#### SB0901/233827/1

#### BY: Education, Energy, and the Environment Committee

#### <u>AMENDMENTS TO SENATE BILL 901</u> (First Reading File Bill)

#### AMENDMENT NO. 1

On page 1, in the sponsor line, strike "and Love" and substitute ", Love, Brooks, Hester, Kagan, and M. Washington"; in line 2, strike "Materials" and substitute "and Paper Products"; in lines 3, 4, 7, and 8, in each instance, strike "packaging" and substitute "covered"; in line 7, after "requirements" insert "or develop an alternative collection program"; in line 15, strike "local government" and substitute "service provider"; in line 17, after "manner;" insert "requiring a certain service provider to register with the Department for a certain purpose and in a certain manner; requiring the Department to develop a list of certain packaging materials on or before a certain date, in a certain manner, and subject to certain requirements; authorizing a certain producer to request that the Department exempt certain materials from a certain list;"; in line 19, after "assessments;" insert "requiring the Department to coordinate the implementation of certain programs under certain circumstances and in a certain manner;"; in line 20, strike "materials" and substitute "and paper products"; and strike line 28 in its entirety and substitute "Section 9-1702(d) and 9-1707(f); and 9-2501 through 9-2503 to be under the amended subtitle "Subtitle 25. Producer Responsibility for Packaging and Paper Products"".

On page 2, in line 4, strike ", 9-2502,"; in the same line, strike "9-2510" and substitute "9-2512"; and strike in their entirety lines 7 through 11, inclusive.

#### AMENDMENT NO. 2

On page 3, strike beginning with "SECTION," in line 6 down through "MEANINGS" in line 7 and substitute "<u>SECTION, "ADVISORY COUNCIL" HAS THE</u> <u>MEANING</u>"; and in line 29, strike "AND".

On page 4, in line 2, after "**RECYCLED**;" insert "<u>AND</u>

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## 5. <u>AN ESTIMATE OF THE AMOUNT OF REUSABLE</u> PACKAGING THAT IS NOT CURRENTLY BEING REUSED;";

in line 6, after "RECYCLABLE" insert "<u>, REUSABLE</u>,"; in line 11, after "RECYCLING" insert "<u>, REUSE</u>,"; in line 14, after "ORGANICS RECYCLING," insert "<u>REUSABLE</u> <u>PACKAGING</u>,"; and in lines 20, 25, and 28, in each instance, after "RECYCLING" insert "<u>AND REUSE</u>".

On page 5, in line 3, after "WASTE" insert "<u>, REUSE</u>,"; in line 8, after "RECYCLING" insert "<u>OR REUSABLE PACKAGING</u>"; and in line 14, strike "INDUSTRY" and substitute "<u>AND REUSABLE PACKAGING INDUSTRIES</u>".

On page 6, in line 15, strike "(1)SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE" and substitute "<u>THE</u>"; in line 17, strike "AN" and substitute "<u>:</u>

## (1) THE ASSESSMENT REQUIRED UNDER CHAPTER 465 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2023; AND

#### (2) <u>EACH SUBSEQUENT</u>";

and strike in their entirety lines 19 through 22, inclusive.

On page 7, in lines 6 and 7, strike "§ 9-2510" and substitute "§ 9-2512".

On page 8, in lines 11 and 12, strike "§ **9–2510**" and substitute "<u>§ **9–2512**</u>"; and after line 20, insert:

## "Subtitle 25. Producer Responsibility for Packaging [Materials] AND PAPER PRODUCTS.".

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On page 9, after line 1, insert:

"(D) "BRAND OWNER" MEANS A PERSON THAT OWNS OR LICENSES A BRAND OR THAT OTHERWISE HAS RIGHTS TO MARKET A PRODUCT UNDER THE BRAND, WHETHER OR NOT THE BRAND'S TRADEMARK IS REGISTERED.

(E) <u>"COMPOSTING" AND "COMPOSTING FACILITY" HAVE THE MEANINGS</u> <u>STATED IN § 9–1701 OF THIS TITLE.</u>

(F) <u>"COVERED ENTITY" MEANS A PERSON OR LOCATION THAT RECEIVES</u> <u>COVERED SERVICES FOR COVERED MATERIALS IN ACCORDANCE WITH THE</u> <u>REQUIREMENTS OF THIS SUBTITLE, INCLUDING:</u>

- (1) <u>A SINGLE–FAMILY RESIDENCE;</u>
- (2) <u>A MULTIFAMILY RESIDENCE;</u>

(3) <u>A PUBLIC OR NONPUBLIC KINDERGARTEN, ELEMENTARY, OR</u> <u>SECONDARY SCHOOL;</u>

(4) <u>A CHILD CARE CENTER, AS DEFINED IN § 9.5–401 OF THE</u> EDUCATION ARTICLE; AND

(5) <u>A PUBLIC BUILDING OWNED OR OPERATED BY THE STATE OR A</u> LOCAL GOVERNMENT.

(G) (1) "COVERED MATERIALS" MEANS PACKAGING AND PAPER PRODUCTS SOLD, OFFERED FOR SALE, IMPORTED, OR DISTRIBUTED IN THE STATE.

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## (2) "COVERED MATERIALS" DOES NOT INCLUDE EXEMPT MATERIALS.

## (H) "COVERED MATERIAL TYPE" MEANS A SINGULAR AND SPECIFIC TYPE OF COVERED MATERIAL, SUCH AS PAPER, PLASTIC, METAL, OR GLASS, THAT:

(1) CAN BE CATEGORIZED BASED ON DISTINGUISHING CHEMICAL OR PHYSICAL PROPERTIES, INCLUDING PROPERTIES THAT ALLOW THE MATERIAL TYPE TO BE AGGREGATED INTO A DISCRETE COMMODITY CATEGORY FOR PURPOSES OF REUSE, RECYCLING, OR COMPOSTING; AND

(2) IS BASED ON SIMILAR USES IN THE FORM OF A PRODUCT OR PACKAGE.

(I) (1) "COVERED SERVICES" MEANS:

(I) COLLECTING, TRANSFERRING, TRANSPORTING, SORTING, PROCESSING, RECOVERING, PREPARING, OR OTHERWISE MANAGING COVERED MATERIALS FOR PURPOSES OF WASTE REDUCTION, REUSE, RECYCLING, OR COMPOSTING; AND

(II) PUBLIC EDUCATION AND OUTREACH ACTIVITIES RELATED TO THE ACTIVITIES DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.

(2) "COVERED SERVICES" DOES NOT INCLUDE DISPOSAL OF COVERED MATERIALS. SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 5 of 38

(J) "DE MINIMIS PRODUCER" MEANS A PERSON THAT IN THEIR MOST RECENT FISCAL YEAR:

(1) INTRODUCED LESS THAN 1 TON OF COVERED MATERIAL INTO THE STATE; OR

(2) EARNED GLOBAL GROSS REVENUES OF LESS THAN \$2,000,000.

(K) <u>"Environmental impact" means the impact of a covered</u> <u>MATERIAL ON HUMAN HEALTH AND THE ENVIRONMENT, BEGINNING WITH THE</u> <u>EXTRACTION AND PROCESSING OF THE RAW MATERIALS THAT COMPOSE THE</u> <u>COVERED MATERIAL THROUGH THE MANUFACTURING, DISTRIBUTION, USE,</u> <u>RECOVERY FOR REUSE, RECYCLING OR COMPOSTING, AND FINAL DISPOSAL OF</u> <u>THE COVERED MATERIAL.</u>

(L) <u>"EXEMPT MATERIAL" MEANS A MATERIAL, OR ANY PORTION OF A</u> <u>MATERIAL, THAT IS:</u>

(1) PACKAGING FOR INFANT FORMULA, AS DEFINED IN 21 U.S.C. § 321(Z);

(2) PACKAGING FOR MEDICAL FOOD, AS DEFINED IN 21 U.S.C. § 360EE(B)(3);

(3) PACKAGING FOR A FORTIFIED ORAL NUTRITIONAL SUPPLEMENT USED BY INDIVIDUALS WHO REQUIRE SUPPLEMENTAL OR SOLE SOURCE NUTRITION TO MEET NUTRITIONAL OR SPECIAL DIETARY NEEDS DIRECTLY RELATED TO THE FOLLOWING CONDITIONS AS DEFINED BY THE INTERNATIONAL CLASSIFICATION OF DISEASES, TENTH REVISION: SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 6 of 38

- (I) <u>CANCER;</u>
- (II) <u>CHRONIC KIDNEY DISEASE;</u>
- (III) DIABETES;
- (IV) MALNUTRITION; OR
- (V) FAILURE TO THRIVE;

(4) PACKAGING FOR A PRODUCT REGULATED AS A DRUG OR MEDICAL DEVICE BY THE U.S. FOOD AND DRUG ADMINISTRATION, INCLUDING ASSOCIATED COMPONENTS AND CONSUMABLE MEDICAL EQUIPMENT;

(5) PACKAGING FOR MEDICAL EQUIPMENT OR A PRODUCT USED IN MEDICAL SETTINGS THAT IS REGULATED BY THE U.S. FOOD AND DRUG ADMINISTRATION, INCLUDING ASSOCIATED COMPONENTS AND CONSUMABLE MEDICAL EQUIPMENT;

(6) DRUGS, BIOLOGICAL PRODUCTS, PARASITICIDES, MEDICAL DEVICES, OR IN VITRO DIAGNOSTICS THAT ARE USED TO TREAT, OR THAT ARE ADMINISTERED TO, ANIMALS AND ARE REGULATED BY:

(I) <u>THE U.S. FOOD AND DRUG ADMINISTRATION UNDER</u> THE FEDERAL FOOD, DRUG, AND COSMETIC ACT; OR

(II) <u>THE U.S. DEPARTMENT OF AGRICULTURE UNDER THE</u> <u>FEDERAL VIRUS-SERUM-TOXIN ACT;</u> SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 7 of 38

## (7) PACKAGING FOR PRODUCTS REGULATED BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY UNDER THE FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT;

## (8) PACKAGING USED TO CONTAIN LIQUEFIED PETROLEUM GAS AND DESIGNED TO BE REFILLED;

(9) NEWSPRINT SUBJECT TO § 9–1707 OF THIS TITLE;

(10) A PAPER PRODUCT USED FOR A MAGAZINE'S PRINT PUBLICATION THAT HAS A CIRCULATION OF LESS THAN 95,000 AND THAT PRIMARILY INCLUDES CONTENT DERIVED FROM PRIMARY SOURCES RELATED TO NEWS AND CURRENT EVENTS;

(11) PACKAGING USED TO CONTAIN HAZARDOUS OR FLAMMABLE PRODUCTS REGULATED UNDER THE 2012 FEDERAL OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION HAZARD COMMUNICATION STANDARD THAT PREVENT THE PACKAGING FROM BEING WASTE REDUCED OR MADE REUSABLE, RECYCLABLE, OR COMPOSTABLE, AS DETERMINED BY THE DEPARTMENT;

## (12) PACKAGING COLLECTED AND PROPERLY MANAGED THROUGH THE PAINT STEWARDSHIP PROGRAM UNDER SUBTITLE 17, PART V OF THIS TITLE; OR

(13) MATERIAL THAT A PRODUCER DISTRIBUTES TO ANOTHER PRODUCER THAT IS:

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## (I) <u>SUBSEQUENTLY USED TO CONTAIN A PRODUCT, AND THE</u> <u>PRODUCT IS DISTRIBUTED TO A COMMERCIAL BUSINESS OR ENTITY; AND</u>

# (II) NOT INTRODUCED TO A PERSON OTHER THAN THE COMMERCIAL OR BUSINESS ENTITY THAT FIRST RECEIVED THE PRODUCT.";

in lines 2 and 11, strike "(D)" and "(H)", respectively, and substitute "(M)" and "(N)", respectively; strike in their entirety lines 5 through 10, inclusive; in lines 11 and 15, in each instance, strike "materials"; and strike beginning with "means" in line 11 down through "product" in line 13 and substitute "MEANS A MATERIAL, A SUBSTANCE, OR AN OBJECT THAT IS USED TO PROTECT, CONTAIN, TRANSPORT, SERVE, OR FACILITATE THE DELIVERY OF A PRODUCT THAT IS SOLD OR SUPPLIED WITH THE PRODUCT TO THE CONSUMER FOR PERSONAL, NONCOMMERCIAL USE AND".

On pages 9 and 10, strike in their entirety the lines beginning with line 24 on page 9 through line 7 on page 10, inclusive.

On page 10, after line 7, insert:

## "(O) (1) "PAPER PRODUCTS" MEANS PRODUCTS MADE PRIMARILY FROM WOOD PULP OR OTHER CELLULOSIC FIBERS.

#### (2) <u>"PAPER PRODUCTS" DOES NOT INCLUDE:</u>

#### (I) BOUND BOOKS; OR

(II) PRODUCTS THAT ARE NOT ACCEPTED BY MATERIALS RECYCLING FACILITIES OR COMPOSTING FACILITIES BECAUSE OF THE UNSAFE OR UNSANITARY NATURE OF THE PRODUCTS.";

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in line 8, strike "(I)" and substitute "(P)"; in the same line, strike "a person that" and substitute "<u>THE FOLLOWING PERSON, AS APPLICABLE, THAT IS RESPONSIBLE FOR</u> <u>COMPLIANCE WITH A PRODUCER RESPONSIBILITY PLAN UNDER THIS SUBTITLE</u>"; strike beginning with "With" in line 9 down through "item" in line 20 and substitute "FOR ITEMS SOLD IN OR WITH PACKAGING AT A PHYSICAL RETAIL LOCATION IN <u>THE STATE:</u>

1. IF THE ITEM IS SOLD IN OR WITH PACKAGING UNDER THE BRAND OF THE ITEM MANUFACTURER OR IS SOLD IN PACKAGING WITHOUT BRAND IDENTIFICATION, THE PRODUCER IS THE ITEM MANUFACTURER;

2. IF THERE IS NO PERSON DESCRIBED IN ITEM 1 OF THIS ITEM, THE PRODUCER IS THE PERSON THAT IS LICENSED TO MANUFACTURE AND SELL OR OFFER FOR SALE TO CONSUMERS IN THE STATE AN ITEM WITH PACKAGING UNDER THE BRAND OR TRADEMARK OF ANOTHER MANUFACTURER OR PERSON;

<u>3.</u> IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 AND 2 OF THIS ITEM, THE PRODUCER IS THE BRAND OWNER OF THE ITEM;

4. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 THROUGH 3 OF THIS ITEM WITHIN THE UNITED STATES, THE PRODUCER IS THE PERSON THAT IMPORTS THE PRODUCT INTO THE UNITED STATES FOR USE IN A COMMERCIAL ENTERPRISE THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES THE ITEM IN THE STATE; OR

5. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 THROUGH 4 OF THIS ITEM, THE PRODUCER IS THE PERSON THAT FIRST DISTRIBUTES THE ITEM IN OR INTO THE STATE";

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in line 20, strike "and"; strike beginning with "With" in line 21 down through "product" in line 22 and substitute "<u>FOR ITEMS SOLD OR DISTRIBUTED IN PACKAGING IN OR</u> <u>INTO THE STATE VIA E-COMMERCE, REMOTE SALE, OR ONLINE DISTRIBUTION:</u>

## 1. FOR PACKAGING USED DIRECTLY TO PROTECT OR CONTAIN THE ITEM, THE PRODUCER OF THE PACKAGING IS A PRODUCER UNDER ITEM (I) OF THIS PARAGRAPH; AND

## 2. FOR PACKAGING USED TO SHIP THE ITEM TO A CONSUMER, THE PRODUCER OF THE PACKAGING IS THE PERSON THAT PACKAGES THE ITEM TO BE SHIPPED TO THE CONSUMER;

(III) FOR PACKAGING THAT IS NOT DESCRIBED IN ITEMS (I) AND (II) OF THIS PARAGRAPH, THE PRODUCER OF THE PACKAGING IS THE PERSON THAT FIRST DISTRIBUTES THE ITEM IN OR INTO THE STATE;

(IV) FOR PAPER PRODUCTS THAT ARE MAGAZINES, CATALOGS, TELEPHONE DIRECTORIES, OR SIMILAR PUBLICATIONS, THE PRODUCER IS THE PUBLISHER;

(V) FOR A PAPER PRODUCT NOT DESCRIBED IN ITEM (IV) OF THIS PARAGRAPH:

<u>1.</u> <u>IF THE PAPER PRODUCT IS SOLD UNDER THE</u> <u>MANUFACTURER'S OWN BRAND, THE PRODUCER IS THE PERSON THAT</u> <u>MANUFACTURES THE PAPER PRODUCT;</u>

2. IF THERE IS NO PERSON DESCRIBED IN ITEM 1 OF THIS ITEM, THE PRODUCER IS THE PERSON THAT IS THE OWNER OR LICENSEE OF SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 11 of 38

<u>A BRAND OR TRADEMARK UNDER WHICH THE PAPER PRODUCT IS USED IN A</u> <u>COMMERCIAL ENTERPRISE, SOLD, OFFERED FOR SALE, OR DISTRIBUTED IN THE</u> <u>STATE, WHETHER OR NOT THE TRADEMARK IS REGISTERED IN THE STATE;</u>

<u>3.</u> IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 AND 2 OF THIS ITEM, THE PRODUCER IS THE BRAND OWNER OF THE PAPER PRODUCT; OR

4. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 THROUGH 3 OF THIS ITEM WITHIN THE UNITED STATES, THE PRODUCER IS THE PERSON THAT IMPORTS THE PAPER PRODUCT INTO THE UNITED STATES FOR USE IN A COMMERCIAL ENTERPRISE THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES THE PAPER PRODUCT IN THE STATE; AND

(IV) FOR A PRODUCER IDENTIFIED IN ITEMS (I) THROUGH (III) OF THIS PARAGRAPH THAT IS A BUSINESS OPERATED WHOLLY OR IN PART AS A FRANCHISE, THE PRODUCER OF THE PACKAGING IS THE FRANCHISOR IF THE FRANCHISOR HAS FRANCHISEES THAT HAVE A COMMERCIAL PRESENCE IN THE STATE";

in line 24, strike "local government" and substitute "<u>STATE, FEDERAL OR STATE</u> <u>AGENCY, A POLITICAL SUBDIVISION, OR OTHER GOVERNMENTAL UNIT</u>"; in line 25, strike "nonprofit" and substitute "<u>REGISTERED 501(C)(3)</u>"; in the same line, after "organization" insert "<u>OR 501(C)(4)</u> <u>SOCIAL WELFARE ORGANIZATION</u>"; strike beginning with "An" in line 26 down through "Act" in line 28 and substitute "<u>A DE</u> <u>MINIMIS PRODUCER</u>"; and strike beginning with "An" in line 29 down through "year" in line 30 and substitute "<u>A MILL THAT USES ANY VIRGIN WOOD FIBER IN THE</u> <u>PRODUCTS IT PRODUCES</u>".

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On page 11, strike beginning with "An" in line 1 down through "materials" in line 3 and substitute "<u>A PAPER MILL THAT PRODUCES CONTAINER BOARD DERIVED</u> <u>FROM 100% POSTCONSUMER RECYCLED CONTENT AND NONPOSTCONSUMER</u> <u>RECYCLED CONTENT</u>"; in line 20, strike "An entity" and substitute "<u>A PRODUCER</u> <u>UNDER PARAGRAPH (1) OF THIS SUBSECTION</u>"; in line 21, after "responsibility" insert "<u>BY WRITTEN CERTIFICATION</u>"; in lines 23 and 30, strike "(J)" and "(K)", respectively, and substitute "(Q)" and "(R)", respectively; and in line 30, strike "PACKAGING" and substitute "<u>COVERED</u>".

On page 12, after line 2, insert:

"(S) (1) "RECYCLING" MEANS THE PROCESS OF COLLECTING, SORTING, CLEANSING, TREATING, AND CONSTITUTING MATERIALS THAT WOULD OTHERWISE BE DISPOSED OF AND RETURNING THEM TO OR MAINTAINING THEM WITH THE ECONOMIC MAINSTREAM IN THE FORM OF RECOVERED MATERIAL FOR NEW, REUSED, OR RECONSTITUTED PRODUCTS THAT MEET THE QUALITY STANDARDS NECESSARY TO BE USED IN THE MARKETPLACE.

#### (2) <u>"RECYCLING" DOES NOT INCLUDE:</u>

- (I) LANDFILLING;
- (II) <u>COMBUSTION;</u>
- (III) INCINERATION;
- (IV) ENERGY GENERATION;
- (V) FUEL PRODUCTION; OR

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(VI) <u>ALTERNATIVE DAILY COVER OR OTHER FORMS OF USE</u> <u>OR DISPOSAL WITHIN THE FOOTPRINT OF A LANDFILL.</u>

(T) "RECYCLED COVERED MATERIAL" MEANS COVERED MATERIAL THAT IS SENT TO A RESPONSIBLE END MARKET.

(U) "RECYCLING RATE" MEANS THE AMOUNT OF RECYCLABLE COVERED MATERIAL, IN AGGREGATE OR BY INDIVIDUAL COVERED MATERIAL TYPE, RECYCLED IN A CALENDAR YEAR DIVIDED BY THE TOTAL AMOUNT OF RECYCLABLE COVERED MATERIALS SOLD OR DISTRIBUTED INTO THE STATE BY THE RELEVANT UNIT OF MEASUREMENT.

(V) "REFILL" MEANS THE CONTINUED USE OF A COVERED MATERIAL BY A CONSUMER THROUGH A SYSTEM THAT IS:

(1) INTENTIONALLY DESIGNED AND MARKETED FOR REPEATED FILLING OF A COVERED MATERIAL TO REDUCE DEMAND FOR NEW PRODUCTION OF THE COVERED MATERIAL;

(2) SUPPORTED BY ADEQUATE LOGISTICS AND INFRASTRUCTURE TO PROVIDE CONVENIENT ACCESS FOR CONSUMERS; AND

(3) <u>COMPLIANT WITH APPLICABLE FEDERAL, STATE, AND LOCAL</u> STATUTES, RULES, ORDINANCES, AND OTHER LAWS GOVERNING HEALTH AND SAFETY.

(W) "RESPONSIBLE END MARKET" MEANS A MATERIAL MARKET IN WHICH THE RECYCLING AND RECOVERY OF MATERIALS OR THE DISPOSAL OF CONTAMINANTS IS CONDUCTED IN A WAY THAT:

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#### (1) **BENEFITS THE ENVIRONMENT; AND**

(2) MINIMIZES RISKS TO PUBLIC HEALTH AND WORKER HEALTH AND SAFETY.

(X) "RETURN RATE" MEANS THE AMOUNT OF REUSABLE COVERED MATERIAL, IN AGGREGATE OR BY INDIVIDUAL COVERED MATERIALS TYPE, COLLECTED FOR REUSE BY A PRODUCER OR SERVICE PROVIDER IN A CALENDAR YEAR, DIVIDED BY THE TOTAL AMOUNT OF REUSABLE COVERED MATERIALS SOLD OR DISTRIBUTED INTO THE STATE BY THE RELEVANT UNIT OF MEASUREMENT.

(Y) <u>"REUSABLE" MEANS BEING CAPABLE OF REUSE.</u>

(Z) <u>"Reuse" means the return of a covered material to the</u> <u>MARKETPLACE AND THE CONTINUED USE OF THE COVERED MATERIAL BY A</u> <u>PRODUCER OR SERVICE PROVIDER WHEN THE COVERED MATERIAL IS:</u>

(1) INTENTIONALLY DESIGNED AND MARKETED TO BE USED MULTIPLE TIMES FOR ITS ORIGINAL INTENDED PURPOSE WITHOUT A CHANGE IN FORM;

(2) DESIGNED FOR DURABILITY AND MAINTENANCE TO EXTEND ITS USEFUL LIFE AND REDUCE DEMAND FOR NEW PRODUCTION OF THE COVERED MATERIAL;

(3) <u>SUPPORTED BY ADEQUATE LOGISTICS AND INFRASTRUCTURE</u> <u>AT A RETAIL LOCATION, BY A SERVICE PROVIDER, OR ON BEHALF OF OR BY A</u> <u>PRODUCER, THAT PROVIDES CONVENIENT ACCESS FOR CONSUMERS; AND</u> SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 15 of 38

## (4) <u>COMPLIANT WITH APPLICABLE FEDERAL, STATE, AND LOCAL</u> <u>STATUTES, RULES, ORDINANCES, AND OTHER LAWS GOVERNING HEALTH AND</u> <u>SAFETY.</u>

## (AA) "REUSE RATE" MEANS THE SHARE OF UNITS OF A REUSABLE COVERED MATERIAL SOLD OR DISTRIBUTED INTO THE STATE IN A CALENDAR YEAR THAT ARE DEMONSTRATED AND DEEMED REUSABLE IN ACCORDANCE WITH AN APPROVED PRODUCER RESPONSIBILITY PLAN.

(BB) (1) "SERVICE PROVIDER" MEANS AN ENTITY THAT PROVIDES COVERED SERVICES FOR COVERED MATERIALS.

(2) "SERVICE PROVIDER" INCLUDES A LOCAL GOVERNMENT THAT PROVIDES, CONTRACTS FOR, OR OTHERWISE ARRANGES WITH ANOTHER PARTY TO PROVIDE COVERED SERVICES FOR COVERED MATERIALS WITHIN ITS JURISDICTION REGARDLESS OF WHETHER THE LOCAL GOVERNMENT PROVIDED, CONTRACTED FOR, OR OTHERWISE ARRANGED FOR SIMILAR SERVICES BEFORE THE APPROVAL OF THE APPLICABLE PRODUCER RESPONSIBILITY PLAN.".

#### AMENDMENT NO. 3

On page 12, in lines 3 and 5, in each instance, strike the bracket; in line 4, before "On" insert "<u>(A)</u>"; strike in its entirety line 6 in its entirety; in line 7, before "IT" insert "<u>(B)</u>"; in line 9, after "(1)" insert "<u>MINIMIZING THE ENVIRONMENTAL AND HUMAN</u> HEALTH IMPACTS OF PACKAGING, INCLUDING BY:

(I) <u>REDUCING THE AMOUNT OF PACKAGING, ESPECIALLY</u> <u>PLASTIC PACKAGING, SOLD IN THE STATE;</u>

(II) <u>REDUCING PACKAGING WASTE;</u>

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#### (III) <u>REDESIGNING PACKAGING TO BE RECYCLABLE,</u> <u>COMPOSTABLE, AND REUSABLE; AND</u>

#### (IV) <u>REDUCING THE TOXICITY OF PACKAGING;</u>

#### (2) <u>CONSERVING RESOURCES BY INCREASING THE RECYCLING</u> <u>RATES AND RECYCLED CONTENT OF COVERED PRODUCTS;</u>

<u>(3)</u>";

in line 10, after "BY" insert ":

#### <u>(I)</u>";

strike beginning with "FACILITATING" in line 10 down through "THE" in line 11 and substitute "FACILITATING THE"; in line 11, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>"; strike beginning with "THE" in line 13 down through "WASTE" in line 14 and substitute "<u>STIMULATING RESPONSIBLE END MARKETS FOR</u> <u>COVERED MATERIALS</u>"; in line 15, strike "(IV)" and substitute "<u>(III)</u>"; in the same line, strike "AN INCREASE IN RECYCLING RATES" and substitute "<u>IMPROVING ACCESS</u> <u>TO AND THE EFFICIENCY OF RECYCLING, COMPOSTING, AND REUSE</u> <u>INFRASTRUCTURE, WITH SPECIAL EMPHASIS ON UNDERSERVED COMMUNITIES</u>"; in line 16, strike "(2)" and substitute "<u>(4)</u>"; in the same line, strike "REIMBURSING LOCAL GOVERNMENTS" and substitute "<u>MAKING PRODUCERS FINANCIALLY</u> <u>RESPONSIBLE FOR INVESTING IN THE NEEDED INFRASTRUCTURE AND</u> <u>REIMBURSING LOCAL GOVERNMENTS AND OTHER SERVICE PROVIDERS</u>"; in line 17, strike "PACKAGING" and substitute "<u>COVERED</u>"; and in line 22, strike "packaging" and substitute "COVERED".

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#### AMENDMENT NO. 4

On page 13, strike beginning with "A" in line 11 down through "(iii)" in line 13; in lines 15, 17, and 20, strike "(iv)", "(v)", and "(vi)", respectively, and substitute "<u>(III)</u>", "<u>(IV)</u>", and "<u>(V)</u>", respectively; in line 19, strike "and"; and in line 20, after "State" insert "<u>; AND</u>

#### (VI) <u>THE FOLLOWING NONVOTING MEMBERS, WHO MAY NOT</u> SERVE AS COCHAIRS OF THE ADVISORY COUNCIL:

## <u>1.</u> <u>A REPRESENTATIVE OF THE PRODUCER</u> <u>RESPONSIBILITY ORGANIZATION APPROVED BY THE DEPARTMENT UNDER § 9–</u> 2502(A) OF THIS SUBTITLE; AND

## 2. <u>THE DIRECTOR OF THE DEPARTMENT'S LAND AND</u> <u>MATERIALS ADMINISTRATION, OR THE DIRECTOR'S DESIGNEE</u>";

and strike in their entirety lines 27 through 28, inclusive.

On page 14, in line 19, strike "§ 9-2507" and substitute "§ 9-2509".

#### AMENDMENT NO. 5

On page 15, in line 8, after "GOVERNMENT" insert "<u>, A SERVICE PROVIDER</u>,"; in lines 12 and 15, in each instance, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>"; strike beginning with "ON" in line 19 down through "(2)" in line 22; in line 22, strike "2025" and substitute "<u>2026</u>"; and in line 23, after "ORGANIZATION" insert "<u>APPROVED UNDER § 9–2502(A) OF THIS SUBTITLE</u>".

On page 16, in line 8, strike "SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, AT" and substitute "<u>AT</u>"; in line 10, after "FEE" insert "<u>, AS SET BY THE</u>

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**DEPARTMENT, IN AN AMOUNT SUFFICIENT**"; in line 11, strike "THE COSTS OF **RECORD KEEPING, NOT TO EXCEED \$1,000**" and substitute ":

#### **<u>1.</u> IN EACH YEAR:**

## <u>A.</u> <u>The costs of record keeping under this</u> <u>subtitle, not to exceed \$1,000; and</u>

## **B.** <u>THE COSTS OF DEVELOPING AND UPDATING THE</u> LIST REQUIRED UNDER § 9–2508 OF THIS SUBTITLE;

## 2. IN 2026 ONLY, THE COSTS OF DEVELOPING AND IMPLEMENTING REGULATIONS IN ACCORDANCE WITH § 9–2511 OF THIS SUBTITLE; AND

## 3. IN 2028 AND EACH YEAR THEREAFTER, THE COSTS OF REGISTERING SERVICE PROVIDERS UNDER § 9–2507 OF THIS SUBTITLE";

strike in their entirety lines 12 through 16, inclusive; in line 17, strike "(4)" and substitute "(2)"; in the same line, strike "2031" and substitute "2033"; and in line 27, strike "PACKAGING" and substitute "<u>COVERED</u>".

On page 17, after line 15, insert:

"(3) (1) ON OR AFTER JULY 1, 2026, AND IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SUBSECTION AND ANY REGULATIONS ADOPTED BY THE DEPARTMENT, A PRODUCER OR GROUP OF PRODUCERS MAY DEVELOP AND OPERATE AN ALTERNATIVE COLLECTION PROGRAM TO COLLECT AND MANAGE A TYPE OR TYPES OF COVERED MATERIAL SOLD, OFFERED FOR SALE, OR SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 19 of 38

DISTRIBUTED FOR SALE IN OR INTO THE STATE BY THE PRODUCER OR PRODUCERS.

## (II) <u>A PRODUCER THAT MANAGES A TYPE OF COVERED</u> <u>MATERIAL UNDER AN APPROVED ALTERNATIVE COLLECTION PROGRAM</u> <u>THROUGH REUSE, RECYCLING, OR COMPOSTING MAY WHOLLY OR IN PART</u> <u>OFFSET THE PRODUCER'S PAYMENT OBLIGATIONS UNDER THIS SUBTITLE.</u>

## (III) AN ALTERNATIVE COLLECTION PROGRAM SHALL IMPROVE AND PROVIDE A DEDICATED COLLECTION PROGRAM FOR THE APPLICABLE COVERED MATERIAL.";

in line 16, strike "APRIL 1, 2027" and substitute "<u>JULY 1, 2028</u>"; in line 29, strike "§ 9–2509" and substitute "<u>§ 9–2511</u>"; and in line 30, strike "PACKAGING" and substitute "<u>COVERED</u>".

On page 18, in lines 4, 11, and 16, in each instance, strike "PACKAGING" and substitute "<u>COVERED</u>"; in line 7, after "(C)" insert "<u>(1)</u>"; in lines 8, 11, and 13, strike "(1)", "(2)", and "(3)", respectively, and substitute "<u>(I)</u>", "<u>(II)</u>", and "<u>(III)</u>", respectively; in line 16, after "RELEVANT" insert "<u>AND AS APPROPRIATE</u>"; in line 17, strike "(I)" and substitute "<u>1</u>."; and strike beginning with "POSTCONSUMER" in line 17 down through "GOALS;" in line 23 and substitute "<u>RECYCLING RATES;</u>

- 2. <u>COMPOSTING RATES;</u>
- 3. <u>REUSE RATES;</u>
- 4. <u>RETURN RATES;</u>

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#### 5. THE PERCENTAGE OF COVERED MATERIALS TO BE

#### WASTE REDUCED;

6. <u>THE PERCENTAGE OF POSTCONSUMER RECYCLED</u> CONTENT THAT COVERED MATERIALS ARE REQUIRED TO CONTAIN, INCLUDING THE OVERALL PERCENTAGE FOR ALL COVERED MATERIALS AS APPLICABLE, AND NOT INCLUDING COMPOSTABLE MATERIALS THAT CANNOT CONTAIN POSTCONSUMER RECYCLED CONTENT DUE TO UNIQUE CHEMICAL OR PHYSICAL PROPERTIES OR HEALTH AND SAFETY REQUIREMENTS THAT PROHIBIT THE INTRODUCTION OF POSTCONSUMER RECYCLED CONTENT; AND";

in line 24, strike "(VII)" and substitute "<u>7</u>."; and strike beginning with "AND" in line 24 down through "APPROVED;" in line 30.

On page 19, in lines 1, 3, 5, 7, 13, 16, 18, 20, 22, 24, 25, 26, and 27, strike "(5)", "(6)", "(7)", "(8)", "(10)", "(I)", "(III)", "(III)", "1.", "2.", "3.", "(IV)", and "1.", respectively, and substitute "(IV)", "(VI)", "(XIV)", "(XV)", "(XVI)", "1.", "2.", "3.", "A.", "B.", "C.", "4.", and "<u>A.</u>", respectively; after line 2, insert:

## "(V) DESCRIBE HOW, FOR EACH COVERED MATERIAL TYPE, THE PRODUCER RESPONSIBILITY ORGANIZATION WILL MEASURE RECYCLING, WASTE REDUCTION, REUSE, COMPOSTING, AND THE INCLUSION OF POSTCONSUMER RECYCLED CONTENT;";

in line 4, strike "(3)" and substitute "<u>(III)</u>"; in the same line, strike "SUBSECTION" and substitute "<u>PARAGRAPH</u>"; after line 4, insert:

## "(VII) INCLUDE PROPOSALS FOR EXEMPTIONS FROM PERFORMANCE TARGETS AND STATEWIDE REQUIREMENTS FOR COVERED MATERIALS THAT CANNOT BE WASTE REDUCED OR MADE REUSABLE,

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RECYCLABLE, OR COMPOSTABLE DUE TO FEDERAL OR STATE HEALTH AND SAFETY REQUIREMENTS, IDENTIFYING THE SPECIFIC FEDERAL OR STATE REQUIREMENT AND THEIR IMPACT ON THE COVERED MATERIALS;

(VIII) DESCRIBE INFRASTRUCTURE INVESTMENTS, INCLUDING GOALS AND OUTCOMES AND A DESCRIPTION OF HOW THE PROCESS TO OFFER AND SELECT OPPORTUNITIES WILL BE CONDUCTED IN AN OPEN, COMPETITIVE, AND FAIR MANNER, HOW IT WILL ADDRESS GAPS IN THE SYSTEM NOT MET BY SERVICE PROVIDERS, AND THE POTENTIAL FINANCIAL AND LEGAL INSTRUMENTS TO BE USED;

(IX) EXPLAIN HOW THE PROGRAM WILL BE PAID FOR BY THE PRODUCER RESPONSIBILITY ORGANIZATION THROUGH FEES FROM PRODUCERS, WITHOUT ANY NEW OR ADDITIONAL CONSUMER–FACING FEE TO MEMBERS OF THE PUBLIC, BUSINESSES, SERVICE PROVIDERS, THE STATE OR ANY POLITICAL SUBDIVISIONS, OR ANY OTHER PERSON WHO IS NOT A PRODUCER, UNLESS THE FEE IS:

<u>1.</u> <u>A DEPOSIT MADE IN CONNECTION WITH A</u> <u>PRODUCT'S REFILL, REUSE, OR RECYCLING THAT CAN BE REDEEMED BY A</u> <u>CONSUMER; OR</u>

2. <u>A CHARGE FOR SERVICE BY A SERVICE PROVIDER</u>, REGARDLESS OF WHETHER THE SERVICE PROVIDER IS REGISTERED;

(X) <u>DESCRIBE ACTIVITIES TO BE UNDERTAKEN BY THE</u> PRODUCER RESPONSIBILITY ORGANIZATION DURING EACH YEAR TO: SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 22 of 38

1. <u>MINIMIZE THE ENVIRONMENTAL IMPACTS AND</u> <u>HUMAN HEALTH IMPACTS OF COVERED MATERIALS, INCLUDING ASSESSING EACH</u> <u>COVERED MATERIAL'S GENERATION OF HAZARDOUS WASTE, GENERATION OF</u> <u>GREENHOUSE GASES, ENVIRONMENTAL JUSTICE IMPACTS, PUBLIC HEALTH</u> <u>IMPACTS, AND OTHER IMPACTS;</u>

## 2. FOSTER THE IMPROVED DESIGN OF COVERED

#### **MATERIALS;**

<u>3.</u> <u>PROVIDE FUNDING TO EXPAND AND INCREASE</u> <u>THE CONVENIENCE OF WASTE REDUCTION, REUSE, COLLECTION, RECYCLING,</u> <u>AND COMPOSTING SERVICES TO COVERED ENTITIES;</u>

4. PROVIDE FOR REIMBURSEMENT RATES UNDER SUBSECTION (E)(1)(II) OF THIS SECTION TO SERVICE PROVIDERS FOR STATEWIDE COVERAGE OF COVERED SERVICES AT AN OPTIMAL LEVEL OF CONVENIENCE AND SERVICE FOR APPLICABLE COVERED MATERIALS ON THE LIST ESTABLISHED UNDER § 9–2508 OF THIS SUBTITLE; AND

5. <u>MONITOR TO ENSURE THAT POSTCONSUMER</u> <u>MATERIALS ARE DELIVERED TO RESPONSIBLE END MARKETS;</u>

(XI) INCLUDE PERFORMANCE STANDARDS FOR SERVICE PROVIDERS AS APPLICABLE TO THE SERVICE PROVIDED, INCLUDING:

1. <u>REQUIREMENTS THAT SERVICE PROVIDERS MUST</u> ACCEPT ALL REQUIRED COVERED MATERIALS ON THE LIST ESTABLISHED UNDER § 9–2508 OF THIS SUBTITLE; AND SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 23 of 38

## 2. <u>LABOR STANDARDS AND SAFETY PRACTICES</u>, <u>INCLUDING SAFETY PROGRAMS, HEALTH BENEFITS, AND LIVING WAGES</u>;

## (XII) DESCRIBE HOW THE PRODUCER RESPONSIBILITY ORGANIZATION WILL TREAT AND PROTECT NONPUBLIC DATA SUBMITTED BY SERVICE PROVIDERS;

## (XIII) INCLUDE A DESCRIPTION OF HOW THE PRODUCER RESPONSIBILITY ORGANIZATION WILL PROVIDE TECHNICAL ASSISTANCE TO SERVICE PROVIDERS IN ORDER TO ASSIST THEM IN DELIVERING COVERED MATERIALS TO RESPONSIBLE END MARKETS;";

strike in their entirety lines 9 through 12, inclusive; in lines 17, 19, and 29, in each instance, strike "PACKAGING" and substitute "<u>COVERED</u>"; and in line 20, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>".

On page 20, in lines 1, 3, 5, 8, 12, 13, 15, 17, 19, 23, and 26, strike "2.", "3.", "(11)", "(12)", "(I)", "(II)", "(III)", "(IV)", "(13)", "(II)", and "(14)", respectively, and substitute "<u>B.</u>", "<u>C.</u>", "<u>(XVII)</u>", "<u>(XVIII)</u>", "<u>1.</u>", "<u>2.</u>", "<u>3.</u>", "<u>4.</u>", "<u>(XIX)</u>", "<u>2.</u>", and "<u>(XX)</u>", respectively; in line 7, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>"; in line 8, strike "LOCAL GOVERNMENT" and substitute "<u>SERVICE PROVIDER</u>"; in lines 10, 18, and 32, in each instance, strike "PACKAGING" and substitute "<u>COVERED</u>"; in line 16, strike "AND"; in line 18, after "MATERIALS" insert "<u>; AND</u>

5. <u>The process for resolving, through</u> <u>ARBITRATION, DISPUTES THAT ARISE BETWEEN THE PRODUCER</u> <u>RESPONSIBILITY ORGANIZATION AND A SERVICE PROVIDER REGARDING THE</u> <u>DETERMINATION OF REIMBURSEMENT RATES AND PAYMENT OF</u> <u>REIMBURSEMENTS</u>";

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in line 19, strike "(I)" and substitute "<u>1.</u>"; after line 27, insert:

## "(2) <u>THE PERFORMANCE GOALS ESTABLISHED UNDER PARAGRAPH</u> (1)(III) OF THIS SUBSECTION DO NOT APPLY TO:

(I) PRODUCTS PACKAGED AT ESTABLISHMENTS UNDER MANDATORY INSPECTION BY THE U.S. DEPARTMENT OF AGRICULTURE'S FOOD SAFETY AND INSPECTION SERVICE IN ACCORDANCE WITH THE FEDERAL MEAT INSPECTION ACT, THE FEDERAL POULTRY PRODUCTS INSPECTION ACT, THE FEDERAL EGG PRODUCTS INSPECTION ACT, OR U.S. DEPARTMENT OF AGRICULTURAL OR U.S. FOOD AND DRUG ADMINISTRATION REGULATIONS RELATED TO CHEESE PACKAGING;

(II) PRODUCTS PACKAGED AT FACILITIES REGULATED UNDER STATE MEAT AND DAIRY INSPECTION LAWS; OR

(III) FOR A PERIOD OF 5 YEARS AFTER THE DATE ON WHICH THE FIRST VERSION OF THE PLAN IS APPROVED AND ESTABLISHED, WITH AN OPTIONAL EXTENSION OF 5 YEARS CONTINGENT ON THE DEVELOPMENT OF RECYCLING, INCLUDING ORGANICS RECYCLING, INFRASTRUCTURE CAPABLE OF HANDLING PATHOGEN–CONTAMINATED PACKAGING IN A SAFE AND EFFECTIVE MANNER, CHEESE, MEAT, AND POULTRY PREPARED AND PACKAGED AT RETAIL LOCATIONS SUCH AS GROCERY STORES, BUTCHER SHOPS, OR ONLINE RETAILERS.";

and in line 31, after "ORGANIZATION" insert "<u>AND VIA THE APPROVAL OF</u> <u>PRODUCER RESPONSIBILITY PLANS</u>".

On page 21, in line 2, strike "PACKAGING" and substitute "<u>COVERED</u>"; strike beginning with "ORGANICS" in line 7 down through "RECYCLING" in line 8 and

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substitute "<u>COMPOSTING</u>"; in line 8, strike "(C)(11)" and substitute "<u>(C)(1)(XVII)</u>"; in lines 11 and 12, strike ", **PROVIDE**" and substitute "<u>:</u>

# 1.PROVIDE A METHODOLOGY FOR REIMBURSEMENTRATES FOR COVERED SERVICES FOR COVERED MATERIALS, EXCLUSIVE OFEXEMPT MATERIALS;

2. INCORPORATE RELEVANT COST INFORMATION IDENTIFIED BY THE MOST RECENT NEEDS ASSESSMENT PERFORMED UNDER CHAPTER 465 OF THE ACTS OF THE GENERAL ASSEMBLY OR § 9–1702.2 OF THIS TITLE;

- **<u>3.</u> <u>BE UPDATED ANNUALLY; AND</u>**
- 4. ESTABLISH REIMBURSEMENT RATES EQUIVALENT

**TO:** 

<u>A.</u> <u>AT LEAST 50% OF THE COST PER TON ON OR</u> <u>BEFORE JULY 1, 2028;</u>

## B. <u>AT LEAST 75% OF THE COST PER TON ON OR</u> BEFORE JULY 1, 2029; AND

## <u>C.</u> <u>At least 90% of the cost per ton on or</u> before July 1, 2030, and each year thereafter";

strike beginning with "A" in line 12 down through "MATERIALS" in line 23; in line 29, after "GOVERNMENTS" insert "<u>OR SERVICE PROVIDERS</u>"; and in line 32, after "**DEPARTMENT**;" insert "<u>AND</u>".

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On page 22, strike beginning with "IMPLEMENTING" in line 1 down through "5." in line 4; in line 5, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>"; in line 6, strike "(C)(11)" and substitute "<u>(C)(1)(XVII)</u>"; in line 20, after "ON" insert "<u>THE</u> <u>FOLLOWING, AS APPLICABLE BY SERVICE PROVIDED</u>"; and strike beginning with "BE:" in line 19 down through "SUBTITLE" in line 30 and substitute "<u>BE BASED ON THE</u> <u>FOLLOWING, AS APPLICABLE BY SERVICE PROVIDED</u>";

## (I) <u>A FIXED AMOUNT FOR EACH TON OF COVERED MATERIAL</u> <u>COLLECTED BY A SERVICE PROVIDER THAT REFLECTS CONDITIONS AFFECTING</u> <u>COLLECTION, RECYCLING, AND COMPOSTING COSTS IN THE REGION OR</u> <u>JURISDICTION WHERE THE SERVICES WERE PROVIDED, INCLUDING:</u>

#### **<u>1.</u>** THE NUMBER AND SIZE OF COVERED ENTITIES;

- 2. <u>POPULATION DENSITY;</u>
- <u>3.</u> <u>COLLECTION METHODS EMPLOYED;</u>

## 4. <u>THE DISTANCE TRAVELED TO CONSOLIDATION OR</u> <u>TRANSFER FACILITIES, MATERIALS RECYCLING FACILITIES, REUSE FACILITIES,</u> <u>COMPOSTING FACILITIES, OR RESPONSIBLE END MARKETS;</u>

5. OTHER FACTORS THAT MAY CONTRIBUTE TO REGIONAL OR JURISDICTIONAL COST DIFFERENCES;

## 6. <u>The proportion of covered compostable</u> <u>MATERIALS WITHIN ALL SOURCE-SEPARATED COMPOSTABLE MATERIALS</u> <u>COLLECTED OR MANAGED THROUGH COMPOSTING; AND</u>

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7. <u>THE GENERAL QUALITY OF COVERED MATERIALS</u> <u>RECYCLED OR COMPOSTED BY A SERVICE PROVIDER;</u>

(II) <u>A FIXED AMOUNT FOR EACH TON OF COVERED MATERIAL</u> <u>RECYCLED OR COMPOSTED BY A SERVICE PROVIDER IN THE PREVIOUS</u> <u>CALENDAR YEAR BASED ON:</u>

1. <u>THE AVERAGE COSTS ASSOCIATED WITH THE</u> <u>TRANSPORTATION AND PROCESSING, FROM A CENTRAL LOCATION WITHIN A</u> <u>POLITICAL SUBDIVISION, OF COLLECTED COVERED MATERIAL FROM THE</u> <u>POLITICAL SUBDIVISION TO A MATERIALS RECYCLING FACILITY OR COMPOSTING</u> <u>FACILITY;</u>

2. <u>The processing of, and removal of</u> <u>CONTAMINATION FROM, COVERED MATERIALS BY A MATERIALS RECYCLING</u> <u>FACILITY OR COMPOSTING FACILITY;</u>

3. <u>The recycling or composting of covered</u> <u>MATERIALS LESS THE AVERAGE FAIR MARKET VALUE FOR THAT COVERED</u> <u>MATERIAL BASED ON THE MARKET INDICES FOR THE REGION, UPDATED</u> <u>MONTHLY;</u>

<u>4.</u> <u>COSTS ASSOCIATED WITH THE MANAGEMENT OF</u> <u>CONTAMINATED MATERIALS REMOVED FROM THE COLLECTED COVERED</u> <u>MATERIALS; AND</u>

5. <u>THE PROPORTION OF COVERED COMPOSTABLE</u> MATERIALS WITHIN ALL SOURCE-SEPARATED COMPOSTABLE MATERIALS COLLECTED OR MANAGED THROUGH COMPOSTING;

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(III) AN ADDITIONAL FIXED AMOUNT PER TON, IN EXCESS OF THE RATE PROVIDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR EACH COVERED MATERIAL TYPE NOT LISTED UNDER § 9–2508 OF THIS SUBTITLE THAT WAS RECYCLED OR COMPOSTED BY A SERVICE PROVIDER IN THE PREVIOUS CALENDAR YEAR, LESS THE AVERAGE FAIR MARKET VALUE FOR THE COVERED MATERIAL BASED ON THE MARKET INDICES FOR THE REGION, UPDATED MONTHLY;

(IV) <u>A FIXED AMOUNT FOR EACH TON OF MIXED RECYCLING</u> <u>THAT IS MANAGED THROUGH A PROCESS THAT INCLUDES PERCENTAGES OF</u> <u>COVERED MATERIALS LISTED UNDER § 9–2508 OF THIS SUBTITLE AND</u> <u>ADDITIONAL COVERED MATERIALS, PRORATED FOR THE VALUES IN ITEMS 1 AND</u> <u>2 OF SUBPARAGRAPH (II) OF THIS PARAGRAPH, BASED ON THE MOST RECENT</u> <u>WASTE CHARACTERIZATION FOR MIXED RECYCLING TON AVERAGES;</u>

(V) <u>A FIXED AMOUNT, BASED ON POPULATION SERVED, FOR</u> <u>ADMINISTRATIVE COSTS OF SERVICE PROVIDERS, INCLUDING EDUCATION,</u> <u>PUBLIC AWARENESS CAMPAIGNS, AND OUTREACH PROGRAM COSTS AS</u> <u>APPLICABLE; AND</u>

(VI) <u>A FIXED AMOUNT FOR THE COST OF MANAGING COVERED</u> <u>MATERIALS CAPABLE OF REFILL OR REUSABLE COVERED MATERIALS AND FOR</u> <u>THE COSTS ASSOCIATED WITH COLLECTION, CLEANING, SANITATION,</u> <u>DISTRIBUTION, AND MANAGEMENT OF CONTAMINATION</u>".

On page 23, in lines 9, 12, and 14, in each instance, strike "PACKAGING" and substitute "<u>COVERED</u>"; in lines 12 and 13, strike "WITH LOW RECYCLABILITY OR" and substitute "<u>NOT LISTED UNDER § 9–2508 OF THIS SUBTITLE OR WITH LOW</u>"; in line

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15, strike "WITH HIGH RECYCLABILITY OR" and substitute "LISTED UNDER § 9–2508 OF THIS SUBTITLE OR WITH HIGH"; after line 21, insert:

"(5) (1) <u>A SERVICE PROVIDER SHALL RETAIN ALL REVENUE</u> FROM THE SALE OF COVERED MATERIALS.

## (II) NOTHING IN THIS SUBTITLE MAY BE CONSTRUED TO RESTRICT A SERVICE PROVIDER FROM CHARGING A FEE FOR COVERED SERVICES OF COVERED MATERIALS TO THE EXTENT THAT REIMBURSEMENT FROM A PRODUCER RESPONSIBILITY ORGANIZATION DOES NOT COVER ALL COSTS OF SERVICES, INCLUDING:

## <u>1.</u> <u>Continued investment and innovation in</u> <u>operations;</u>

#### 2. **OPERATING PROFITS; AND**

#### **<u>3.</u>** <u>**RETURNS ON INVESTMENTS REQUIRED BY A**</u> SERVICE PROVIDER TO PROVIDE SUSTAINABILITY OF THE SERVICES.";

strike beginning with "ORGANICS" in line 22 down through "RECYCLING" in line 23 and substitute "<u>COMPOSTING</u>"; and in line 24, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>".

On page 24, in line 30, strike "§ 9–2507" and substitute "§ 9–2509".

On page 25, in line 17, strike "§ 9-2507" and substitute "§ 9-2509"; in line 19, strike "(C)(3)" and substitute "(C)(1)(III)"; and in line 24, strike "§ 9-2510" and substitute "§ 9-2512".

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On page 26, in lines 1 and 15, in each instance, strike "LOCAL GOVERNMENT" and substitute "<u>SERVICE PROVIDER</u>"; in lines 4, 17, and 28, in each instance, strike "PACKAGING" and substitute "<u>COVERED</u>"; and in lines 5 and 6, strike "PUBLIC PLACES AND PUBLIC HOUSING" and substitute "<u>COVERED ENTITIES</u>".

#### AMENDMENT NO. 6

On page 26, after line 18, insert:

"<u>9–2507.</u>

(A) ON OR BEFORE JANUARY 1, 2029, AND EACH JANUARY 1 THEREAFTER, A SERVICE PROVIDER SEEKING REIMBURSEMENT FOR SERVICES PROVIDED UNDER AN APPROVED PRODUCER RESPONSIBILITY PLAN UNDER § 9– 2505 OF THIS SUBTITLE SHALL REGISTER WITH THE DEPARTMENT BY SUBMITTING THE FOLLOWING INFORMATION:

(1) <u>The contact information for an individual</u> <u>Representing the service provider;</u>

(2) THE ADDRESS OF THE SERVICE PROVIDER; AND

(3) (I) IF APPLICABLE TO THE SERVICES PROVIDED, A REPORT OF THE TOTAL AMOUNT BILLED FOR COLLECTION FOR COVERED ENTITIES, PROCESSING SERVICES, AND TRANSFER STATION OPERATIONS PROVIDED DURING THE IMMEDIATELY PRECEDING CALENDAR YEAR.

(II) IF POSSIBLE, VALUES UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH SHALL BE DISAGGREGATED BY WHETHER THE VALUE IS FOR COLLECTION, PROCESSING, OR TRANSFER. SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 31 of 38

(B) <u>A SERVICE PROVIDER RECEIVING REIMBURSEMENT OR FUNDING</u> <u>UNDER AN APPROVED PRODUCER RESPONSIBILITY PLAN SHALL:</u>

(1) AS APPLICABLE TO THE SERVICES OFFERED BY AND SERVICE AREA OF THE SERVICE PROVIDER, PROVIDE COVERED SERVICES FOR:

(I) <u>COVERED MATERIALS INCLUDED ON THE LISTS</u> ESTABLISHED UNDER § 9–2508 OF THIS SUBTITLE;

(II) A REFILL SYSTEM; OR

#### (III) **REUSABLE COVERED MATERIALS;**

(2) <u>REGISTER WITH THE DEPARTMENT UNDER SUBSECTION (A)</u> OF THIS SECTION;

(3) SUBMIT INVOICES TO THE PRODUCER RESPONSIBILITY ORGANIZATION FOR REIMBURSEMENT FOR SERVICES RENDERED, AS PROVIDED UNDER AN APPROVED PRODUCER RESPONSIBILITY PLAN;

(4) <u>Meet performance standards established in an</u> <u>Approved producer responsibility plan under § 9–2505 of this</u> <u>subtitle;</u>

(5) ENSURE THAT COVERED MATERIALS ARE SENT TO RESPONSIBLE END MARKETS;

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(6) PROVIDE DOCUMENTATION TO THE PRODUCER RESPONSIBILITY ORGANIZATION ON THE AMOUNTS, COVERED MATERIAL TYPES, AND WEIGHTS OF COVERED MATERIALS BY COVERED SERVICE METHOD;

(7) DISPLAY THE SERVICE PROVIDER'S PRICE, LESS THE REIMBURSEMENT FROM THE PRODUCER RESPONSIBILITY ORGANIZATION AS DETERMINED UNDER § 9–2505 OF THIS SUBTITLE WHEN INVOICING CUSTOMERS; AND

(8) OTHERWISE COMPLY WITH ALL OTHER APPLICABLE REQUIREMENTS OF THIS SUBTITLE.

(C) (1) <u>A SERVICE PROVIDER MAY DESIGNATE AS CONFIDENTIAL ANY</u> PROPRIETARY INFORMATION PROVIDED TO:

(I) <u>THE DEPARTMENT UNDER THIS SECTION; OR</u>

(II) <u>A PERSON DETERMINING REIMBURSEMENT RATES</u> <u>UNDER § 9–2505 OF THIS SUBTITLE.</u>

(2) INFORMATION DESIGNATED AS CONFIDENTIAL UNDER THIS SUBSECTION IS NOT SUBJECT TO DISCLOSURE UNDER TITLE 4 OF THE GENERAL PROVISIONS ARTICLE (THE MARYLAND PUBLIC INFORMATION ACT), EXCEPT THAT THE INFORMATION MAY BE DISCLOSED AS SUMMARIZED OR AGGREGATED DATA IF DOING SO DOES NOT DIRECTLY OR INDIRECTLY DISCLOSE THE PROPRIETARY INFORMATION OF ANY SPECIFIC FACILITY.

<u>9–2508.</u>

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(A) (1) ON OR BEFORE JULY 1, 2027, THE DEPARTMENT SHALL DEVELOP A STATEWIDE LIST OF COVERED MATERIALS DETERMINED TO BE RECYCLABLE OR COMPOSTABLE THROUGH CURBSIDE RECYCLING PROGRAMS.

(2) <u>COVERED MATERIALS IN THE LIST DEVELOPED UNDER</u> PARAGRAPH (1) OF THIS SUBSECTION SHALL BE COLLECTED:

(I) AT AN OPTIMAL LEVEL OF SERVICE AND CONVENIENCE FOR COVERED ENTITIES; AND

(II) <u>AT A MINIMUM, WHEREVER COLLECTION SERVICES FOR</u> <u>MIXED MUNICIPAL SOLID WASTE ARE AVAILABLE.</u>

(B) THE DEPARTMENT SHALL DEVELOP THE LIST UNDER SUBSECTION (A) OF THIS SECTION IN CONSULTATION WITH:

- (1) <u>THE ADVISORY COUNCIL;</u>
- (2) **PRODUCER RESPONSIBILITY ORGANIZATIONS;**
- (3) SERVICE PROVIDERS;
- (4) LOCAL GOVERNMENTS; AND
- (5) OTHER INTERESTED PARTIES.

(C) IN DEVELOPING THE LIST UNDER SUBSECTION (A) OF THIS SECTION, THE DEPARTMENT MAY CONSIDER THE FOLLOWING CRITERIA: SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 34 of 38

(1) <u>CURRENT AVAILABILITY OF RECYCLING AND COMPOSTING</u> <u>COLLECTION SERVICES;</u>

(2) <u>RECYCLING AND COMPOSTING PROCESSING</u> <u>INFRASTRUCTURE</u>;

(3) <u>CAPACITY AND TECHNOLOGY FOR SORTING COVERED</u> <u>MATERIALS</u>;

(4) WHETHER A COVERED MATERIAL IS:

## (I) OF A TYPE AND FORM THAT IS REGULARLY SORTED AND AGGREGATED INTO DEFINED STREAMS FOR RECYCLING PROCESSES; OR

(II) INCLUDED IN A SPECIFICATION OF THE INSTITUTE OF SCRAP RECYCLING INDUSTRIES, OR A SUCCESSOR ORGANIZATION;

(5) AVAILABILITY OF RESPONSIBLE END MARKETS;

(6) PRESENCE AND AMOUNT OF PROCESSING RESIDUALS, CONTAMINATION, AND TOXIC SUBSTANCES;

(7) QUANTITY OF COVERED MATERIAL ESTIMATED TO BE AVAILABLE AND RECOVERABLE;

(8) PROJECTED FUTURE CONDITIONS FOR THE CRITERIA UNDER ITEMS (1) THROUGH (7) OF THIS SUBSECTION; AND SB0901/233827/01 Education, Energy, and the Environment Committee Amendments to SB 901 Page 35 of 38

(9) ANY OTHER CRITERIA OR FACTOR, AS DETERMINED BY THE DEPARTMENT.

(D) (1) THE DEPARTMENT MAY AMEND A LIST COMPLETED UNDER THIS SECTION AT ANY TIME.

(2) (I) THE DEPARTMENT SHALL PROVIDE AN AMENDED LIST UNDER THIS SUBSECTION TO PRODUCER RESPONSIBILITY ORGANIZATIONS WITHIN A REASONABLE AMOUNT OF TIME, DETERMINED BY THE DEPARTMENT, AFTER AMENDING THE LIST.

(II) ON RECEIPT OF AN AMENDED LIST, A PRODUCER RESPONSIBILITY ORGANIZATION SHALL:

1. PROVIDE THE LIST TO SERVICE PROVIDERS AS SOON AS PRACTICABLE AFTER RECEIVING THE AMENDED LIST; AND

2. WORK TO INCORPORATE CHANGES IN RELEVANT SERVICE PROVIDER REIMBURSEMENT RATES WITHIN 1 CALENDAR YEAR.

(E) (1) (I) <u>A PRODUCER MAY REQUEST, ON A FORM PRESCRIBED BY</u> <u>THE DEPARTMENT, THAT THE DEPARTMENT CLASSIFY ONE OR MORE TYPES OF</u> <u>PACKAGING AS AN EXEMPT MATERIAL.</u>

(II) THE DEPARTMENT SHALL SUBMIT A REQUEST RECEIVED UNDER THIS SUBSECTION TO THE ADVISORY COUNCIL FOR REVIEW AND COMMENT BEFORE APPROVING OR DENYING THE REQUEST.

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(2) SUBJECT TO PARAGRAPH (1)(II) OF THIS SUBSECTION, THE DEPARTMENT MAY APPROVE THE REQUEST ONLY IF THE DEPARTMENT DETERMINES THAT A SPECIFIC FEDERAL OR STATE HEALTH AND SAFETY REQUIREMENT PREVENTS THE PACKAGING FROM BEING WASTE REDUCED OR MADE REUSABLE, RECYCLABLE, OR COMPOSTABLE.

(3) WITHIN 120 DAYS AFTER THE DATE ON WHICH THE DEPARTMENT RECEIVES A REQUEST UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE DEPARTMENT SHALL:

#### (I) <u>REVIEW AND APPROVE OR DENY THE REQUEST; OR</u>

(II) <u>REQUEST ADDITIONAL INFORMATION FROM THE</u> <u>PRODUCER.</u>

(4) THE DEPARTMENT SHALL PUBLISH AND UPDATE AS NECESSARY ON THE DEPARTMENT'S WEBSITE A LIST OF MATERIALS EXEMPTED BY REQUEST UNDER THIS SUBSECTION.

(5) (I) <u>AN EXEMPTION APPROVED PER A REQUEST UNDER THIS</u> SUBSECTION SHALL EXPIRE 2 YEARS AFTER THE DATE ON WHICH THE DEPARTMENT APPROVES THE REQUEST.

(II) <u>A PRODUCER MAY FILE A SUBSEQUENT REQUEST THAT</u> <u>THE DEPARTMENT CLASSIFY ONE OR MORE TYPES OF PACKAGING AS AN EXEMPT</u> <u>MATERIAL AFTER THE EXPIRATION OF THE CLASSIFICATION UNDER</u> <u>SUBPARAGRAPH (I) OF THIS PARAGRAPH.</u>";

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in line 19, strike "9–2507." and substitute "<u>9–2509.</u>"; in line 20, strike "MARCH 1, 2028" and substitute "<u>JULY 1, 2029</u>"; and in line 31, strike "§ 9–2505(C)(3)" and substitute "§ 9–2505(C)(1)(III)".

On page 27, in lines 1 and 23, in each instance, strike "PACKAGING" and substitute "<u>COVERED</u>"; in line 17, strike "ORGANICS RECYCLING" and substitute "<u>COMPOSTING</u>"; and in line 20, strike "PACKAGING" and substitute "<u>COVERED</u><u>MATERIALS</u>".

On page 28, in lines 10, 16, and 19, strike "**9–2508.**", "**9–2509.**", and "**9–2510.**", respectively, and substitute "<u>**9–2510.**</u>", "<u>**9–2511.**</u>", and "<u>**9–2512.**</u>", respectively; in line 14, strike "**PACKAGING**" and substitute "<u>**COVERED**</u>"; in line 17, before "**THE**" insert "<u>(A)</u>"; and after line 18, insert:

#### **(B) REGULATIONS ADOPTED UNDER THIS SECTION:**

## (1) MAY ESTABLISH CRITERIA REGARDING PROVIDING BENEFITS TO THE ENVIRONMENT AND MINIMIZING RISKS TO PUBLIC HEALTH AND WORKER HEALTH AND SAFETY; AND

## (2) SHALL ESTABLISH, OR REQUIRE A PRODUCER RESPONSIBILITY PLAN TO ESTABLISH, A PROCESS FOR VALIDATING RESPONSIBLE END MARKETS.".

#### AMENDMENT NO. 7

On page 29, in line 14, strike "§ 9-2507" and substitute "§ 9-2509"; in line 15, strike "§ 9-2505(C)(3)" and substitute "§ 9-2505(C)(1)(III)"; and strike beginning with "on" in line 22 down through "State" in line 25 and substitute "<u>if a beverage container deposit return program is enacted in the State, the Department of the Environment shall:</u>

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(1) coordinate the implementation of the beverage container deposit return program in a manner that ensures compatibility with producer responsibility plans and related provisions of law as enacted by Section 1 of this Act; and

(2) <u>ensure that:</u>

(i) materials covered in the beverage container deposit program are exempt from producer responsibility plans; or

(ii) related financial obligations are reduced".