

SENATE BILL 901

M3

5lr2545

By: **Senators Augustine and Love**

Introduced and read first time: January 28, 2025

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

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

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

21 BY repealing and reenacting, without amendments,
22 Article – Environment
23 Section 9–1702(a)
24 Annotated Code of Maryland
25 (2014 Replacement Volume and 2024 Supplement)

26 BY repealing and reenacting, with amendments,
27 Article – Environment
28 Section 9–1702(d), 9–1707(f), 9–2501, and 9–2503
29 Annotated Code of Maryland

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2014 Replacement Volume and 2024 Supplement)

2 BY adding to
3 Article – Environment
4 Section 9–1702.2, 9–2502, and 9–2504 through 9–2510
5 Annotated Code of Maryland
6 (2014 Replacement Volume and 2024 Supplement)

7 BY repealing
8 Article – Environment
9 Section 9–2502
10 Annotated Code of Maryland
11 (2014 Replacement Volume and 2024 Supplement)

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

14 **Article – Environment**

15 9–1702.

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

17 (d) The Office shall:

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

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

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

26 (4) Administer the Statewide Electronics Recycling Program under Part IV
27 of this subtitle;

28 (5) Promote the development of markets for recycled materials and
29 recycled products in the State in accordance with § 9–1702.1 of this subtitle; **[and]**

30 (6) Review and approve plans and annual reports, including the paint
31 stewardship assessment, submitted in accordance with a Paint Stewardship Program
32 established under Part V of this subtitle; **AND**

1 **(7) REVIEW AND APPROVE, IN CONSULTATION WITH THE PRODUCER**
2 **RESPONSIBILITY ADVISORY COUNCIL ESTABLISHED UNDER § 9–2503 OF THIS TITLE,**
3 **PRODUCER RESPONSIBILITY PLANS AND ANNUAL REPORTS SUBMITTED IN**
4 **ACCORDANCE WITH SUBTITLE 25 OF THIS TITLE.**

5 **9–1702.2.**

6 **(A) IN THIS SECTION, “ADVISORY COUNCIL” AND “PRODUCER” HAVE THE**
7 **MEANINGS STATED IN § 9–2501 OF THIS TITLE.**

8 **(B) (1) ON OR BEFORE JULY 30, 2034, AND AT LEAST ONCE EVERY 10**
9 **YEARS THEREAFTER, THE OFFICE SHALL HIRE AN INDEPENDENT CONSULTANT TO**
10 **CONDUCT A STATEWIDE RECYCLING NEEDS ASSESSMENT TO INFORM THE**
11 **PROVISION OF RECYCLING SERVICES IN THE STATE INCLUDING IMPLEMENTATION**
12 **OF SUBTITLE 25 OF THIS TITLE.**

13 **(2) THE NEEDS ASSESSMENT SHALL INCLUDE:**

14 **(I) AN ANALYSIS OF THE STATE’S CURRENT SOLID WASTE**
15 **STREAMS, INCLUDING:**

16 1. **SOLID WASTE GENERATED IN THE STATE BY LOCAL**
17 **JURISDICTION, TYPE, AND MATERIAL;**

18 2. **DISPOSAL METHODS BY MATERIAL TYPE AND**
19 **AMOUNT; AND**

20 3. **ASSOCIATED COSTS AND REVENUES FOR SOLID**
21 **WASTE DISPOSAL PROGRAMS;**

22 **(II) AN ANALYSIS OF THE STATE’S CURRENT RECYCLING**
23 **STREAMS, INCLUDING:**

24 1. **RECYCLABLE MATERIALS PROCESSED BY LOCAL**
25 **JURISDICTION, TYPE, AND AMOUNT;**

26 2. **PROCESSING METHODS BY MATERIAL TYPE AND**
27 **AMOUNT;**

28 3. **ASSOCIATED COSTS AND REVENUES FOR RECYCLING**
29 **PROGRAMS, COLLECTION, AND TIPPING FEES; AND**

1 4. AN ESTIMATE OF THE AMOUNT OF RECYCLABLE
2 MATERIALS THAT ARE NOT CURRENTLY BEING RECYCLED;

3 (III) AN EVALUATION OF THE CURRENT INFRASTRUCTURE AND
4 CAPACITY RELATED TO, NEED FOR, AND ASSOCIATED COSTS OF:

5 1. RECYCLING ACCESS AND AVAILABILITY;

6 2. COLLECTING AND HAULING RECYCLABLE OR
7 COMPOSTABLE MATERIALS IN THE STATE;

8 3. PROCESSING RECYCLABLE OR COMPOSTABLE
9 MATERIALS IN THE STATE;

10 4. TAKING ADVANTAGE OF FAVORABLE MARKET
11 CONDITIONS OR OTHER OPPORTUNITIES FOR INCREASING RECYCLING OR
12 ORGANICS RECYCLING IN THE STATE;

13 5. IN COORDINATION WITH LOCAL GOVERNMENTS,
14 CONSUMER EDUCATION REGARDING RECYCLING, ORGANICS RECYCLING, AND
15 CONTAMINATION REDUCTION;

16 6. REUSE INFRASTRUCTURE; AND

17 7. ORGANICS RECYCLING INFRASTRUCTURE;

18 (IV) AN EVALUATION OF COMMINGLED RECYCLING PROCESSING
19 FACILITY WORKER CONDITIONS, WAGES, AND BENEFITS;

20 (V) AN EVALUATION OF OPPORTUNITIES IN THE RECYCLING
21 SYSTEM FOR WOMEN AND MINORITY INDIVIDUALS;

22 (VI) AN EVALUATION OF LOCAL GOVERNMENT REQUIREMENTS
23 RELATED TO MULTIFAMILY AND COMMERCIAL RECYCLING SERVICES AND THEIR
24 IMPLEMENTATION;

25 (VII) THE SUFFICIENCY OF RECYCLING EDUCATION PROGRAMS
26 RELATIVE TO DESIRED EQUITY OUTCOMES;

27 (VIII) AN EVALUATION OF THE ECONOMIC OPPORTUNITIES IN THE
28 STATE'S RECYCLING SYSTEM, INCLUDING:

1 1. STATE AND LOCAL REVENUE THAT MAY BE
2 CONSIDERED LOST BECAUSE RECYCLABLE MATERIALS ARE NOT BEING RECYCLED;

3 2. CURRENT JOBS ASSOCIATED WITH THE SOLID WASTE
4 AND RECYCLING INDUSTRIES;

5 3. OPPORTUNITIES TO INCREASE EMPLOYMENT IN THE
6 RECYCLING INDUSTRY BY MATERIAL TYPE;

7 4. BUSINESS OPPORTUNITIES ASSOCIATED WITH
8 RECYCLING;

9 5. BARRIERS TO INCREASING THE USE OF RECYCLABLE
10 MATERIALS AS FEEDSTOCK FOR PRINCIPAL PROCESSORS AND MANUFACTURERS
11 AND MEANS OF ELIMINATING THOSE BARRIERS; AND

12 6. RECOMMENDATIONS FOR INCENTIVES TO STIMULATE
13 JOB GROWTH AND BUSINESS OPPORTUNITIES IN THE STATE'S RECYCLING
14 INDUSTRY;

15 (IX) RECOMMENDATIONS FOR IMPROVING EQUITY AND
16 EQUITABLE OUTCOMES FOR UNDERSERVED POPULATIONS IN THE STATE'S
17 RECYCLING SYSTEM;

18 (X) AN ANALYSIS OF THE COSTS AND BENEFITS OF
19 IMPLEMENTING AN EXTENDED PRODUCER RESPONSIBILITY PROGRAM, INCLUDING
20 TO:

21 1. LOCAL GOVERNMENTS;

22 2. WASTE PRODUCERS;

23 3. RESIDENTS; AND

24 4. WASTE MANAGEMENT COMPANIES;

25 (XI) AN ANALYSIS OF THE POTENTIAL ENVIRONMENTAL IMPACT
26 OF AN EXTENDED PRODUCER RESPONSIBILITY PROGRAM, INCLUDING THROUGH:

27 1. INCREASED RECYCLING;

28 2. RESOURCE RECOVERY;

1 **3. WASTE REDUCTION; AND**

2 **4. REDUCED ENVIRONMENTAL DAMAGE; AND**

3 **(XII) RECOMMENDATIONS ON THE BEST PRACTICES TO FOLLOW**
4 **FROM SUCCESSFUL EXTENDED PRODUCER RESPONSIBILITY PROGRAMS IN OTHER**
5 **STATES AND COUNTRIES.**

6 **(C) THE OFFICE SHALL REPORT ON THE RESULTS OF EACH ASSESSMENT**
7 **CONDUCTED UNDER THIS SECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH**
8 **§ 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.**

9 **(D) IN CONDUCTING AN ASSESSMENT REQUIRED UNDER THIS SECTION, THE**
10 **INDEPENDENT CONSULTANT SHALL CONSULT WITH PRODUCER RESPONSIBILITY**
11 **ORGANIZATIONS, THE PRODUCER RESPONSIBILITY ADVISORY COUNCIL**
12 **ESTABLISHED UNDER § 9-2503 OF THIS TITLE, APPROPRIATE LOCAL**
13 **GOVERNMENTAL ENTITIES, AND REGIONAL SOLID WASTE ORGANIZATIONS IN THE**
14 **STATE.**

15 **(E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE OFFICE**
16 **SHALL ESTABLISH AND COLLECT A FEE TO BE PAID BY PRODUCER RESPONSIBILITY**
17 **ORGANIZATIONS TO COVER THE COSTS ASSOCIATED WITH CONDUCTING AN**
18 **ASSESSMENT REQUIRED UNDER THIS SECTION.**

19 **(2) BEFORE ESTABLISHING AND COLLECTING A FEE UNDER**
20 **PARAGRAPH (1) OF THIS SUBSECTION, THE OFFICE SHALL:**

21 **(I) PUBLISH A PROPOSED FEE ON ITS WEBSITE; AND**

22 **(II) ALLOW 90 CALENDAR DAYS FOR PUBLIC COMMENT.**

23 9-1707.

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

25 (2) The Fund shall consist of:

26 (i) The newspaper recycling incentive fee;

27 (ii) The telephone directory recycling incentive fee collected under §
28 9-1709 of this subtitle;

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

1 (iv) The Paint Stewardship Program plan and annual report review
2 fees collected under § 9–1733(b) and (h) of this subtitle;

3 (v) ANY FEES COLLECTED FROM PRODUCER RESPONSIBILITY
4 ORGANIZATIONS UNDER § 9–1702.2 OF THIS SUBTITLE OR SUBTITLE 25 OF THIS
5 TITLE;

6 [(v)] (vi) All fines and penalties collected under this subtitle AND §
7 9–2510 OF THIS TITLE;

8 [(vi)] (vii) Money appropriated in the State budget to the Fund; and

9 [(vii)] (viii) Any other money from any other source accepted for the
10 benefit of the Fund.

11 (3) The Secretary shall administer the Fund.

12 (4) The Treasurer shall hold the Fund separately and the Comptroller shall
13 account for the Fund.

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

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

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

20 (ii) To provide grants to counties that have addressed methods for
21 the separate collection and recycling of covered electronic devices in accordance with §
22 9–1703(c)(1) of this subtitle;

23 (iii) To provide grants to municipalities to be used by the
24 municipalities to implement local covered electronic device recycling programs;

25 (iv) To cover the costs of the Paint Stewardship Program plan review
26 under § 9–1733(b) of this subtitle, the annual report review under § 9–1733(h) of this
27 subtitle, and associated costs for Program compliance oversight; [and]

28 (v) IN ACCORDANCE WITH PARAGRAPH (7) OF THIS
29 SUBSECTION, TO COVER THE COSTS OF A STATEWIDE RECYCLING NEEDS
30 ASSESSMENT CONDUCTED UNDER § 9–1702.2 OF THIS SUBTITLE;

1 **(VI) IN ACCORDANCE WITH PARAGRAPH (7) OF THIS**
2 **SUBSECTION, TO COVER THE COSTS OF PRODUCER RESPONSIBILITY PLAN REVIEW,**
3 **OVERSIGHT, AND ENFORCEMENT UNDER SUBTITLE 25 OF THIS TITLE; AND**

4 **[(v)] (VII) To carry out the purposes of the land management**
5 **administration.**

6 **(7) (I) THERE IS A SEPARATE ACCOUNT WITHIN THE FUND.**

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

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

11 **2. ALL FINES AND PENALTIES COLLECTED UNDER §**
12 **9-2510 OF THIS TITLE.**

13 **(III) THE SEPARATE ACCOUNT SHALL BE USED ONLY FOR THE**
14 **COSTS OF STATEWIDE RECYCLING NEEDS ASSESSMENTS CONDUCTED UNDER §**
15 **9-1702.2 OF THIS SUBTITLE AND PRODUCER RESPONSIBILITY PLAN REVIEW,**
16 **OVERSIGHT, AND ENFORCEMENT UNDER SUBTITLE 25 OF THIS TITLE.**

17 **[(7)] (8) (i) The Treasurer shall invest the money in the Fund in the**
18 **same manner as other State money may be invested.**

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

21 **9-2501.**

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

23 **(b) “Advisory council” means the producer responsibility advisory council**
24 **established under § 9-2503 of this subtitle.**

25 **(c) “BEVERAGE CONTAINER” MEANS A PREPACKAGED BEVERAGE**
26 **CONTAINER:**

27 **(1) MADE OF ANY MATERIAL, INCLUDING GLASS, PLASTIC, METAL, OR**
28 **MULTIMATERIALS;**

29 **(2) IN ANY FORM, INCLUDING A BOTTLE, CAN, CARTON, OR POUCH;**
30 **AND**

1 **(3) THE VOLUME OF WHICH IS NOT MORE THAN 5 LITERS.**

2 **(D)** “Local government” means:

3 (1) A county; or

4 (2) A municipality.

5 **[(d)] (E)** “Organics recycling” has the meaning stated in § 9–1701 of this title.

6 **(F) “ORGANICS RECYCLING FACILITY” HAS THE MEANING STATED IN §**
7 **9–1701 OF THIS TITLE.**

8 **(G) “PACKAGING MATERIAL WASTE” MEANS THE PERCENTAGE OF THE**
9 **TOTAL WEIGHT OF PACKAGING MATERIALS SOLD OR DISTRIBUTED IN THE STATE**
10 **THAT ARE NOT RECYCLED, REUSED, OR COMPOSTED.**

11 **[(e)] (H)** (1) “Packaging materials” means, regardless of recyclability, any
12 part of a package or container, including material that is used for the containment,
13 protection, handling, delivery, and presentation of a product that is sold, offered for sale,
14 imported, or distributed in the State.

15 (2) “Packaging materials” includes:

16 (i) Primary, secondary, and tertiary packaging intended for the
17 consumer market;

18 (ii) Service packaging designed and intended to be filled at the point
19 of sale, including:

20 1. Carry–out bags;

21 2. Bulk goods bags; and

22 3. Take–out and home delivery food service packaging; and

23 (iii) Beverage containers.

24 (3) “Packaging materials” does not include:

25 (i) Any part of a package or container that is sold or supplied in
26 connection with:

27 1. A pesticide product regulated by the Federal Insecticide,
28 Fungicide, and Rodenticide Act under 7 U.S.C. § 136 et seq. or any other applicable federal
29 law, rule, or regulation;

1 2. A federally regulated drug, medical device, biologic,
2 diagnostic, or dietary supplement including items intended for animals; or

3 3. A medical product that is required to be sterile or enclosed
4 in packaging with tamper-resistant seals to protect public health, including medical
5 products intended for animals; or

6 (ii) Liquefied petroleum gas containers that are designed to be
7 refilled.

8 **[(f)] (I)** (1) “Producer” means a person that:

9 (i) With respect to packaging materials used to directly protect or
10 contain a product sold, offered for sale, or distributed in the State:

11 1. A. Has legal ownership of the brand of the product
12 under which the product is sold; or

13 B. Is the manufacturer of the product, if the product is sold
14 in packaging materials that lack identification of the brand;

15 2. Is the licensee of the brand or trademark under which the
16 product is sold, whether or not the trademark is registered in the State, if the product is
17 manufactured by a person other than the brand owners; or

18 3. Is the person that imports the product into the United
19 States for use in a commercial enterprise that sells, offers for sale, or distributes the item
20 in the State, if there is no person described in items 1 and 2 of this item; and

21 (ii) With respect to packaging materials used to ship a product to a
22 consumer in the State, is the person that packages and ships the product.

23 (2) “Producer” does not include:

24 (i) A local government;

25 (ii) A nonprofit charitable organization;

26 (iii) An entity that manufactures a drug or device authorized for sale
27 by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic
28 Act;

29 (iv) An entity that generated less than **[\$5,000,000] \$1,000,000** in
30 gross revenue during the immediately preceding calendar year;

1 (v) An entity that sold, offered for sale, or distributed for sale in the
2 State during the immediately preceding calendar year less than 1 metric ton of packaging
3 materials;

4 (vi) 1. An entity that owns or operates a restaurant, food cart, or
5 similar establishment that:

6 A. Is headquartered in the State; and

7 B. Primarily sells to members of the public food that is
8 generally intended to be consumed immediately and without the need for further
9 preparation, either on or off the premises; and

10 2. Is not a producer of food serviceware;

11 (vii) An entity that owns or operates a single retail sales
12 establishment that:

13 1. Has no online sales; and

14 2. Is not supplied or operated as part of a franchise or a
15 chain; or

16 (viii) 1. An entity that is licensed under Title 2 of the Alcoholic
17 Beverages and Cannabis Article; and

18 2. Generated less than \$10,000,000 in gross revenue during
19 the immediately preceding calendar year; or

20 (ix) An entity that has executed an agreement with another entity,
21 under which the other entity has agreed to assume responsibility under a producer
22 responsibility program for any packaging materials attributable to the first entity.

23 **[(g)] (J)** “Producer responsibility organization” means a nonprofit organization
24 that is:

25 (1) Exempt from taxation under § 501(c)(3) of the Internal Revenue Code;
26 and

27 (2) Created by a group of producers to [represent the interests of producers
28 under] **IMPLEMENT A PRODUCER RESPONSIBILITY PLAN IN ACCORDANCE WITH** this
29 subtitle.

30 **(K) “PRODUCER RESPONSIBILITY PLAN” MEANS A PACKAGING MATERIALS**
31 **PRODUCER RESPONSIBILITY PLAN SUBMITTED TO THE DEPARTMENT BY A**

1 **PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION IN ACCORDANCE WITH**
2 **§ 9-2505 OF THIS SUBTITLE.**

3 [9-2502.

4 On or before October 1, 2023, the Department shall approve a single producer
5 responsibility organization to represent the interests of producers under this subtitle.]

6 **9-2502.**

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

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

11 **(I) THE IMPROVEMENT OF REUSE, ORGANICS RECYCLING, AND**
12 **RECYCLING;**

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

14 **(III) THE REDUCTION OF WASTE; AND**

15 **(IV) AN INCREASE IN RECYCLING RATES; AND**

16 **(2) REIMBURSING LOCAL GOVERNMENTS FOR COSTS ASSOCIATED**
17 **WITH TRANSPORTING, COLLECTING, AND PROCESSING PACKAGING MATERIALS.**

18 9-2503.

19 (a) There is a producer responsibility advisory council.

20 (b) The purpose of the advisory council is to provide advice and make
21 recommendations regarding establishing and implementing a producer responsibility
22 program in the State for packaging materials, **INCLUDING ADVICE ON DRAFTING,**
23 **AMENDING, AND IMPLEMENTING PRODUCER RESPONSIBILITY PLANS.**

24 (c) (1) The advisory council shall consist of [up to 21 members,] **MEMBERS**
25 appointed by the Secretary, representing a broad range of interested stakeholders,
26 including:

27 (i) Representatives from the following industries or entities in the
28 State:

- 1 1. Local government agencies responsible for recycling
2 programs;
- 3 2. Recyclables and compostable materials collectors from
4 both the public and private sectors;
- 5 3. Recycling processors from both the public and private
6 sectors;
- 7 4. Organics recycling processors;
- 8 5. Producers from the consumer goods sector;
- 9 6. Retail and small businesses; and
- 10 7. Material-oriented trade groups;
- 11 (ii) A representative from the producer responsibility organization
12 approved by the Department under [§ 9-2502] **§ 9-2505(A)** of this subtitle;
- 13 (iii) Representatives of at least two nonprofit organizations in the
14 State with missions related to reducing waste;
- 15 (iv) At least one representative of an environmental advocacy
16 organization;
- 17 (v) At least one representative of an advocacy organization that
18 advocates on behalf of overburdened or underserved communities, as defined in § 1-701 of
19 this article; and
- 20 (vi) At least two members of the public who reside in the State.
- 21 (2) In appointing members to the advisory council, the Secretary shall, to
22 the extent practicable, ensure that the membership of the advisory council represents:
- 23 (i) All geographic regions of the State;
- 24 (ii) Large and small counties and municipalities; and
- 25 (iii) The variability in how waste and recyclable and compostable
26 materials are collected and processed in the State.
- 27 **(3) A MEMBER OF A PRODUCER RESPONSIBILITY ORGANIZATION MAY**
28 **NOT SERVE AS A VOTING MEMBER OR AS A COCHAIR OF THE ADVISORY COUNCIL.**
- 29 (d) From among the advisory council members, the Secretary shall designate two
30 representatives to serve as cochairs.

1 (e) The Department shall provide staff for the advisory council.

2 (f) A member of the advisory council:

3 (1) May not receive compensation as a member of the advisory council; but

4 (2) Is entitled to reimbursement for expenses under the Standard State
5 Travel Regulations, as provided in the State budget.

6 (g) The advisory council shall meet at the request of the Secretary.

7 (h) [(1)] The advisory council shall [evaluate and make recommendations,
8 including legislative recommendations, on how to effectively establish and implement a
9 producer responsibility program in the State for packaging materials.

10 (2) In making recommendations under paragraph (1) of this subsection, the
11 advisory council shall include recommendations regarding the responsibilities of producers
12 under a producer responsibility program]:

13 (1) ON REQUEST BY A PRODUCER OR PRODUCER RESPONSIBILITY
14 ORGANIZATION, PROVIDE ADVICE REGARDING THE DRAFTING OR AMENDING OF A
15 PRODUCER RESPONSIBILITY PLAN REQUIRED UNDER § 9-2505 OF THIS SUBTITLE;

16 (2) RECEIVE AND REVIEW THE PRODUCER RESPONSIBILITY PLANS
17 SUBMITTED IN ACCORDANCE WITH § 9-2505 OF THIS SUBTITLE;

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

20 (4) MAKE RECOMMENDATIONS TO THE DEPARTMENT REGARDING
21 PRODUCER RESPONSIBILITY PLAN APPROVAL;

22 (5) MAKE RECOMMENDATIONS TO THE DEPARTMENT AND
23 PRODUCER RESPONSIBILITY ORGANIZATIONS REGARDING PRODUCER
24 RESPONSIBILITY PLAN IMPLEMENTATION; AND

25 (6) PROVIDE WRITTEN RECOMMENDATIONS REGARDING THE
26 PRODUCER RESPONSIBILITY PLAN, INCLUDING ANY UPDATE OR REVISION TO AN
27 APPROVED PLAN, TO A PRODUCER RESPONSIBILITY ORGANIZATION BEFORE THE
28 PRODUCER RESPONSIBILITY ORGANIZATION SUBMITS THE PLAN TO THE
29 DEPARTMENT.

30 [(i) On or before December 1, 2024, the advisory council shall report its findings
31 and recommendations to the Governor and, in accordance with § 2-1257 of the State

1 Government Article, the Senate Committee on Education, Energy, and the Environment
2 and the House Environment and Transportation Committee.]

3 **9-2504.**

4 (A) THIS SUBTITLE DOES NOT AFFECT THE AUTHORITY OF THE STATE OR A
5 LOCAL JURISDICTION TO REGULATE THE SALE OR USE OF ANY PACKAGING
6 MATERIAL.

7 (B) THIS SUBTITLE MAY NOT BE CONSTRUED TO:

8 (1) PROHIBIT A LOCAL GOVERNMENT OR ANY OTHER ENTITY FROM
9 SELLING RECYCLED MATERIALS OR COMPOST TO END MARKETS AND RETAINING
10 THE REVENUES FROM THOSE SALES;

11 (2) AFFECT THE AUTHORITY OF A PUBLICLY OR PRIVATELY OWNED
12 MATERIALS RECYCLING FACILITY OR ORGANICS RECYCLING FACILITY TO
13 DETERMINE WHICH ENTITIES MAY USE THE FACILITY; OR

14 (3) LIMIT THE ABILITY OF LOCAL GOVERNMENTS, MATERIALS
15 RECYCLING FACILITIES, OR ORGANICS RECYCLING FACILITIES TO MAKE DECISIONS
16 ON RECYCLING INFRASTRUCTURE PURCHASES, INCLUDING PROCESSING
17 EQUIPMENT.

18 **9-2505.**

19 (A) (1) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL
20 APPROVE A SINGLE PRODUCER RESPONSIBILITY ORGANIZATION TO FULFILL THE
21 REQUIREMENTS OF THIS SUBSECTION.

22 (2) (I) BEGINNING JULY 1, 2025, AND EACH YEAR THEREAFTER,
23 THE PRODUCER RESPONSIBILITY ORGANIZATION SHALL FILE A REGISTRATION
24 FORM WITH THE DEPARTMENT.

25 (II) THE REGISTRATION FORM SHALL INCLUDE:

26 1. A LIST OF THE PRODUCERS PARTICIPATING IN THE
27 PRODUCER RESPONSIBILITY ORGANIZATION;

28 2. A LIST OF THE BRANDS OF EACH PRODUCER
29 PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION;

1 **3. A LIST OF THE COVERED MATERIALS OF EACH**
2 **PRODUCER PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION;**
3 **AND**

4 **4. THE NAME, ADDRESS, AND CONTACT INFORMATION**
5 **OF A PERSON RESPONSIBLE FOR ENSURING THE PRODUCER RESPONSIBILITY**
6 **ORGANIZATION'S AND THE MEMBER PRODUCERS' COMPLIANCE WITH THIS**
7 **SUBTITLE.**

8 **(III) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, AT THE**
9 **TIME OF FILING THE REGISTRATION FORM, THE PRODUCER RESPONSIBILITY**
10 **ORGANIZATION SHALL PAY TO THE DEPARTMENT AN ANNUAL REGISTRATION FEE**
11 **TO COVER THE COSTS OF RECORD KEEPING, NOT TO EXCEED \$1,000.**

12 **(3) BEFORE ESTABLISHING AND COLLECTING AN ANNUAL**
13 **REGISTRATION FEE UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION, THE**
14 **DEPARTMENT SHALL:**

15 **(I) PUBLISH A PROPOSED FEE ON ITS WEBSITE; AND**

16 **(II) ALLOW 90 CALENDAR DAYS FOR PUBLIC COMMENT.**

17 **(4) (I) ON OR AFTER JULY 1, 2031, A NONPROFIT ORGANIZATION**
18 **MAY REQUEST THAT THE DEPARTMENT DESIGNATE THE NONPROFIT**
19 **ORGANIZATION AS AN ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION.**

20 **(II) THE DEPARTMENT MAY DESIGNATE A NONPROFIT**
21 **ORGANIZATION AS AN ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION IF**
22 **THE DEPARTMENT DETERMINES, IN COORDINATION WITH THE ADVISORY COUNCIL**
23 **ESTABLISHED UNDER § 9-2503 OF THIS SUBTITLE, THAT THE DESIGNATION OF THE**
24 **ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION IS NECESSARY TO:**

25 **1. INCREASE RECYCLING RATES; OR**

26 **2. IMPROVE RECYCLING SERVICES FOR A SPECIFIC**
27 **TYPE OF PACKAGING MATERIAL.**

28 **(III) IF THE DEPARTMENT APPROVES THE DESIGNATION OF AN**
29 **ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION UNDER THIS**
30 **SUBSECTION, THE PRODUCER RESPONSIBILITY ORGANIZATION SHALL:**

31 **1. NOT LATER THAN 30 DAYS AFTER BEING APPROVED**
32 **BY THE DEPARTMENT AND ON OR BEFORE JULY 1 EACH YEAR THEREAFTER, FILE A**
33 **REGISTRATION FORM WITH THE DEPARTMENT CONTAINING THE INFORMATION**

1 REQUIRED UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION AND PAY THE ANNUAL
2 REGISTRATION FEE DESCRIBED IN PARAGRAPH (2)(III) OF THIS SUBSECTION; AND

3 2. COORDINATE WITH THE PRODUCER RESPONSIBILITY
4 ORGANIZATION ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE
5 DEPARTMENT, AND LOCAL GOVERNMENTS TO ENSURE THAT:

6 A. RECYCLING SERVICES FOR RESIDENTS OF THE STATE
7 ARE PROVIDED IN A SEAMLESS MANNER; AND

8 B. PUBLIC OUTREACH, EDUCATION, AND
9 COMMUNICATION ARE PROVIDED IN A CONSISTENT MANNER.

10 (IV) THE PRODUCER RESPONSIBILITY ORGANIZATION
11 ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION AND ANY ADDITIONAL
12 PRODUCER RESPONSIBILITY ORGANIZATIONS DESIGNATED UNDER THIS
13 PARAGRAPH MAY CREATE A REPRESENTATIVE ORGANIZATION TO REPRESENT THE
14 PARTICIPATING PRODUCER RESPONSIBILITY ORGANIZATIONS TO IMPLEMENT THE
15 REQUIREMENTS OF THIS SUBTITLE.

16 (B) (1) ON OR BEFORE APRIL 1, 2027, AND EVERY 5 YEARS THEREAFTER,
17 EACH PRODUCER SHALL, INDIVIDUALLY OR AS PART OF A PRODUCER
18 RESPONSIBILITY ORGANIZATION, SUBMIT A PRODUCER RESPONSIBILITY PLAN TO
19 THE DEPARTMENT FOR REVIEW AND APPROVAL.

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

23 (i) CONSULT WITH THE ADVISORY COUNCIL ESTABLISHED
24 UNDER § 9-2503 OF THIS SUBTITLE; AND

25 (ii) CONSIDER THE WRITTEN RECOMMENDATIONS OF THE
26 ADVISORY COUNCIL AND RESPOND IN WRITING TO THE ADVISORY COUNCIL.

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

1 **(II) A PRODUCER IS NOT REQUIRED TO SUBMIT A PRODUCER**
2 **RESPONSIBILITY PLAN TO THE DEPARTMENT, INDIVIDUALLY OR AS PART OF A**
3 **PRODUCER RESPONSIBILITY ORGANIZATION, IF ANOTHER PERSON HAS AGREED TO**
4 **ASSUME RESPONSIBILITY UNDER THIS SUBTITLE FOR ANY PACKAGING MATERIAL**
5 **SOLD, OFFERED FOR SALE, OR DISTRIBUTED IN OR INTO THE STATE BY THAT**
6 **PRODUCER.**

7 **(C) A PRODUCER RESPONSIBILITY PLAN SHALL:**

8 **(1) IDENTIFY THE PRODUCERS COVERED BY THE PLAN, INCLUDING**
9 **THE CONTACT INFORMATION FOR EACH PARTICIPATING PRODUCER AND THE**
10 **PRODUCER RESPONSIBILITY ORGANIZATION;**

11 **(2) IDENTIFY EACH BRAND OF PACKAGING MATERIALS COVERED BY**
12 **THE PLAN;**

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

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

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

19 **(III) REUSE GOALS;**

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

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

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

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

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

27 **(4) REQUIRE EACH PARTICIPATING PRODUCER TO REDUCE**
28 **PACKAGING MATERIAL WASTE TO THE MAXIMUM EXTENT PRACTICABLE, AND BY**
29 **NOT LESS THAN 25%, WITHIN 5 YEARS AFTER THE DATE ON WHICH THE FIRST**
30 **VERSION OF THE PLAN IS APPROVED;**

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

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

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

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

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

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

16 **(I) PROMOTE THE RESPONSIBLE END-OF-LIFE MANAGEMENT**
17 **OF PACKAGING MATERIALS;**

18 **(II) PROVIDE INFORMATION ON HOW TO PREVENT LITTER OF**
19 **PACKAGING MATERIALS;**

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

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

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

25 **3. EASILY ACCESSIBLE; AND**

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

27 **1. DESIGNED TO ACHIEVE PACKAGING MATERIALS**
28 **MANAGEMENT GOALS AND REQUIREMENTS, INCLUDING THE PREVENTION OF**
29 **CONTAMINATION OF PACKAGING MATERIALS;**

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

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

5 **(11) DESCRIBE, IN ACCORDANCE WITH SUBSECTION (F) OF THIS**
6 **SECTION, THE AMOUNT OF FUNDING THAT WILL BE USED FOR IMPROVING REUSE,**
7 **ORGANICS RECYCLING, AND RECYCLING IN THE STATE;**

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

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

13 **(II) THE PROCESS FOR APPROVING OR DENYING A REQUEST**
14 **FOR REIMBURSEMENT;**

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

17 **(IV) THE PROCESS FOR PROVIDING REIMBURSEMENT FOR**
18 **MULTIPLE BRANDS OF PACKAGING MATERIALS;**

19 **(13) (I) PROVIDE THE WRITTEN RECOMMENDATIONS FROM THE**
20 **ADVISORY COUNCIL PROVIDED UNDER § 9-2503 OF THIS SUBTITLE AND THE**
21 **PRODUCER RESPONSIBILITY ORGANIZATION'S WRITTEN RESPONSE TO THE**
22 **ADVISORY COUNCIL; AND**

23 **(II) DESCRIBE HOW THE WRITTEN RECOMMENDATIONS FROM**
24 **THE ADVISORY COUNCIL WERE CONSIDERED AND ADDRESSED IN THE**
25 **DEVELOPMENT OF THE PLAN; AND**

26 **(14) INCLUDE ANY OTHER INFORMATION THAT IS REQUIRED BY THE**
27 **DEPARTMENT.**

28 **(D) BASED ON THE RESULTS OF THE MOST RECENT STATEWIDE RECYCLING**
29 **NEEDS ASSESSMENT CONDUCTED UNDER CHAPTER 465 OF THE ACTS OF THE**
30 **GENERAL ASSEMBLY OF 2023 OR § 9-1702.2 OF THIS TITLE, THE DEPARTMENT, IN**
31 **COORDINATION WITH A PRODUCER RESPONSIBILITY ORGANIZATION, SHALL**
32 **ESTABLISH PERFORMANCE GOALS FOR EACH PACKAGING MATERIAL TYPE USING A**
33 **BASELINE YEAR THAT IS INFORMED BY THE STATEWIDE RECYCLING NEEDS**

1 ASSESSMENT, INCLUDING ESTABLISHING RECYCLING RATE GOALS FOR EACH
2 PACKAGING MATERIAL TYPE, AT 5-, 10-, AND 15-YEAR INTERVALS.

3 (E) (1) THE FINANCING METHOD THAT WILL BE USED BY A PRODUCER
4 RESPONSIBILITY ORGANIZATION TO IMPLEMENT A PRODUCER RESPONSIBILITY
5 PLAN SHALL:

6 (I) PROVIDE THE METHOD FOR EITHER DIRECT INVESTMENTS
7 OR REIMBURSEMENTS FOR IMPROVING INFRASTRUCTURE FOR REUSE, ORGANICS
8 RECYCLING, AND RECYCLING IN ACCORDANCE WITH SUBSECTION (C)(11) OF THIS
9 SECTION, WITH PRIORITY GIVEN TO THE IMPROVEMENT OF EXISTING
10 INFRASTRUCTURE;

11 (II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,
12 PROVIDE A REASONABLE ANNUAL RATE PER TON OF RECYCLED OR COMPOSTED
13 PACKAGING MATERIALS FOR REIMBURSING LOCAL GOVERNMENTS FOR COSTS
14 ASSOCIATED WITH:

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

17 2. TRANSPORTING RECYCLABLE OR COMPOSTABLE
18 PACKAGING MATERIALS TO A MATERIALS RECYCLING FACILITY OR AN ORGANICS
19 RECYCLING FACILITY;

20 3. PROCESSING PACKAGING MATERIALS, INCLUDING
21 REMOVING CONTAMINATION; AND

22 4. CONVERTING PACKAGING MATERIALS THAT ARE
23 DIVERTED TO BE RECYCLED OR COMPOSTED INTO COMMODITY MATERIALS;

24 (III) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,
25 ESTABLISH A FEE STRUCTURE FOR PARTICIPATING PRODUCERS THAT IS SET IN A
26 MANNER TO COVER COSTS ASSOCIATED WITH:

27 1. IMPLEMENTING THE PLAN, INCLUDING THE
28 ADMINISTRATIVE COSTS OF A PRODUCER RESPONSIBILITY ORGANIZATION;

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

31 3. THE ADMINISTRATION, REVIEW, OVERSIGHT, AND
32 ENFORCEMENT OF THE PLAN BY THE DEPARTMENT;

1 4. **IMPLEMENTING THE STRATEGY IN THE PLAN FOR**
2 **REDUCING PACKAGING MATERIALS IN ACCORDANCE WITH SUBSECTION (C)(9) OF**
3 **THIS SECTION; AND**

4 5. **IMPLEMENTING THE STRATEGY IN THE PLAN FOR**
5 **IMPROVING REUSE, ORGANICS RECYCLING, AND RECYCLING IN THE STATE IN**
6 **ACCORDANCE WITH SUBSECTION (C)(11) OF THIS SECTION;**

7 (IV) 1. **DESCRIBE THE INCENTIVES TO ENCOURAGE**
8 **PARTICIPATING PRODUCERS TO ENGAGE IN WASTE REDUCTION AND RECYCLING**
9 **ACTIVITIES; AND**

10 2. **DESCRIBE THE DISINCENTIVES TO DISCOURAGE**
11 **DESIGNS OR PRACTICES THAT INCREASE THE COST OF MANAGING PACKAGING**
12 **MATERIALS;**

13 (V) **BE EVALUATED BY AN INDEPENDENT FINANCIAL AUDITOR,**
14 **AS DESIGNATED BY THE DEPARTMENT, TO ENSURE THAT THE COSTS OF**
15 **IMPLEMENTING THE PLAN ARE COVERED; AND**

16 (VI) **MEET ANY OTHER REQUIREMENT ESTABLISHED BY THE**
17 **DEPARTMENT BY REGULATION.**

18 (2) **THE REIMBURSEMENT RATE ESTABLISHED UNDER PARAGRAPH**
19 **(1)(II) OF THIS SUBSECTION SHALL BE:**

20 (I) **BASED ON:**

21 1. **THE POPULATION SIZE OF A LOCAL JURISDICTION;**

22 2. **THE DISTANCE TO THE RELEVANT MATERIALS**
23 **RECYCLING FACILITY OR ORGANICS RECYCLING FACILITY;**

24 3. **THE COMMODITY VALUE OF RECYCLED PACKAGING**
25 **MATERIALS; AND**

26 4. **ANY SOCIOECONOMIC OR GEOGRAPHIC FACTOR, AS**
27 **DETERMINED BY THE DEPARTMENT; AND**

28 (II) **DISCOUNTED EQUIVALENT TO THE ESTIMATED ANNUAL**
29 **VOLUME OF PACKAGING MATERIALS SOLD IN THE STATE BY PERSONS THAT ARE**
30 **EXEMPT FROM THE REQUIREMENTS OF THIS SUBTITLE.**

1 **(3) (I) BEFORE ESTABLISHING THE FEE STRUCTURE FOR**
2 **PARTICIPATING PRODUCERS UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION, THE**
3 **PRODUCER RESPONSIBILITY ORGANIZATION SHALL:**

4 **1. PUBLISH A PROPOSED FEE ON ITS WEBSITE; AND**

5 **2. ALLOW 90 CALENDAR DAYS FOR PUBLIC COMMENT.**

6 **(II) THE FEE STRUCTURE ESTABLISHED UNDER PARAGRAPH**
7 **(1)(III) OF THIS SUBSECTION SHALL BE VARIABLE BASED ON:**

8 **1. COSTS ASSOCIATED WITH TRANSPORTING,**
9 **COLLECTING, AND PROCESSING PACKAGING MATERIALS;**

10 **2. AN ECO-MODULATION OF FEES, INCLUDING**
11 **ESTABLISHING:**

12 **A. A HIGHER FEE FOR PACKAGING MATERIALS WITH**
13 **LOW RECYCLABILITY OR RECYCLED CONTENT; AND**

14 **B. A DISCOUNTED FEE FOR PACKAGING MATERIALS**
15 **WITH HIGH RECYCLABILITY OR RECYCLED CONTENT; AND**

16 **3. ANY OTHER FACTOR, AS DETERMINED BY THE**
17 **DEPARTMENT.**

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

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

22 **(F) THE FUNDING THAT WILL BE USED FOR IMPROVING REUSE, ORGANICS**
23 **RECYCLING, AND RECYCLING SHALL INCLUDE INVESTMENT IN MARKET**
24 **DEVELOPMENT AND EXISTING AND FUTURE REUSE, ORGANICS RECYCLING, AND**
25 **RECYCLING INFRASTRUCTURE, GIVING PRIORITY TO INVESTMENT IN EXISTING**
26 **INFRASTRUCTURE, INCLUDING:**

27 **(1) INSTALLING OR UPGRADING EQUIPMENT TO IMPROVE THE**
28 **SORTING OF PACKAGING MATERIALS AT EXISTING SORTING AND PROCESSING**
29 **FACILITIES;**

30 **(2) MITIGATING THE IMPACTS OF PACKAGING MATERIALS ON OTHER**
31 **COMMODITIES AT EXISTING SORTING AND PROCESSING FACILITIES; AND**

1 **(3) CAPITAL EXPENDITURES FOR NEW TECHNOLOGY, EQUIPMENT,**
2 **AND FACILITIES, BASED ON THE RESULTS OF THE MOST RECENT STATEWIDE**
3 **RECYCLING NEEDS ASSESSMENT CONDUCTED UNDER CHAPTER 465 OF THE ACTS**
4 **OF THE GENERAL ASSEMBLY OF 2023 OR § 9-1702.2 OF THIS TITLE.**

5 **(G) THE DEPARTMENT SHALL REVIEW:**

6 **(1) THE PRODUCER RESPONSIBILITY PLAN REQUIRED UNDER**
7 **SUBSECTION (B) OF THIS SECTION; AND**

8 **(2) THE WORK PRODUCT OF THE INDEPENDENT FINANCIAL AUDITOR**
9 **DESIGNATED BY THE DEPARTMENT TO EVALUATE THE FINANCING COMPONENT OF**
10 **THE PRODUCER RESPONSIBILITY PLAN UNDER SUBSECTION (E)(1)(V) OF THIS**
11 **SECTION.**

12 **(H) (1) WITHIN 120 DAYS AFTER RECEIVING A PROPOSED PRODUCER**
13 **RESPONSIBILITY PLAN, THE DEPARTMENT SHALL APPROVE, APPROVE WITH**
14 **CONDITIONS, OR REJECT THE PLAN.**

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

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

20 **(II) THE PRODUCER RESPONSIBILITY ORGANIZATION ENGAGED**
21 **SUFFICIENTLY WITH STAKEHOLDERS, INCLUDING LOCAL GOVERNMENTS, IN**
22 **DEVELOPING THE PLAN.**

23 **(3) NOT LATER THAN 60 DAYS AFTER THE DATE A PRODUCER**
24 **RESPONSIBILITY PLAN IS INITIALLY APPROVED UNDER THIS SECTION, THE ENTITY**
25 **THAT SUBMITTED THE PLAN SHALL PAY TO THE DEPARTMENT:**

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

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

1 **(I) IMPLEMENTATION OF AN APPROVED PRODUCER RESPONSIBILITY PLAN**
2 **SHALL BEGIN NOT LATER THAN 6 MONTHS AFTER THE DATE THE PRODUCER**
3 **RESPONSIBILITY PLAN IS APPROVED BY THE DEPARTMENT.**

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

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

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

12 **(4) IF THE DEPARTMENT RESCINDS AN APPROVAL OF A PRODUCER**
13 **RESPONSIBILITY PLAN UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE**
14 **PRODUCER OR, IF APPLICABLE, THE PRODUCER RESPONSIBILITY ORGANIZATION**
15 **MAY AMEND THE PLAN AND SUBMIT IT TO THE DEPARTMENT FOR APPROVAL IN**
16 **ACCORDANCE WITH THIS SUBTITLE.**

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

20 **(I) REQUIRE THAT A PRODUCER OR PRODUCER**
21 **RESPONSIBILITY ORGANIZATION AMEND THE PRODUCER RESPONSIBILITY PLAN;**
22 **AND**

23 **(II) IMPOSE AN ADMINISTRATIVE PENALTY ON A PRODUCER OR**
24 **PRODUCER RESPONSIBILITY ORGANIZATION IN ACCORDANCE WITH § 9-2510 OF**
25 **THIS SUBTITLE.**

26 **(6) IF THE DEPARTMENT REQUIRES A PRODUCER OR PRODUCER**
27 **RESPONSIBILITY ORGANIZATION TO AMEND A PRODUCER RESPONSIBILITY PLAN**
28 **UNDER PARAGRAPH (5) OF THIS SUBSECTION, THE PRODUCER OR PRODUCER**
29 **RESPONSIBILITY ORGANIZATION SHALL COVER THE COST OF THE DEPARTMENT'S**
30 **REVIEW AND SUPPLEMENTAL WORK ON THE PLAN.**

31 **9-2506.**

32 **(A) IN ACCORDANCE WITH THE REQUIREMENTS OF A PRODUCER**
33 **RESPONSIBILITY ORGANIZATION, AS ESTABLISHED IN AN APPROVED PRODUCER**
34 **RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT, AND ANY OTHER**

1 REQUIREMENT ADOPTED BY THE DEPARTMENT, A LOCAL GOVERNMENT MAY
2 REQUEST REIMBURSEMENT FROM A PRODUCER RESPONSIBILITY ORGANIZATION
3 FOR COSTS ASSOCIATED WITH COLLECTING, TRANSPORTING, AND PROCESSING
4 PACKAGING MATERIALS THAT ARE IDENTIFIED UNDER THE PLAN, INCLUDING COSTS
5 ASSOCIATED WITH RECYCLING SERVICES FOR PUBLIC PLACES AND PUBLIC
6 HOUSING.

7 (B) (1) IF MULTIPLE PRODUCER RESPONSIBILITY ORGANIZATIONS
8 REGISTER APPROVED PRODUCER RESPONSIBILITY PLANS WITH THE DEPARTMENT
9 IN ACCORDANCE WITH THIS SUBTITLE, THE PRODUCER RESPONSIBILITY
10 ORGANIZATIONS SHALL COORDINATE REIMBURSEMENT REQUESTED UNDER THIS
11 SECTION.

12 (2) MULTIPLE PRODUCER RESPONSIBILITY ORGANIZATIONS MAY
13 ESTABLISH A THIRD-PARTY ENTITY TO COORDINATE REIMBURSEMENT IN
14 ACCORDANCE WITH THIS SUBSECTION.

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

19 9-2507.

20 (A) BEGINNING MARCH 1, 2028, EACH PRODUCER OR PRODUCER
21 RESPONSIBILITY ORGANIZATION THAT HAS AN APPROVED PRODUCER
22 RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT SHALL REPORT ANNUALLY
23 TO THE DEPARTMENT ON THE PROGRESS TOWARD MEETING PLAN REQUIREMENTS
24 AND GOALS FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR.

25 (B) THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
26 SHALL INCLUDE:

27 (1) A DETAILED DESCRIPTION OF THE REIMBURSEMENT METHODS
28 USED FOR COLLECTING, TRANSPORTING, AND PROCESSING PACKAGING
29 MATERIALS;

30 (2) (I) THE STATUS ON ACHIEVING THE PERFORMANCE GOALS
31 ESTABLISHED UNDER § 9-2505(C)(3) OF THIS SUBTITLE; AND

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

1 **(3) THE AMOUNT OF EACH PACKAGING MATERIAL TYPE COLLECTED**
2 **IN THE STATE, INCLUDING THE METHOD OF DISPOSITION OF EACH PACKAGING**
3 **MATERIAL TYPE;**

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

6 **(I) A COPY OF THE WORK PRODUCT OF THE INDEPENDENT**
7 **FINANCIAL AUDITOR; AND**

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

10 **(5) SAMPLES OF ALL EDUCATIONAL MATERIALS PROVIDED TO**
11 **CONSUMERS OR OTHER ENTITIES;**

12 **(6) A DETAILED DESCRIPTION OF THE ACTIONS TAKEN AND AN**
13 **EVALUATION OF THE METHODS USED TO DISSEMINATE EDUCATIONAL MATERIALS,**
14 **INCLUDING RECOMMENDATIONS, IF ANY, FOR HOW THE EDUCATIONAL COMPONENT**
15 **OF THE PLAN CAN BE IMPROVED;**

16 **(7) A DETAILED DESCRIPTION OF INVESTMENTS MADE IN MARKET**
17 **DEVELOPMENT AND FOR IMPROVING REUSE, ORGANICS RECYCLING, AND**
18 **RECYCLING INFRASTRUCTURE;**

19 **(8) PROOF OF A THIRD-PARTY AUDIT OF:**

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

21 **(II) THE DATA USED TO DETERMINE THE STATUS OF ACHIEVING**
22 **PERFORMANCE GOALS;**

23 **(III) THE AMOUNT OF EACH PACKAGING MATERIAL TYPE**
24 **COLLECTED IN THE STATE; AND**

25 **(IV) THE OVERALL REDEMPTION RATE AND RECYCLING RATE OF**
26 **BEVERAGE CONTAINERS IN THE STATE; AND**

27 **(9) ANY OTHER INFORMATION AS REQUIRED BY THE DEPARTMENT.**

28 **(C) WHEN PROVIDING THE DEPARTMENT WITH THE ANNUAL REPORT**
29 **REQUIRED UNDER THIS SECTION, A PRODUCER OR PRODUCER RESPONSIBILITY**
30 **ORGANIZATION SHALL PAY TO THE DEPARTMENT THE DEPARTMENT'S ESTIMATED**

1 COSTS OF ADMINISTERING, OVERSEEING, AND ENFORCING THE PLAN FOR THE 1
2 YEAR IMMEDIATELY FOLLOWING THE ANNUAL REPORT.

3 (D) FINANCIAL, PRODUCTION, OR SALES DATA REPORTED TO THE
4 DEPARTMENT BY A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION
5 SHALL BE KEPT CONFIDENTIAL BY THE DEPARTMENT AND MAY NOT BE SUBJECT TO
6 PUBLIC INSPECTION.

7 (E) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE REPORT SHALL BE
8 POSTED ON THE WEBSITE OF THE DEPARTMENT AND THE PRODUCER OR PRODUCER
9 RESPONSIBILITY ORGANIZATION.

10 9-2508.

11 ANY PERSON PARTICIPATING IN A PRODUCER RESPONSIBILITY PLAN IN
12 COMPLIANCE WITH THIS SUBTITLE IS IMMUNE FROM LIABILITY UNDER STATE LAW
13 RELATING TO ANTITRUST AND RESTRAINT OF TRADE FOR ANY COOPERATED
14 ACTIVITIES ARISING OUT OF THE RECYCLING, REUSE, AND DISPOSAL OF PACKAGING
15 MATERIALS.

16 9-2509.

17 THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS
18 SUBTITLE.

19 9-2510.

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

23 (1) THIS SUBTITLE;

24 (2) ANY REGULATION ADOPTED UNDER THIS SUBTITLE; OR

25 (3) ANY ORDER ISSUED UNDER THIS SUBTITLE.

26 (B) (1) A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION
27 THAT VIOLATES THIS SUBTITLE IS SUBJECT TO:

28 (I) FOR A FIRST VIOLATION, AN ADMINISTRATIVE PENALTY OF
29 \$5,000;

1 **(II) FOR A SECOND VIOLATION, AN ADMINISTRATIVE PENALTY**
2 **OF \$10,000; AND**

3 **(III) FOR A THIRD OR SUBSEQUENT VIOLATION, A CIVIL PENALTY**
4 **OF \$20,000.**

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

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

9 **(II) THE VIOLATION IS NOT CORRECTED WITHIN 60 DAYS AFTER**
10 **RECEIPT OF THE WRITTEN NOTICE.**

11 **(3) AFTER THE 60-DAY PERIOD SPECIFIED UNDER PARAGRAPH (2)**
12 **OF THIS SUBSECTION, EACH DAY THAT A VIOLATION CONTINUES IS A SEPARATE**
13 **VIOLATION.**

14 **(C) IF, BASED ON THE ANNUAL REPORT SUBMITTED UNDER § 9-2507 OF**
15 **THIS SUBTITLE, THE PERFORMANCE GOALS ESTABLISHED UNDER § 9-2505(C)(3) OF**
16 **THIS SUBTITLE HAVE NOT BEEN ACHIEVED, THE DEPARTMENT MAY IMPOSE AN**
17 **ADMINISTRATIVE PENALTY, NOT TO EXCEED \$250,000, ON THE PRODUCER**
18 **RESPONSIBILITY ORGANIZATION.**

19 **(D) ANY PENALTY COLLECTED BY THE DEPARTMENT UNDER THIS SECTION**
20 **SHALL BE PAID INTO THE STATE RECYCLING TRUST FUND ESTABLISHED UNDER §**
21 **9-1707 OF THIS TITLE.**

22 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before December 1,
23 2025, each local government in the State shall file a feasibility plan with the Department
24 of the Environment that prioritizes the sale of recycled packaging materials back to
25 manufacturers that have a manufacturing facility in the State.

26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June
27 1, 2025.