § 9-1728 of this subtitle;

1 **(IV) ANY FEES COLLECTED FROM PRODUCER RESPONSIBILITY**
2 **ORGANIZATIONS UNDER § 9-1702.2 OF THIS SUBTITLE OR SUBTITLE 25 OF THIS**
3 **TITLE;**

4 ~~[(iv)]~~ **(V)** All fines and penalties collected under this subtitle **AND §**
5 **9-2510 OF THIS TITLE;**

6 ~~[(v)]~~ **(VI)** Money appropriated in the State budget to the Fund; and

7 ~~[(vi)]~~ **(VII)** Any other money from any other source accepted for the
8 benefit of the Fund.

9 (3) The Secretary shall administer the Fund.

10 (4) The Treasurer shall hold the Fund separately and the Comptroller shall
11 account for the Fund.

12 (5) At the end of each fiscal year, any unspent or unencumbered balance in
13 the Fund that exceeds \$2,000,000 shall revert to the General Fund of the State in
14 accordance with § 7-302 of the State Finance and Procurement Article.

15 (6) In accordance with the State budget, the Fund shall be used only:

16 (i) To provide grants to the counties to be used by the counties to
17 develop and implement local recycling plans;

18 (ii) To provide grants to counties that have addressed methods for
19 the separate collection and recycling of covered electronic devices in accordance with §
20 9-1703(c)(1) of this subtitle;

21 (iii) To provide grants to municipalities to be used by the
22 municipalities to implement local covered electronic device recycling programs; ~~[and]~~

23 **(IV) IN ACCORDANCE WITH PARAGRAPH (7) OF THIS**
24 **SUBSECTION, TO COVER THE COSTS OF THE STATEWIDE RECYCLING NEEDS**
25 **ASSESSMENT CONDUCTED UNDER § 9-1702.2 OF THIS SUBTITLE;**

26 **(V) IN ACCORDANCE WITH PARAGRAPH (7) OF THIS**
27 **SUBSECTION, TO COVER THE COSTS OF PRODUCER RESPONSIBILITY PLAN REVIEW,**
28 **OVERSIGHT, AND ENFORCEMENT UNDER SUBTITLE 25 OF THIS TITLE; AND**

29 ~~[(iv)]~~ **(VI)** To carry out the purposes of the land management
30 administration.

1 **(7) (I) THERE SHALL BE A SEPARATE ACCOUNT WITHIN THE FUND.**

2 **(II) THE SEPARATE ACCOUNT SHALL CONSIST OF:**

3 **1. ANY FEES COLLECTED FROM PRODUCER**
4 **RESPONSIBILITY ORGANIZATIONS UNDER § 9-1702.2 OF THIS SUBTITLE OR**
5 **SUBTITLE 25 OF THIS TITLE; AND**

6 **2. ALL FINES AND PENALTIES COLLECTED UNDER §**
7 **9-2510 OF THIS TITLE.**

8 **(III) THE SEPARATE ACCOUNT SHALL BE USED ONLY FOR THE**
9 **COSTS OF THE STATEWIDE RECYCLING NEEDS ASSESSMENT CONDUCTED UNDER §**
10 **9-1702.2 OF THIS SUBTITLE AND PRODUCER RESPONSIBILITY PLAN REVIEW,**
11 **OVERSIGHT, AND ENFORCEMENT UNDER SUBTITLE 25 OF THIS TITLE.**

12 **[(7)] (8) (i) The Treasurer shall invest the money in the Fund in the**
13 **same manner as other State money may be invested.**

14 **(ii) Any investment earnings of the Fund shall be credited to the**
15 **General Fund of the State.**

16 **SUBTITLE 25. PRODUCER RESPONSIBILITY FOR PACKAGING MATERIALS.**

17 **9-2501.**

18 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
19 **INDICATED.**

20 **(B) “ADVISORY COUNCIL” MEANS THE PRODUCER RESPONSIBILITY PLAN**
21 **ADVISORY COUNCIL ESTABLISHED UNDER § 9-2505 OF THIS SUBTITLE.**

22 **(C) “BEVERAGE CONTAINER” MEANS A PREPACKAGED BEVERAGE**
23 **CONTAINER:**

24 **(1) MADE OF ANY MATERIAL, INCLUDING GLASS, PLASTIC, METAL,**
25 **CARTON, POUCH, OR ASEPTIC PACKAGING, SUCH AS A DRINK BOX, OR OF**
26 **MULTIMATERIALS; AND**

27 **(2) THE VOLUME OF WHICH IS NOT MORE THAN 5 LITERS.**

28 **(D) “LOCAL GOVERNMENT” MEANS:**

29 **(1) A COUNTY; OR**

1 **(2) A MUNICIPALITY.**

2 **(E) (1) “PACKAGING MATERIALS” MEANS, REGARDLESS OF**
3 **RECYCLABILITY, ANY PART OF A PACKAGE OR CONTAINER, INCLUDING MATERIAL**
4 **THAT IS USED FOR THE CONTAINMENT, PROTECTION, HANDLING, DELIVERY, AND**
5 **PRESENTATION OF A PRODUCT THAT IS SOLD, OFFERED FOR SALE, IMPORTED, OR**
6 **DISTRIBUTED IN THE STATE.**

7 **(2) “PACKAGING MATERIALS” INCLUDES:**

8 **(I) PRIMARY, SECONDARY, AND TERTIARY PACKAGING**
9 **INTENDED FOR THE CONSUMER MARKET;**

10 **(II) SERVICE PACKAGING DESIGNED AND INTENDED TO BE**
11 **FILLED AT THE POINT OF SALE, INCLUDING:**

12 1. **CARRY-OUT BAGS;**

13 2. **BULK GOODS BAGS; AND**

14 3. **TAKE-OUT AND HOME DELIVERY FOOD SERVICE**
15 **PACKAGING; AND**

16 **(III) BEVERAGE CONTAINERS.**

17 **(3) “PACKAGING MATERIALS” DOES NOT INCLUDE ANY PART OF A**
18 **PACKAGE OR CONTAINER THAT IS SOLD OR SUPPLIED IN CONNECTION WITH:**

19 **(I) A PESTICIDE PRODUCT REGULATED BY THE FEDERAL**
20 **INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT UNDER 7 U.S.C. § 136 ET SEQ.**
21 **OR ANY OTHER APPLICABLE FEDERAL LAW, RULE, OR REGULATION;**

22 **(II) A FEDERALLY REGULATED DRUG, MEDICAL DEVICE,**
23 **BIOLOGIC, OR DIAGNOSTIC, INCLUDING ITEMS INTENDED FOR ANIMALS; OR**

24 **(III) A MEDICAL PRODUCT THAT IS REQUIRED TO BE STERILE OR**
25 **ENCLOSED IN PACKAGING WITH TAMPER-RESISTANT SEALS TO PROTECT PUBLIC**
26 **HEALTH, INCLUDING MEDICAL PRODUCTS INTENDED FOR ANIMALS.**

27 **(F) (1) “PRODUCER” MEANS A PERSON THAT IS RESPONSIBLE FOR**
28 **COMPLYING WITH THIS SUBTITLE UNDER § 9-2503 OF THIS SUBTITLE.**

1 **(2) “PRODUCER” DOES NOT INCLUDE:**

2 **(I) A LOCAL GOVERNMENT;**

3 **(II) A NONPROFIT CHARITABLE ORGANIZATION; OR**

4 **(III) AN ENTITY THAT MANUFACTURES A DRUG OR DEVICE**
5 **AUTHORIZED FOR SALE BY THE U.S. FOOD AND DRUG ADMINISTRATION UNDER THE**
6 **FEDERAL FOOD, DRUG, AND COSMETIC ACT.**

7 **(G) “PRODUCER RESPONSIBILITY ORGANIZATION” MEANS:**

8 **(1) A PRODUCER THAT INDIVIDUALLY SUBMITS A PRODUCER**
9 **RESPONSIBILITY PLAN TO THE DEPARTMENT UNDER § 9-2504 OF THIS SUBTITLE;**
10 **OR**

11 **(2) A NONPROFIT ORGANIZATION THAT IS:**

12 **(I) EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE**
13 **INTERNAL REVENUE CODE; AND**

14 **(II) CREATED BY A GROUP OF PRODUCERS TO IMPLEMENT A**
15 **PRODUCER RESPONSIBILITY PLAN IN ACCORDANCE WITH § 9-2504(A) OF THIS**
16 **SUBTITLE.**

17 **(H) “PRODUCER RESPONSIBILITY PLAN” MEANS A PACKAGING MATERIALS**
18 **PRODUCER RESPONSIBILITY PLAN SUBMITTED TO THE DEPARTMENT BY A**
19 **PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION IN ACCORDANCE WITH**
20 **§ 9-2504 OF THIS SUBTITLE.**

21 **9-2502.**

22 **IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS SUBTITLE PROVIDE**
23 **A FRAMEWORK FOR:**

24 **(1) MODERNIZING AND IMPROVING WASTE AND RECYCLING SYSTEMS**
25 **IN THE STATE, INCLUDING BY FACILITATING:**

26 **(I) THE IMPROVEMENT OF REUSE, ORGANICS RECYCLING, AND**
27 **RECYCLING;**

28 **(II) THE IMPROVEMENT OF RECYCLING MARKETS;**

1 (III) THE REDUCTION OF WASTE; AND

2 (IV) AN INCREASE IN RECYCLING RATES; AND

3 (2) REIMBURSING LOCAL GOVERNMENTS FOR COSTS ASSOCIATED
4 WITH TRANSPORTING, COLLECTING, AND PROCESSING PACKAGING MATERIALS.

5 9-2503.

6 (A) (1) (I) THIS PARAGRAPH APPLIES TO ITEMS SOLD IN PACKAGING
7 MATERIALS AT A PHYSICAL RETAIL LOCATION IN THE STATE.

8 (II) IF THE ITEM IS SOLD UNDER THE MANUFACTURER'S OWN
9 BRAND OR IS SOLD IN PACKAGING MATERIALS THAT LACK IDENTIFICATION OF A
10 BRAND, THE PRODUCER OF THE PACKAGING MATERIALS IS THE PERSON THAT
11 MANUFACTURES THE ITEM.

12 (III) IF THE ITEM IS MANUFACTURED BY A PERSON OTHER THAN
13 THE BRAND OWNER, THE PRODUCER OF THE PACKAGING MATERIALS IS THE PERSON
14 THAT IS THE LICENSEE OF A BRAND OR TRADEMARK UNDER WHICH AN ITEM IS SOLD,
15 OFFERED FOR SALE, OR DISTRIBUTED IN THE STATE, WHETHER OR NOT THE
16 TRADEMARK IS REGISTERED IN THE STATE.

17 (IV) IF THERE IS NO PERSON DESCRIBED IN SUBPARAGRAPHS
18 (II) OR (III) OF THIS PARAGRAPH LOCATED WITHIN THE UNITED STATES, THE
19 PRODUCER OF THE PACKAGING MATERIALS IS THE PERSON THAT IMPORTS THE
20 ITEM INTO THE UNITED STATES FOR USE IN A COMMERCIAL ENTERPRISE THAT
21 SELLS, OFFERS FOR SALE, OR DISTRIBUTES THE ITEM IN THE STATE.

22 (2) (I) THIS PARAGRAPH APPLIES TO ITEMS SOLD OR
23 DISTRIBUTED IN PACKAGING MATERIALS IN THE STATE THROUGH REMOTE SALE OR
24 DISTRIBUTION.

25 (II) THE PRODUCER OF THE PACKAGING MATERIALS USED TO
26 DIRECTLY PROTECT OR CONTAIN THE ITEM IS THE SAME AS THE PRODUCER
27 ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION.

28 (III) THE PRODUCER OF THE PACKAGING MATERIALS USED TO
29 SHIP THE ITEM TO A CONSUMER IS THE PERSON THAT PACKAGES AND SHIPS THE
30 ITEM TO THE CONSUMER.

31 (IV) FOR ANY PACKAGING MATERIALS NOT IDENTIFIED UNDER
32 SUBPARAGRAPHS (II) AND (III) OF THIS PARAGRAPH, THE PRODUCER OF THE

1 PACKAGING MATERIALS IS THE PERSON THAT FIRST DISTRIBUTES THE PACKAGED
2 ITEM IN THE STATE.

3 (B) THIS SUBTITLE DOES NOT APPLY TO A PERSON THAT:

4 (1) (I) GENERATED LESS THAN \$5,000,000 IN GROSS REVENUE
5 DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR;

6 (II) SOLD, OFFERED FOR SALE, OR DISTRIBUTED FOR SALE IN
7 THE STATE DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR LESS THAN 1
8 METRIC TON OF PACKAGING MATERIALS;

9 (III) 1. OWNS OR OPERATES A RESTAURANT, FOOD CART, OR
10 SIMILAR ESTABLISHMENT THAT:

11 A. IS HEADQUARTERED IN THE STATE; AND

12 B. PRIMARILY SELLS TO MEMBERS OF THE PUBLIC FOOD
13 THAT IS GENERALLY INTENDED TO BE CONSUMED IMMEDIATELY AND WITHOUT THE
14 NEED FOR FURTHER PREPARATION, EITHER ON OR OFF THE PREMISES; AND

15 2. IS NOT A PRODUCER OF FOOD SERVICEWARE;

16 (IV) OWNS OR OPERATES A SINGLE RETAIL SALES
17 ESTABLISHMENT THAT:

18 1. HAS NO ONLINE SALES; AND

19 2. IS NOT SUPPLIED OR OPERATED AS PART OF A
20 FRANCHISE OR A CHAIN; OR

21 (V) 1. IS LICENSED UNDER TITLE 2 OF THE ALCOHOLIC
22 BEVERAGES ARTICLE; AND

23 2. GENERATED LESS THAN \$10,000,000 IN GROSS
24 REVENUE DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR; AND

25 (2) ON REQUEST BY THE DEPARTMENT, PROVIDES TO THE
26 DEPARTMENT SUFFICIENT INFORMATION TO DEMONSTRATE THAT THE PRODUCER
27 MEETS THE CONDITIONS OF THIS SECTION.

28 (C) THIS SUBTITLE DOES NOT AFFECT THE AUTHORITY OF THE STATE OR A
29 LOCAL JURISDICTION TO REGULATE THE SALE OR USE OF ANY PACKAGING

1 MATERIAL.

2 (D) THIS SUBTITLE DOES NOT PROHIBIT A PRODUCER RESPONSIBILITY
3 ORGANIZATION FROM ESTABLISHING A DEPOSIT-RETURN SYSTEM AS ONE
4 STRATEGY FOR INCREASING THE CAPTURE AND RECYCLING OF BEVERAGE
5 CONTAINERS OR OTHER PACKAGING MATERIALS.

6 9-2504.

7 (A) (1) (I) BEGINNING JULY 1, 2024, AND EACH YEAR THEREAFTER, A
8 PRODUCER RESPONSIBILITY ORGANIZATION SHALL FILE A REGISTRATION FORM
9 WITH THE DEPARTMENT.

10 (II) THE REGISTRATION FORM SHALL INCLUDE:

11 1. A LIST OF THE RESPONSIBLE PARTIES
12 PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION;

13 2. A LIST OF THE BRANDS OF EACH RESPONSIBLE PARTY
14 PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION;

15 3. A LIST OF THE COVERED MATERIALS OF EACH
16 RESPONSIBLE PARTY PARTICIPATING IN THE PRODUCER RESPONSIBILITY
17 ORGANIZATION; AND

18 4. THE NAME, ADDRESS, AND CONTACT INFORMATION
19 OF A PERSON RESPONSIBLE FOR ENSURING THE PRODUCER RESPONSIBILITY
20 ORGANIZATION'S AND THE MEMBER RESPONSIBLE PARTIES' COMPLIANCE WITH
21 THIS SUBTITLE.

22 (III) AT THE TIME OF FILING THE REGISTRATION FORM, A
23 PRODUCER RESPONSIBILITY ORGANIZATION SHALL PAY TO THE DEPARTMENT AN
24 ANNUAL REGISTRATION FEE TO COVER THE COSTS OF RECORD KEEPING, NOT TO
25 EXCEED \$1,000.

26 (IV) AT THE TIME OF THE INITIAL SUBMISSION OF THE
27 REGISTRATION FORM BY A PRODUCER RESPONSIBILITY ORGANIZATION, THE
28 ORGANIZATION SHALL HAVE 60 DAYS TO PAY TO THE DEPARTMENT THE ESTIMATED
29 COST OF CONDUCTING THE INITIAL STATEWIDE RECYCLING NEEDS ASSESSMENT
30 REQUIRED UNDER § 9-1702.2 OF THIS TITLE.

31 (V) IF MORE THAN ONE PRODUCER RESPONSIBILITY
32 ORGANIZATION REGISTERS WITH THE DEPARTMENT, THE DEPARTMENT SHALL

1 EQUALLY DIVIDE THE COST OF THE STATEWIDE RECYCLING NEEDS ASSESSMENT.

2 (2) (I) ON OR BEFORE APRIL 1, 2026, EACH PRODUCER SHALL,
3 INDIVIDUALLY OR AS PART OF A PRODUCER RESPONSIBILITY ORGANIZATION,
4 SUBMIT A PRODUCER RESPONSIBILITY PLAN TO THE DEPARTMENT FOR REVIEW
5 AND APPROVAL.

6 (II) IF MORE THAN ONE PRODUCER RESPONSIBILITY
7 ORGANIZATION SUBMITS A PRODUCER RESPONSIBILITY PLAN TO THE
8 DEPARTMENT:

9 1. THE PRODUCER RESPONSIBILITY ORGANIZATIONS
10 SHALL COORDINATE WITH THE DEPARTMENT AND LOCAL GOVERNMENTS TO
11 ENSURE THAT:

12 A. RECYCLING SERVICES FOR RESIDENTS IN THE STATE
13 ARE PROVIDED IN A SEAMLESS MANNER; AND

14 B. PUBLIC OUTREACH, EDUCATION, AND
15 COMMUNICATION ARE PROVIDED IN A CONSISTENT MANNER; AND

16 2. THE PRODUCER RESPONSIBILITY ORGANIZATIONS
17 MAY CREATE A REPRESENTATIVE ORGANIZATION TO REPRESENT ALL
18 PARTICIPATING PRODUCER RESPONSIBILITY ORGANIZATIONS TO IMPLEMENT THE
19 REQUIREMENTS OF THIS SUBTITLE.

20 (III) BEFORE SUBMITTING THE PLAN REQUIRED UNDER THIS
21 SUBSECTION TO THE DEPARTMENT, A PRODUCER OR PRODUCER RESPONSIBILITY
22 ORGANIZATION SHALL:

23 1. CONSULT WITH THE ADVISORY COUNCIL
24 ESTABLISHED UNDER § 9-2505 OF THIS SUBTITLE; AND

25 2. CONSIDER THE WRITTEN RECOMMENDATIONS OF
26 THE ADVISORY COUNCIL PROVIDED UNDER § 9-2505(G)(6) OF THIS SUBTITLE AND
27 RESPOND IN WRITING TO THE ADVISORY COUNCIL.

28 (3) ON OR AFTER A DATE ESTABLISHED IN REGULATIONS ADOPTED
29 BY THE DEPARTMENT UNDER § 9-2509 OF THIS SUBTITLE, A PRODUCER MAY NOT
30 SELL, OFFER FOR SALE, DISTRIBUTE, OR IMPORT FOR SALE OR DISTRIBUTION
31 PACKAGING MATERIALS FOR USE IN THE STATE UNLESS THE PRODUCER,
32 INDIVIDUALLY OR AS PART OF A PRODUCER RESPONSIBILITY ORGANIZATION, HAS
33 AN APPROVED PRODUCER RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT.

1 **(B) A PRODUCER RESPONSIBILITY PLAN SHALL:**

2 **(1) IDENTIFY THE PRODUCERS COVERED BY THE PLAN, INCLUDING**
3 **THE CONTACT INFORMATION FOR EACH PARTICIPATING PRODUCER AND THE**
4 **PRODUCER RESPONSIBILITY ORGANIZATION;**

5 **(2) IDENTIFY EACH BRAND OF PACKAGING MATERIALS COVERED BY**
6 **THE PLAN;**

7 **(3) REQUIRE, IN ACCORDANCE WITH SUBSECTION (C) OF THIS**
8 **SECTION, ACHIEVEMENT WITHIN 5 YEARS AFTER THE DATE ON WHICH THE FIRST**
9 **VERSION OF THE PLAN IS APPROVED AND ESTABLISH THE FOLLOWING**
10 **PERFORMANCE GOALS, AS RELEVANT, FOR EACH PACKAGING MATERIAL TYPE:**

11 **(I) POSTCONSUMER RECYCLED CONTENT GOALS;**

12 **(II) RECYCLABILITY AND RECYCLING RATE GOALS;**

13 **(III) REUSE GOALS;**

14 **(IV) PACKAGING REDUCTION GOALS;**

15 **(V) COMPOST ACCESS OR COMPOST RATE GOALS, IF**
16 **APPLICABLE AND TECHNOLOGICALLY AND ENVIRONMENTALLY FEASIBLE;**

17 **(VI) CONTAMINATION REDUCTION RATE GOALS;**

18 **(VII) GREENHOUSE GAS REDUCTION GOALS; AND**

19 **(VIII) ANY OTHER GOAL THAT REDUCES PACKAGING MATERIAL**
20 **WASTE AND IS JUSTIFIED IN THE PLAN;**

21 **(4) REQUIRE EACH PARTICIPATING PRODUCER TO REDUCE ALL**
22 **PACKAGING MATERIAL WASTE TO THE MAXIMUM EXTENT PRACTICABLE, AND BY**
23 **NOT LESS THAN 25% FOR EACH PACKAGING MATERIAL TYPE, WITHIN 5 YEARS AFTER**
24 **THE DATE ON WHICH THE FIRST VERSION OF THE PLAN IS APPROVED;**

25 **(5) DESCRIBE, IN ACCORDANCE WITH SUBSECTION (D) OF THIS**
26 **SECTION, THE FINANCING METHOD THAT WILL BE USED TO IMPLEMENT THE PLAN;**

27 **(6) DESCRIBE HOW THE PERFORMANCE GOALS ESTABLISHED UNDER**
28 **ITEM (3) OF THIS SUBSECTION WILL BE MET OR EXCEEDED;**

1 **(7) DESCRIBE HOW STAKEHOLDER COMMENTS WERE CONSIDERED IN**
2 **THE DEVELOPMENT OF THE PLAN;**

3 **(8) DESCRIBE HOW STAFFING AND ADMINISTERING THE**
4 **IMPLEMENTATION OF THE PLAN WILL BE HANDLED;**

5 **(9) DESCRIBE THE STRATEGY FOR REDUCING PACKAGING**
6 **MATERIALS IN THE STATE, INCLUDING HOW PRODUCERS PARTICIPATING IN A PLAN**
7 **WILL WORK TOGETHER TO REDUCE PACKAGING THROUGH PRODUCT DESIGN AND**
8 **PROGRAM INNOVATIONS;**

9 **(10) DESCRIBE THE ACTIONS TAKEN OR THAT WILL BE TAKEN FOR**
10 **PUBLIC OUTREACH, EDUCATION, AND COMMUNICATION, TAKING INTO ACCOUNT**
11 **THAT PUBLIC OUTREACH, EDUCATION, AND COMMUNICATION SHALL:**

12 **(I) PROMOTE THE RESPONSIBLE END-OF-LIFE MANAGEMENT**
13 **OF PACKAGING MATERIALS;**

14 **(II) PROVIDE INFORMATION ON HOW TO PREVENT LITTER OF**
15 **PACKAGING MATERIALS;**

16 **(III) PROVIDE RECYCLING AND ORGANICS RECYCLING**
17 **INSTRUCTIONS THAT ARE, TO THE EXTENT PRACTICABLE:**

18 **1. CONSISTENT STATEWIDE, TAKING INTO ACCOUNT**
19 **DIFFERENCES AMONG LOCAL LAWS AND PROCESSING CAPABILITIES;**

20 **2. EASY TO UNDERSTAND; AND**

21 **3. EASILY ACCESSIBLE; AND**

22 **(IV) PROVIDE FOR OUTREACH AND EDUCATION THAT ARE:**

23 **1. DESIGNED TO ACHIEVE PACKAGING MATERIALS**
24 **MANAGEMENT GOALS AND REQUIREMENTS, INCLUDING THE PREVENTION OF**
25 **CONTAMINATION OF PACKAGING MATERIALS;**

26 **2. COORDINATED ACROSS PROGRAMS TO AVOID**
27 **CONFUSION FOR CONSUMERS; AND**

28 **3. DEVELOPED IN CONSULTATION WITH LOCAL**
29 **GOVERNMENTS AND OTHER STAKEHOLDERS;**

1 **(11) DESCRIBE, IN ACCORDANCE WITH SUBSECTION (E) OF THIS**
2 **SECTION, THE AMOUNT OF FUNDING THAT WILL BE USED FOR IMPROVING REUSE,**
3 **ORGANICS RECYCLING, AND RECYCLING IN THE STATE;**

4 **(12) DESCRIBE THE PROCESS BY WHICH A LOCAL GOVERNMENT MAY**
5 **REQUEST REIMBURSEMENT FOR COSTS ASSOCIATED WITH TRANSPORTING,**
6 **COLLECTING, AND PROCESSING PACKAGING MATERIALS THAT ARE IDENTIFIED IN**
7 **THE PLAN, INCLUDING:**

8 **(I) THE PROCESS BY WHICH THE REQUEST WILL BE REVIEWED;**

9 **(II) THE PROCESS FOR APPROVING OR DENYING A REQUEST**
10 **FOR REIMBURSEMENT;**

11 **(III) THE SCHEDULE FOR PROVIDING REIMBURSEMENT THAT**
12 **INCLUDES REIMBURSEMENT ON AT LEAST A QUARTERLY BASIS; AND**

13 **(IV) THE PROCESS FOR PROVIDING REIMBURSEMENT FOR**
14 **MULTIPLE BRANDS OF PACKAGING MATERIALS;**

15 **(13) (I) PROVIDE THE WRITTEN RECOMMENDATIONS FROM THE**
16 **ADVISORY COUNCIL PROVIDED UNDER § 9-2505(G)(6) OF THIS SUBTITLE AND THE**
17 **PRODUCER RESPONSIBILITY ORGANIZATION'S WRITTEN RESPONSE TO THE**
18 **ADVISORY COUNCIL; AND**

19 **(II) DESCRIBE HOW THE WRITTEN RECOMMENDATIONS FROM**
20 **THE ADVISORY COUNCIL WERE CONSIDERED AND ADDRESSED IN THE**
21 **DEVELOPMENT OF THE PLAN; AND**

22 **(14) INCLUDE ANY OTHER INFORMATION THAT IS REQUIRED BY THE**
23 **DEPARTMENT.**

24 **(C) BASED ON THE RESULTS OF THE STATEWIDE RECYCLING NEEDS**
25 **ASSESSMENT CONDUCTED UNDER § 9-1702.2 OF THIS TITLE, THE DEPARTMENT, IN**
26 **COORDINATION WITH A PRODUCER RESPONSIBILITY ORGANIZATION, SHALL**
27 **ESTABLISH PERFORMANCE GOALS FOR EACH PACKAGING MATERIAL TYPE USING A**
28 **BASELINE YEAR THAT IS INFORMED BY THE STATEWIDE RECYCLING NEEDS**
29 **ASSESSMENT, INCLUDING ESTABLISHING RECYCLING RATE GOALS FOR EACH**
30 **PACKAGING MATERIAL TYPE, AT 5-, 10-, AND 15-YEAR INTERVALS.**

31 **(D) (1) THE FINANCING METHOD THAT WILL BE USED BY A PRODUCER**
32 **RESPONSIBILITY ORGANIZATION TO IMPLEMENT A PRODUCER RESPONSIBILITY**

1 PLAN SHALL:

2 (I) PROVIDE THE METHOD FOR EITHER DIRECT INVESTMENTS
3 OR REIMBURSEMENTS FOR IMPROVING INFRASTRUCTURE FOR REUSE, ORGANICS
4 RECYCLING, AND RECYCLING IN ACCORDANCE WITH SUBSECTION (B)(11) OF THIS
5 SECTION;

6 (II) PROVIDE A REASONABLE ANNUAL RATE PER TON OF
7 RECYCLED OR COMPOSTED PACKAGING MATERIALS FOR REIMBURSING LOCAL
8 GOVERNMENTS FOR COSTS ASSOCIATED WITH:

9 1. UP TO 50% OF THE COST OF COLLECTING PACKAGING
10 MATERIALS THAT ARE IDENTIFIED IN THE PLAN;

11 2. TRANSPORTING RECYCLABLE OR COMPOSTABLE
12 PACKAGING MATERIALS TO A RECYCLING OR ORGANICS RECYCLING FACILITY;

13 3. PROCESSING PACKAGING MATERIALS, INCLUDING
14 REMOVING CONTAMINATION; AND

15 4. RECYCLING PACKAGING MATERIALS THAT ARE
16 DIVERTED TO BE RECYCLED OR COMPOSTED IN THE STATE;

17 (III) ESTABLISH A FEE STRUCTURE FOR PARTICIPATING
18 PRODUCERS THAT IS SET IN A MANNER TO COVER COSTS ASSOCIATED WITH:

19 1. IMPLEMENTING THE PLAN, INCLUDING THE
20 ADMINISTRATIVE COSTS OF A PRODUCER RESPONSIBILITY ORGANIZATION;

21 2. REIMBURSING LOCAL GOVERNMENTS FOR COSTS IN
22 ACCORDANCE WITH ITEM (II) OF THIS PARAGRAPH;

23 3. THE ADMINISTRATION, REVIEW, OVERSIGHT, AND
24 ENFORCEMENT OF THE PLAN BY THE DEPARTMENT;

25 4. IMPLEMENTING THE STRATEGY IN THE PLAN FOR
26 REDUCING PACKAGING MATERIALS IN ACCORDANCE WITH SUBSECTION (B)(9) OF
27 THIS SECTION; AND

28 5. IMPLEMENTING THE STRATEGY IN THE PLAN FOR
29 IMPROVING REUSE, ORGANICS RECYCLING, AND RECYCLING IN THE STATE IN
30 ACCORDANCE WITH SUBSECTION (B)(11) OF THIS SECTION;

1 (IV) 1. DESCRIBE THE INCENTIVES TO ENCOURAGE
2 PARTICIPATING PRODUCERS TO ENGAGE IN WASTE REDUCTION AND RECYCLING
3 ACTIVITIES; AND

4 2. DESCRIBE THE DISINCENTIVES TO DISCOURAGE
5 DESIGNS OR PRACTICES THAT INCREASE THE COST OF MANAGING PACKAGING
6 MATERIALS;

7 (V) BE EVALUATED BY AN INDEPENDENT FINANCIAL AUDITOR,
8 AS DESIGNATED BY THE DEPARTMENT, TO ENSURE THAT THE COSTS OF
9 IMPLEMENTING THE PLAN ARE COVERED; AND

10 (VI) MEET ANY OTHER REQUIREMENT ESTABLISHED BY THE
11 DEPARTMENT BY REGULATION.

12 (2) THE REIMBURSEMENT RATE ESTABLISHED UNDER PARAGRAPH
13 (1)(II) OF THIS SUBSECTION SHALL BE:

14 (I) BASED ON:

15 1. THE POPULATION SIZE OF A LOCAL JURISDICTION;

16 2. THE DISTANCE TO THE NEAREST RECYCLING OR
17 ORGANICS RECYCLING FACILITY;

18 3. THE COMMODITY VALUE OF RECYCLED PACKAGING
19 MATERIALS; AND

20 4. ANY SOCIOECONOMIC OR GEOGRAPHIC FACTOR, AS
21 DETERMINED BY THE DEPARTMENT; AND

22 (II) DISCOUNTED EQUIVALENT TO THE ESTIMATED ANNUAL
23 VOLUME OF PACKAGING MATERIALS SOLD IN THE STATE TO A PERSON THAT IS
24 EXEMPT FROM THE REQUIREMENTS OF THIS SUBTITLE UNDER § 9-2503(B) OF THIS
25 SUBTITLE.

26 (3) THE FEE STRUCTURE ESTABLISHED UNDER PARAGRAPH (1)(III)
27 OF THIS SUBSECTION SHALL BE VARIABLE BASED ON:

28 (I) COSTS ASSOCIATED WITH TRANSPORTING, COLLECTING,
29 AND PROCESSING PACKAGING MATERIALS;

30 (II) AN ECO-MODULATION OF FEES, INCLUDING ESTABLISHING:

1 1. A HIGHER FEE FOR PACKAGING MATERIALS WITH
2 LOW RECYCLABILITY OR RECYCLED CONTENT; AND

3 2. A DISCOUNTED FEE FOR PACKAGING MATERIALS
4 WITH HIGH RECYCLABILITY OR RECYCLED CONTENT; AND

5 (III) ANY OTHER FACTOR, AS DETERMINED BY THE
6 DEPARTMENT.

7 (4) (I) A PRODUCER RESPONSIBILITY ORGANIZATION SHALL
8 RETAIN ANY FEE COLLECTED UNDER THIS SUBSECTION IN ITS OWN ACCOUNT.

9 (II) THE DEPARTMENT MAY REQUEST AT ANY TIME AN AUDIT OF
10 THE FINANCIAL RECORDS OF A PRODUCER RESPONSIBILITY ORGANIZATION.

11 (E) THE FUNDING THAT WILL BE USED FOR IMPROVING REUSE, ORGANICS
12 RECYCLING, AND RECYCLING SHALL INCLUDE INVESTMENT IN MARKET
13 DEVELOPMENT AND EXISTING AND FUTURE REUSE, ORGANICS RECYCLING, AND
14 RECYCLING INFRASTRUCTURE, GIVING PRIORITY TO INVESTMENT IN EXISTING
15 INFRASTRUCTURE, INCLUDING:

16 (1) INSTALLING OR UPGRADING EQUIPMENT TO IMPROVE THE
17 SORTING OF PACKAGING MATERIALS AT EXISTING SORTING AND PROCESSING
18 FACILITIES;

19 (2) MITIGATING THE IMPACTS OF PACKAGING MATERIALS ON OTHER
20 COMMODITIES AT EXISTING SORTING AND PROCESSING FACILITIES; AND

21 (3) CAPITAL EXPENDITURES FOR NEW TECHNOLOGY, EQUIPMENT,
22 AND FACILITIES, BASED ON THE RESULTS OF THE STATEWIDE RECYCLING NEEDS
23 ASSESSMENT CONDUCTED UNDER § 9-1702.2 OF THIS TITLE.

24 (F) THE DEPARTMENT SHALL REVIEW:

25 (1) THE PRODUCER RESPONSIBILITY PLAN REQUIRED UNDER
26 SUBSECTION (A) OF THIS SECTION; AND

27 (2) THE WORK PRODUCT OF THE INDEPENDENT FINANCIAL AUDITOR
28 DESIGNATED BY THE DEPARTMENT TO EVALUATE THE FINANCING COMPONENT OF
29 THE PRODUCER RESPONSIBILITY PLAN UNDER SUBSECTION (D)(1)(V) OF THIS
30 SECTION.

1 **(G) (1) WITHIN 120 DAYS AFTER RECEIVING A PROPOSED PRODUCER**
2 **RESPONSIBILITY PLAN, THE DEPARTMENT SHALL APPROVE, APPROVE WITH**
3 **CONDITIONS, OR REJECT THE PLAN.**

4 **(2) IN MAKING A DETERMINATION UNDER PARAGRAPH (1) OF THIS**
5 **SUBSECTION, THE DEPARTMENT SHALL CONSIDER WHETHER:**

6 **(I) THE PRODUCER RESPONSIBILITY PLAN COMPLIES WITH**
7 **THE REQUIREMENTS OF THIS SECTION, INCLUDING WHETHER THE FINANCING**
8 **METHOD WILL COVER THE COSTS OF IMPLEMENTING THE PLAN; AND**

9 **(II) THE PRODUCER RESPONSIBILITY ORGANIZATION ENGAGED**
10 **SUFFICIENTLY WITH STAKEHOLDERS, INCLUDING LOCAL GOVERNMENTS, IN**
11 **DEVELOPING THE PLAN.**

12 **(3) NOT LATER THAN 60 DAYS AFTER THE DATE A PRODUCER**
13 **RESPONSIBILITY PLAN IS INITIALLY APPROVED UNDER THIS SECTION, A PRODUCER**
14 **RESPONSIBILITY ORGANIZATION SHALL PAY TO THE DEPARTMENT:**

15 **(I) THE DEPARTMENT'S COST OF REVIEWING THE PLAN;**

16 **(II) THE DEPARTMENT'S ESTIMATED COSTS OF**
17 **ADMINISTERING, OVERSEEING, AND ENFORCING THE PLAN BETWEEN THE INITIAL**
18 **DATE OF APPROVAL AND THE DATE OF THE INITIAL ANNUAL REPORT REQUIRED**
19 **UNDER § 9-2507 OF THIS SUBTITLE.**

20 **(H) WITHIN 6 MONTHS AFTER THE DATE A PRODUCER RESPONSIBILITY**
21 **PLAN IS APPROVED UNDER THIS SECTION, A PRODUCER RESPONSIBILITY**
22 **ORGANIZATION SHALL IMPLEMENT THE PLAN.**

23 **(I) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION**
24 **AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, AN APPROVED PRODUCER**
25 **RESPONSIBILITY PLAN SHALL EXPIRE AFTER 5 YEARS.**

26 **(2) A PRODUCER RESPONSIBILITY PLAN MAY CONTINUE AFTER 5**
27 **YEARS IF IT IS RENEGOTIATED, RENEWED, OR AMENDED AND APPROVED BY THE**
28 **DEPARTMENT IN ACCORDANCE WITH THIS SUBTITLE.**

29 **(3) THE DEPARTMENT MAY RESCIND APPROVAL OF A PRODUCER**
30 **RESPONSIBILITY PLAN AT ANY TIME FOR GOOD CAUSE.**

31 **(4) IF THE DEPARTMENT RESCINDS AN APPROVAL OF A PRODUCER**
32 **RESPONSIBILITY PLAN UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE**

1 PRODUCER, OR IF APPLICABLE, THE PRODUCER RESPONSIBILITY ORGANIZATION
2 MAY AMEND THE PLAN AND SUBMIT IT TO THE DEPARTMENT FOR APPROVAL IN
3 ACCORDANCE WITH THIS SUBTITLE.

4 (5) IF, BASED ON THE ANNUAL REPORT SUBMITTED UNDER § 9-2507
5 OF THIS SUBTITLE, THE PERFORMANCE GOALS ESTABLISHED UNDER SUBSECTION
6 (B)(3) OF THIS SECTION HAVE NOT BEEN ACHIEVED, THE DEPARTMENT MAY:

7 (I) REQUIRE THAT A PRODUCER RESPONSIBILITY
8 ORGANIZATION AMEND THE PRODUCER RESPONSIBILITY PLAN; AND

9 (II) IMPOSE AN ADMINISTRATIVE PENALTY ON A PRODUCER
10 RESPONSIBILITY ORGANIZATION IN ACCORDANCE WITH § 9-2510(C) OF THIS
11 SUBTITLE.

12 (6) IF THE DEPARTMENT REQUIRES A PRODUCER RESPONSIBILITY
13 ORGANIZATION TO AMEND THE PRODUCER RESPONSIBILITY PLAN UNDER
14 PARAGRAPH (5) OF THIS SUBSECTION, THE PRODUCER RESPONSIBILITY
15 ORGANIZATION MUST COVER THE COST OF THE DEPARTMENT'S REVIEW AND
16 SUPPLEMENTAL WORK ON THE PLAN.

17 9-2505.

18 (A) THERE IS A PRODUCER RESPONSIBILITY PLAN ADVISORY COUNCIL.

19 (B) THE PURPOSE OF THE ADVISORY COUNCIL IS TO PROVIDE ADVICE TO
20 THE DEPARTMENT AND PRODUCER RESPONSIBILITY ORGANIZATIONS FOR
21 DRAFTING, AMENDING, AND IMPLEMENTING PRODUCER RESPONSIBILITY PLANS.

22 (C) (1) THE ADVISORY COUNCIL SHALL CONSIST OF A BROAD RANGE OF
23 INTERESTED STAKEHOLDERS APPOINTED BY THE SECRETARY, INCLUDING:

24 (I) REPRESENTATIVES FROM THE FOLLOWING INDUSTRIES OR
25 ENTITIES IN THE STATE:

26 1. LOCAL GOVERNMENT AGENCIES RESPONSIBLE FOR
27 RECYCLING PROGRAMS;

28 2. RECYCLABLES AND COMPOSTABLE MATERIALS
29 COLLECTORS;

30 3. RECYCLING PROCESSORS;

1 4. **ORGANICS RECYCLING PROCESSORS;**

2 5. **THE CONSUMER GOODS SECTOR;**

3 6. **RETAIL AND SMALL BUSINESSES; AND**

4 7. **MATERIAL-ORIENTED TRADE GROUPS;**

5 (II) **A REPRESENTATIVE FROM EACH PRODUCER**
6 **RESPONSIBILITY ORGANIZATION;**

7 (III) **REPRESENTATIVES OF AT LEAST TWO NONPROFIT**
8 **ORGANIZATIONS IN THE STATE WITH MISSIONS RELATED TO REDUCING WASTE;**

9 (IV) **AT LEAST ONE REPRESENTATIVE OF AN ENVIRONMENTAL**
10 **ADVOCACY ORGANIZATION;**

11 (V) **AT LEAST ONE REPRESENTATIVE OF AN ENVIRONMENTAL**
12 **JUSTICE ADVOCACY ORGANIZATION; AND**

13 (VI) **AT LEAST TWO MEMBERS OF THE PUBLIC WHO RESIDE IN**
14 **THE STATE.**

15 (2) **IN APPOINTING MEMBERS TO THE ADVISORY COUNCIL, THE**
16 **SECRETARY SHALL, TO THE EXTENT PRACTICABLE, ENSURE THAT THE**
17 **MEMBERSHIP OF THE ADVISORY COUNCIL REPRESENTS:**

18 (I) **ALL GEOGRAPHIC REGIONS OF THE STATE;**

19 (II) **LARGE AND SMALL COUNTIES AND MUNICIPALITIES; AND**

20 (III) **THE VARIABILITY IN HOW WASTE AND RECYCLABLE AND**
21 **COMPOSTABLE MATERIALS ARE COLLECTED AND PROCESSED IN THE STATE.**

22 (3) **A REPRESENTATIVE FROM A PRODUCER RESPONSIBILITY**
23 **ORGANIZATION MAY NOT SERVE AS A VOTING MEMBER OR AS COCHAIR OF THE**
24 **ADVISORY COUNCIL.**

25 (D) **FROM AMONG THE ADVISORY COUNCIL MEMBERS, THE SECRETARY**
26 **SHALL DESIGNATE TWO REPRESENTATIVES TO SERVE AS COCHAIRS.**

27 (E) **A MEMBER OF THE ADVISORY COUNCIL:**

1 (1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE
2 ADVISORY COUNCIL; BUT

3 (2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE
4 STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.

5 (F) THE ADVISORY COUNCIL SHALL MEET AT LEAST QUARTERLY.

6 (G) THE ADVISORY COUNCIL SHALL:

7 (1) ON REQUEST BY A PRODUCER OR PRODUCER RESPONSIBILITY
8 ORGANIZATION, PROVIDE ADVICE REGARDING THE DRAFTING OR AMENDING OF A
9 PRODUCER RESPONSIBILITY PLAN REQUIRED UNDER § 9-2504 OF THIS SUBTITLE;

10 (2) RECEIVE AND REVIEW THE PRODUCER RESPONSIBILITY PLANS
11 SUBMITTED IN ACCORDANCE WITH § 9-2504 OF THIS SUBTITLE;

12 (3) RECEIVE AND REVIEW ANNUAL REPORTS SUBMITTED IN
13 ACCORDANCE WITH § 9-2507 OF THIS SUBTITLE;

14 (4) MAKE RECOMMENDATIONS TO THE DEPARTMENT REGARDING
15 PRODUCER RESPONSIBILITY PLAN APPROVAL;

16 (5) MAKE RECOMMENDATIONS TO THE DEPARTMENT AND
17 PRODUCER RESPONSIBILITY ORGANIZATIONS REGARDING PRODUCER
18 RESPONSIBILITY PLAN IMPLEMENTATION; AND

19 (6) PROVIDE WRITTEN RECOMMENDATIONS REGARDING THE
20 PRODUCER RESPONSIBILITY PLAN, INCLUDING ANY UPDATE OR REVISION TO AN
21 APPROVED PLAN, TO A PRODUCER RESPONSIBILITY ORGANIZATION BEFORE THE
22 PRODUCER RESPONSIBILITY ORGANIZATION SUBMITS THE PLAN TO THE
23 DEPARTMENT.

24 **9-2506.**

25 (A) IN ACCORDANCE WITH THE REQUIREMENTS OF A PRODUCER
26 RESPONSIBILITY ORGANIZATION, AS ESTABLISHED IN AN APPROVED PRODUCER
27 RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT, AND ANY OTHER
28 REQUIREMENT ADOPTED BY THE DEPARTMENT, A LOCAL GOVERNMENT MAY
29 REQUEST REIMBURSEMENT FROM A PRODUCER RESPONSIBILITY ORGANIZATION
30 FOR COSTS ASSOCIATED WITH COLLECTING, TRANSPORTING, AND PROCESSING
31 PACKAGING MATERIALS THAT ARE IDENTIFIED UNDER THE PLAN, INCLUDING COSTS
32 ASSOCIATED WITH RECYCLING SERVICES FOR PUBLIC PLACES AND PUBLIC

1 HOUSING.

2 (B) (1) IF MULTIPLE PRODUCER RESPONSIBILITY ORGANIZATIONS
3 REGISTER APPROVED PRODUCER RESPONSIBILITY PLANS WITH THE DEPARTMENT
4 IN ACCORDANCE WITH THIS SUBTITLE, THE PRODUCER RESPONSIBILITY
5 ORGANIZATIONS SHALL COORDINATE REIMBURSEMENT REQUESTED UNDER THIS
6 SECTION.

7 (2) MULTIPLE PRODUCER RESPONSIBILITY ORGANIZATIONS MAY
8 ESTABLISH A THIRD-PARTY ENTITY TO COORDINATE REIMBURSEMENT IN
9 ACCORDANCE WITH THIS SUBSECTION.

10 (C) THIS SECTION DOES NOT AUTHORIZE A LOCAL GOVERNMENT TO
11 REQUEST REIMBURSEMENT FROM A PRODUCER RESPONSIBILITY ORGANIZATION
12 FOR COSTS ASSOCIATED WITH COMPOSTING MATERIALS THAT ARE NOT PACKAGING
13 MATERIALS, INCLUDING FOOD WASTE AND OTHER ORGANIC MATERIALS.

14 9-2507.

15 (A) BEGINNING MARCH 1, 2027, EACH PRODUCER RESPONSIBILITY
16 ORGANIZATION THAT HAS AN APPROVED PRODUCER RESPONSIBILITY PLAN ON FILE
17 WITH THE DEPARTMENT SHALL REPORT ANNUALLY TO THE DEPARTMENT ON THE
18 PROGRESS TOWARD MEETING PLAN REQUIREMENTS AND GOALS FOR THE
19 IMMEDIATELY PRECEDING CALENDAR YEAR.

20 (B) THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
21 SHALL INCLUDE:

22 (1) A DETAILED DESCRIPTION OF THE REIMBURSEMENT METHODS
23 USED FOR COLLECTING, TRANSPORTING, AND PROCESSING PACKAGING
24 MATERIALS;

25 (2) (I) THE STATUS ON ACHIEVING THE PERFORMANCE GOALS
26 ESTABLISHED UNDER § 9-2504(B)(3) OF THIS SUBTITLE; AND

27 (II) IF THE GOALS HAVE NOT BEEN ACHIEVED, A DESCRIPTION
28 OF THE ACTIONS PROPOSED TO ACHIEVE THE GOALS;

29 (3) THE AMOUNT OF EACH PACKAGING MATERIAL TYPE COLLECTED
30 IN THE STATE, INCLUDING THE METHOD OF DISPOSITION OF EACH PACKAGING
31 MATERIAL TYPE;

1 **(4) (I) THE NUMBER OF BEVERAGE CONTAINERS SOLD IN THE**
2 **STATE AND THE NUMBER COLLECTED, BY MATERIAL TYPE;**

3 **(II) THE OVERALL REDEMPTION RATE AND EFFECTIVE RATE OF**
4 **RECYCLING OF BEVERAGE CONTAINERS BY MATERIAL TYPE, AFTER SUBTRACTING**
5 **CONTAMINATION RATES, AND BY NUMBER OF UNITS AND WEIGHT; AND**

6 **(III) 1. A DESCRIPTION OF THE LOCATION OF COLLECTION**
7 **FACILITIES OR POINTS AND SORTING AND PROCESSING FACILITIES FOR BEVERAGE**
8 **CONTAINERS;**

9 **2. A DESCRIPTION OF ANY IMPROVEMENTS MADE IN THE**
10 **REPORTING YEAR TO INCREASE THE EASE AND CONVENIENCE FOR CONSUMERS TO**
11 **RETURN BEVERAGE CONTAINERS;**

12 **3. A DESCRIPTION OF UNDERSERVED AREAS AND**
13 **ACTIONS THAT WILL BE TAKEN BY THE PRODUCER RESPONSIBILITY ORGANIZATION**
14 **TO IMPROVE THE AVAILABILITY OF COLLECTION FACILITIES OR POINTS IN**
15 **UNDERSERVED AREAS; AND**

16 **4. ANY OTHER INFORMATION ON BEVERAGE**
17 **CONTAINERS REQUIRED BY THE DEPARTMENT;**

18 **(5) THE TOTAL COST OF IMPLEMENTING THE PLAN, AS DETERMINED**
19 **BY AN INDEPENDENT FINANCIAL AUDITOR INCLUDING:**

20 **(I) A COPY OF THE WORK PRODUCT OF THE INDEPENDENT**
21 **FINANCIAL AUDITOR; AND**

22 **(II) FINANCIAL STATEMENTS DETAILING ALL PAYMENTS**
23 **RECEIVED AND ISSUED BY THE PRODUCERS COVERED UNDER THE APPROVED PLAN;**

24 **(6) SAMPLES OF ALL EDUCATIONAL MATERIALS PROVIDED TO**
25 **CONSUMERS OR OTHER ENTITIES;**

26 **(7) A DETAILED DESCRIPTION OF THE ACTIONS TAKEN AND AN**
27 **EVALUATION OF THE METHODS USED TO DISSEMINATE EDUCATIONAL MATERIALS,**
28 **INCLUDING RECOMMENDATIONS, IF ANY, FOR HOW THE EDUCATIONAL COMPONENT**
29 **OF THE PLAN CAN BE IMPROVED;**

30 **(8) A DETAILED DESCRIPTION OF INVESTMENTS MADE IN MARKET**
31 **DEVELOPMENT AND FOR IMPROVING REUSE, ORGANICS RECYCLING, AND**
32 **RECYCLING INFRASTRUCTURE;**

1 **(9) PROOF OF A THIRD-PARTY AUDIT OF:**

2 **(I) THE REDUCTION IN PACKAGING REPORTED;**

3 **(II) THE DATA USED TO DETERMINE THE STATUS OF ACHIEVING**
4 **PERFORMANCE GOALS;**

5 **(III) THE AMOUNT OF EACH PACKAGING MATERIAL TYPE**
6 **COLLECTED IN THE STATE;**

7 **(IV) THE NUMBER OF BEVERAGE CONTAINERS SOLD,**
8 **COLLECTED, AND REDEEMED IN THE STATE; AND**

9 **(V) THE OVERALL REDEMPTION RATE AND RECYCLING RATE OF**
10 **BEVERAGE CONTAINERS IN THE STATE; AND**

11 **(10) ANY OTHER INFORMATION AS REQUIRED BY THE DEPARTMENT.**

12 **(C) WHEN PROVIDING THE DEPARTMENT WITH THE ANNUAL REPORT**
13 **REQUIRED UNDER THIS SECTION, A PRODUCER RESPONSIBILITY ORGANIZATION**
14 **SHALL PAY TO THE DEPARTMENT THE DEPARTMENT'S ESTIMATED COSTS OF**
15 **ADMINISTERING, OVERSEEING, AND ENFORCING THE PLAN FOR THE 1 YEAR**
16 **IMMEDIATELY FOLLOWING THE ANNUAL REPORT.**

17 **(D) FINANCIAL, PRODUCTION, OR SALES DATA REPORTED TO THE**
18 **DEPARTMENT BY A PRODUCER RESPONSIBILITY ORGANIZATION SHALL BE KEPT**
19 **CONFIDENTIAL BY THE DEPARTMENT AND MAY NOT BE SUBJECT TO PUBLIC**
20 **INSPECTION.**

21 **(E) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE REPORT SHALL BE**
22 **POSTED ON THE WEBSITE OF THE DEPARTMENT AND THE PRODUCER**
23 **RESPONSIBILITY ORGANIZATION.**

24 **9-2508.**

25 **ANY PERSON PARTICIPATING IN A PRODUCER RESPONSIBILITY PLAN IN**
26 **COMPLIANCE WITH THIS SUBTITLE IS IMMUNE FROM LIABILITY UNDER STATE LAW**
27 **RELATING TO ANTITRUST AND RESTRAINT OF TRADE FOR ANY COOPERATED**
28 **ACTIVITIES ARISING OUT OF THE RECYCLING, REUSE, AND DISPOSAL OF PACKAGING**
29 **MATERIALS.**

30 **9-2509.**

1 **THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
2 **SUBTITLE.**

3 **9-2510.**

4 **(A) EXCEPT AS OTHERWISE PROVIDED UNDER SUBSECTIONS (B) AND (C) OF**
5 **THIS SECTION, THE PROVISIONS OF §§ 9-334 THROUGH 9-344 OF THIS TITLE APPLY**
6 **TO ENFORCE VIOLATIONS OF:**

7 **(1) THIS SUBTITLE;**

8 **(2) ANY REGULATION ADOPTED UNDER THIS SUBTITLE; OR**

9 **(3) ANY ORDER ISSUED UNDER THIS SUBTITLE.**

10 **(B) (1) A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION**
11 **THAT VIOLATES THIS SUBTITLE IS SUBJECT TO:**

12 **(I) FOR A FIRST VIOLATION, A CIVIL PENALTY OF \$5,000;**

13 **(II) FOR A SECOND VIOLATION, A CIVIL PENALTY OF \$10,000;**

14 **AND**

15 **(III) FOR A THIRD AND SUBSEQUENT VIOLATION, A CIVIL**
16 **PENALTY OF \$20,000.**

17 **(2) A PENALTY MAY NOT BE IMPOSED ON A PRODUCER UNDER THIS**
18 **SECTION UNLESS:**

19 **(I) THE DEPARTMENT FIRST ISSUES A WRITTEN NOTICE OF**
20 **VIOLATION TO THE PRODUCER; AND**

21 **(II) THE VIOLATION IS NOT CORRECTED WITHIN 60 DAYS OF**
22 **RECEIPT OF THE WRITTEN NOTICE.**

23 **(C) IF, BASED ON THE ANNUAL REPORT SUBMITTED UNDER § 9-2507 OF**
24 **THIS SUBTITLE, THE PERFORMANCE GOALS ESTABLISHED UNDER § 9-2504(B)(3) OF**
25 **THIS SUBTITLE HAVE NOT BEEN ACHIEVED, THE DEPARTMENT MAY IMPOSE AN**
26 **ADMINISTRATIVE PENALTY, NOT TO EXCEED \$5,000, ON THE PRODUCER**
27 **RESPONSIBILITY ORGANIZATION.**

28 **(D) ANY PENALTY COLLECTED BY THE DEPARTMENT UNDER THIS SECTION**

1 **SHALL BE PAID INTO THE STATE RECYCLING TRUST FUND ESTABLISHED UNDER §**
2 **9-1707 OF THIS TITLE.**

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2023.