

HOUSE BILL 163

M3, M4

(PRE-FILED)

4r1172
CF SB 56

By: **Delegate Charkoudian**

Requested: October 26, 2023

Introduced and read first time: January 10, 2024

Assigned to: Environment and Transportation

A BILL ENTITLED

1 AN ACT concerning

2 **Food Waste and Solid Waste Reduction – Grants, Fund, and Surcharge**

3 FOR the purpose of establishing the On–Farm Organic Diversion and Composting Grant
4 Program to award grants to eligible entities to assist with the costs of developing and
5 implementing on–farm composting and compost use, food waste prevention, and food
6 rescue projects; requiring the Department of the Environment to use funds from the
7 Reduce, Recycle, Remanufacture Fund to support the Grant Program to Reduce and
8 Compost School Waste; authorizing the Department to establish a statewide solid
9 waste disposal surcharge to be collected by certain owners and operators of refuse
10 disposal systems in the State; authorizing a county to submit a request to the
11 Department to establish a certain local solid waste disposal surcharge program;
12 establishing the Reduce, Recycle, Remanufacture Fund as a special, nonlapsing
13 fund; requiring interest earnings of the Fund to be credited to the Fund; establishing
14 the Food Waste Reduction and Diversion Grants Program to award grants for
15 infrastructure, programming, and education focused on reducing, rescuing, and
16 diverting food waste in the State; establishing the Circular Economy Incentive
17 Program to award grants or other incentives to develop methods for upcycling and
18 remanufacturing materials in the State that would otherwise be disposed of; and
19 generally relating to reducing food waste and solid waste in the State.

20 BY adding to

21 Article – Agriculture

22 Section 2–2301 and 2–2302 to be under the new subtitle “Subtitle 23. On–Farm
23 Organic Diversion and Composting Grant Program”

24 Annotated Code of Maryland

25 (2016 Replacement Volume and 2023 Supplement)

26 BY repealing and reenacting, without amendments,

27 Article – Environment

28 Section 9–201(a) and (e) and 9–1701(a), (d), and (g)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Annotated Code of Maryland
2 (2014 Replacement Volume and 2023 Supplement)

3 BY adding to
4 Article – Environment
5 Section 9–17A–01 through 9–17A–07 to be under the new subtitle “Subtitle 17A.
6 Waste Reduction”
7 Annotated Code of Maryland
8 (2014 Replacement Volume and 2023 Supplement)

9 BY repealing and reenacting, without amendments,
10 Article – State Finance and Procurement
11 Section 6–226(a)(2)(i)
12 Annotated Code of Maryland
13 (2021 Replacement Volume and 2023 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – State Finance and Procurement
16 Section 6–226(a)(2)(ii)189. and 190.
17 Annotated Code of Maryland
18 (2021 Replacement Volume and 2023 Supplement)

19 BY adding to
20 Article – State Finance and Procurement
21 Section 6–226(a)(2)(ii)191.
22 Annotated Code of Maryland
23 (2021 Replacement Volume and 2023 Supplement)

24 BY repealing and reenacting, without amendments,
25 Article – Education
26 Section 7–130(a), (b), and (c)(1)
27 Annotated Code of Maryland
28 (2022 Replacement Volume and 2023 Supplement)

29 BY repealing and reenacting, with amendments,
30 Article – Education
31 Section 7–130(h)
32 Annotated Code of Maryland
33 (2022 Replacement Volume and 2023 Supplement)

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

36 **Article – Agriculture**

37 **SUBTITLE 23. ON–FARM ORGANIC DIVERSION AND COMPOSTING GRANT**
38 **PROGRAM.**

1 **2-2301.**

2 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (B) "ELIGIBLE ENTITY" MEANS:

5 (1) A FARMER, INCLUDING AN URBAN FARMER;

6 (2) A SOIL CONSERVATION DISTRICT;

7 (3) AN INSTITUTION OF HIGHER EDUCATION; AND

8 (4) A CONSORTIUM OF ANY OF THE ENTITIES IDENTIFIED IN ITEMS (1)
9 THROUGH (3) OF THIS SUBSECTION.

10 (C) "PROGRAM" MEANS THE ON-FARM ORGANIC DIVERSION AND
11 COMPOSTING GRANT PROGRAM.

12 (D) "REFUSE DISPOSAL SYSTEM" HAS THE MEANING STATED IN § 9-201 OF
13 THE ENVIRONMENT ARTICLE.

14 **2-2302.**

15 (A) THERE IS AN ON-FARM ORGANIC DIVERSION AND COMPOSTING
16 GRANT PROGRAM.

17 (B) THE PURPOSE OF THE PROGRAM IS TO AWARD GRANTS TO ELIGIBLE
18 ENTITIES TO ASSIST WITH THE COSTS OF DEVELOPING AND IMPLEMENTING
19 ON-FARM COMPOSTING AND COMPOST USE, FOOD WASTE PREVENTION, AND FOOD
20 RESCUE PROJECTS.

21 (C) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF THE
22 ENVIRONMENT, SHALL ADMINISTER THE PROGRAM.

23 (D) THE PROGRAM MAY AWARD GRANTS TO ELIGIBLE ENTITIES ONLY TO
24 ASSIST WITH THE COSTS OF DEVELOPING AND IMPLEMENTING ON-FARM
25 COMPOSTING, COMPOST USE, FOOD WASTE PREVENTION, AND FOOD RESCUE
26 PROJECTS, INCLUDING THE COSTS OF:

1 **(1) PRESERVING AND RESCUING FOOD FOR CONSUMPTION BY**
2 **INDIVIDUALS, INCLUDING FACILITATING OR PARTICIPATING IN RELEVANT**
3 **PARTNERSHIP PROGRAMS;**

4 **(2) COLD STORAGE FOR THE PRESERVATION OF FOOD THAT WILL BE**
5 **CONSUMED BY INDIVIDUALS;**

6 **(3) EDUCATING THE PUBLIC ON:**

7 **(I) SEPARATING FOOD WASTE FROM OTHER WASTE; AND**

8 **(II) OPTIONS FOR ON-FARM COMPOSTING;**

9 **(4) EQUIPMENT AND INFRASTRUCTURE IN SUPPORT OF ON-FARM**
10 **COMPOSTING;**

11 **(5) LABOR AND WAGES IN SUPPORT OF ON-FARM COMPOSTING,**
12 **COMPOST USE, FOOD WASTE PREVENTION, AND FOOD RESCUE;**

13 **(6) COMPOST MANAGEMENT TRAINING UNDER A PROGRAM OFFERED**
14 **BY THE UNIVERSITY OF MARYLAND EXTENSION, THE U.S. COMPOSTING COUNCIL,**
15 **OR ANY OTHER APPROPRIATE ENTITY;**

16 **(7) (I) COMPOST TESTING EQUIPMENT; OR**

17 **(II) SUBMITTING COMPOST SAMPLES FOR TESTING TO A**
18 **LABORATORY WITH APPROPRIATE EXPERTISE;**

19 **(8) STUDYING IMPACTS OF COMPOST APPLICATION ON ON-FARM**
20 **NUTRIENT AND WATER QUALITY MANAGEMENT TO INFORM RELEVANT**
21 **REGULATIONS; AND**

22 **(9) MEETING PERMIT REQUIREMENTS.**

23 **(E) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT**
24 **OF THE ENVIRONMENT, SHALL ESTABLISH GRANT APPLICATION PROCEDURES.**

25 **(2) THE GRANT APPLICATION PROCEDURES SHALL INCLUDE:**

26 **(I) A PROCESS FOR FACILITATING PARTICIPATION OF**
27 **ELIGIBLE ENTITIES WITH LIMITED RESOURCES; AND**

1 **(II) A SIMPLE COMMON APPLICATION AND COMMON**
2 **REPORTING FORMAT.**

3 **(F) IN AWARDING GRANTS UNDER THIS SUBTITLE, THE DEPARTMENT AND**
4 **THE DEPARTMENT OF THE ENVIRONMENT SHALL GIVE PRIORITY TO PROJECTS:**

5 **(1) FOR WHICH AN APPLICANT CLEARLY DESCRIBES HOW THE**
6 **PROJECT WILL:**

7 **(I) PROVIDE DIRECT, MEANINGFUL, AND ASSURED BENEFITS**
8 **TO THE COMMUNITY IN WHICH THE PROJECT IS LOCATED; AND**

9 **(II) ADDRESS THE NEEDS OF THE COMMUNITY IN WHICH THE**
10 **PROJECT IS LOCATED;**

11 **(2) THAT PREVENT, RESCUE, AND DIVERT FOOD WASTE FROM**
12 **REFUSE DISPOSAL SYSTEMS TO INSTEAD BE USED IN THE COMMUNITY IN WHICH THE**
13 **PROJECT IS LOCATED, INCLUDING COMPOSTING THE FOOD WASTE FOR USE IN THE**
14 **STATE;**

15 **(3) FOR WHICH AN APPLICANT DEMONSTRATES KNOWLEDGE OF BEST**
16 **PRACTICES IN THE APPLICABLE FIELD AND HOW TO INCORPORATE THOSE BEST**
17 **PRACTICES IN THE PROJECT;**

18 **(4) THAT SERVE A FARM OWNED OR OPERATED BY A FARMER WHO IS**
19 **A LOW-INCOME INDIVIDUAL, A SOCIALLY DISADVANTAGED INDIVIDUAL, A WOMAN,**
20 **OR A VETERAN;**

21 **(5) THAT SERVE A LOW-INCOME OR SOCIALLY DISADVANTAGED**
22 **COMMUNITY; OR**

23 **(6) THAT ENGAGE SMALL OR BEGINNING FARMING OPERATIONS.**

24 **Article – Environment**

25 9–201.

26 (a) In this subtitle the following words have the meanings indicated.

27 (e) “Refuse disposal system” includes:

28 (1) An incinerator;

29 (2) A transfer station;

- 1 (3) A landfill system;
- 2 (4) A landfill;
- 3 (5) A solid waste processing facility; and
- 4 (6) Any other solid waste acceptance facility.

5 9-1701.

6 (a) In this subtitle the following words have the meanings indicated.

7 (d) "Composting" means the controlled aerobic biological decomposition of organic
8 waste material in accordance with the standards established by the Secretary under this
9 title.

10 (q) "Recycling" means any process in which recyclable materials are collected,
11 separated, or processed and returned to the marketplace in the form of raw materials or
12 products.

13 **SUBTITLE 17A. WASTE REDUCTION.**

14 **9-17A-01.**

15 **(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS**
16 **INDICATED.**

17 **(B) "COMPOSTING" HAS THE MEANING STATED IN § 9-1701 OF THIS TITLE.**

18 **(C) "FUND" MEANS THE REDUCE, RECYCLE, REMANUFACTURE FUND.**

19 **(D) "HAULER" MEANS A PERSON THAT IS CONTRACTED TO COLLECT OR**
20 **HAUL SOLID WASTE.**

21 **(E) "RECYCLING" HAS THE MEANING STATED IN § 9-1701 OF THIS TITLE.**

22 **(F) "REFUSE DISPOSAL SYSTEM" HAS THE MEANING STATED IN § 9-201 OF**
23 **THIS TITLE.**

24 **9-17A-02.**

25 **(A) (1) THE DEPARTMENT MAY ESTABLISH A STATEWIDE SOLID WASTE**
26 **DISPOSAL SURCHARGE ON THE FINAL DISPOSAL OF SOLID WASTE IN THE STATE.**

1 **(2) (I) THIS PARAGRAPH DOES NOT APPLY TO AN OWNER OR**
2 **OPERATOR OF A REFUSE DISPOSAL SYSTEM LOCATED IN A COUNTY THAT HAS**
3 **IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM IN**
4 **ACCORDANCE WITH § 9-17A-03 OF THIS SUBTITLE.**

5 **(II) IF A STATEWIDE SOLID WASTE DISPOSAL SURCHARGE IS**
6 **ESTABLISHED UNDER THIS SECTION, EACH OWNER OR OPERATOR OF A REFUSE**
7 **DISPOSAL SYSTEM IN THE STATE SHALL:**

8 **1. COLLECT THE SURCHARGE IN ACCORDANCE WITH**
9 **THIS SECTION; AND**

10 **2. INCLUDE THE SURCHARGE AMOUNT DUE AS A**
11 **SEPARATE LINE ITEM ON THE BILL OR INVOICE THAT THE OWNER OR OPERATOR**
12 **PROVIDES TO A HAULER OR OTHER PERSON DISPOSING OF WASTE AT THE REFUSE**
13 **DISPOSAL SYSTEM.**

14 **(3) A HAULER THAT PAYS A STATEWIDE SOLID WASTE DISPOSAL**
15 **SURCHARGE TO AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM IN**
16 **ACCORDANCE WITH THIS SECTION MAY COLLECT A RATE, FEE, OR SURCHARGE**
17 **FROM A CUSTOMER ONLY IN AN AMOUNT SUFFICIENT FOR THE HAULER TO RECOVER**
18 **THE AMOUNT OF THE SURCHARGE PAID BY THE HAULER.**

19 **(B) IF A STATEWIDE SOLID WASTE DISPOSAL SURCHARGE IS ESTABLISHED**
20 **UNDER THIS SECTION, THE SURCHARGE SHALL:**

21 **(1) BE \$2 PER TON OF SOLID WASTE PROCESSED BY A REFUSE**
22 **DISPOSAL SYSTEM; AND**

23 **(2) EVERY 2 YEARS AFTER ESTABLISHMENT, BE:**

24 **(I) ADJUSTED BY THE DEPARTMENT IN ACCORDANCE WITH**
25 **THE CONSUMER PRICE INDEX FOR THE MID-ATLANTIC DIVISION; AND**

26 **(II) EVALUATED BY THE DEPARTMENT TO DETERMINE**
27 **WHETHER INCREASES TO THE SURCHARGE ARE RECOMMENDED.**

28 **(C) IF A SURCHARGE HAS BEEN COLLECTED BY AN OWNER OR OPERATOR**
29 **OF A TRANSFER STATION, THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE MAY**
30 **NOT BE COLLECTED BY AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM**
31 **THAT RECEIVES THE SOLID WASTE FOR FINAL DISPOSAL.**

1 (D) (1) IF A STATEWIDE SOLID WASTE DISPOSAL SURCHARGE IS
2 ESTABLISHED UNDER THIS SECTION, THE COMPTROLLER SHALL COLLECT THE
3 SURCHARGE REVENUE ASSESSED UNDER THIS SECTION AND DEPOSIT THE REVENUE
4 INTO THE REDUCE, RECYCLE, REMANUFACTURE FUND ESTABLISHED UNDER §
5 9-17A-04 OF THIS SUBTITLE.

6 (2) (I) IF A STATEWIDE SOLID WASTE DISPOSAL SURCHARGE IS
7 ESTABLISHED UNDER THIS SECTION, 6 MONTHS AFTER THE SURCHARGE IS
8 ESTABLISHED AND ON A QUARTERLY BASIS THEREAFTER, AN OWNER OR OPERATOR
9 OF A REFUSE DISPOSAL SYSTEM SHALL COMPLETE AND SUBMIT, UNDER OATH, A
10 RETURN AND REMIT THE SURCHARGE REVENUE TO THE COMPTROLLER.

11 (II) A RETURN SUBMITTED UNDER SUBPARAGRAPH (I) OF THIS
12 PARAGRAPH SHALL INCLUDE INFORMATION ON THE NUMBER OF TONS OF SOLID
13 WASTE ACCEPTED FOR DISPOSAL, TRANSFER, OR COLLECTION, AS APPROPRIATE,
14 DURING THE REPORTING PERIOD.

15 (E) THE COMPTROLLER MAY ADOPT REGULATIONS TO CARRY OUT THIS
16 SECTION.

17 9-17A-03.

18 (A) (1) IF A STATEWIDE SOLID WASTE DISPOSAL SURCHARGE IS
19 ESTABLISHED UNDER § 9-17A-02 OF THIS SUBTITLE, A COUNTY, INCLUDING
20 BALTIMORE CITY AND MIDSHORE COUNTIES, MAY SUBMIT A REQUEST TO THE
21 DEPARTMENT TO ESTABLISH A LOCAL SOLID WASTE DISPOSAL SURCHARGE
22 PROGRAM.

23 (2) THE DEPARTMENT MAY APPROVE A REQUEST SUBMITTED UNDER
24 PARAGRAPH (1) OF THIS SUBSECTION IF THE COUNTY ESTABLISHES A LOCAL SOLID
25 WASTE DISPOSAL SURCHARGE PROGRAM TO FUND FOOD RESCUE, WASTE
26 DIVERSION, AND COMPOSTING IN ACCORDANCE WITH THIS SECTION.

27 (B) A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM ESTABLISHED
28 UNDER THIS SECTION SHALL:

29 (1) INCLUDE A SURCHARGE ASSESSED AT A RATE THAT IS GREATER
30 THAN OR EQUAL TO THE SURCHARGE RATE ESTABLISHED UNDER § 9-17A-02(B) OF
31 THIS SUBTITLE; AND

32 (2) ALLOCATE THE SURCHARGE REVENUE COLLECTED BY THE
33 COUNTY TO ENTITIES AND PROJECTS THAT WOULD BE ELIGIBLE TO APPLY FOR
34 GRANT FUNDS UNDER:

1 **(I) THE ON-FARM ORGANIC DIVERSION AND COMPOSTING**
2 **GRANT PROGRAM UNDER TITLE 2, SUBTITLE 23 OF THE AGRICULTURE ARTICLE;**

3 **(II) THE GRANT PROGRAM TO REDUCE AND COMPOST SCHOOL**
4 **WASTE UNDER § 7-130 OF THE EDUCATION ARTICLE;**

5 **(III) THE FOOD WASTE REDUCTION AND DIVERSION GRANTS**
6 **PROGRAM UNDER § 9-17A-05 OF THIS SUBTITLE; OR**

7 **(IV) THE CIRCULAR ECONOMY INCENTIVE PROGRAM UNDER §**
8 **9-17A-06 OF THIS SUBTITLE.**

9 **(C) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, A COUNTY**
10 **MAY ASSESS A LOCAL SOLID WASTE DISPOSAL SURCHARGE ESTABLISHED IN**
11 **ACCORDANCE WITH THIS SECTION AT THE LEVEL OF WASTE GENERATION,**
12 **COLLECTION, OR FINAL DISPOSAL.**

13 **(2) A COUNTY MAY NOT ASSESS A LOCAL SOLID WASTE DISPOSAL**
14 **SURCHARGE ON THE SAME SOLID WASTE MORE THAN ONCE.**

15 **(D) (1) THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE**
16 **AUTHORIZED UNDER § 9-17A-02 OF THIS SUBTITLE MAY NOT BE ASSESSED ON THE**
17 **FINAL DISPOSAL OR TRANSFER OF WASTE AT A REFUSE DISPOSAL SYSTEM LOCATED**
18 **IN A COUNTY THAT HAS IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL**
19 **SURCHARGE PROGRAM IN ACCORDANCE WITH THIS SECTION.**

20 **(2) SOLID WASTE DISPOSED OF AT REFUSE DISPOSAL SYSTEMS IN A**
21 **COUNTY THAT HAS IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE**
22 **PROGRAM IN ACCORDANCE WITH THIS SECTION IS SUBJECT TO THE LOCAL**
23 **SURCHARGE ESTABLISHED UNDER THE PROGRAM.**

24 **(E) EACH YEAR, THE DEPARTMENT SHALL REVIEW EACH LOCAL SOLID**
25 **WASTE DISPOSAL SURCHARGE PROGRAM ESTABLISHED UNDER THIS SECTION TO:**

26 **(1) ENSURE COMPLIANCE WITH THE REQUIREMENTS OF THIS**
27 **SECTION; AND**

28 **(2) EVALUATE BEST PRACTICES AND LESSONS LEARNED FROM**
29 **LOCAL SOLID WASTE SURCHARGE PROGRAMS.**

30 **9-17A-04.**

1 (A) THERE IS A REDUCE, RECYCLE, REMANUFACTURE FUND.

2 (B) THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING TO THE
3 DEPARTMENT, THE DEPARTMENT OF AGRICULTURE, AND THE STATE
4 DEPARTMENT OF EDUCATION TO AWARD GRANTS FOR PROJECTS THAT:

5 (1) REDUCE FOOD WASTE AND SOLID WASTE;

6 (2) PROMOTE COMPOSTING AND COMPOST USE; AND

7 (3) DEVELOP METHODS FOR UPCYCLING AND REMANUFACTURING
8 MATERIALS THAT WOULD OTHERWISE BE DISPOSED OF.

9 (C) THE DEPARTMENT SHALL ADMINISTER THE FUND.

10 (D) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
11 SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

12 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
13 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

14 (E) THE FUND CONSISTS OF:

15 (1) STATEWIDE SOLID WASTE DISPOSAL SURCHARGE REVENUE
16 DEPOSITED INTO THE FUND UNDER § 9-17A-02 OF THIS SUBTITLE;

17 (2) FEDERAL OR PRIVATE GRANT FUNDING OBTAINED BY THE
18 DEPARTMENT;

19 (3) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

20 (4) INTEREST EARNINGS; AND

21 (5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
22 THE BENEFIT OF THE FUND.

23 (F) (1) THE FUND MAY BE USED ONLY TO:

24 (I) PROVIDE THE FUNDING NECESSARY TO AWARD GRANTS
25 UNDER:

26 1. TITLE 2, SUBTITLE 23 OF THE AGRICULTURE
27 ARTICLE;

1 2. § 7-130 OF THE EDUCATION ARTICLE; AND

2 3. §§ 9-17A-05 AND 9-17A-06 OF THIS SUBTITLE; AND

3 (ii) COVER THE REASONABLE ADMINISTRATIVE COSTS OF:

4 1. THE DEPARTMENT IN ADMINISTERING THE FUND;

5 2. THE DEPARTMENT OF AGRICULTURE IN AWARDING
6 GRANTS UNDER TITLE 2, SUBTITLE 23 OF THE AGRICULTURE ARTICLE;

7 3. THE STATE DEPARTMENT OF EDUCATION IN
8 AWARDING GRANTS UNDER § 7-130 OF THE EDUCATION ARTICLE; AND

9 4. THE DEPARTMENT IN AWARDING GRANTS UNDER §§
10 9-17A-05 AND 9-17A-06 OF THIS SUBTITLE.

11 (2) UP TO 10% OF THE ESTIMATED ANNUAL SOLID WASTE
12 SURCHARGE REVENUE MAY BE USED TO COVER REASONABLE ADMINISTRATIVE
13 COSTS UNDER PARAGRAPH (1)(II) OF THIS SUBSECTION.

14 (g) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND
15 IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

16 (2) INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE
17 FUND.

18 9-17A-05.

19 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
20 INDICATED.

21 (2) (i) “ELIGIBLE ENTITY” MEANS:

22 1. A UNIT OF STATE OR LOCAL GOVERNMENT THAT HAS
23 NOT IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM UNDER
24 § 9-17A-03 OF THIS SUBTITLE;

25 2. A LOCAL EDUCATION AGENCY;

26 3. AN INSTITUTION OF HIGHER EDUCATION;

- 1 4. **A NONPROFIT ORGANIZATION;**
- 2 5. **A FARMER, INCLUDING AN URBAN FARMER;**
- 3 6. **A BUSINESS THAT IS:**
- 4 A. **OPERATING IN THE STATE IN GOOD STANDING; AND**
- 5 B. **INTENDED TO OPERATE AT A PROFIT AND RETURN A**
6 **PROFIT TO ITS OWNERS; AND**
- 7 7. **A CONSORTIUM OF ANY OF THE ENTITIES IDENTIFIED**
8 **IN ITEMS 1 THROUGH 6 OF THIS SUBPARAGRAPH.**

9 (II) **“ELIGIBLE ENTITY” DOES NOT INCLUDE A COUNTY THAT**
10 **HAS IMPLEMENTED A LOCAL SOLID WASTE DISPOSAL SURCHARGE PROGRAM IN**
11 **ACCORDANCE WITH § 9-17A-03 OF THIS SUBTITLE.**

12 (3) **“PROGRAM” MEANS THE FOOD WASTE REDUCTION AND**
13 **DIVERSION GRANTS PROGRAM.**

14 (B) **THERE IS A FOOD WASTE REDUCTION AND DIVERSION GRANTS**
15 **PROGRAM.**

16 (C) **THE PURPOSE OF THE PROGRAM IS TO AWARD GRANTS FOR**
17 **INFRASTRUCTURE, PROGRAMMING, AND EDUCATION FOCUSED ON REDUCING,**
18 **RESCUING, AND DIVERTING FOOD WASTE IN THE STATE.**

19 (D) **THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF**
20 **AGRICULTURE, SHALL ADMINISTER THE PROGRAM.**

21 (E) **A PROJECT IS ELIGIBLE FOR A GRANT UNDER THE PROGRAM IF THE**
22 **PROJECT:**

23 (1) **DEVELOPS, MAINTAINS, OR EXPANDS INFRASTRUCTURE OR**
24 **PROGRAMS THAT:**

25 (I) **REDUCE THE AMOUNT OF FOOD WASTE GENERATED IN THE**
26 **STATE;**

27 (II) **RESCUE EDIBLE FOOD THAT WOULD OTHERWISE BE**
28 **DISPOSED OF;**

1 (III) COMPOST FOOD RESIDUALS, INCLUDING PROJECTS FOR:

- 2 1. AT-HOME COMPOSTING;
- 3 2. COMMUNITY COMPOSTING; AND
- 4 3. ON-FARM COMPOSTING; OR

5 (IV) SUPPORT A TRANSITION FROM THE USE OF SINGLE-USE
6 FOOD SERVICEWARE TO DURABLE, REUSABLE FOOD SERVICEWARE;

7 (2) ENCOURAGES SOURCE SEPARATION OF UNCONTAMINATED FOOD
8 RESIDUALS;

9 (3) PROVIDES EDUCATION OR TECHNICAL ASSISTANCE TO ADVANCE
10 FOOD WASTE PREVENTION, DIVERSION, AND COMPOSTING; OR

11 (4) COLLECTS AND COMPOSTS SOURCE-SEPARATED COMPOSTABLE
12 MATERIALS.

13 (F) AN ELIGIBLE ENTITY MAY APPLY FOR A GRANT UNDER THIS SECTION.

14 (G) (1) THE DEPARTMENT SHALL ESTABLISH GRANT APPLICATION
15 PROCEDURES.

16 (2) THE GRANT APPLICATION PROCEDURES SHALL INCLUDE:

17 (I) A PROCESS FOR FACILITATING THE PARTICIPATION OF
18 ELIGIBLE ENTITIES WITH LIMITED RESOURCES; AND

19 (II) A SIMPLE COMMON APPLICATION AND COMMON
20 REPORTING FORMAT.

21 (H) IN AWARDING GRANTS UNDER THIS SECTION, THE DEPARTMENT SHALL
22 GIVE PRIORITY TO PROJECTS:

23 (1) FOR WHICH AN APPLICANT CLEARLY DESCRIBES HOW THE
24 PROJECT WILL PROVIDE DIRECT, MEANINGFUL, AND ASSURED BENEFITS TO THE
25 COMMUNITY AND ADDRESS IMPORTANT COMMUNITY NEEDS;

26 (2) THAT PREVENT, RESCUE, AND DIVERT FOOD WASTE WITHIN THE
27 COMMUNITY IN WHICH THE PROJECT IS LOCATED;

1 **(3) THAT SERVE A MARGINALIZED, LOW-INCOME, OR SOCIALLY**
2 **DISADVANTAGED COMMUNITY; AND**

3 **(4) THAT MINIMIZE NEGATIVE IMPACTS AND MAXIMIZE BENEFITS TO**
4 **THE LOCAL COMMUNITY, INCLUDING JOBS CREATED, JOB TRAINING, AND SUPPORT**
5 **FOR HIRING AND LEADERSHIP DEVELOPMENT PRACTICES THAT ARE INCLUSIVE AND**
6 **PROVIDE LIVING WAGES.**

7 **9-17A-06.**

8 **(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS**
9 **INDICATED.**

10 **(2) “ELIGIBLE ENTITY” MEANS:**

11 **(I) A COUNTY OR OTHER UNIT OF LOCAL GOVERNMENT;**

12 **(II) A NONPROFIT ORGANIZATION; AND**

13 **(III) A FOR-PROFIT ORGANIZATION.**

14 **(3) “PROGRAM” MEANS THE CIRCULAR ECONOMY INCENTIVE**
15 **PROGRAM.**

16 **(4) “STATEWIDE RECYCLING NEEDS ASSESSMENT” MEANS THE**
17 **RECYCLING NEEDS ASSESSMENT REQUIRED UNDER CHAPTER 465 OF THE ACTS OF**
18 **THE GENERAL ASSEMBLY OF 2023.**

19 **(B) THERE IS A CIRCULAR ECONOMY INCENTIVE PROGRAM.**

20 **(C) THE PURPOSE OF THE PROGRAM IS TO AWARD GRANTS OR OTHER**
21 **INCENTIVES TO DEVELOP METHODS FOR UPCYCLING AND REMANUFACTURING**
22 **MATERIALS IN THE STATE THAT WOULD OTHERWISE BE DISPOSED OF.**

23 **(D) THE DEPARTMENT SHALL ADMINISTER THE PROGRAM.**

24 **(E) A PROJECT IS ELIGIBLE FOR A GRANT UNDER THE PROGRAM IF THE**
25 **PROJECT:**

26 **(1) ADDRESSES A NEED IDENTIFIED IN THE STATEWIDE RECYCLING**
27 **NEEDS ASSESSMENT;**

28 **(2) INCREASES THE AMOUNT OF MATERIAL RECYCLED IN THE STATE;**

1 **3. EQUITY; AND**

2 **(II) SCORE THE PROJECT BASED ON THE RANKINGS UNDER**
3 **ITEM (I) OF THIS ITEM; AND**

4 **(2) BASED ON THE SCORE CALCULATED UNDER ITEM (1)(II) OF THIS**
5 **SUBSECTION, PRIORITIZE PROJECTS THAT SIMULTANEOUSLY MEET MULTIPLE**
6 **RECOMMENDATIONS OF THE STATEWIDE RECYCLING NEEDS ASSESSMENT.**

7 **9-17A-07.**

8 **(A) ON OR BEFORE DECEMBER 1 EACH YEAR, BEGINNING IN 2026, THE**
9 **DEPARTMENT, IN COORDINATION WITH THE DEPARTMENT OF AGRICULTURE AND**
10 **THE STATE DEPARTMENT OF EDUCATION, SHALL REPORT TO THE GENERAL**
11 **ASSEMBLY, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE,**
12 **ON THE IMPLEMENTATION OF THE PROGRAMS AND REQUIREMENTS ESTABLISHED**
13 **UNDER TITLE 2, SUBTITLE 23 OF THE AGRICULTURE ARTICLE, § 7-130 OF THE**
14 **EDUCATION ARTICLE, AND THIS SUBTITLE.**

15 **(B) THE REPORT SHALL INCLUDE:**

16 **(1) THE NUMBER AND TYPES OF GRANTS AWARDED;**

17 **(2) THE IMPACT OF THE PROGRAMS, REQUIREMENTS, AND GRANT**
18 **AWARDS ON:**

19 **(I) JOB CREATION;**

20 **(II) WASTE PREVENTION, FOOD RESCUE, AND WASTE**
21 **DIVERSION; AND**

22 **(III) FARMERS; AND**

23 **(3) BENEFITS PROVIDED TO THE STATE FROM THE PROGRAMS,**
24 **REQUIREMENTS, AND GRANTS AWARDED.**

25 **Article – State Finance and Procurement**

26 **6-226.**

27 **(a) (2) (i) Notwithstanding any other provision of law, and unless**
28 **inconsistent with a federal law, grant agreement, or other federal requirement or with the**
29 **terms of a gift or settlement agreement, net interest on all State money allocated by the**

1 State Treasurer under this section to special funds or accounts, and otherwise entitled to
2 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
3 Fund of the State.

4 (ii) The provisions of subparagraph (i) of this paragraph do not apply
5 to the following funds:

6 189. the Teacher Retention and Development Fund; [and]

7 190. the Protecting Against Hate Crimes Grant Fund; AND

8 **191. THE REDUCE, RECYCLE, REMANUFACTURE FUND.**

9 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
10 as follows:

11 Article – Education

12 7–130.

13 (a) In this section, “Program” means the Grant Program to Reduce and Compost
14 School Waste.

15 (b) There is a Grant Program to Reduce and Compost School Waste within the
16 Department.

17 (c) (1) The purpose of the Program is to award grants to county boards and
18 public schools to develop and implement programs for reducing food waste and to establish
19 composting of pre– and post–consumer waste.

20 (h) (1) The Department shall coordinate with the Department of the
21 Environment to identify and apply for federal funding that may be used to support the
22 Program.

23 **(2) THE DEPARTMENT OF THE ENVIRONMENT SHALL USE FUNDS**
24 **FROM THE REDUCE, RECYCLE, REMANUFACTURE FUND ESTABLISHED UNDER §**
25 **9–17A–04 OF THE ENVIRONMENT ARTICLE TO SUPPORT THE PROGRAM.**

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
27 October 1, 2024. Section 2 of this Act shall remain effective until the taking effect of the
28 termination provision specified in Section 2 of Chapter 205 of the Acts of the General
29 Assembly of 2022. If that termination provision takes effect, Section 2 of this Act, with no
30 further action required by the General Assembly, shall be abrogated and of no further force
31 and effect. This Act may not be interpreted to have any effect on that termination provision.