

Department of Legislative Services
 Maryland General Assembly
 2023 Session

FISCAL AND POLICY NOTE
 First Reader

House Bill 1182 (Delegate Fisher, *et al.*)
 Appropriations

University of Maryland, College Park Campus - Plastics Innovation Competition

This bill requires the University of Maryland, College Park Campus (UMCP) to establish and administer procedures and rules for a plastics innovation competition to create a biodegradable bag, bottle, and straw – and to hold the competition. UMCP must allocate \$3.0 million for the competition: \$1.0 million for the winner in each of three specified categories (biodegradable bag, bottle, and straw). **The bill takes effect July 1, 2023.**

Fiscal Summary

State Effect: UMCP higher education expenditures increase by approximately \$3.1 million in FY 2024 to hold the plastics innovation competition and award prizes as specified. Revenues are not affected.

(\$ in millions)	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Revenues	\$0	\$0	\$0	\$0	\$0
Higher Ed Exp.	3.1	0	0	0	0
Net Effect	(\$3.1)	\$0.0	\$0.0	\$0.0	\$0.0

Note: () = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: None.

Small Business Effect: Minimal, as discussed below.

Analysis

Current Law: Title 9, Subtitle 21 of the Environment Article establishes labeling and performance standards for plastic products labeled as biodegradable, degradable, decomposable, or any other term that implies that the product will break down, fragment,

biodegrade, or decompose in a landfill or any other environment. A “plastic product” means a product made of plastic, whether alone or in combination with another material including paperboard; it includes a package or packaging component, a film plastic product, a “food or beverage product,” and any other plastic product or part of a plastic product. However, the term does not include specified personal care products. A “food or beverage product” means a product that is used for food and drink and is made of plastic or paper with a plastic coating. A food or beverage product includes containers, food service ware and utensils, and straws and lids. The definition does not explicitly include condiment packages, nor does it include lid plugs and stoppers or stirrers.

State Expenditures: This estimate reflects UMCP allocating a total of \$3.0 million in higher education funds for the prize money – \$1.0 million for each of the three categories as required – and holding the competition in fiscal 2024, even though the bill does not specify a timeframe for doing so. General fund expenditures for UMCP are not assumed to increase to backfill for the higher education expenditures. In addition to the \$3.0 million in prize money, UMCP advises that implementing the competition as specified likely necessitates an additional \$105,000 in expenditures for related staffing and operating costs such as advertising, travel, supplies, and rental space for the competition. Additional administrative work necessitated by the competition includes (1) convening a committee of UMCP faculty/staff and industry experts to develop contest rules; (2) pre-contest communications in social and print media; (3) preliminary screening and qualifying of competitors conducted by a panel of expert judges with support from UMCP staff; and (4) handling the competition itself, which entails providing conference areas, lab space, travel, accommodations, catering, advertising, and staff support.

Small Business Impact: There is no direct effect on small businesses; however, to the extent small businesses compete in the competition, those businesses may benefit from research conducted as part of the competition and potential prize money. To the extent the competition creates new biodegradable bags, bottles, and straws, other small businesses may benefit from their use in the long term.

Additional Information

Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): University System of Maryland; Department of Legislative Services

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km/clb

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