

HOUSE BILL 42

M3, M4

(PRE-FILED)

5lr1619
CF SB 134

By: ~~Delegate Boyce~~ Delegates Boyce, Healey, Lehman, R. Lewis, Ruth, and Stein

Requested: November 1, 2024

Introduced and read first time: January 8, 2025

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 6, 2025

CHAPTER _____

1 AN ACT concerning

2 ~~Solid Waste Disposal Surcharge On-Farm Organics and Wasted Food Reduction~~
3 ~~and Diversion Fund and Grant Programs – Established~~

4 FOR the purpose of establishing the On-Farm Organics Diversion and Recycling Grant
5 Program in the Department of Agriculture to award grants to eligible entities to
6 develop and implement on-farm organics recycling and compost use, wasted food
7 prevention, and food rescue; ~~establishing a solid waste disposal surcharge on the~~
8 ~~final disposal of solid waste in the State; requiring, beginning on a certain date and~~
9 ~~each quarter thereafter, the owner or operator of a refuse disposal system to submit~~
10 ~~a certain solid waste disposal surcharge to the Comptroller in a certain manner;~~
11 ~~requiring the Comptroller to deposit certain surcharges into a certain fund;~~
12 ~~establishing the Wasted Food Reduction and Diversion Fund as a special, nonlapsing~~
13 ~~fund and requiring interest earnings of the Fund to be credited to the Fund;~~
14 establishing the Wasted Food Reduction and Diversion Grant Program and the
15 County Wasted Food Reduction Block Grant Program in the Department of the
16 Environment to award grants and fund certain projects for infrastructure, programs,
17 and education that reduce, rescue, and divert wasted food in the State and certain
18 counties; authorizing the Governor to transfer a certain amount from the Maryland
19 Strategic Energy Investment Fund to certain programs in certain fiscal years; and
20 generally relating to wasted food reduction and diversion in the State.

21 BY adding to

22 Article – Agriculture

23 Section 2–109

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 Annotated Code of Maryland
2 (2016 Replacement Volume and 2024 Supplement)

3 BY repealing and reenacting, without amendments,
4 Article – Agriculture
5 Section 2–401(a)(1) and (3) and 2–2001(a), (f), and (g)
6 Annotated Code of Maryland
7 (2016 Replacement Volume and 2024 Supplement)

8 BY repealing and reenacting, without amendments,
9 Article – Environment
10 Section 1–701(a)(1), (7), and (8)
11 Annotated Code of Maryland
12 (2013 Replacement Volume and 2024 Supplement)

13 ~~BY repealing and reenacting, without amendments,~~
14 ~~Article – Environment~~
15 ~~Section 9–201(a) and (e)~~
16 ~~Annotated Code of Maryland~~
17 ~~(2014 Replacement Volume and 2024 Supplement)~~

18 BY adding to
19 Article – Environment
20 Section 9–1725.1, and 9–1725.2, ~~9–1725.3, and 9–1725.4~~
21 Annotated Code of Maryland
22 (2014 Replacement Volume and 2024 Supplement)

23 ~~BY repealing and reenacting, without amendments,~~
24 ~~Article – State Finance and Procurement~~
25 ~~Section 6–226(a)(2)(i)~~
26 ~~Annotated Code of Maryland~~
27 ~~(2021 Replacement Volume and 2024 Supplement)~~

28 ~~BY repealing and reenacting, with amendments,~~
29 ~~Article – State Finance and Procurement~~
30 ~~Section 6–226(a)(2)(ii) 204, and 205.~~
31 ~~Annotated Code of Maryland~~
32 ~~(2021 Replacement Volume and 2024 Supplement)~~

33 ~~BY adding to~~
34 ~~Article – State Finance and Procurement~~
35 ~~Section 6–226(a)(2)(ii) 206.~~
36 ~~Annotated Code of Maryland~~
37 ~~(2021 Replacement Volume and 2024 Supplement)~~

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

Article – Agriculture

2-109.

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

(2) “GRANT PROGRAM” MEANS THE ON-FARM ORGANICS DIVERSION AND RECYCLING GRANT PROGRAM.

(3) “URBAN AGRICULTURAL PRODUCER” HAS THE MEANING STATED IN § 2-2001 OF THIS TITLE.

(4) “URBAN FARMER” HAS THE MEANING STATED IN § 2-401 OF THIS TITLE.

(B) ~~THERE~~ BEGINNING JULY 1, 2027, THERE IS AN ON-FARM ORGANICS DIVERSION AND RECYCLING GRANT PROGRAM IN THE DEPARTMENT.

(C) THE PURPOSE OF THE GRANT PROGRAM IS TO AWARD GRANTS ANNUALLY FOR DEVELOPING AND IMPLEMENTING ON-FARM ORGANICS RECYCLING AND COMPOST USE, WASTED FOOD PREVENTION, AND FOOD RESCUE.

(D) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT, SHALL ADMINISTER THE GRANT PROGRAM.

(E) THE FOLLOWING PERSONS ARE ELIGIBLE FOR A GRANT UNDER THE GRANT PROGRAM:

(1) A FARMER, AN URBAN FARMER, OR AN URBAN AGRICULTURAL PRODUCER;

(2) A SOIL CONSERVATION DISTRICT;

(3) AN INSTITUTION OF HIGHER EDUCATION AS DEFINED IN § 10-101 OF THE EDUCATION ARTICLE;

(4) A NONPROFIT ORGANIZATION;

(5) A BUSINESS IN THE STATE THAT IS IN:

(I) GOOD STANDING WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

1 (II) PARTNERSHIP WITH A FARMER, AN URBAN FARMER, OR AN
2 URBAN AGRICULTURAL PRODUCER; AND

3 (6) A CONSORTIUM OF ANY ENTITIES UNDER THIS SUBSECTION.

4 (F) A PROJECT IS ELIGIBLE FOR A GRANT UNDER THE GRANT PROGRAM IF
5 THE PROJECT DEVELOPS, MAINTAINS, OR EXPANDS INFRASTRUCTURE, COLLECTION
6 PROGRAMS, EDUCATION, OR TECHNICAL ASSISTANCE IN THE STATE THAT:

7 (1) REDUCES THE AMOUNT OF WASTED FOOD GENERATED;

8 (2) RESCUES EDIBLE FOOD FOR PURPOSES OF REDISTRIBUTION;

9 (3) RECOVERS WASTED FOOD AS ANIMAL FEED IF THE FEED IS
10 REGISTERED AND TREATED IN ACCORDANCE WITH REGULATIONS IMPLEMENTED BY
11 THE DEPARTMENT;

12 (4) COMPOSTS OR RECYCLES FOOD RESIDUALS THAT ARE
13 SEPARATED FROM PACKAGING PRIOR TO COLLECTION, INCLUDING AT-HOME,
14 COMMUNITY, AND ON-FARM COMPOSTING;

15 (5) PROVIDES LABOR AND WAGES IN SUPPORT OF WASTED FOOD
16 PREVENTION, FOOD RESCUE, AND ON-FARM ORGANICS RECYCLING AND COMPOST
17 USE;

18 (6) PROVIDES BEST MANAGEMENT PRACTICE TRAINING IN
19 RELEVANT FIELDS BY A REPUTABLE TRAINING PROGRAM;

20 (7) STUDIES THE IMPACTS OF COMPOST APPLICATION ON ON-FARM
21 NUTRIENT AND WATER QUALITY MANAGEMENT; OR

22 (8) ASSISTS IN THE PAYMENT OF APPLICABLE PERMIT APPLICATION
23 COSTS.

24 (G) IN AWARDING GRANTS UNDER THE GRANT PROGRAM, THE
25 DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT,
26 SHALL PRIORITIZE PROJECTS:

27 (1) FOR WHICH THE APPLICANT CLEARLY DESCRIBES HOW THE
28 PROJECT WILL:

29 (I) PROVIDE DIRECT, MEANINGFUL, AND ASSURED BENEFITS
30 TO THE COMMUNITY; AND

1 (II) ADDRESS IMPORTANT COMMUNITY NEEDS;

2 (2) THAT PREVENT, RESCUE, AND DIVERT WASTED FOOD WITHIN A
3 LOCAL COMMUNITY;

4 (3) THAT PLAN TO PRODUCE COMPOST THAT MEETS THE
5 CLASSIFICATION OF “GENERAL USE” UNDER COMAR 15.18.04.05;

6 (4) THAT PLAN TO PRODUCE MINIMALLY CONTAMINATED COMPOST
7 THROUGH:

8 (I) PROCESSING ORGANIC MATERIALS THAT ARE SEPARATED
9 FROM PACKAGING PRIOR TO COLLECTION;

10 (II) NOT USING DEPACKAGERS; AND

11 (III) MEETING THE U.S. COMPOSTING COUNCIL’S SEAL OF
12 TESTING ASSURANCE;

13 (5) THAT SERVE AN OVERBURDENED OR UNDERSERVED COMMUNITY
14 AS DEFINED IN § 1-701 OF THE ENVIRONMENT ARTICLE;

15 (6) THAT MINIMIZE NEGATIVE IMPACTS TO THE LOCAL COMMUNITY;
16 AND

17 (7) THAT MAXIMIZE BENEFITS TO THE LOCAL COMMUNITY,
18 INCLUDING:

19 (I) THE CREATION OF JOBS;

20 (II) INCREASING JOB TRAINING; AND

21 (III) INCREASING HIRING AND LEADERSHIP DEVELOPMENT
22 PRACTICES THAT ARE INCLUSIVE AND PROVIDE A LIVING WAGE.

23 (H) AN ELIGIBLE PERSON THAT RECEIVES A GRANT UNDER THE GRANT
24 PROGRAM MAY NOT RECEIVE A GRANT UNDER THE WASTED FOOD REDUCTION AND
25 DIVERSION GRANT PROGRAM UNDER ~~§ 9-1725.3~~ § 9-1725.1 OF THE ENVIRONMENT
26 ARTICLE IN THE SAME CALENDAR YEAR.

27 (I) ON OR BEFORE DECEMBER 31, 2027, AND EACH DECEMBER 31
28 THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN
29 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON:

- 1 (iv) NATA cancer risk;
- 2 (v) NATA respiratory hazard index;
- 3 (vi) Traffic proximity;
- 4 (vii) Lead paint indicator;
- 5 (viii) National Priorities List Superfund site proximity;
- 6 (ix) Risk Management Plan facility proximity;
- 7 (x) Hazardous waste proximity;
- 8 (xi) Wastewater discharge indicator;
- 9 (xii) Proximity to a Concentrated Animal Feeding Operation (CAFO);
- 10 (xiii) Percent of the population lacking broadband coverage;
- 11 (xiv) Asthma emergency room discharges;
- 12 (xv) Myocardial infarction discharges;
- 13 (xvi) Low-birth-weight infants;
- 14 (xvii) Proximity to emitting power plants;
- 15 (xviii) Proximity to a Toxic Release Inventory (TRI) facility;
- 16 (xix) Proximity to a brownfields site;
- 17 (xx) Proximity to mining operations; and
- 18 (xxi) Proximity to a hazardous waste landfill.

19 (8) “Underserved community” means any census tract in which, according
20 to the most recent U.S. Census Bureau Survey:

- 21 (i) At least 25% of the residents qualify as low-income;
- 22 (ii) At least 50% of the residents identify as nonwhite; or
- 23 (iii) At least 15% of the residents have limited English proficiency.

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

2 ~~(e) "Refuse disposal system" includes:~~

3 ~~(1) An incinerator;~~

4 ~~(2) A transfer station;~~

5 ~~(3) A landfill system;~~

6 ~~(4) A landfill;~~

7 ~~(5) A solid waste processing facility; and~~

8 ~~(6) Any other solid waste acceptance facility.~~

9 **9-1725.1.**

10 ~~(A) IN THIS SECTION, "REFUSE DISPOSAL SYSTEM" HAS THE MEANING~~
11 ~~STATED IN § 9-201 OF THIS TITLE.~~

12 ~~(B) (1) BEGINNING JULY 1, 2026, THERE IS A SOLID WASTE DISPOSAL~~
13 ~~SURCHARGE ON THE FINAL DISPOSAL OF SOLID WASTE IN REFUSE DISPOSAL~~
14 ~~SYSTEMS IN THE STATE.~~

15 ~~(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE SOLID~~
16 ~~WASTE DISPOSAL SURCHARGE IS \$2 PER TON OF SOLID WASTE PROCESSED BY A~~
17 ~~REFUSE DISPOSAL SYSTEM FOR FINAL DISPOSAL.~~

18 ~~(3) ON OR BEFORE JULY 1, 2028, AND EVERY 2 YEARS THEREAFTER,~~
19 ~~THE DEPARTMENT SHALL:~~

20 ~~(i) ADJUST THE SOLID WASTE DISPOSAL SURCHARGE IN~~
21 ~~ACCORDANCE WITH THE CONSUMER PRICE INDEX FOR THE MID ATLANTIC~~
22 ~~DIVISION; AND~~

23 ~~(ii) EVALUATE THE SOLID WASTE DISPOSAL SURCHARGE TO~~
24 ~~DETERMINE IF ADDITIONAL ADJUSTMENTS TO THE SURCHARGE ARE REQUIRED.~~

25 ~~(4) IF THE SURCHARGE HAS BEEN ASSESSED ON AN ELIGIBLE OWNER~~
26 ~~OR OPERATOR OF A TRANSFER STATION, THE SOLID WASTE DISPOSAL SURCHARGE~~
27 ~~MAY NOT BE ASSESSED ON AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM~~
28 ~~THAT RECEIVES THE SOLID WASTE FOR FINAL DISPOSAL.~~

1 ~~(5) AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM SHALL~~
2 ~~COLLECT THE SURCHARGE REQUIRED UNDER THIS SECTION BY INCLUDING THE~~
3 ~~SURCHARGE AMOUNT DUE AS A SEPARATE LINE ITEM ON EVERY CUSTOMER BILL~~
4 ~~PRESENTED TO A SOLID WASTE COLLECTOR OR GENERATOR.~~

5 ~~(6) A SOLID WASTE HAULER OR COLLECTOR MAY COLLECT RATES,~~
6 ~~FEES, OR SURCHARGES FROM SOLID WASTE GENERATORS SERVICED BY THE SOLID~~
7 ~~WASTE HAULER OR COLLECTOR IN AN AMOUNT SUFFICIENT TO RECOVER THE~~
8 ~~SURCHARGE COLLECTED BY THE OWNER OR OPERATOR OF A REFUSE DISPOSAL~~
9 ~~SYSTEM.~~

10 ~~(C) (1) THE COMPTROLLER SHALL COLLECT THE SURCHARGE ASSESSED~~
11 ~~UNDER THIS SECTION AND DEPOSIT THE SURCHARGE INTO THE WASTED FOOD~~
12 ~~REDUCTION AND DIVERSION FUND UNDER § 9-1725.2 OF THIS SUBTITLE.~~

13 ~~(2) (I) ON OR BEFORE JANUARY 1, 2027, AND EVERY QUARTER~~
14 ~~THEREAFTER, THE OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM IN THE~~
15 ~~STATE SHALL SUBMIT, UNDER OATH, THE SUM OF SURCHARGES COLLECTED IN THE~~
16 ~~IMMEDIATELY PRECEDING QUARTER TO THE COMPTROLLER.~~

17 ~~(II) IN ADDITION TO THE SURCHARGES SUBMITTED TO THE~~
18 ~~COMPTROLLER UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE OWNER OR~~
19 ~~OPERATOR OF A REFUSE DISPOSAL SYSTEM SHALL SUBMIT, AS APPLICABLE, AN~~
20 ~~ACCOUNTING OF THE NUMBER OF TONS OF SOLID WASTE ACCEPTED FOR DISPOSAL,~~
21 ~~TRANSFER, OR COLLECTION DURING THE REPORTING PERIOD.~~

22 ~~9-1725.2.~~

23 ~~(A) IN THIS SECTION, "FUND" MEANS THE WASTED FOOD REDUCTION AND~~
24 ~~DIVERSION FUND.~~

25 ~~(B) THERE IS A WASTED FOOD REDUCTION AND DIVERSION FUND.~~

26 ~~(C) THE PURPOSE OF THE FUND IS TO FUND ELIGIBLE PROJECTS UNDER~~
27 ~~THE ON-FARM ORGANICS DIVERSION AND RECYCLING GRANT PROGRAM~~
28 ~~ESTABLISHED UNDER § 2-109 OF THE AGRICULTURE ARTICLE, THE WASTED FOOD~~
29 ~~REDUCTION AND DIVERSION GRANT PROGRAM ESTABLISHED UNDER §~~
30 ~~9-1725.3 OF THIS SUBTITLE, AND THE COUNTY WASTED FOOD REDUCTION BLOCK~~
31 ~~GRANT PROGRAM ESTABLISHED UNDER § 9-1725.4 OF THIS SUBTITLE.~~

32 ~~(D) THE SECRETARY SHALL ADMINISTER THE FUND.~~

33 ~~(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT~~
34 ~~SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

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

3 ~~(F) THE FUND CONSISTS OF:~~

4 ~~(1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-1725.1 OF THIS~~
5 ~~SUBTITLE;~~

6 ~~(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;~~

7 ~~(3) INTEREST EARNINGS; AND~~

8 ~~(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR~~
9 ~~THE BENEFIT OF THE FUND.~~

10 ~~(G) (1) (I) NOT MORE THAN 25% OF THE FUND MAY BE USED FOR~~
11 ~~ADMINISTRATIVE EXPENSES JOINTLY BY THE DEPARTMENT AND THE DEPARTMENT~~
12 ~~OF AGRICULTURE EACH FISCAL YEAR.~~

13 ~~(II) NOT MORE THAN 0.5% OF THE FUND MAY BE USED FOR~~
14 ~~ADMINISTRATIVE EXPENSES BY THE COMPTROLLER EACH FISCAL YEAR.~~

15 ~~(2) BEGINNING JULY 1, 2027, AND EACH JULY 1 THEREAFTER, THE~~
16 ~~COMPTROLLER SHALL TRANSFER THE REMAINING MONEY FROM THE FUND AFTER~~
17 ~~ADMINISTRATIVE EXPENSES UNDER PARAGRAPH (1) OF THIS SUBSECTION AS~~
18 ~~FOLLOWS:~~

19 ~~(I) 25% TO THE WASTED FOOD REDUCTION AND DIVERSION~~
20 ~~GRANT PROGRAM UNDER § 9-1725.3 OF THIS SUBTITLE;~~

21 ~~(II) 25% TO THE ON FARM ORGANICS DIVERSION AND~~
22 ~~RECYCLING GRANT PROGRAM UNDER § 2-109 OF THE AGRICULTURE ARTICLE;~~
23 ~~AND~~

24 ~~(III) 50% TO THE COUNTY WASTED FOOD REDUCTION BLOCK~~
25 ~~GRANT PROGRAM UNDER § 9-1725.4 OF THIS SUBTITLE.~~

26 ~~(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND~~
27 ~~IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.~~

28 ~~(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO~~
29 ~~THE FUND.~~

~~(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.~~

~~(J) MONEY EXPENDED FROM THE FUND FOR THE WASTED FOOD REDUCTION AND DIVERSION GRANT PROGRAM, THE ON-FARM ORGANICS DIVERSION AND RECYCLING GRANT PROGRAM, AND THE COUNTY WASTED FOOD REDUCTION BLOCK GRANT PROGRAM IS SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR THOSE PROGRAMS.~~

~~9-1725.3.~~

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

(2) “GRANT PROGRAM” MEANS THE WASTED FOOD REDUCTION AND DIVERSION GRANT PROGRAM.

(3) “OVERBURDENED COMMUNITY” HAS THE MEANING STATED IN § 1-701 OF THIS ARTICLE.

(4) “UNDERSERVED COMMUNITY” HAS THE MEANING STATED IN § 1-701 OF THIS ARTICLE.

(5) “URBAN AGRICULTURAL PRODUCER” HAS THE MEANING STATED IN § 2-2001 OF THE AGRICULTURE ARTICLE.

(6) “URBAN FARMER” HAS THE MEANING STATED IN § 2-401 OF THE AGRICULTURE ARTICLE.

(B) BEGINNING JULY 1, 2027, THERE IS A WASTED FOOD REDUCTION AND DIVERSION GRANT PROGRAM IN THE DEPARTMENT.

(C) THE PURPOSE OF THE GRANT PROGRAM IS TO AWARD GRANTS ANNUALLY FOR INFRASTRUCTURE, PROGRAMS, AND EDUCATION THAT REDUCE, RESCUE, AND DIVERT WASTED FOOD IN THE STATE.

(D) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF AGRICULTURE, SHALL ADMINISTER THE GRANT PROGRAM.

(E) THE FOLLOWING PERSONS ARE ELIGIBLE FOR A GRANT UNDER THE GRANT PROGRAM:

(1) A UNIT OF STATE OR LOCAL GOVERNMENT;

1 **(2) A LOCAL EDUCATION AGENCY;**

2 **(3) AN INSTITUTION OF HIGHER EDUCATION AS DEFINED IN § 10-101**
3 **OF THE EDUCATION ARTICLE;**

4 **(4) A NONPROFIT ORGANIZATION;**

5 **(5) A FARMER, AN URBAN FARMER, OR AN URBAN AGRICULTURAL**
6 **PRODUCER;**

7 **(6) A BUSINESS IN THE STATE THAT IS IN GOOD STANDING WITH THE**
8 **STATE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND**

9 **(7) A CONSORTIUM OF ANY ENTITIES UNDER THIS SUBSECTION.**

10 **(F) A PROJECT IS ELIGIBLE FOR A GRANT UNDER THE GRANT PROGRAM IF**
11 **THE PROJECT DEVELOPS, MAINTAINS, OR EXPANDS INFRASTRUCTURE, COLLECTION**
12 **PROGRAMS, EDUCATION, OR TECHNICAL ASSISTANCE IN THE STATE THAT:**

13 **(1) REDUCES THE AMOUNT OF WASTED FOOD GENERATED;**

14 **(2) RESCUES EDIBLE FOOD FOR PURPOSES OF REDISTRIBUTION;**

15 **(3) RECOVERS WASTED FOOD AS ANIMAL FEED IF THE FEED IS**
16 **REGISTERED AND TREATED IN ACCORDANCE WITH REGULATIONS IMPLEMENTED BY**
17 **THE DEPARTMENT OF AGRICULTURE;**

18 **(4) COMPOSTS OR RECYCLES FOOD RESIDUALS THAT ARE**
19 **SEPARATED FROM PACKAGING PRIOR TO COLLECTION, INCLUDING**
20 **AT-HOME, COMMUNITY, AND ON-FARM COMPOSTING; OR**

21 **(5) TRANSITIONS FROM SINGLE-USE FOOD SERVICEWARE TO**
22 **DURABLE AND REUSABLE FOOD SERVICEWARE.**

23 **(G) IN AWARDING GRANTS UNDER THE GRANT PROGRAM, THE**
24 **DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF AGRICULTURE,**
25 **SHALL PRIORITIZE PROJECTS:**

26 **(1) FOR WHICH THE APPLICANT CLEARLY DESCRIBES HOW THE**
27 **PROJECT WILL:**

28 **(I) PROVIDE DIRECT, MEANINGFUL, AND ASSURED BENEFITS**
29 **TO THE COMMUNITY; AND**

1 (II) ADDRESS IMPORTANT COMMUNITY NEEDS;

2 (2) THAT PREVENT, RESCUE, AND DIVERT WASTED FOOD WITHIN A
3 LOCAL COMMUNITY;

4 (3) THAT PLAN TO PRODUCE COMPOST THAT MEETS THE
5 CLASSIFICATION OF "GENERAL USE" UNDER COMAR 15.18.04.05;

6 (4) THAT PLAN TO PRODUCE MINIMALLY CONTAMINATED COMPOST
7 THROUGH:

8 (I) PROCESSING ORGANIC MATERIALS THAT ARE SEPARATED
9 FROM PACKAGING PRIOR TO COLLECTION;

10 (II) NOT USING DEPACKAGERS; AND

11 (III) MEETING THE U.S. COMPOSTING COUNCIL'S SEAL OF
12 TESTING ASSURANCE;

13 (5) THAT SERVE AN OVERBURDENED OR UNDERSERVED COMMUNITY;

14 (6) THAT MINIMIZE NEGATIVE IMPACTS TO THE LOCAL COMMUNITY;
15 AND

16 (7) THAT MAXIMIZE BENEFITS TO THE LOCAL COMMUNITY,
17 INCLUDING:

18 (I) THE CREATION OF JOBS;

19 (II) INCREASING JOB TRAINING; AND

20 (III) INCREASING HIRING AND LEADERSHIP DEVELOPMENT
21 PRACTICES THAT ARE INCLUSIVE AND PROVIDE A LIVING WAGE.

22 (H) AN ELIGIBLE PERSON THAT RECEIVES A GRANT UNDER THE GRANT
23 PROGRAM MAY NOT RECEIVE A GRANT UNDER THE ON-FARM ORGANICS
24 DIVERSION AND RECYCLING GRANT PROGRAM UNDER § 2-109 OF THE
25 AGRICULTURE ARTICLE IN THE SAME CALENDAR YEAR.

26 (I) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT
27 OF AGRICULTURE, SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

28 (2) REGULATIONS ADOPTED UNDER THIS SUBSECTION SHALL
29 INCLUDE:

1 (I) A SIMPLE COMMON APPLICATION PROCEDURE; AND

2 (II) FOR ELIGIBLE ENTITIES, A PROCESS TO FACILITATE THE
3 PARTICIPATION OF ELIGIBLE ENTITIES THAT HAVE LIMITED RESOURCES OR
4 LANGUAGE BARRIERS.

5 (J) ON OR BEFORE DECEMBER 31, 2027, AND EACH DECEMBER 31
6 THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN
7 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON:

8 (1) THE NUMBER AND TYPES OF GRANTS AWARDED;

9 (2) THE IMPACT OF THE GRANTS ON THE CREATION OF JOBS AND
10 OTHER BENEFITS TO THE STATE;

11 (3) THE IMPACT ON WASTE PREVENTED, RESCUED, AND DIVERTED
12 FROM DISPOSAL; AND

13 (4) THE IMPACT ON FARMERS, URBAN FARMERS, AND URBAN
14 AGRICULTURAL PRODUCERS IN THE STATE.

15 ~~9-1725.4.~~ 9-1725.2.

16 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 (2) “GRANT PROGRAM” MEANS THE COUNTY WASTED FOOD
19 REDUCTION BLOCK GRANT PROGRAM.

20 (3) “OVERBURDENED COMMUNITY” HAS THE MEANING STATED IN §
21 1-701 OF THIS ARTICLE.

22 (4) “UNDERSERVED COMMUNITY” HAS THE MEANING STATED IN §
23 1-701 OF THIS ARTICLE.

24 (5) “URBAN AGRICULTURAL PRODUCER” HAS THE MEANING STATED
25 IN § 2-2001 OF THE AGRICULTURE ARTICLE.

26 (6) “URBAN FARMER” HAS THE MEANING STATED IN § 2-401 OF THE
27 AGRICULTURE ARTICLE.

28 (B) BEGINNING JULY 1, 2027, THERE IS A COUNTY WASTED FOOD
29 REDUCTION BLOCK GRANT PROGRAM IN THE DEPARTMENT.

1 (II) INCREASING JOB TRAINING; AND

2 (III) INCREASING HIRING AND LEADERSHIP DEVELOPMENT
3 PRACTICES THAT ARE INCLUSIVE AND PROVIDE A LIVING WAGE.

4 ~~Article State Finance and Procurement~~

5 ~~6-226.~~

6 (a) (2) (i) 1. ~~This subparagraph does not apply in fiscal years 2024~~
7 ~~through 2028.~~

8 2. ~~Notwithstanding any other provision of law, and unless~~
9 ~~inconsistent with a federal law, grant agreement, or other federal requirement or with the~~
10 ~~terms of a gift or settlement agreement, net interest on all State money allocated by the~~
11 ~~State Treasurer under this section to special funds or accounts, and otherwise entitled to~~
12 ~~receive interest earnings, as accounted for by the Comptroller, shall accrue to the General~~
13 ~~Fund of the State.~~

14 (ii) ~~The provisions of subparagraph (i) of this paragraph do not apply~~
15 ~~to the following funds:~~

16 204. ~~the Victims of Domestic Violence Program Grant Fund;~~
17 ~~[and]~~

18 205. ~~the Proposed Programs Collaborative Grant Fund; AND~~

19 206. ~~THE WASTED FOOD REDUCTION AND DIVERSION~~
20 ~~FUND.~~

21 SECTION 2. AND BE IT FURTHER ENACTED, That, notwithstanding any other
22 provision of law, the Governor may transfer \$3,000,000 in fiscal years 2027 through 2031
23 from the Maryland Strategic Energy Investment Fund established under § 9-20B-05 of the
24 State Government Article to each of the following programs, as enacted by Section 1 of this
25 Act:

26 (1) the On-Farm Organics Diversion and Recycling Grant Program under
27 § 2-109 of the Agriculture Article;

28 (2) the Wasted Food Reduction and Diversion Grant Program under §
29 9-1725.1 of the Environment Article; and

30 (3) the County Wasted Food Reduction Block Grant Program under §
31 9-1725.2 of the Environment Article.

1 SECTION ~~2~~ 3 AND BE IT FURTHER ENACTED, That this Act shall take effect
2 October 1, 2025.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.