

Department of Legislative Services
Maryland General Assembly
2025 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 407 (Delegate Edelson)
Environment and Transportation

Environment - Municipal Recycling Plans - Requirement

This bill requires – by January 1, 2026, and every five years thereafter – the largest municipal corporation in each county (or the largest municipal corporation in the region if the governing bodies of two or more counties adopt a regional recycling plan) to adopt or update as necessary, a recycling plan that (1) provides for a minimum reduction of the municipal corporation’s solid waste stream of at least 20% or 35%, depending on the population of the municipal corporation or region or (2) submits adequate justification as to why those reductions cannot be met. The recycling plan must also require full implementation of the plan within 18 months of adoption. The bill establishes related requirements for the Maryland Department of Planning (MDP).

Fiscal Summary

State Effect: Minimal or none. MDP can implement the bill with existing budgeted resources.

Local Effect: Potential significant increase in local expenditures for some affected municipalities, at least in the short term, as discussed below. Local revenues are not directly affected. **This bill imposes a mandate on a unit of local government.**

Small Business Effect: Minimal direct effect.

Analysis

Bill Summary: By January 1, 2026, and every five years thereafter, the largest municipal corporation in each county (or the region, if the governing bodies of two or more counties

adopt a regional recycling plan, as authorized under current law) must adopt or update, as necessary, a plan that:

- provides for a reduction through recycling of (1) at least 35% of the municipal corporation's solid waste stream by weight, if the municipal corporation is in a county (or region, for submissions that are applicable to a regional recycling plan) with a population greater than 150,000 or (2) at least 20% of the municipal corporation's solid waste stream by weight, if the county's (or region's) population is less than 150,000; or
- submits adequate justification, including economic and other specific factors, as to why those reductions cannot be met.

If a municipal corporation is no longer the largest municipal corporation after the most recent MDP projections, the municipal corporation is no longer subject to the bill's requirements.

The "largest municipal corporation" means the municipal corporation with the largest population according to the most recent MDP projections. MDP population projections for the State and each county and municipal corporation in the State – prepared pursuant to current law – must identify (1) if applicable, the largest municipal corporation by population in each county and (2) if the governing bodies of two or more counties adopt a regional recycling plan, the largest municipal corporation by population in each region.

Current Law:

Solid Waste Infrastructure and Recycling in the State, Generally

The solid waste infrastructure in Maryland consists of both permitted and nonpermitted facilities, and solid waste is managed through a combination of recycling, composting, landfilling, incineration, storage, and exporting for disposal or recycling.

Maryland's recycling policy is guided by the Maryland Recycling Act, which sets mandatory recycling rates for State government and local jurisdictions, as well as a voluntary statewide waste diversion goal of 60% and a voluntary statewide recycling goal of 55% by 2020. Each county (including Baltimore City), must recycle at least 20% or 35% of the county's solid waste stream, depending on the county's population. Each county (including Baltimore City) must also prepare a recycling plan that addresses how the jurisdiction will achieve its mandatory recycling rate. The plan must be submitted to the Maryland Department of the Environment's (MDE) Office of Recycling for approval when the jurisdiction submits its water and sewerage plan at least every 10 years. At least every 2 years, each county must also submit a progress report to MDE, which must include any revision of or amendment to the county plan that has been adopted.

The governing bodies of two or more counties are authorized to adopt a regional recycling plan to comply with recycling plan requirements, and a regional recycling plan that otherwise satisfies statutory requirements for each of the participating counties constitutes the county recycling plan for each county that participates.

Maryland Department of Planning Population Projections

MDP is required to prepare population projections for the State and for each county and municipal corporation in the State that include specified factors. The projections must be prepared for periods of 20 years, in 5-year intervals, beginning in 1990. MDP is required to revise the population projections at least every 3 years.

Municipal Corporations in the State

Maryland has 156 municipal corporations (Baltimore City, although created as a municipal corporation, functions as a county for purposes of State governance). Prior to 1954, the General Assembly closely supervised the creation and operation of municipalities by enacting individually drafted charters and any amendments to the charters. However, the General Assembly shifted the balance of municipal power to the municipalities themselves with the adoption of Chapter 53 of 1954, proposing a constitutional amendment. Upon ratification by the voters on November 2, 1954, Article XI-E, known as the “Municipal Home Rule Amendment,” was added to the Maryland Constitution. The general purpose of Article XI-E is to permit municipalities to govern themselves in local matters.

Local Expenditures: Only one municipality responded to a request for information regarding the fiscal effect of the bill. Based largely on information provided by the Maryland Municipal League (MML), the costs to some affected municipalities to develop the required recycling plan – including administrative costs and consulting costs – are potentially significant, particularly for municipalities that do not already have robust recycling programs in place. Once plans are developed, MML anticipates that several municipalities incur costs to implement the plans. Specifically, municipalities may incur costs to (1) administer the plans (including costs for personnel); (2) invest in recycling infrastructure, such as bins, collection vehicles, and sorting facilities; (3) further invest in recycling processing centers or contract with private recycling processing centers; (4) conduct public education and outreach; and (5) invest in software or other methods to track progress toward – and report on – the required recycling rates.

MML notes, however, that while upfront costs may be substantial, successful recycling programs can, in the long run, reduce solid waste management costs.

The Department of Legislative Services notes, however, that, under the bill, affected municipalities can submit adequate justification, including *economic* and other specific factors, as to why the required reductions cannot be met. To the extent this means that an affected municipality does not need to meet the required reductions if it anticipates significant costs to do so, the fiscal effect of the bill is less significant.

Additional Information

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

Designated Cross File: None.

Information Source(s): Anne Arundel, Baltimore, Charles, Garrett and Howard counties; Maryland Association of Counties; Maryland Municipal League; Town of Bel Air; Maryland Department of the Environment; Maryland Department of Planning; Department of Legislative Services

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