

SENATE BILL 342

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SB 346/25 – EEE

6lr1135
CF HB 331

By: **Senators Brooks, Augustine, Guzzone, Hettleman, Kagan, Love, Muse, Smith,
and A. Washington**

Introduced and read first time: January 23, 2026

Assigned to: Education, Energy, and the Environment

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Beverage Container Recycling Refund and Litter Reduction Program**

3 FOR the purpose of establishing the Maryland Beverage Container Recycling Refund and
4 Litter Reduction Program to increase the reuse and recycling of beverage containers
5 and reduce the litter, pollution, and costs associated with beverage containers;
6 altering the duties of the Office of Recycling; altering the contents and use of the
7 State Recycling Trust Fund; requiring the Comptroller to establish a separate
8 account within the Fund; requiring that each redeemable beverage container sold in
9 the State depict certain information beginning on a certain date; requiring the
10 wholesale price and retail price of a full redeemable beverage container to include
11 the refund value of the container, subject to a certain exception, beginning on a
12 certain date; requiring a retailer to include certain information on a customer's sales
13 receipt; establishing a framework for the redemption of redeemable beverage
14 containers sold in the State; requiring a producer to provide a certified copy of a
15 certain contractual agreement to a certain beverage container stewardship
16 organization; prohibiting a producer from selling, offering for sale, or distributing in
17 or importing into the State a redeemable beverage container unless the producer is
18 registered with the Department of the Environment, pays a certain fee, and is part
19 of the beverage container stewardship organization; establishing a framework for
20 the beverage container stewardship organization to represent producers in fulfilling
21 the requirements of this Act; requiring the beverage container stewardship
22 organization to submit a certain beverage container stewardship plan to the
23 Department for approval; requiring the beverage container stewardship
24 organization to implement and administer the beverage container stewardship plan
25 within a certain time after the plan is approved; requiring the Department to
26 establish a process for a county or municipal corporation to create a redemption
27 facility; authorizing redeemable beverage containers redeemed at a redemption
28 facility managed by a county or municipal corporation to be credited toward meeting
29 certain recycling rates; establishing the Beverage Container Recycling Refund Grant
30 Program to evaluate the investments and policies necessary to achieve a certain

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 performance target, increase the reuse and recycling of beverage containers in the
2 State, increase the availability of public water fountains and refill stations in the
3 State, and reduce the volume of litter from beverage containers in the State;
4 requiring the Chesapeake Bay Trust to administer the Grant Program; requiring the
5 beverage container stewardship organization to provide certain payments to certain
6 facilities for a certain period of time for managing unredeemed beverage containers
7 in accordance with certain requirements; establishing the Redeemable Beverage
8 Container Recycling Refund Advisory Council to review certain reports, make
9 certain recommendations, and advise the Department on certain matters; providing
10 immunity from liability to a certain person under certain circumstances; and
11 generally relating to the Maryland Beverage Container Recycling Refund and Litter
12 Reduction Program.

13 BY repealing and reenacting, without amendments,
14 Article – Environment
15 Section 9–1701(a) and (q) and 9–1702(a)
16 Annotated Code of Maryland
17 (2014 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Environment
20 Section 9–1702(d) and 9–1707(f)
21 Annotated Code of Maryland
22 (2014 Replacement Volume and 2025 Supplement)

23 BY adding to
24 Article – Environment
25 Section 9–1737 through 9–1756 to be under the new part “Part VI. Maryland
26 Beverage Container Recycling Refund and Litter Reduction Program”
27 Annotated Code of Maryland
28 (2014 Replacement Volume and 2025 Supplement)

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

31 **Article – Environment**

32 9–1701.

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

34 (q) “Recycling” means any process in which recyclable materials are collected,
35 separated, or processed and returned to the marketplace in the form of raw materials or
36 products.

37 9–1702.

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

2 (d) The Office shall:

3 (1) Assist the counties in developing an acceptable recycling plan required
4 under § 9-1703 of this subtitle and § 9-505 of this title, including technical assistance to
5 the local governments;

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

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

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

13 (5) Promote the development of markets for recycled materials and
14 recycled products in the State in accordance with § 9-1702.1 of this subtitle;

15 (6) Review and approve plans and annual reports, including the paint
16 stewardship assessment, submitted in accordance with a Paint Stewardship Program
17 established under Part V of this subtitle; [and]

18 (7) Review and approve, in consultation with the producer responsibility
19 advisory council established under § 9-2503 of this title, producer responsibility plans and
20 annual reports submitted in accordance with Subtitle 25 of this title; AND

21 **(8) ADMINISTER THE MARYLAND BEVERAGE CONTAINER**
22 **RECYCLING REFUND AND LITTER REDUCTION PROGRAM ESTABLISHED UNDER §**
23 **9-1739 OF THIS SUBTITLE.**

24 9-1707.

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

26 (2) The Fund shall consist of:

27 (i) The newsprint recycling incentive fee;

28 (ii) The telephone directory recycling incentive fee collected under §
29 9-1709 of this subtitle;

30 (iii) The covered electronic device manufacturer registration fee
31 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 organizations
4 under § 9–1702.2 of this subtitle or Subtitle 25 of this title;

5 **(VI) FEES AND PENALTIES TRANSFERRED TO THE FUND UNDER**
6 **§§ 9–1744 AND 9–1755 OF THIS SUBTITLE;**

7 [(vi)] **(VII)** All fines and penalties collected under this subtitle and §
8 9–2512 of this title;

9 [(vii)] **(VIII)** Money appropriated in the State budget to the Fund; and

10 [(viii)] **(IX)** Any other money from any other source accepted for the
11 benefit of the Fund.

12 (3) The Secretary shall administer the Fund.

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

15 (5) **(I) [At] EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
16 **PARAGRAPH, AT** the end of each fiscal year, any unspent or unencumbered balance in the
17 Fund that exceeds \$2,000,000 shall revert to the General Fund of the State in accordance
18 with § 7–302 of the State Finance and Procurement Article.

19 **(II) THE FUNDS TRANSFERRED TO THE FUND UNDER**
20 **PARAGRAPH (2)(VI) OF THIS SUBSECTION ARE NOT SUBJECT TO § 7–302 OF THE**
21 **STATE FINANCE AND PROCUREMENT ARTICLE AND MAY NOT REVERT TO THE**
22 **GENERAL FUND OF THE STATE.**

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

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

26 (ii) To provide grants to counties that have addressed methods for
27 the separate collection and recycling of covered electronic devices in accordance with §
28 9–1703(c)(1) of this subtitle;

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

1 (iv) To cover the costs of the Paint Stewardship Program plan review
2 under § 9-1733(b) of this subtitle, the annual report review under § 9-1733(h) of this
3 subtitle, and associated costs for Program compliance oversight;

4 (v) In accordance with paragraph (7) of this subsection, to cover the
5 costs of a statewide recycling needs assessment conducted under § 9-1702.2 of this subtitle;

6 (vi) In accordance with paragraph (7) of this subsection, to cover the
7 costs of producer responsibility plan review, oversight, and enforcement under Subtitle 25
8 of this title; [and]

9 (VII) IN ACCORDANCE WITH PARAGRAPH (8) OF THIS
10 SUBSECTION, TO COVER THE COSTS OF ADMINISTERING, MONITORING,
11 EVALUATING, AND ENFORCING THE MARYLAND BEVERAGE CONTAINER
12 RECYCLING REFUND AND LITTER REDUCTION PROGRAM ESTABLISHED UNDER §
13 9-1739 OF THIS SUBTITLE; AND

14 [(vii)] (VIII) To carry out the purposes of the land management
15 administration.

16 (7) (i) There is a separate account within the Fund[.

17 (ii) The separate account shall consist] **CONSISTING** of:

18 1. Any fees collected from producer responsibility
19 organizations under § 9-1702.2 of this subtitle or Subtitle 25 of this title; and

20 2. All fines and penalties collected under § 9-2512 of this
21 title.

22 [(iii)] (II) The separate account shall be used only for the costs of
23 statewide recycling needs assessments conducted under § 9-1702.2 of this subtitle and
24 producer responsibility plan review, oversight, and enforcement under Subtitle 25 of this
25 title.

26 (8) (I) **THERE IS A SEPARATE ACCOUNT WITHIN THE FUND**
27 **CONSISTING OF THE FUNDS SPECIFIED IN PARAGRAPH (2)(VI) OF THIS SUBSECTION.**

28 (II) **THE SEPARATE ACCOUNT SHALL BE USED ONLY:**

29 1. **TO COVER THE COSTS OF ADMINISTERING,**
30 **MONITORING, EVALUATING, AND ENFORCING THE MARYLAND BEVERAGE**
31 **CONTAINER RECYCLING REFUND AND LITTER REDUCTION PROGRAM**
32 **ESTABLISHED UNDER § 9-1739 OF THIS SUBTITLE;**

1 **2. TO COMPENSATE LOCAL GOVERNMENTS IN**
2 **ACCORDANCE WITH § 9-1748 OF THIS SUBTITLE; AND**

3 **3. TO MEET OR EXCEED THE PERFORMANCE TARGETS**
4 **ESTABLISHED UNDER § 9-1740 OF THIS SUBTITLE.**

5 **[(8)] (9)** (i) The Treasurer shall invest the money in the Fund in the
6 same manner as other State money may be invested.

7 (ii) Any investment earnings of the Fund shall be credited to the
8 General Fund of the State.

9 **9-1735. RESERVED.**

10 **9-1736. RESERVED.**

11 **PART VI. MARYLAND BEVERAGE CONTAINER RECYCLING REFUND AND LITTER**
12 **REDUCTION PROGRAM.**

13 **9-1737.**

14 **(A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS**
15 **INDICATED.**

16 **(B) (1) “ACCOUNT-BASED BULK PROCESSING PROGRAM” MEANS A**
17 **PROGRAM THAT:**

18 **(i) UTILIZES A SYSTEM OF CUSTOMER ACCOUNTS AND A**
19 **MECHANISM TO ASSOCIATE REDEEMED REDEEMABLE BEVERAGE CONTAINERS WITH**
20 **THE APPROPRIATE CUSTOMER ACCOUNT;**

21 **(ii) CONSOLIDATES THE REDEEMED REDEEMABLE BEVERAGE**
22 **CONTAINERS FOR BULK SORTING WHILE COLLECTING DATA ABOUT THE**
23 **CONTAINERS;**

24 **(iii) FULLY PREPARES REDEEMED REDEEMABLE BEVERAGE**
25 **CONTAINERS FOR SALE TO RECYCLERS; AND**

26 **(iv) COLLECTS DATA TO SUPPORT AN ACCOUNTING OF THE**
27 **REDEEMABLE BEVERAGE CONTAINERS, INCLUDING THE DEPOSITS, FEES, AND**
28 **POUNDS OF MATERIAL PRODUCED THAT ARE ASSOCIATED WITH THE REDEEMABLE**
29 **BEVERAGE CONTAINERS.**

30 **(2) “ACCOUNT-BASED BULK PROCESSING PROGRAM” INCLUDES A**

1 BAG DROP PROGRAM IF THE BAG DROP PROGRAM IS A COMPONENT OF THE
2 ACCOUNT-BASED BULK PROCESSING PROGRAM.

3 (C) "ADVISORY COUNCIL" MEANS THE REDEEMABLE BEVERAGE
4 CONTAINER RECYCLING REFUND ADVISORY COUNCIL ESTABLISHED UNDER §
5 9-1753 OF THIS SUBTITLE.

6 (D) "BAG DROP PROGRAM" MEANS A PROGRAM THAT ALLOWS A CUSTOMER
7 TO:

8 (1) DROP OFF EMPTY REDEEMABLE BEVERAGE CONTAINERS IN A BAG
9 OR OTHER RECEPTACLE AT ONE OR MORE LOCATIONS FOR A REFUND; AND

10 (2) HAVE THE CORRESPONDING REFUND PLACED INTO AN ACCOUNT
11 HELD FOR THE BENEFIT OF THE CUSTOMER IN A MANNER THAT ALLOWS THE
12 CUSTOMER TO OBTAIN THE REFUND OR REFUND RECEIPT WITHIN A SPECIFIED
13 NUMBER OF DAYS AFTER THE DROP-OFF.

14 (E) (1) "BEVERAGE" MEANS ANY DRINKABLE LIQUID INTENDED FOR
15 HUMAN ORAL CONSUMPTION.

16 (2) "BEVERAGE" DOES NOT INCLUDE:

17 (I) DRUGS REGULATED UNDER THE FEDERAL FOOD, DRUG,
18 AND COSMETIC ACT; AND

19 (II) INFANT FORMULA.

20 (F) (1) "BEVERAGE CONTAINER" MEANS A BOTTLE, CAN, OR OTHER
21 CONTAINER THAT:

22 (I) HAS BEEN SEALED BY A MANUFACTURER;

23 (II) IS MADE OF GLASS, METAL, OR PLASTIC; AND

24 (III) AT THE TIME OF SALE, CONTAINS 3 LITERS OR LESS OF A
25 BEVERAGE.

26 (2) "BEVERAGE CONTAINER" DOES NOT INCLUDE:

27 (I) A CARTON;

28 (II) A POUCH; OR

1 (III) ASEPTIC PACKAGING.

2 (G) "BEVERAGE CONTAINER REDEMPTION AND PROCESSING METHOD"
3 MEANS A MANUAL OR TECHNOLOGICAL METHOD FOR PROPERLY COLLECTING,
4 IDENTIFYING, COUNTING, OR PROCESSING EMPTY REDEEMABLE BEVERAGE
5 CONTAINERS FOR REDEMPTION.

6 (H) "BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION" MEANS A
7 NONPROFIT ORGANIZATION THAT IS:

8 (1) EXEMPT FROM TAXATION UNDER § 501(C)(3) OF THE INTERNAL
9 REVENUE CODE;

10 (2) CREATED BY PRODUCERS TO IMPLEMENT A BEVERAGE
11 CONTAINER STEWARDSHIP PLAN; AND

12 (3) APPROVED BY THE DEPARTMENT IN ACCORDANCE WITH § 9-1745
13 OF THIS SUBTITLE.

14 (I) "BEVERAGE CONTAINER STEWARDSHIP PLAN" MEANS A PLAN
15 SUBMITTED TO THE DEPARTMENT UNDER § 9-1746 OF THIS SUBTITLE.

16 (J) "CHESAPEAKE BAY TRUST" MEANS THE CHESAPEAKE BAY TRUST
17 ESTABLISHED UNDER § 8-1902 OF THE NATURAL RESOURCES ARTICLE.

18 (K) "DEPOSIT INITIATOR" MEANS THE FIRST DISTRIBUTOR TO COLLECT A
19 DEPOSIT ON A BEVERAGE CONTAINER SOLD IN THE STATE.

20 (L) (1) "DISTRIBUTOR" MEANS A PERSON THAT SELLS BEVERAGES IN
21 REDEEMABLE BEVERAGE CONTAINERS TO A RETAILER IN THE STATE.

22 (2) "DISTRIBUTOR" INCLUDES A PERSON THAT MANUFACTURES AND
23 SELLS BEVERAGES IN REDEEMABLE BEVERAGE CONTAINERS TO A RETAILER IN THE
24 STATE.

25 (3) "DISTRIBUTOR" DOES NOT INCLUDE AIRLINES OR SHIPPING
26 COMPANIES THAT TRANSPORT REDEEMABLE BEVERAGE CONTAINERS.

27 (M) "GRANT PROGRAM" MEANS THE BEVERAGE CONTAINER RECYCLING
28 REFUND GRANT PROGRAM ESTABLISHED UNDER § 9-1750 OF THIS SUBTITLE.

29 (N) "LINE BREAKAGE" MEANS A BEVERAGE CONTAINER THAT:

1 (1) BECOMES DEFECTIVE OR DAMAGED DURING MANUFACTURING;

2 (2) IS NOT INTENDED TO BE SOLD; AND

3 (3) IS NOT ELIGIBLE FOR REDEMPTION.

4 (O) “MARYLAND-SPECIFIC UPC BARCODE” MEANS A UNIVERSAL PRODUCT
5 CODE THAT IS:

6 (1) UNIQUE TO BEVERAGE CONTAINERS SOLD IN THE STATE; AND

7 (2) USED TO DETER FRAUD AND ENSURE THE LEGITIMATE
8 REDEMPTION OF REDEEMABLE BEVERAGE CONTAINERS.

9 (P) “MATERIAL RECOVERY FACILITY” MEANS A FACILITY LOCATED IN THE
10 STATE THAT COLLECTS, COMPACTS, REPACKAGES, SORTS, OR PROCESSES
11 SOURCE-SEPARATED MATERIALS FOR TRANSPORTATION AND RECYCLING.

12 (Q) (1) “ON-PREMISES SELLER” MEANS A PERSON THAT SELLS FILLED
13 AND UNOPENED REDEEMABLE BEVERAGE CONTAINERS FOR ON-PREMISES
14 CONSUMPTION.

15 (2) “ON-PREMISES SELLER” INCLUDES:

16 (I) BARS;

17 (II) HOTELS;

18 (III) RESTAURANTS;

19 (IV) SPORTING VENUES;

20 (V) ENTERTAINMENT VENUES; AND

21 (VI) GAMING VENUES.

22 (R) “PERFORMANCE TARGETS” MEANS THE TARGETS ESTABLISHED UNDER
23 § 9-1740 OF THIS SUBTITLE.

24 (S) (1) “PRODUCER” MEANS A PERSON RESPONSIBLE FOR COMPLYING
25 WITH THE REQUIREMENTS UNDER THIS PART.

26 (2) “PRODUCER” INCLUDES A FRANCHISOR OF A FRANCHISE

1 LOCATED IN THE STATE.

2 (3) "PRODUCER" DOES NOT INCLUDE:

3 (I) THE STATE, A COUNTY, A MUNICIPAL CORPORATION, OR
4 ANY OTHER POLITICAL SUBDIVISION OF THE STATE;

5 (II) A CHARITABLE ORGANIZATION THAT IS TAX-EXEMPT
6 UNDER § 501(C)(3) OF THE INTERNAL REVENUE CODE;

7 (III) A SOCIAL WELFARE ORGANIZATION THAT IS TAX-EXEMPT
8 UNDER § 501(C)(4) OF THE INTERNAL REVENUE CODE;

9 (IV) A FRANCHISEE THAT OPERATES A FRANCHISE IN THE
10 STATE;

11 (V) A PERSON THAT ANNUALLY SELLS, OFFERS FOR SALE,
12 DISTRIBUTES, OR IMPORTS INTO THE COUNTRY FOR SALE IN THE STATE FEWER
13 THAN 1,000 REDEEMABLE BEVERAGE CONTAINERS; OR

14 (VI) A PERSON THAT ANNUALLY SELLS, OFFERS FOR SALE, OR
15 DISTRIBUTES IN THE STATE REDEEMABLE BEVERAGE CONTAINERS THAT IN
16 AGGREGATE GENERATE LESS THAN \$5,000,000 EACH YEAR IN GLOBAL REVENUE.

17 (T) "PROGRAM" MEANS THE MARYLAND BEVERAGE CONTAINER
18 RECYCLING REFUND AND LITTER REDUCTION PROGRAM ESTABLISHED UNDER §
19 9-1739 OF THIS SUBTITLE.

20 (U) "RECYCLING RATE" MEANS THE NUMBER OF NONREFILLABLE
21 REDEEMABLE BEVERAGE CONTAINERS SOLD IN THE STATE THAT ARE RECYCLED
22 SHOWN AS A PERCENTAGE OF ALL NONREFILLABLE REDEEMABLE BEVERAGE
23 CONTAINERS SOLD IN THE STATE.

24 (V) "REDEEM" MEANS THE RETURN OF AN EMPTY REDEEMABLE BEVERAGE
25 CONTAINER IN EXCHANGE FOR A REFUND, A VOUCHER FOR A REFUND, OR A CREDIT
26 TO AN ACCOUNT FOR NOT LESS THAN THE REFUND VALUE.

27 (W) "REDEEMABLE BEVERAGE CONTAINER" MEANS A BEVERAGE
28 CONTAINER THAT, AT THE TIME OF SALE:

29 (1) CONTAINS 3 LITERS OR LESS OF A BEVERAGE;

30 (2) BEARS A UNIVERSAL PRODUCT CODE; AND

1 **(3) MAY BEAR A MARYLAND-SPECIFIC UPC BARCODE FOR THE**
2 **PURPOSE OF ENSURING LEGITIMATE REDEMPTION AND DETERRING FRAUD.**

3 **(X) “REDEMPTION FACILITY” MEANS A FACILITY THAT:**

4 **(1) ACCEPTS EMPTY BEVERAGE CONTAINERS FROM A CONSUMER, A**
5 **RETAILER, OR BOTH;**

6 **(2) COLLECTS, SORTS, AND COUNTS EMPTY BEVERAGE CONTAINERS;**

7 **(3) REFUNDS THE REFUND VALUE OF EMPTY REDEEMABLE**
8 **BEVERAGE CONTAINERS IN CASH, WITH A VOUCHER, OR AS A CREDIT TO AN**
9 **ACCOUNT FOR NOT LESS THAN THE REFUND VALUE OF THE REDEEMABLE**
10 **BEVERAGE CONTAINER; AND**

11 **(4) IS LICENSED UNDER § 9-1742 OF THIS SUBTITLE.**

12 **(Y) “REDEMPTION RATE” MEANS THE PERCENTAGE OF REDEEMABLE**
13 **BEVERAGE CONTAINERS SOLD IN THE STATE THAT ARE REDEEMED FOR THE**
14 **DEPOSIT VALUE.**

15 **(Z) “REFILLABLE” MEANS A BEVERAGE CONTAINER THAT IS DESIGNED AND**
16 **INTENDED TO BE REUSED AS A BEVERAGE CONTAINER AFTER BEING USED BY A**
17 **CONSUMER WITHOUT THE NEED FOR REMANUFACTURING.**

18 **(AA) (1) “RETAILER” MEANS A PERSON THAT ENGAGES IN THE SALE OF**
19 **REDEEMABLE BEVERAGE CONTAINERS TO A CONSUMER IN THE STATE.**

20 **(2) “RETAILER” INCLUDES A PERSON THAT ENGAGES IN THE SALE OF**
21 **REDEEMABLE BEVERAGE CONTAINERS:**

22 **(I) THROUGH A VENDING MACHINE; OR**

23 **(II) ONLINE FOR HOME OR OFFICE DELIVERY.**

24 **(BB) “REVERSE VENDING MACHINE” MEANS AN AUTOMATED DEVICE THAT:**

25 **(1) ACCEPTS ONE OR MORE TYPES OF EMPTY REDEEMABLE**
26 **BEVERAGE CONTAINERS;**

27 **(2) USES A LASER SCANNER, AN OPTICAL SENSOR, A**
28 **MICROPROCESSOR, OR OTHER TECHNOLOGY TO ACCURATELY RECOGNIZE A**

1 BEVERAGE CONTAINER'S UNIVERSAL PRODUCT CODE TO DETERMINE WHETHER THE
2 CONTAINER IS A REDEEMABLE BEVERAGE CONTAINER;

3 (3) ISSUES A REDEEMABLE CREDIT SLIP FOR THE REDEEMABLE
4 BEVERAGE CONTAINER'S REFUND VALUE;

5 (4) SEPARATES REDEEMABLE BEVERAGE CONTAINERS FROM
6 CONTAINERS THAT ARE NOT REDEEMABLE;

7 (5) USES MECHANICAL COMPACTION TO CANCEL REDEEMABLE
8 BEVERAGE CONTAINERS THAT HAVE BEEN REDEEMED; AND

9 (6) COMPILES INFORMATION REGARDING THE REDEEMABLE
10 BEVERAGE CONTAINERS THAT HAVE BEEN REDEEMED, INCLUDING THE NUMBER OF
11 REDEEMABLE BEVERAGE CONTAINERS REDEEMED.

12 (CC) (1) "UNIVERSAL PRODUCT CODE" OR "UPC" MEANS A STANDARD
13 BARCODE THAT ENCODES A NUMBER UNIQUELY ASSIGNED TO A PRODUCT FOR
14 IDENTIFICATION OF THE PRODUCT.

15 (2) "UNIVERSAL PRODUCT CODE" OR "UPC" INCLUDES:

16 (I) ANY INDUSTRY-ACCEPTED BARCODE USED FOR PRODUCT
17 IDENTIFICATION PURPOSES; AND

18 (II) A EUROPEAN ARTICLE NUMBER.

19 9-1738.

20 IT IS THE INTENT OF THE GENERAL ASSEMBLY TO:

21 (1) REDUCE THE VOLUME OF LITTER AND PLASTIC POLLUTION FROM
22 BEVERAGE CONTAINERS IN THE STATE BY ACHIEVING A REDEMPTION RATE OF AT
23 LEAST 90% FOR THE APPROXIMATELY 5,500,000,000 SINGLE-USE BEVERAGE
24 CONTAINERS SOLD ANNUALLY IN THE STATE;

25 (2) PROVIDE A SOURCE OF HIGH-QUALITY, FOOD-GRADE MATERIALS
26 FOR USE AS RECYCLED CONTENT IN BEVERAGE AND FOOD CONTAINERS;

27 (3) REDUCE THE VOLUME OF BEVERAGE CONTAINERS THAT ARE
28 LANDFILLED OR INCINERATED IN THE STATE;

29 (4) REDUCE THE COSTS OF LITTER AND BEVERAGE CONTAINER

1 COLLECTION, RECYCLING, AND DISPOSAL INCURRED BY TAXPAYERS, COUNTIES,
2 AND MUNICIPAL CORPORATIONS BY MAKING PRODUCERS OF BEVERAGE
3 CONTAINERS RESPONSIBLE FOR THE RECOVERY, RECYCLING, AND REUSE OF
4 BEVERAGE CONTAINERS;

5 (5) PROVIDE INCENTIVES FOR INCREASING THE USE OF REUSABLE
6 AND REFILLABLE BEVERAGE CONTAINERS; AND

7 (6) REDUCE GREENHOUSE GAS EMISSIONS ASSOCIATED WITH THE
8 PRODUCTION, TRANSPORTATION, PROCESSING, AND WASTE DISPOSAL OF
9 SINGLE-USE BEVERAGE CONTAINERS SOLD IN THE STATE.

10 9-1739.

11 THERE IS A MARYLAND BEVERAGE CONTAINER RECYCLING REFUND AND
12 LITTER REDUCTION PROGRAM IN THE DEPARTMENT.

13 9-1740.

14 PERFORMANCE TARGETS FOR THE PROGRAM ARE AS FOLLOWS:

15 (1) A 70% REDEMPTION RATE BY DECEMBER 31, 2030;

16 (2) A 90% REDEMPTION RATE BY DECEMBER 31, 2033;

17 (3) BY DECEMBER 31, 2028, ATTAINMENT OF ALL CONVENIENCE
18 STANDARDS IDENTIFIED BY THE DEPARTMENT UNDER § 9-1752 OF THIS SUBTITLE;
19 AND

20 (4) BY DECEMBER 31, 2038, AT LEAST 10% OF ALL BEVERAGE
21 CONTAINERS SOLD IN THE STATE ARE RETURNED AND REFILLED.

22 9-1741.

23 (A) (1) SUBJECT TO PARAGRAPHS (2) AND (3) OF THIS SUBSECTION,
24 BEGINNING JANUARY 1, 2029, EACH REDEEMABLE BEVERAGE CONTAINER SOLD IN
25 THE STATE SHALL INCLUDE A DEPICTION OF THE FOLLOWING INFORMATION:

26 (I) THE WORD "MARYLAND" OR THE LETTERS "MD"; AND

27 (II) 1. FOR REDEEMABLE BEVERAGE CONTAINERS WITH A
28 VOLUME OF 24 FLUID OUNCES OR LESS, A REFUND VALUE OF 10 CENTS; OR

1 **2. FOR REDEEMABLE BEVERAGE CONTAINERS WITH A**
2 **VOLUME OF MORE THAN 24 FLUID OUNCES, A REFUND VALUE OF 15 CENTS.**

3 **(2) THE DEPARTMENT MAY ADJUST THE REFUND VALUES SPECIFIED**
4 **IN PARAGRAPH (1) OF THIS SUBSECTION:**

5 **(I) IF THE DEPARTMENT DETERMINES ALTERING THE REFUND**
6 **VALUES IS NECESSARY TO MEET OR EXCEED PERFORMANCE TARGETS; OR**

7 **(II) AT THE REQUEST OF A BEVERAGE CONTAINER**
8 **STEWARDSHIP ORGANIZATION.**

9 **(3) BEGINNING JANUARY 1, 2034, THE DEPARTMENT SHALL**
10 **INCREASE THE REFUND VALUES SPECIFIED IN PARAGRAPH (1) OF THIS SUBSECTION**
11 **BY 5 CENTS IF THE DEPARTMENT DETERMINES THAT FOR 2 CONSECUTIVE**
12 **CALENDAR YEARS THE REDEMPTION RATE WAS LESS THAN 90% OF THE TOTAL**
13 **NUMBER OF BEVERAGE CONTAINERS SOLD IN THE STATE.**

14 **(B) A BEVERAGE CONTAINER DEPICTING THE INFORMATION SPECIFIED IN**
15 **SUBSECTION (A) OF THIS SECTION MAY NOT BE SOLD TO A CONSUMER BEFORE**
16 **JANUARY 1, 2029.**

17 **(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,**
18 **BEGINNING JANUARY 1, 2029:**

19 **(I) THE WHOLESALE PRICE AND THE RETAIL PRICE OF A FULL**
20 **REDEEMABLE BEVERAGE CONTAINER SHALL INCLUDE THE REFUND VALUE OF THE**
21 **REDEEMABLE BEVERAGE CONTAINER; AND**

22 **(II) A RETAILER SHALL INCLUDE ON A CUSTOMER'S SALES**
23 **RECEIPT THE REFUND VALUE OF A REDEEMABLE BEVERAGE CONTAINER SOLD BY**
24 **THE RETAILER TO THE CUSTOMER.**

25 **(2) THE RETAIL PRICE OF A FULL REDEEMABLE BEVERAGE**
26 **CONTAINER SOLD BY AN ON-PREMISES SELLER MAY NOT INCLUDE THE REFUND**
27 **VALUE OF THE REDEEMABLE BEVERAGE CONTAINER.**

28 **9-1742.**

29 **(A) (1) THE PROGRAM SHALL PROVIDE A RANGE OF OPTIONS FOR**
30 **CUSTOMERS TO CONVENIENTLY REDEEM EMPTY REDEEMABLE BEVERAGE**
31 **CONTAINERS FOR THE FULL REFUND VALUE, INCLUDING:**

1 **(I) AT A RETAILER’S PLACE OF BUSINESS THROUGH DIRECT**
2 **TAKE-BACK BY THE RETAILER, REVERSE VENDING MACHINES, A BAG DROP**
3 **PROGRAM, OR OTHER REDEMPTION METHODS;**

4 **(II) DEDICATED AND CONVENIENTLY LOCATED REDEMPTION**
5 **FACILITIES OPERATED BY RETAILERS, PUBLIC ENTITIES, OR THE BEVERAGE**
6 **CONTAINER STEWARDSHIP ORGANIZATION; AND**

7 **(III) PLACING REDEEMABLE BEVERAGE CONTAINER**
8 **REDEMPTION AND PROCESSING METHODS, SUCH AS REVERSE VENDING MACHINES,**
9 **BAG DROP PROGRAMS, AND ACCOUNT-BASED BULK PROCESSING PROGRAMS, IN**
10 **AREAS:**

11 **1. WITH A HIGH NUMBER OF PEDESTRIANS; AND**

12 **2. WHERE INDIVIDUALS PURCHASE OR USE BEVERAGE**
13 **CONTAINERS.**

14 **(2) THE PROGRAM SHALL PROVIDE A RANGE OF OPTIONS FOR**
15 **ON-PREMISES SELLERS TO CONVENIENTLY REDEEM EMPTY REDEEMABLE**
16 **BEVERAGE CONTAINERS FOR THE FULL REFUND VALUE, INCLUDING:**

17 **(I) AN ACCOUNT-BASED REFUND ISSUED BY THE BEVERAGE**
18 **CONTAINER STEWARDSHIP ORGANIZATION OR ITS AGENTS FOLLOWING THE**
19 **COLLECTION OF EMPTY REDEEMABLE BEVERAGE CONTAINERS BY THE BEVERAGE**
20 **CONTAINER STEWARDSHIP ORGANIZATION OR ITS AGENTS FROM THE ON-PREMISES**
21 **SELLER; OR**

22 **(II) AN ACCOUNT-BASED REFUND ISSUED BY THE OPERATOR OF**
23 **A BAG DROP PROGRAM.**

24 **(B) (1) A PERSON SHALL APPLY TO THE DEPARTMENT FOR A LICENSE TO**
25 **OPERATE A REDEMPTION FACILITY IN THE STATE.**

26 **(2) THE DEPARTMENT SHALL DEVELOP STANDARDS AND A**
27 **LICENSING PROCESS FOR THE ESTABLISHMENT AND OPERATION OF REDEMPTION**
28 **FACILITIES.**

29 **(C) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A REDEMPTION**
30 **FACILITY SHALL ACCEPT ALL TYPES OF EMPTY REDEEMABLE BEVERAGE**
31 **CONTAINERS FOR REDEMPTION.**

32 **(D) A RETAILER OR REDEMPTION FACILITY MAY REFUSE TO ACCEPT AN**

1 **EMPTY REDEEMABLE BEVERAGE CONTAINER THAT:**

2 **(1) IS DIRTY;**

3 **(2) IS BROKEN;**

4 **(3) CONTAINS MATERIAL FOREIGN TO THE NORMAL CONTENTS OF**
5 **THE BEVERAGE CONTAINER; OR**

6 **(4) THE RETAILER OR REDEMPTION FACILITY BELIEVES WAS NOT**
7 **SOLD IN THE STATE.**

8 **(E) (1) THIS SUBSECTION APPLIES TO A RETAILER WITH AT LEAST 3,000**
9 **SQUARE FEET OF SALES FLOOR SPACE AND AT LEAST 150 SQUARE FEET OF SHELF**
10 **SPACE DEDICATED TO THE DISPLAY OF REDEEMABLE BEVERAGE CONTAINERS.**

11 **(2) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A RETAILER**
12 **SHALL:**

13 **(I) ESTABLISH AND MAINTAIN A DEDICATED AREA AT THE**
14 **RETAILER'S PLACE OF BUSINESS TO ACCEPT EMPTY REDEEMABLE BEVERAGE**
15 **CONTAINERS;**

16 **(II) ACCEPT AT THE RETAILER'S PLACE OF BUSINESS ANY**
17 **EMPTY REDEEMABLE BEVERAGE CONTAINERS RETURNED FOR REDEMPTION**
18 **DURING THE RETAILER'S BUSINESS HOURS; AND**

19 **(III) PAY TO THE REDEEMER THE REFUND VALUE FOR EACH**
20 **EMPTY REDEEMABLE BEVERAGE CONTAINER REDEEMED.**

21 **(3) RETAILERS MAY MEET THE REQUIREMENTS IN PARAGRAPH (2) OF**
22 **THIS SUBSECTION THROUGH VARIOUS METHODS, INCLUDING:**

23 **(I) SUPPLEMENTING THE MANUAL COLLECTION AND STORING**
24 **OF REDEEMED REDEEMABLE BEVERAGE CONTAINERS WITH A REVERSE VENDING**
25 **MACHINE, A BAG DROP PROGRAM, OR OTHER COUNTING AND SORTING METHODS;**
26 **AND**

27 **(II) GROUPING BEVERAGE CONTAINER REDEMPTION AND**
28 **PROCESSING METHODS WITH THOSE OF OTHER RETAILERS IF:**

29 **1. THE BEVERAGE CONTAINER STEWARDSHIP**
30 **ORGANIZATION APPROVES THE PROPOSAL; AND**

1 **2. THE RETAILERS PARTICIPATING IN THE GROUPED**
2 **METHODS PROVIDE CONSISTENT SERVICE, MARKETING, AND SITE REDEMPTION**
3 **LOCATIONS THAT COMPLY WITH DISTANCE PROVISIONS DETERMINED BY THE**
4 **DEPARTMENT.**

5 **(4) A RETAILER WITHIN AN AREA THAT MEETS THE CONVENIENCE**
6 **STANDARDS ESTABLISHED BY THE DEPARTMENT UNDER § 9-1752 OF THIS**
7 **SUBTITLE MAY BE EXEMPT FROM THE REQUIREMENTS OF THIS SUBSECTION IF THE**
8 **RETAILER:**

9 **(I) IS LOCATED IN CLOSE PROXIMITY TO A REDEMPTION**
10 **FACILITY IN THAT AREA; AND**

11 **(II) SHARES THE COST OF THE OPERATION OF THE**
12 **REDEMPTION FACILITY WITH THE BEVERAGE CONTAINER STEWARDSHIP**
13 **ORGANIZATION.**

14 **(5) THE DEPARTMENT MAY:**

15 **(I) SET STANDARDS FOR THE NUMBER OF REVERSE VENDING**
16 **MACHINES REQUIRED FOR RETAILERS LOCATED IN UNDERSERVED COMMUNITIES;**
17 **AND**

18 **(II) ESTABLISH A CAP FOR THE NUMBER OF EMPTY**
19 **REDEEMABLE BEVERAGE CONTAINERS THAT MAY BE REDEEMED PER VISIT AT**
20 **SMALL RETAILERS.**

21 **(F) SUBJECT TO SUBSECTION (D) OF THIS SECTION, A RETAILER WITH LESS**
22 **THAN 3,000 SQUARE FEET OF SALES FLOOR SPACE OR LESS THAN 150 SQUARE FEET**
23 **OF SHELF SPACE DEDICATED TO THE DISPLAY OF REDEEMABLE BEVERAGE**
24 **CONTAINERS SHALL:**

25 **(1) PROVIDE ON-SITE CASH REFUNDS FOR THE REDEMPTION OF ANY**
26 **EMPTY REDEEMABLE BEVERAGE CONTAINER THAT IS OF THE SAME MATERIAL AND**
27 **SIZE AS THOSE THAT ARE SOLD BY THE RETAILER IF THE EMPTY REDEEMABLE**
28 **BEVERAGE CONTAINER BEING REDEEMED IS NOT ACCEPTED BY A REVERSE**
29 **VENDING MACHINE; AND**

30 **(2) POST AT THE RETAILER'S ENTRANCE THE ADDRESS OF THE**
31 **NEAREST REVERSE VENDING MACHINE OR OTHER REDEMPTION METHOD THAT**
32 **PROVIDES AN IMMEDIATE CASH REFUND FOR REDEEMING EMPTY REDEEMABLE**
33 **BEVERAGE CONTAINERS.**

1 **(G) (1) A PERSON THAT PROVIDES A REVERSE VENDING MACHINE FOR**
2 **THE REDEMPTION OF EMPTY REDEEMABLE BEVERAGE CONTAINERS SHALL:**

3 **(I) PROVIDE AN OPTION FOR REDEEMING EMPTY REDEEMABLE**
4 **BEVERAGE CONTAINERS WHEN THE REVERSE VENDING MACHINE IS FULL, BROKEN,**
5 **OR UNDER REPAIR; AND**

6 **(II) PROVIDE AN OPTION FOR REDEEMING ANY EMPTY**
7 **REDEEMABLE BEVERAGE CONTAINERS NOT ACCEPTED BY THE REVERSE VENDING**
8 **MACHINE.**

9 **(2) (I) THE DEPARTMENT SHALL ESTABLISH A PROCESS FOR**
10 **SUBMITTING FOR REVIEW, APPROVING, AND MONITORING AN ACCOUNT-BASED**
11 **BULK PROCESSING PROGRAM THAT:**

12 **1. ENSURES THAT THE PROGRAM WILL ACCURATELY**
13 **REFUND DEPOSITS AND MAINTAIN AND REPORT DATA FROM EACH TRANSACTION;**
14 **AND**

15 **2. IDENTIFIES THE INFORMATION THAT MUST BE**
16 **SUBMITTED TO THE DEPARTMENT FOR APPROVAL OF THE PROGRAM.**

17 **(II) A PERSON THAT INTENDS TO PROVIDE AN ACCOUNT-BASED**
18 **BULK PROCESSING PROGRAM FOR THE REDEMPTION OF EMPTY REDEEMABLE**
19 **BEVERAGE CONTAINERS SHALL SUBMIT INFORMATION IDENTIFIED UNDER**
20 **SUBPARAGRAPH (I) OF THIS PARAGRAPH TO THE DEPARTMENT FOR APPROVAL OF**
21 **THE PROGRAM.**

22 **(H) (1) REFUNDS PROVIDED FOR AN EMPTY REDEEMED REDEEMABLE**
23 **BEVERAGE CONTAINER SHALL BE:**

24 **(I) IN CASH;**

25 **(II) IN THE FORM OF A RECEIPT FROM A REVERSE VENDING**
26 **MACHINE OR ACCOUNT-BASED REDEMPTION SYSTEM, IF:**

27 **1. THE RECEIPT CAN BE EXCHANGED FOR CASH WITHIN**
28 **60 DAYS AFTER THE RECEIPT IS ISSUED; AND**

29 **2. THERE IS NO REQUIREMENT THAT OTHER GOODS BE**
30 **PURCHASED TO RECEIVE THE CASH REFUND; OR**

1 (III) CREDITED TO AN ACCOUNT BY THE RECEIVER OF THE
2 EMPTY REDEEMABLE BEVERAGE CONTAINER SO THAT THE CONSUMER CAN
3 RECEIVE THE REFUND OR A REFUND RECEIPT WITHIN A SPECIFIED NUMBER OF
4 DAYS, AS DETERMINED BY THE DEPARTMENT, AFTER REDEEMING THE EMPTY
5 REDEEMABLE BEVERAGE CONTAINER.

6 (2) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION
7 SHALL REIMBURSE A RETAILER FOR THE VALUE OF VALID RECEIPTS REDEEMED BY
8 CONSUMERS.

9 (I) (1) A REDEMPTION FACILITY, RETAILER, OR ANY OTHER PERSON
10 THAT ACCEPTS REDEEMABLE BEVERAGE CONTAINERS FOR REDEMPTION SHALL BE
11 REIMBURSED BY THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION OR ITS
12 AGENT FOR THE HANDLING OF EACH EMPTY REDEEMABLE BEVERAGE CONTAINER
13 REDEEMED.

14 (2) (I) THE DEPARTMENT SHALL SET A HANDLING FEE TO BE PAID
15 BY THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION OR ITS AGENT TO A
16 REDEMPTION FACILITY, RETAILER, OR ANY OTHER PERSON THAT ACCEPTS EMPTY
17 REDEEMABLE BEVERAGE CONTAINERS FOR REDEMPTION.

18 (II) 1. THE HANDLING FEE SHALL BE SET AT AN AMOUNT
19 THAT COVERS THE COSTS OF COLLECTING, SORTING, PROCESSING, AND
20 TRANSPORTING EMPTY REDEEMABLE BEVERAGE CONTAINERS FOR RECYCLING,
21 REUSE, OR REFILLING.

22 2. THE DEPARTMENT MAY INCREASE THE HANDLING
23 FEE IF THE DEPARTMENT DETERMINES AN INCREASE IS NECESSARY TO ENCOURAGE
24 THE ESTABLISHMENT OF MORE REDEMPTION FACILITIES.

25 (J) (1) AN ON-PREMISES SELLER THAT PROVIDES EMPTY REDEEMABLE
26 BEVERAGE CONTAINERS FOR REDEMPTION SHALL BE REIMBURSED BY THE
27 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION OR ITS AGENT FOR:

28 (I) THE REFUNDS PAID BY THE ON-PREMISES SELLER FOR THE
29 EMPTY REDEEMED REDEEMABLE BEVERAGE CONTAINERS; AND

30 (II) THE HANDLING OF EACH EMPTY REDEEMABLE BEVERAGE
31 CONTAINER REDEEMED.

32 (2) (I) THE DEPARTMENT SHALL SET A MATERIAL HANDLING FEE
33 TO BE PAID BY THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION OR ITS
34 AGENT TO AN ON-PREMISES SELLER THAT PROVIDES EMPTY REDEEMABLE

1 BEVERAGE CONTAINERS FOR REDEMPTION.

2 (II) THE HANDLING FEE SHALL BE SET AT AN AMOUNT THAT
3 COVERS THE COSTS OF TEMPORARY STORAGE, PRELIMINARY SORTING, AND
4 PREPARING EACH REDEEMABLE BEVERAGE CONTAINER REDEEMED FOR
5 COLLECTION.

6 (3) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION OR ITS
7 AGENT SHALL PROVIDE TO AN ON-PREMISES SELLER:

8 (I) ANY RECEPTACLES OR BAGS REQUIRED FOR THE
9 PRELIMINARY SORTING OF REDEEMED REDEEMABLE BEVERAGE CONTAINERS BY
10 THE ON-PREMISES SELLER; AND

11 (II) ANY LABELS NECESSARY FOR ATTRIBUTING THE
12 REDEEMED REDEEMABLE BEVERAGE CONTAINERS TO THE ON-PREMISES SELLER.

13 (K) A DEPOSIT INITIATOR THAT COLLECTS A DEPOSIT FROM A RETAILER,
14 REDEMPTION FACILITY, OR ANY OTHER PERSON THAT ACCEPTS REDEEMABLE
15 BEVERAGE CONTAINERS FOR REDEMPTION SHALL ACCOUNT FOR ANY DEPOSITS IN
16 ACCORDANCE WITH § 9-1743 OF THIS SUBTITLE.

17 (L) REDEEMED EMPTY REDEEMABLE BEVERAGE CONTAINERS SHALL BE
18 COLLECTED FOR RETURN TO THE BEVERAGE CONTAINER STEWARDSHIP
19 ORGANIZATION FOR SALE AS SCRAP MATERIAL TO FINANCE THE PROGRAM.

20 9-1743.

21 (A) A DEPOSIT INITIATOR SHALL DEPOSIT ANY DEPOSITS COLLECTED
22 UNDER § 9-1742 OF THIS SUBTITLE INTO A DEPOSIT COLLECTION ACCOUNT THAT IS
23 MAINTAINED SEPARATELY FROM ALL OTHER REVENUES.

24 (B) THE FUNDS IN THE DEPOSIT COLLECTION ACCOUNT MAY BE USED ONLY
25 TO PAY THE REFUND VALUE OF AN EMPTY REDEEMABLE BEVERAGE CONTAINER
26 BEING REDEEMED.

27 (C) A DEPOSIT INITIATOR SHALL REPORT TO THE BEVERAGE CONTAINER
28 STEWARDSHIP ORGANIZATION, AT A FREQUENCY DETERMINED BY THE
29 DEPARTMENT, THE FOLLOWING INFORMATION:

30 (1) THE NUMBER OF REDEEMABLE BEVERAGE CONTAINERS SOLD
31 AND EMPTY REDEEMABLE BEVERAGE CONTAINERS REDEEMED SINCE THE LAST
32 REPORT WAS SUBMITTED TO THE BEVERAGE CONTAINER STEWARDSHIP

1 ORGANIZATION UNDER THIS SUBSECTION;

2 (2) THE FUNDS DEPOSITED INTO THE DEPOSIT COLLECTION
3 ACCOUNT AND THE REFUNDS ISSUED FROM THE DEPOSIT COLLECTION ACCOUNT
4 SINCE THE LAST REPORT WAS SUBMITTED TO THE BEVERAGE CONTAINER
5 STEWARDSHIP ORGANIZATION UNDER THIS SUBSECTION;

6 (3) ANY INCOME EARNED ON THE FUNDS IN THE DEPOSIT
7 COLLECTION ACCOUNT SINCE THE LAST REPORT WAS SUBMITTED TO THE
8 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION UNDER THIS SUBSECTION;

9 (4) THE BALANCE OF THE DEPOSIT COLLECTION ACCOUNT; AND

10 (5) ANY OTHER INFORMATION REQUIRED BY THE DEPARTMENT.

11 (D) (1) THE DEPARTMENT SHALL DETERMINE THE POINT AT WHICH A
12 DEPOSIT BECOMES AN UNCLAIMED DEPOSIT.

13 (2) UNCLAIMED DEPOSITS ARE CALCULATED AS THE AMOUNT OF
14 FUNDS TRANSFERRED TO A DEPOSIT COLLECTION ACCOUNT THAT ARE IN EXCESS
15 OF THE SUM OF:

16 (I) ANY INTEREST EARNINGS ON THE DEPOSIT COLLECTION
17 ACCOUNT DURING THE TIME FOR WHICH UNCLAIMED DEPOSITS ARE BEING
18 CALCULATED; AND

19 (II) THE TOTAL AMOUNT OF THE REFUND VALUE RECEIVED FOR
20 THE EMPTY REDEEMABLE BEVERAGE CONTAINERS REDEEMED DURING THE TIME
21 FOR WHICH THE UNCLAIMED DEPOSITS ARE BEING CALCULATED.

22 (3) A DEPOSIT INITIATOR SHALL TRANSFER ALL UNCLAIMED
23 DEPOSITS TO THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION AT A
24 FREQUENCY DETERMINED BY THE DEPARTMENT.

25 (4) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION
26 SHALL:

27 (I) ESTABLISH A RESERVE ACCOUNT TO MANAGE ALL
28 UNCLAIMED DEPOSITS; AND

29 (II) BEGINNING JANUARY 1, 2030, TRANSFER 10% OF ALL
30 UNCLAIMED DEPOSITS TO THE CHESAPEAKE BAY TRUST WITH A FREQUENCY
31 DETERMINED BY THE DEPARTMENT.

1 **(5) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION**
2 **SHALL USE THE FUNDS IN THE RESERVE ACCOUNT ESTABLISHED UNDER**
3 **PARAGRAPH (4) OF THIS SUBSECTION TO:**

4 **(I) ACHIEVE THE INTENT OF THE GENERAL ASSEMBLY STATED**
5 **IN § 9-1738 OF THIS SUBTITLE; AND**

6 **(II) MEET OR EXCEED THE PERFORMANCE TARGETS**
7 **ESTABLISHED IN § 9-1740 OF THIS SUBTITLE.**

8 **(6) THE UNCLAIMED DEPOSITS TRANSFERRED TO THE CHESAPEAKE**
9 **BAY TRUST UNDER PARAGRAPH (4)(II) OF THIS SUBSECTION MAY BE USED ONLY**
10 **FOR THE COSTS OF ADMINISTERING AND FINANCING THE GRANT PROGRAM UNDER**
11 **§ 9-1750 OF THIS SUBTITLE.**

12 **9-1744.**

13 **(A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION**
14 **APPLIES TO A PRODUCER THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES**
15 **REDEEMABLE BEVERAGE CONTAINERS IN THE STATE.**

16 **(2) (I) IF THE BEVERAGE CONTAINER IS SOLD UNDER THE**
17 **PRODUCER'S OWN BRAND OR LACKS IDENTIFICATION OF A BRAND, THE PRODUCER**
18 **IS THE PERSON THAT MANUFACTURES THE REDEEMABLE BEVERAGE CONTAINER.**

19 **(II) IF THE REDEEMABLE BEVERAGE CONTAINER IS**
20 **MANUFACTURED BY A PERSON OTHER THAN THE BRAND OWNER, THE PRODUCER IS**
21 **THE PERSON THAT IS THE LICENSEE OF A BRAND OR TRADEMARK UNDER WHICH A**
22 **REDEEMABLE BEVERAGE CONTAINER IS SOLD, OFFERED FOR SALE, OR**
23 **DISTRIBUTED IN THE STATE, WHETHER OR NOT THE TRADEMARK IS REGISTERED IN**
24 **THE STATE, UNLESS ANOTHER RESPONSIBLE PERSON HAS CONTRACTUALLY**
25 **ACCEPTED RESPONSIBILITY AS THE PRODUCER AND HAS JOINED THE BEVERAGE**
26 **CONTAINER STEWARDSHIP ORGANIZATION AS THE PRODUCER RESPONSIBLE FOR**
27 **THE REDEEMABLE BEVERAGE CONTAINER UNDER THIS SECTION.**

28 **(III) IF THERE IS NO PERSON DESCRIBED IN THIS PARAGRAPH**
29 **OVER WHOM THE STATE CAN CONSTITUTIONALLY EXERCISE JURISDICTION, THE**
30 **PRODUCER IS THE PERSON THAT IMPORTS OR DISTRIBUTES THE REDEEMABLE**
31 **BEVERAGE CONTAINER IN THE STATE.**

32 **(3) IF ANOTHER PERSON CONTRACTUALLY ACCEPTS**
33 **RESPONSIBILITY AS A PRODUCER UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION,**

1 THE PRODUCER MUST PROVIDE A CERTIFIED COPY OF THE CONTRACTUAL
2 AGREEMENT TO THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION.

3 (B) BEGINNING JANUARY 1, 2029, A PRODUCER MAY NOT SELL, OFFER FOR
4 SALE, OR DISTRIBUTE IN OR IMPORT INTO THE STATE A REDEEMABLE BEVERAGE
5 CONTAINER UNLESS THE PRODUCER:

6 (1) IS REGISTERED WITH THE DEPARTMENT IN ACCORDANCE WITH
7 THIS SECTION;

8 (2) HAS PAID THE REGISTRATION FEE UNDER SUBSECTION (F) OF
9 THIS SECTION; AND

10 (3) IS PART OF THE BEVERAGE CONTAINER STEWARDSHIP
11 ORGANIZATION THAT:

12 (I) HAS BEEN APPROVED BY THE DEPARTMENT UNDER §
13 9-1745 OF THIS SUBTITLE; AND

14 (II) HAS A BEVERAGE CONTAINER STEWARDSHIP PLAN
15 APPROVED BY THE DEPARTMENT UNDER § 9-1746 OF THIS SUBTITLE.

16 (C) ON OR BEFORE MARCH 1 EACH YEAR, BEGINNING IN 2028, THE
17 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION SHALL PROVIDE TO THE
18 DEPARTMENT:

19 (1) A LIST OF EACH PRODUCER PARTICIPATING IN THE BEVERAGE
20 CONTAINER STEWARDSHIP ORGANIZATION; AND

21 (2) FOR EACH PRODUCER, THE REGISTRATION FORM REQUIRED
22 UNDER SUBSECTION (D) OF THIS SECTION.

23 (D) (1) THE DEPARTMENT SHALL CREATE A REGISTRATION FORM THAT
24 REQUIRES EACH PRODUCER PARTICIPATING IN THE BEVERAGE CONTAINER
25 STEWARDSHIP ORGANIZATION TO PROVIDE THE FOLLOWING INFORMATION:

26 (I) THE NAME, PRIMARY BUSINESS ADDRESS, AND CONTACT
27 INFORMATION OF THE PERSON RESPONSIBLE FOR ENSURING COMPLIANCE WITH
28 THIS PART;

29 (II) A LIST OF EACH BRAND OF REDEEMABLE BEVERAGE
30 CONTAINERS THAT THE PRODUCER INTENDS TO SELL, OFFER FOR SALE, OR
31 DISTRIBUTE IN THE STATE, INCLUDING THE SIZE AND MATERIAL OF THE

1 REDEEMABLE BEVERAGE CONTAINERS FOR EACH BRAND;

2 (III) FOR EACH REDEEMABLE BEVERAGE CONTAINER SPECIFIED
3 IN THE REGISTRATION, WHETHER THE REDEEMABLE BEVERAGE CONTAINER:

4 1. IS REFILLABLE; AND

5 2. DEPICTS A UPC OR MARYLAND-SPECIFIC UPC
6 BARCODE;

7 (IV) HOW EACH PRODUCER WILL PREVENT THE FRAUDULENT
8 SALE AND REDEMPTION OF REDEEMABLE BEVERAGE CONTAINERS THAT WERE NOT
9 SOLD IN THE STATE;

10 (V) THE NUMBER OF REDEEMABLE BEVERAGE CONTAINERS
11 EACH PRODUCER SOLD IN THE STATE IN THE IMMEDIATELY PRECEDING CALENDAR
12 YEAR; AND

13 (VI) ANY OTHER INFORMATION REQUIRED BY THE
14 DEPARTMENT.

15 (2) A PRODUCER SHALL SUBMIT A COMPLETED REGISTRATION FORM
16 TO THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION THAT REPRESENTS
17 THE PRODUCER.

18 (E) ON A SCHEDULE DETERMINED BY THE DEPARTMENT, EACH PRODUCER
19 SHALL PAY A REGISTRATION FEE ESTABLISHED BY THE DEPARTMENT UNDER
20 SUBSECTION (F) OF THIS SECTION.

21 (F) (1) THE DEPARTMENT SHALL ESTABLISH AN ANNUAL REGISTRATION
22 FEE FOR PRODUCERS THAT SELL REDEEMABLE BEVERAGE CONTAINERS IN THE
23 STATE.

24 (2) THE REGISTRATION FEE SHALL BE SET IN A MANNER THAT:

25 (I) WHEN TAKEN IN COMBINATION WITH ANTICIPATED
26 REVENUES FROM PENALTIES COLLECTED UNDER § 9-1755 OF THIS SUBTITLE, WILL
27 PRODUCE FUNDS SUFFICIENT TO COVER THE DEPARTMENT'S ESTIMATED COSTS OF
28 PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND
29 EVALUATING THE PROGRAM FOR THE UPCOMING YEAR;

30 (II) FOR THE FIRST YEAR OF THE PROGRAM DURING WHICH
31 REGISTRATION FEES ARE COLLECTED, SHALL COVER THE START-UP COSTS OF THE

1 PROGRAM THAT WERE INCURRED BY THE DEPARTMENT AND FINANCED FROM THE
2 GENERAL FUND; AND

3 (III) IS PROPORTIONAL TO A PRODUCER'S SHARE OF THE TOTAL
4 NUMBER OF REDEEMABLE BEVERAGE CONTAINERS SOLD IN THE STATE FOR THE
5 IMMEDIATELY PRECEDING CALENDAR YEAR.

6 (3) THE DEPARTMENT SHALL:

7 (I) IF THE REVENUES FROM THE REGISTRATION FEES IN THE
8 IMMEDIATELY PRECEDING YEAR EXCEED THE COSTS SPECIFIED IN PARAGRAPH
9 (2)(I) OF THIS SUBSECTION, CARRY THE EXCESS REVENUES FORWARD TO REDUCE
10 REGISTRATION FEES THE FOLLOWING YEAR; AND

11 (II) IF THE REVENUES FROM THE REGISTRATION FEES IN THE
12 IMMEDIATELY PRECEDING YEAR DO NOT COVER THE COSTS SPECIFIED IN
13 PARAGRAPH (2)(I) OF THIS SUBSECTION, ADJUST REGISTRATION FEES FOR THE
14 FOLLOWING YEAR TO AN AMOUNT THAT WILL COVER THE DEPARTMENT'S ACTUAL
15 COSTS FROM THE IMMEDIATELY PRECEDING YEAR.

16 (4) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
17 PARAGRAPH, REGISTRATION FEES COLLECTED UNDER THIS SUBSECTION SHALL BE:

18 1. TRANSFERRED TO THE STATE RECYCLING TRUST
19 FUND UNDER § 9-1707(F) OF THIS SUBTITLE; AND

20 2. USED ONLY TO COVER THE DEPARTMENT'S COSTS OF
21 PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND
22 EVALUATING THE PROGRAM.

23 (II) THE PORTION OF THE REGISTRATION FEES THAT COVERED
24 THE START-UP COSTS OF THE PROGRAM AND WERE FINANCED FROM THE GENERAL
25 FUND DURING THE FIRST YEAR OF THE PROGRAM FOR WHICH REGISTRATION FEES
26 ARE COLLECTED IN ACCORDANCE WITH PARAGRAPH (2)(II) OF THIS SUBSECTION
27 SHALL BE DEPOSITED INTO THE GENERAL FUND.

28 9-1745.

29 (A) ON OR BEFORE OCTOBER 1, 2027, THE DEPARTMENT SHALL APPROVE,
30 FOR A PERIOD NOT TO EXCEED 10 YEARS, A SINGLE BEVERAGE CONTAINER
31 STEWARDSHIP ORGANIZATION TO REPRESENT ALL PRODUCERS IN FULFILLING THE
32 REQUIREMENTS OF THIS PART, IF THE BEVERAGE CONTAINER STEWARDSHIP
33 ORGANIZATION DEMONSTRATES THAT IT HAS:

1 (1) THE ABILITY, AS DETERMINED BY THE DEPARTMENT, TO
2 ADMINISTER THE REQUIREMENTS OF A BEVERAGE CONTAINER STEWARDSHIP PLAN
3 UNDER § 9-1746 OF THIS SUBTITLE;

4 (2) A GOVERNING BOARD CONSISTING OF PRODUCERS THAT
5 REPRESENT THE DIVERSITY OF APPLICABLE REDEEMABLE BEVERAGE CONTAINERS
6 IN THE MARKET;

7 (3) SET NO UNREASONABLE BARRIERS TO JOINING THE BEVERAGE
8 CONTAINER STEWARDSHIP ORGANIZATION AND WILL TAKE INTO CONSIDERATION
9 THE NEEDS OF SMALL PRODUCERS THAT DO NOT GENERATE A HIGH VOLUME OF
10 CONTAINERS;

11 (4) ADEQUATE FINANCIAL RESPONSIBILITY AND SAFEGUARDS,
12 INCLUDING FRAUD PREVENTION MEASURES AND AN AUDIT SCHEDULE;

13 (5) THE ABILITY TO SECURE THE CAPITAL NECESSARY FOR THE
14 INITIAL INVESTMENT IN INFRASTRUCTURE, SORTING EQUIPMENT, SOFTWARE,
15 TRANSPORTATION, AND OTHER START-UP EXPENSES; AND

16 (6) MET ANY OTHER REQUIREMENTS SET BY THE DEPARTMENT.

17 (B) IF NO APPLICATION TO OPERATE A BEVERAGE CONTAINER
18 STEWARDSHIP ORGANIZATION IS SUBMITTED BY PRODUCERS TO THE DEPARTMENT
19 BY OCTOBER 1, 2027, THE DEPARTMENT SHALL:

20 (1) ESTABLISH OR DESIGNATE A BEVERAGE CONTAINER
21 STEWARDSHIP ORGANIZATION TO IMPLEMENT THIS PART; AND

22 (2) REQUIRE ALL PRODUCERS, AS A CONDITION OF SELLING OR
23 DISTRIBUTING BEVERAGES IN THE STATE, TO JOIN AND FUND THE DESIGNATED
24 ORGANIZATION.

25 (C) THE DEPARTMENT MAY RENEW THE APPROVAL OF THE BEVERAGE
26 CONTAINER STEWARDSHIP ORGANIZATION UNDER SUBSECTION (A) OF THIS
27 SECTION IF THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION CONTINUES
28 TO MEET THE REQUIREMENTS OF THIS SECTION AND ANY OTHER REQUIREMENT SET
29 BY THE DEPARTMENT.

30 (D) (1) THE DEPARTMENT SHALL REVOKE THE APPROVAL OF THE
31 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION IF THE DEPARTMENT
32 DETERMINES THAT THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION:

1 (I) FAILED TO MEET THE REQUIREMENTS OF THIS SECTION; OR

2 (II) FAILED TO IMPLEMENT AND ADMINISTER AN APPROVED
3 BEVERAGE CONTAINER STEWARDSHIP PLAN IN ACCORDANCE WITH § 9-1746 OF
4 THIS SUBTITLE.

5 (2) IF THE DEPARTMENT REVOKES THE APPROVAL OF THE
6 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION UNDER PARAGRAPH (1) OF
7 THIS SUBSECTION:

8 (I) THE DEPARTMENT MAY APPROVE ONE OR MORE
9 ADDITIONAL BEVERAGE CONTAINER STEWARDSHIP ORGANIZATIONS TO CARRY OUT
10 THE RESPONSIBILITIES OF THE BEVERAGE CONTAINER STEWARDSHIP
11 ORGANIZATION THAT WAS REVOKED, SUBJECT TO ONE OR MORE OF THE
12 ADDITIONAL BEVERAGE CONTAINER STEWARDSHIP ORGANIZATIONS MEETING THE
13 REQUIREMENTS SPECIFIED IN SUBSECTION (A) OF THIS SECTION; AND

14 (II) THE TRUSTEE OR ESCROW AGENT OF THE TRUST FUND OR
15 ESCROW ACCOUNT ESTABLISHED IN THE BEVERAGE CONTAINER STEWARDSHIP
16 PLAN UNDER § 9-1746(A)(3)(VI) OF THIS SUBTITLE SHALL:

17 1. RECEIVE ALL PAYMENTS DIRECTLY FROM
18 PRODUCERS THAT WOULD HAVE BEEN PAID TO THE BEVERAGE CONTAINER
19 STEWARDSHIP ORGANIZATION;

20 2. DEPOSIT THE PAYMENTS RECEIVED UNDER ITEM 1 OF
21 THIS ITEM INTO THE TRUST FUND OR ESCROW ACCOUNT; AND

22 3. MAKE PAYMENTS FROM THE TRUST FUND OR ESCROW
23 ACCOUNT AS DIRECTED BY THE DEPARTMENT TO IMPLEMENT THE REQUIREMENTS
24 OF THIS PART.

25 9-1746.

26 (A) (1) ON OR BEFORE MARCH 1, 2028, THE BEVERAGE CONTAINER
27 STEWARDSHIP ORGANIZATION SHALL SUBMIT A BEVERAGE CONTAINER
28 STEWARDSHIP PLAN TO THE DEPARTMENT.

29 (2) A BEVERAGE CONTAINER STEWARDSHIP PLAN SHALL:

30 (I) IDENTIFY AND INCLUDE THE CONTACT INFORMATION FOR
31 EACH PRODUCER INTENDED TO BE COVERED UNDER THE PLAN;

1 **(II) IDENTIFY EACH BRAND OF REDEEMABLE BEVERAGE**
2 **CONTAINER INTENDED TO BE SOLD UNDER THE PLAN, INCLUDING THE SIZE AND**
3 **MATERIAL OF THE REDEEMABLE BEVERAGE CONTAINERS FOR EACH BRAND AND**
4 **WHETHER THE REDEEMABLE BEVERAGE CONTAINERS ARE REFILLABLE;**

5 **(III) DESCRIBE:**

6 **1. THE FINANCING INFORMATION SPECIFIED IN**
7 **PARAGRAPH (3) OF THIS SUBSECTION;**

8 **2. THE LOCATION AND DISTRIBUTION OF**
9 **ACCOUNT-BASED BULK PROCESSING PROGRAMS, BAG DROP PROGRAMS, AND**
10 **REDEMPTION FACILITIES THE ORGANIZATION WILL DEVELOP, AS NECESSARY TO:**

11 **A. COMPLY WITH THE CONVENIENCE STANDARDS**
12 **ESTABLISHED BY THE DEPARTMENT UNDER § 9-1752 OF THIS SUBTITLE; AND**

13 **B. ACHIEVE THE PERFORMANCE TARGETS UNDER §**
14 **9-1740 OF THIS SUBTITLE;**

15 **3. HOW THE PERFORMANCE TARGETS WILL BE MET OR**
16 **EXCEEDED FOR THE 5-YEAR PERIOD FOLLOWING THE YEAR IN WHICH THE PLAN IS**
17 **APPROVED;**

18 **4. HOW STAKEHOLDER COMMENTS WERE CONSIDERED**
19 **AND REFLECTED IN THE DEVELOPMENT OF THE PLAN, INCLUDING THE ROLE OF**
20 **RETAILERS, DISTRIBUTORS, AND LOCAL GOVERNMENTS IN PLAN IMPLEMENTATION;**

21 **5. THE ADMINISTRATION AND IMPLEMENTATION OF**
22 **THE PLAN, INCLUDING ANY STAFFING THAT WILL BE NECESSARY FOR THESE**
23 **PURPOSES;**

24 **6. THE ACTIONS THAT HAVE BEEN TAKEN AND THAT**
25 **WILL BE TAKEN FOR PUBLIC OUTREACH, EDUCATION, AND COMMUNICATION,**
26 **INCLUDING MESSAGING AND IDENTIFICATION OF TARGET AUDIENCES;**

27 **7. THE ANTICIPATED INVESTMENTS THAT WILL BE**
28 **MADE TO IMPROVE THE REUSE OF BEVERAGE CONTAINERS, INCLUDING THE**
29 **SOURCE OF FUNDING FOR THE INVESTMENTS; AND**

30 **8. THE ACTIONS THE ORGANIZATION WILL TAKE TO**
31 **ENSURE THE PLAN IS IMPLEMENTED IN A MANNER THAT COMPLIES WITH THE**

1 REQUIREMENTS OF SUBSECTION (D)(2) OF THIS SECTION;

2 (IV) LIST THE STAKEHOLDERS CONSULTED IN DEVELOPING THE
3 PLAN;

4 (V) PROVIDE THE ANTICIPATED COSTS OF IMPLEMENTING THE
5 PLAN FOR 5 YEARS, BROKEN DOWN BY YEAR;

6 (VI) INCLUDE A CLOSURE AND TRANSFER PLAN FOR HANDLING
7 THE AFFAIRS OF THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION THAT
8 ENSURES THAT EACH PRODUCER INTENDED TO BE COVERED UNDER THE BEVERAGE
9 CONTAINER STEWARDSHIP PLAN CAN FULFILL THE PRODUCER'S OBLIGATIONS IN
10 THE EVENT THAT THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION
11 DISSOLVES OR HAS ITS APPROVAL REVOKED UNDER § 9-1745 OF THIS SUBTITLE;
12 AND

13 (VII) INCLUDE ANY OTHER INFORMATION REQUESTED BY THE
14 DEPARTMENT.

15 (3) THE FINANCING INFORMATION INCLUDED IN A BEVERAGE
16 CONTAINER STEWARDSHIP PLAN SHALL:

17 (I) EXPLAIN THE FINANCING FOR DIRECT INVESTMENTS OR
18 REIMBURSEMENTS THAT WILL IMPROVE INFRASTRUCTURE IN A MANNER THAT
19 SUPPORTS REDEMPTION SERVICES AND TECHNOLOGIES;

20 (II) ESTABLISH A FEE STRUCTURE IN ACCORDANCE WITH
21 PARAGRAPH (4) OF THIS SUBSECTION FOR PRODUCERS PARTICIPATING IN THE
22 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION;

23 (III) DESCRIBE THE COSTS OF MEETING THE PERFORMANCE
24 TARGETS;

25 (IV) DESCRIBE THE INCENTIVES USED TO ENCOURAGE
26 PRODUCERS TO:

27 1. INVEST IN REUSABLE AND REFILLABLE BEVERAGE
28 CONTAINER SYSTEMS; AND

29 2. REDESIGN BEVERAGE CONTAINERS TO BE EASIER
30 AND LESS COSTLY TO RECYCLE;

31 (V) CREATE INCENTIVES FOR PRODUCERS TO USE A

1 **MARYLAND–SPECIFIC UPC BARCODE TO REDUCE FRAUDULENT REDEMPTION;**

2 **(VI) ESTABLISH A TRUST FUND OR AN ESCROW ACCOUNT IN THE**
3 **STATE INTO WHICH THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION**
4 **SHALL DEPOSIT ALL UNEXPENDED FUNDS FOR USE IN ACCORDANCE WITH THIS**
5 **SECTION IN THE EVENT THAT THE BEVERAGE CONTAINER STEWARDSHIP**
6 **ORGANIZATION DISSOLVES OR HAS ITS APPROVAL REVOKED BY THE DEPARTMENT**
7 **UNDER § 9–1745 OF THIS SUBTITLE; AND**

8 **(VII) MEET ANY OTHER REQUIREMENTS ESTABLISHED BY THE**
9 **DEPARTMENT.**

10 **(4) (I) THE FEE STRUCTURE REQUIRED UNDER PARAGRAPH (3) OF**
11 **THIS SUBSECTION FOR PRODUCERS PARTICIPATING IN THE BEVERAGE CONTAINER**
12 **STEWARDSHIP ORGANIZATION SHALL BE:**

13 **1. SET IN A MANNER THAT COVERS THE COSTS OF**
14 **ADMINISTERING THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION AND**
15 **IMPLEMENTING THE BEVERAGE CONTAINER STEWARDSHIP PLAN; AND**

16 **2. BASED ON:**

17 **A. THE COSTS ASSOCIATED WITH TRANSPORTING,**
18 **COLLECTING, AND PROCESSING EACH TYPE OF REDEEMABLE BEVERAGE**
19 **CONTAINER MATERIAL;**

20 **B. WHETHER A PRODUCER’S REDEEMABLE BEVERAGE**
21 **CONTAINERS ARE REFILLABLE;**

22 **C. WHETHER A PRODUCER’S EMPTY REDEEMABLE**
23 **BEVERAGE CONTAINERS ARE EASY TO RECYCLE;**

24 **D. WHETHER A PRODUCER’S REDEEMABLE BEVERAGE**
25 **CONTAINERS HAVE A MARYLAND–SPECIFIC UPC BARCODE;**

26 **E. A PRODUCER’S PORTION, BY MATERIAL TYPE, OF**
27 **REDEEMABLE BEVERAGE CONTAINERS SOLD IN THE STATE DURING THE PREVIOUS**
28 **CALENDAR YEAR; AND**

29 **F. ANY OTHER FACTOR THE DEPARTMENT DETERMINES**
30 **IS NECESSARY TO SUPPORT THE PROGRAM.**

31 **(II) 1. EXCEPT AS PROVIDED IN § 9–1745(D)(2) OF THIS**

1 SUBTITLE, A PRODUCER PARTICIPATING IN THE BEVERAGE CONTAINER
2 STEWARDSHIP ORGANIZATION SHALL PAY THE FEE ESTABLISHED UNDER
3 PARAGRAPH (3) OF THIS SUBSECTION TO THE BEVERAGE CONTAINER STEWARDSHIP
4 ORGANIZATION.

5 2. THE BEVERAGE CONTAINER STEWARDSHIP
6 ORGANIZATION SHALL DEPOSIT FEES RECEIVED UNDER THIS SUBPARAGRAPH TO AN
7 ACCOUNT HELD BY THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION.

8 3. THE BEVERAGE CONTAINER STEWARDSHIP
9 ORGANIZATION MAY USE THE FEES RECEIVED UNDER THIS SUBPARAGRAPH ONLY
10 FOR IMPLEMENTING THE BEVERAGE CONTAINER STEWARDSHIP PLAN.

11 (5) THE DEPARTMENT SHALL SUBMIT A BEVERAGE CONTAINER
12 STEWARDSHIP PLAN TO AN INDEPENDENT FINANCIAL AUDITOR TO ENSURE THAT
13 THE FINANCING PROPOSED IN THE PLAN WILL COVER THE COSTS OF IMPLEMENTING
14 THE PLAN.

15 (B) (1) (i) WITHIN 120 DAYS AFTER RECEIPT OF A BEVERAGE
16 CONTAINER STEWARDSHIP PLAN SUBMITTED TO THE DEPARTMENT UNDER THIS
17 SECTION, THE DEPARTMENT SHALL APPROVE, APPROVE WITH CONDITIONS, OR
18 DENY THE PLAN.

19 (ii) IN DETERMINING WHETHER TO APPROVE, APPROVE WITH
20 CONDITIONS, OR DENY A BEVERAGE CONTAINER STEWARDSHIP PLAN, THE
21 DEPARTMENT SHALL:

22 1. CONSIDER WHETHER:

23 A. THE PLAN COMPLIES WITH THE REQUIREMENTS OF
24 THIS SECTION; AND

25 B. THERE WAS SUFFICIENT ENGAGEMENT WITH
26 STAKEHOLDERS, INCLUDING LOCAL GOVERNMENTS, RETAILERS, DISTRIBUTORS,
27 AND ON-PREMISES SELLERS, IN DEVELOPING THE PLAN; AND

28 2. CONSULT WITH THE ADVISORY COUNCIL.

29 (2) (i) THE DEPARTMENT MAY RESCIND APPROVAL OF A
30 BEVERAGE CONTAINER STEWARDSHIP PLAN FOR GOOD CAUSE.

31 (ii) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION
32 MAY AMEND A RESCINDED BEVERAGE CONTAINER STEWARDSHIP PLAN AND SUBMIT

1 THE AMENDED PLAN TO THE DEPARTMENT FOR APPROVAL.

2 (3) (I) A BEVERAGE CONTAINER STEWARDSHIP PLAN APPROVED
3 BY THE DEPARTMENT MAY BE AMENDED WITH APPROVAL OF THE DEPARTMENT.

4 (II) THE DEPARTMENT MAY REQUIRE THAT AN APPROVED
5 BEVERAGE CONTAINER STEWARDSHIP PLAN BE AMENDED IF THE REPORT
6 SUBMITTED UNDER § 9-1747 OF THIS SUBTITLE REFLECTS THAT THE
7 PERFORMANCE TARGETS HAVE NOT BEEN MET.

8 (C) AN APPROVED BEVERAGE CONTAINER STEWARDSHIP PLAN EXPIRES AT
9 THE END OF 5 YEARS.

10 (D) (1) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION
11 SHALL IMPLEMENT AND ADMINISTER A BEVERAGE CONTAINER STEWARDSHIP PLAN
12 WITHIN 6 MONTHS AFTER THE PLAN IS APPROVED.

13 (2) IN IMPLEMENTING AND ADMINISTERING A BEVERAGE CONTAINER
14 STEWARDSHIP PLAN, THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION
15 SHALL:

16 (I) FACILITATE LOGISTICS, THE INITIATION OF DEPOSITS, AND
17 THE ISSUANCE OF REFUNDS UNDER THE PLAN;

18 (II) COORDINATE THE LOGISTICS FOR TIMELY COLLECTION OF
19 REDEEMABLE BEVERAGE CONTAINERS FROM AN ON-PREMISES SELLER;

20 (III) ESTABLISH PROCEDURES FOR TRACKING REDEEMABLE
21 BEVERAGE CONTAINERS SOLD IN THE STATE;

22 (IV) DESIGN AND OPERATE SERVICES FOR THE
23 TRANSPORTATION AND PROCESSING OF REDEEMABLE BEVERAGE CONTAINERS;

24 (V) DEVELOP AND IMPLEMENT A PLAN FOR ESTABLISHING,
25 OPERATING, AND MANAGING REDEMPTION FACILITIES THAT WILL OFFER A WIDE
26 RANGE OF CONVENIENT REDEMPTION LOCATIONS AND TECHNOLOGIES THAT ARE
27 EASY TO USE, ACCESSIBLE, AND MEET OR EXCEED THE CONVENIENCE STANDARDS
28 ESTABLISHED BY THE DEPARTMENT UNDER § 9-1752 OF THIS SUBTITLE;

29 (VI) DEVELOP AND IMPLEMENT A PLAN FOR THE DISTRIBUTION,
30 OPERATION, AND MAINTENANCE OF BEVERAGE CONTAINER REDEMPTION AND
31 PROCESSING METHODS, INCLUDING REVERSE VENDING MACHINES, BAG DROP
32 PROGRAMS, AND ACCOUNT-BASED BULK PROCESSING PROGRAMS;

1 (VII) DEVELOP ACCOUNTING AND CONTROL STANDARDS;

2 (VIII) IMPLEMENT ACCOUNTING, AUDIT, PAYMENT, AND
3 REPORTING PROCEDURES;

4 (IX) ESTABLISH A HIGH-VOLUME VALIDATION AND AUDIT
5 SYSTEM TO PAY A BULK RATE TO AN ON-PREMISES SELLER FOR THE REDEMPTION
6 OF EMPTY REDEEMABLE BEVERAGE CONTAINERS;

7 (X) ESTABLISH AN APPLICATION PROCESS FOR LARGE
8 ON-PREMISES SELLERS TO APPLY FOR AND RECEIVE A BULK RATE FOR THE
9 REDEMPTION OF HIGH VOLUMES OF EMPTY REDEEMABLE BEVERAGE CONTAINERS;

10 (XI) MARKET REDEEMABLE BEVERAGE CONTAINER MATERIALS
11 FOR REUSE IN THE MANUFACTURING OF SIMILAR PRODUCTS;

12 (XII) FUND A MARKETING PROGRAM TO EDUCATE THE PUBLIC
13 ABOUT THE PROGRAM;

14 (XIII) ESTABLISH A SYSTEM FOR REPORTING KEY INFORMATION
15 GATHERED BY THE PROGRAM TO THE DEPARTMENT ON A QUARTERLY BASIS; AND

16 (XIV) CREATE INCENTIVES FOR THE DEVELOPMENT OF
17 REFILLABLE AND REUSABLE BEVERAGE CONTAINER SYSTEMS.

18 (3) ON REQUEST OF THE DEPARTMENT, THE BEVERAGE CONTAINER
19 STEWARDSHIP ORGANIZATION SHALL SUBMIT A COPY OF ITS FINANCIAL RECORDS
20 TO THE DEPARTMENT FOR A FINANCIAL AUDIT.

21 9-1747.

22 (A) THIS SECTION APPLIES TO THE BEVERAGE CONTAINER STEWARDSHIP
23 ORGANIZATION THAT HAS A BEVERAGE CONTAINER STEWARDSHIP PLAN APPROVED
24 BY THE DEPARTMENT UNDER § 9-1746 OF THIS SUBTITLE.

25 (B) (1) ON OR BEFORE APRIL 1 EACH YEAR, BEGINNING IN 2030, THE
26 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION SHALL SUBMIT A REPORT TO
27 THE DEPARTMENT ON THE PROGRESS MADE IN THE PRECEDING CALENDAR YEAR
28 TOWARD MEETING THE PERFORMANCE TARGETS AND THE GOALS OF THE PROGRAM
29 AND THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION'S BEVERAGE
30 CONTAINER STEWARDSHIP PLAN.

1 **(2) THE DEPARTMENT SHALL PROVIDE THE ADVISORY COUNCIL**
2 **WITH A COPY OF EACH REPORT SUBMITTED UNDER THIS SUBSECTION.**

3 **(C) THE REPORT SUBMITTED UNDER SUBSECTION (B) OF THIS SECTION**
4 **SHALL INCLUDE, FOR THE PRECEDING CALENDAR YEAR:**

5 **(1) THE PROGRESS MADE TOWARD ACHIEVING THE PERFORMANCE**
6 **TARGETS;**

7 **(2) IF THE PERFORMANCE TARGETS WERE NOT ACHIEVED, A**
8 **DESCRIPTION OF THE ACTIONS PROPOSED TO ACHIEVE THE PERFORMANCE**
9 **TARGETS;**

10 **(3) THE NUMBER OF REDEEMABLE BEVERAGE CONTAINERS SOLD IN**
11 **THE STATE;**

12 **(4) THE NUMBER OF REDEEMABLE BEVERAGE CONTAINERS SOLD IN**
13 **THE STATE SORTED BY MATERIAL TYPE, REFUND VALUE, AND WHETHER THE**
14 **CONTAINER CAN BE REFILLED OR REUSED;**

15 **(5) THE NUMBER OF EMPTY REDEEMABLE BEVERAGE CONTAINERS**
16 **REDEEMED;**

17 **(6) THE NUMBER OF EMPTY REDEEMABLE BEVERAGE CONTAINERS**
18 **REDEEMED AT EACH REDEMPTION FACILITY, REVERSE VENDING MACHINE, BAG**
19 **DROP PROGRAM, ACCOUNT-BASED BULK PROCESSING PROGRAM, OR OTHER**
20 **BEVERAGE CONTAINER REDEMPTION AND PROCESSING METHOD SORTED BY**
21 **MATERIAL TYPE, REFUND VALUE, AND WHETHER THE EMPTY REDEEMABLE**
22 **BEVERAGE CONTAINER CAN BE REFILLED OR REUSED;**

23 **(7) THE REDEMPTION RATE AND RECYCLING RATE FOR**
24 **NONREFILLABLE REDEEMABLE BEVERAGE CONTAINERS SOLD IN THE STATE**
25 **SORTED BY MATERIAL TYPE, NUMBER OF CONTAINERS SOLD, AND CONTAINER**
26 **WEIGHT;**

27 **(8) THE AMOUNT OF EACH TYPE OF:**

28 **(I) REDEEMABLE BEVERAGE CONTAINER MATERIAL**
29 **COLLECTED IN THE STATE; AND**

30 **(II) SCRAP MATERIAL SOLD BY THE BEVERAGE CONTAINER**
31 **STEWARDSHIP ORGANIZATION;**

1 **(9) THE LOCATION OF EACH REDEMPTION FACILITY IN THE STATE**
2 **AND THE REDEMPTION METHOD USED AT EACH REDEMPTION FACILITY;**

3 **(10) A DESCRIPTION OF ANY IMPROVEMENTS MADE TO MAKE**
4 **RETURNING EMPTY REDEEMABLE BEVERAGE CONTAINERS EASIER AND MORE**
5 **CONVENIENT;**

6 **(11) THE IDENTIFICATION AND DESCRIPTION OF AREAS THAT DO NOT**
7 **HAVE READILY AVAILABLE OPTIONS FOR REDEEMING AN EMPTY REDEEMABLE**
8 **BEVERAGE CONTAINER AND ACTIONS THE BEVERAGE CONTAINER STEWARDSHIP**
9 **ORGANIZATION WILL TAKE TO IMPROVE OPTIONS IN THESE AREAS;**

10 **(12) THE NUMBER OF CONSUMER COMPLAINTS PER MONTH, SORTED**
11 **BY REDEMPTION FACILITY;**

12 **(13) THE NUMBER AND TYPE OF COMPLAINTS FROM ON-PREMISES**
13 **SELLERS PER MONTH, SORTED BY TYPE OF BUSINESS;**

14 **(14) THE NUMBER OF INDIVIDUALS AND ORGANIZATIONS WITH**
15 **ACCOUNTS ESTABLISHED FOR THE RECEIPT OF ELECTRONIC DEPOSITS OR**
16 **REFUNDS;**

17 **(15) THE TOTAL COST OF IMPLEMENTING THE BEVERAGE CONTAINER**
18 **STEWARDSHIP PLAN, AS DETERMINED BY AN INDEPENDENT FINANCIAL AUDITOR**
19 **UNDER § 9-1746(A)(5) OF THIS SUBTITLE;**

20 **(16) THE AVERAGE COST OF PROCESSING AN EMPTY REDEEMED**
21 **REDEEMABLE BEVERAGE CONTAINER;**

22 **(17) A COPY OF THE AUDIT CONDUCTED UNDER § 9-1746(A)(5) OF**
23 **THIS SUBTITLE;**

24 **(18) FINANCIAL STATEMENTS DETAILING ALL DEPOSITS RECEIVED**
25 **AND REFUNDS ISSUED BY EACH PRODUCER COVERED UNDER THE BEVERAGE**
26 **CONTAINER STEWARDSHIP PLAN;**

27 **(19) THE TOTAL AMOUNT OF DEPOSITS INITIATED, REFUNDS ISSUED,**
28 **AND UNCLAIMED DEPOSITS COLLECTED UNDER THE BEVERAGE CONTAINER**
29 **STEWARDSHIP PLAN;**

30 **(20) AN ACCOUNTING OF ALL ACTIVITIES AND INVESTMENTS**
31 **FINANCED BY UNCLAIMED DEPOSITS;**

1 **(21) EXPENDITURES AND REVENUES SORTED BY SOURCE, INCLUDING**
2 **FEES PAID UNDER § 9-1746(A)(4) OF THIS SUBTITLE, REVENUE FROM THE SALE OF**
3 **SCRAP MATERIALS, AND UNCLAIMED DEPOSITS;**

4 **(22) SAMPLES OF ALL EDUCATIONAL MATERIALS PROVIDED TO**
5 **CONSUMERS, RETAILERS, AND OTHER ENTITIES;**

6 **(23) A DETAILED DESCRIPTION OF INVESTMENTS MADE IN NEW**
7 **REDEMPTION FACILITIES AND REDEMPTION METHODS;**

8 **(24) THE LOCATION OF NEW REDEMPTION FACILITIES AND**
9 **REDEMPTION METHODS;**

10 **(25) A DETAILED DESCRIPTION OF CHANGES MADE BY PRODUCERS TO**
11 **INCREASE THE RECYCLABILITY OF REDEEMABLE BEVERAGE CONTAINERS;**

12 **(26) A DETAILED DESCRIPTION OF ANY INCIDENTS OF FRAUD AND**
13 **EFFORTS TAKEN TO PREVENT FRAUD; AND**

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

15 **(D) THE FINANCIAL, PRODUCTION, AND SALES DATA OF INDIVIDUAL**
16 **PRODUCERS REPORTED TO THE DEPARTMENT UNDER THIS SECTION SHALL BE**
17 **KEPT CONFIDENTIAL BY THE DEPARTMENT AND THE ADVISORY COUNCIL.**

18 **(E) THE DEPARTMENT SHALL POST THE REPORT SUBMITTED UNDER THIS**
19 **SECTION ON THE DEPARTMENT'S WEBSITE IN A MANNER THAT PROTECTS THE**
20 **CONFIDENTIALITY OF THE DATA SPECIFIED UNDER SUBSECTION (D) OF THIS**
21 **SECTION.**

22 **9-1748.**

23 **(A) (1) THE DEPARTMENT SHALL ESTABLISH A PROCESS FOR A COUNTY**
24 **OR MUNICIPAL CORPORATION TO CREATE A REDEMPTION FACILITY.**

25 **(2) A COUNTY OR MUNICIPAL CORPORATION MAY NOT BE REQUIRED**
26 **TO HOST, OPERATE, OR PROVIDE LAND, FACILITIES, OR ANY OTHER RESOURCES FOR**
27 **THE ESTABLISHMENT OR OPERATION OF ANY REDEMPTION FACILITY.**

28 **(B) EMPTY REDEEMABLE BEVERAGE CONTAINERS REDEEMED AT A**
29 **REDEMPTION FACILITY MANAGED BY A COUNTY OR MUNICIPAL CORPORATION**
30 **SHALL BE CREDITED TOWARD MEETING THE RECYCLING RATES REQUIRED UNDER §**
31 **9-505 OF THIS TITLE.**

1 (C) (1) THROUGH DECEMBER 31, 2031, A PORTION OF PROGRAM
2 REVENUES SHALL BE USED TO COMPENSATE A COUNTY OR MUNICIPAL
3 CORPORATION FOR ANY NET LOSS OF REVENUE TO THE COUNTY'S OR MUNICIPAL
4 CORPORATION'S WASTE MANAGEMENT SYSTEM THAT CAN BE DOCUMENTED AND
5 ATTRIBUTED TO THE PROGRAM.

6 (2) IN DETERMINING A NET LOSS OF REVENUE, A COUNTY OR
7 MUNICIPAL CORPORATION SHALL CONSIDER:

8 (I) THE LOSS OF REVENUE FROM THE SALE OF SCRAP
9 MATERIALS;

10 (II) FINANCIAL SAVINGS FROM A REDUCTION IN:

11 1. GLASS BOTTLES IN THE RECYCLING STREAM;

12 2. TRANSPORTATION COSTS ASSOCIATED WITH
13 CURBSIDE COLLECTION OF TRASH AND RECYCLING;

14 3. PROCESSING COSTS ASSOCIATED WITH RECYCLING
15 BEVERAGE CONTAINERS;

16 4. THE COSTS OF LANDFILLING AND INCINERATING
17 BEVERAGE CONTAINERS THAT ARE NOT RECYCLED; AND

18 5. THE COSTS OF LITTER COLLECTION; AND

19 (III) FOR A COUNTY OR MUNICIPAL CORPORATION THAT HAS A
20 TOTAL MAXIMUM DAILY LOAD FOR TRASH IN A WATERWAY UNDER ITS
21 JURISDICTION, THE REDUCED COSTS AND INCREASED BENEFITS OF COMPLYING
22 WITH THE TOTAL MAXIMUM DAILY LOAD DUE TO A REDUCTION IN BEVERAGE
23 CONTAINER LITTER.

24 9-1749.

25 FUNDING FOR THE PROGRAM SHALL:

26 (1) INCLUDE:

27 (I) REDEEMABLE BEVERAGE CONTAINER STEWARDSHIP
28 ORGANIZATION FEES COLLECTED UNDER § 9-1746 OF THIS SUBTITLE;

- 1 **(II) REVENUE FROM THE SALE OF RAW MATERIALS;**
2 **(III) UNCLAIMED DEPOSITS COLLECTED UNDER § 9-1743 OF**
3 **THIS SUBTITLE;**
4 **(IV) REGISTRATION FEES COLLECTED UNDER § 9-1744 OF THIS**
5 **SUBTITLE; AND**
6 **(V) PENALTIES COLLECTED UNDER § 9-1755 OF THIS**
7 **SUBTITLE; AND**
8 **(2) BE USED IN ACCORDANCE WITH §§ 9-1707(F), 9-1743, 9-1744,**
9 **AND 9-1755 OF THIS SUBTITLE.**
10 **9-1750.**

11 **(A) THERE IS A BEVERAGE CONTAINER RECYCLING REFUND GRANT**
12 **PROGRAM.**

13 **(B) THE PURPOSE OF THE GRANT PROGRAM IS TO PROVIDE FUNDING FOR:**

14 **(1) AN ASSESSMENT OF THE INVESTMENTS AND POLICIES**
15 **NECESSARY TO ENSURE THAT, BY DECEMBER 31, 2038, AT LEAST 10% OF ALL**
16 **BEVERAGE CONTAINERS SOLD IN THE STATE ARE RETURNED AND REFILLED; AND**

17 **(2) PROJECTS THAT:**

18 **(I) INCREASE THE REUSE AND RECYCLING OF BEVERAGE**
19 **CONTAINERS IN THE STATE;**

20 **(II) INCREASE THE AVAILABILITY OF PUBLIC WATER**
21 **FOUNTAINS AND REFILL STATIONS IN THE STATE; AND**

22 **(III) REDUCE THE VOLUME OF LITTER FROM BEVERAGE**
23 **CONTAINERS IN THE STATE.**

24 **(C) THE CHESAPEAKE BAY TRUST SHALL ADMINISTER THE GRANT**
25 **PROGRAM.**

26 **(D) THE GRANT PROGRAM SHALL BE FUNDED FROM A PORTION OF THE**
27 **UNCLAIMED DEPOSITS TRANSFERRED TO THE CHESAPEAKE BAY TRUST UNDER §**
28 **9-1743(D)(4)(II) OF THIS SUBTITLE.**

1 **(E) THE FOLLOWING ENTITIES ARE ELIGIBLE FOR A GRANT UNDER THE**
2 **GRANT PROGRAM:**

3 **(1) A SCHOOL OR AN INSTITUTION OF HIGHER EDUCATION;**

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

5 **(3) A COUNTY OR MUNICIPAL CORPORATION;**

6 **(4) A FOR-PROFIT ORGANIZATION; AND**

7 **(5) A PUBLIC-PRIVATE PARTNERSHIP.**

8 **(F) THE DEPARTMENT, IN CONSULTATION WITH THE ADVISORY COUNCIL,**
9 **SHALL ADOPT REGULATIONS ESTABLISHING:**

10 **(1) AN APPLICATION PROCESS FOR AN ENTITY TO APPLY FOR A**
11 **GRANT;**

12 **(2) THE CRITERIA FOR EVALUATING AND AWARDING GRANTS;**

13 **(3) REPORTING AND EVALUATION REQUIREMENTS FOR A GRANT**
14 **AWARDED UNDER THIS SECTION; AND**

15 **(4) ANY OTHER REQUIREMENTS THE DEPARTMENT DETERMINES**
16 **ARE NECESSARY FOR ADMINISTERING AND IMPLEMENTING GRANTS AWARDED**
17 **UNDER THE GRANT PROGRAM.**

18 **(G) BEGINNING JANUARY 1, 2030, THE CHESAPEAKE BAY TRUST SHALL**
19 **BEGIN AWARDING GRANTS UNDER THE GRANT PROGRAM.**

20 **9-1751.**

21 **(A) BEGINNING JANUARY 1, 2029, AND CONTINUING UNTIL**
22 **REIMBURSEMENT PAYMENTS UNDER § 9-2506 OF THIS TITLE BEGIN, THE BEVERAGE**
23 **CONTAINER STEWARDSHIP ORGANIZATION SHALL PROVIDE PAYMENTS TO A**
24 **MATERIAL RECOVERY FACILITY TO COVER THE COSTS OF COLLECTING, SORTING,**
25 **PROCESSING, AND TRANSPORTING EMPTY UNREDEEMED REDEEMABLE BEVERAGE**
26 **CONTAINERS FOR RECYCLING, REUSE, OR REFILLING.**

27 **(B) A MATERIAL RECOVERY FACILITY SHALL BE ELIGIBLE TO RECEIVE A**
28 **PAYMENT UNDER THIS SECTION ONLY IF:**

1 **(1) THE UNREDEEMED REDEEMABLE BEVERAGE CONTAINERS**
2 **RECEIVED MEET THE APPLICABLE SPECIFICATIONS IN THE MOST RECENTLY**
3 **PUBLISHED GUIDELINES OF THE INSTITUTE OF SCRAP RECYCLING INDUSTRIES;**

4 **(2) THE MATERIAL RECOVERY FACILITY REPORTS TO THE BEVERAGE**
5 **CONTAINER STEWARDSHIP ORGANIZATION THE NUMBER OF TONS OF UNREDEEMED**
6 **REDEEMABLE BEVERAGE CONTAINERS RECEIVED FOR PROCESSING IN THE**
7 **PREVIOUS MONTH, CATEGORIZED BY MATERIAL TYPE; AND**

8 **(3) THE MATERIAL RECOVERY FACILITY REPORTS TO THE BEVERAGE**
9 **CONTAINER STEWARDSHIP ORGANIZATION THE NUMBER OF UNREDEEMED**
10 **REDEEMABLE BEVERAGE CONTAINERS TRANSFERRED TO ADDITIONAL MATERIALS**
11 **PROCESSING FACILITIES OR END MARKETS IN THE PREVIOUS MONTH, CATEGORIZED**
12 **BY MATERIAL TYPE.**

13 **(C) THE OPERATOR OF A MATERIAL RECOVERY FACILITY SHALL USE AN**
14 **INDUSTRY-STANDARD SCALE TO MEASURE THE WEIGHT OF ALL COVERED**
15 **BEVERAGE CONTAINER MATERIALS RECEIVED BY THE FACILITY.**

16 **(D) THE BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION MAY, AT ITS**
17 **OWN EXPENSE, CONDUCT AUDITS OF THE QUALITY AND QUANTITY OF MATERIALS**
18 **HANDLED BY A MATERIAL RECOVERY FACILITY, ON REQUEST BY THE**
19 **ORGANIZATION.**

20 **(E) (1) THE DEPARTMENT SHALL ESTABLISH THE PAYMENT AMOUNT**
21 **UNDER THIS SECTION.**

22 **(2) THE DEPARTMENT MAY ADJUST THE PAYMENT AMOUNT AS**
23 **NECESSARY TO ACCOUNT FOR CHANGES IN THE COSTS OF COLLECTING, SORTING,**
24 **PROCESSING, AND TRANSPORTING EMPTY UNREDEEMED REDEEMABLE BEVERAGE**
25 **CONTAINERS.**

26 **9-1752.**

27 **IN ADDITION TO THE DUTIES AND REQUIREMENTS SPECIFIED IN THIS PART,**
28 **THE DEPARTMENT SHALL:**

29 **(1) IN CONSULTATION WITH THE ADVISORY COUNCIL:**

30 **(I) ESTABLISH CONVENIENCE STANDARDS FOR THE COVERAGE**
31 **AND AVAILABILITY OF REDEMPTION OPTIONS ACROSS THE STATE; AND**

32 **(II) ENSURE THE CONVENIENCE STANDARDS PROVIDE**

1 ACCESSIBLE REDEMPTION OPTIONS FOR DIFFERENTLY ABLED PEOPLE AND PEOPLE
2 WHO LIVE IN RURAL AREAS OR LOW-INCOME COMMUNITIES OF COLOR;

3 (2) ESTABLISH A SYSTEM FOR LARGE ON-PREMISES SELLERS TO
4 VERIFY THE SOURCE OF THE HIGH VOLUMES OF REDEEMABLE BEVERAGE
5 CONTAINERS REDEEMED BY THE ON-PREMISES SELLER; AND

6 (3) PERIODICALLY REVIEW AVAILABLE BEVERAGE CONTAINER
7 REDEMPTION AND PROCESSING METHODS TO DETERMINE WHETHER THE TYPES OF
8 BEVERAGE CONTAINERS COVERED UNDER THE PROGRAM SHOULD BE EXPANDED.

9 9-1753.

10 (A) THERE IS A REDEEMABLE BEVERAGE CONTAINER RECYCLING
11 REFUND ADVISORY COUNCIL.

12 (B) THE ADVISORY COUNCIL CONSISTS OF THE FOLLOWING MEMBERS,
13 DESIGNATED BY THE SECRETARY:

14 (1) ONE MEMBER REPRESENTING RECYCLING PROCESSORS;

15 (2) ONE MEMBER REPRESENTING LOCAL GOVERNMENT AGENCIES
16 RESPONSIBLE FOR RECYCLING PROGRAMS;

17 (3) ONE MEMBER REPRESENTING GLASS MANUFACTURERS OR A
18 GLASS MANUFACTURING TRADE ORGANIZATION;

19 (4) ONE MEMBER REPRESENTING ALUMINUM MANUFACTURERS OR
20 AN ALUMINUM MANUFACTURING TRADE ORGANIZATION;

21 (5) ONE MEMBER REPRESENTING PLASTIC MANUFACTURERS OR A
22 PLASTIC MANUFACTURING TRADE ORGANIZATION;

23 (6) ONE MEMBER REPRESENTING BEVERAGE COMPANIES;

24 (7) ONE MEMBER REPRESENTING PURCHASERS OF RECYCLED
25 CONTENT;

26 (8) ONE MEMBER REPRESENTING RETAILERS;

27 (9) ONE MEMBER REPRESENTING RESTAURANTS OR OTHER
28 ON-PREMISES SELLERS;

1 **(10) ONE MEMBER REPRESENTING REVERSE VENDING MACHINE**
2 **BUSINESSES;**

3 **(11) ONE MEMBER REPRESENTING ACCOUNT-BASED BULK**
4 **PROCESSORS;**

5 **(12) ONE MEMBER REPRESENTING BUSINESSES INVOLVED IN REUSE**
6 **AND REFILL SYSTEMS;**

7 **(13) AT LEAST ONE MEMBER REPRESENTING AN ENVIRONMENTAL**
8 **ADVOCACY ORGANIZATION;**

9 **(14) AT LEAST ONE MEMBER REPRESENTING AN ENVIRONMENTAL**
10 **JUSTICE ADVOCACY ORGANIZATION; AND**

11 **(15) AT LEAST TWO MEMBERS WHO ARE MEMBERS OF THE GENERAL**
12 **PUBLIC AND RESIDE IN THE STATE.**

13 **(C) THE SECRETARY SHALL DESIGNATE TWO COCHAIRS FROM AMONG THE**
14 **MEMBERSHIP OF THE ADVISORY COUNCIL.**

15 **(D) THE DEPARTMENT SHALL PROVIDE STAFF FOR THE ADVISORY**
16 **COUNCIL.**

17 **(E) A MEMBER OF THE ADVISORY COUNCIL:**

18 **(1) MAY NOT RECEIVE COMPENSATION AS A MEMBER OF THE**
19 **ADVISORY COUNCIL; BUT**

20 **(2) IS ENTITLED TO REIMBURSEMENT FOR EXPENSES UNDER THE**
21 **STANDARD STATE TRAVEL REGULATIONS, AS PROVIDED IN THE STATE BUDGET.**

22 **(F) THE ADVISORY COUNCIL SHALL MEET:**

23 **(1) AT LEAST QUARTERLY EACH YEAR; AND**

24 **(2) AS REQUESTED BY THE DEPARTMENT.**

25 **(G) THE ADVISORY COUNCIL SHALL:**

26 **(1) ADVISE THE DEPARTMENT ON DETERMINING WHETHER TO**
27 **APPROVE A BEVERAGE CONTAINER STEWARDSHIP PLAN;**

1 **(2) MAKE RECOMMENDATIONS TO THE DEPARTMENT ON THE**
2 **IMPLEMENTATION OF APPROVED BEVERAGE CONTAINER STEWARDSHIP PLANS;**

3 **(3) REVIEW AND ADVISE THE DEPARTMENT ON THE ANNUAL**
4 **REPORTS SUBMITTED UNDER § 9-1747 OF THIS SUBTITLE; AND**

5 **(4) ADVISE THE DEPARTMENT ON THE IMPLEMENTATION,**
6 **ADMINISTRATION, AND PERFORMANCE OF THE PROGRAM.**

7 **9-1754.**

8 **(A) ON OR BEFORE JUNE 1, 2027, THE DEPARTMENT SHALL ADOPT**
9 **REGULATIONS TO CARRY OUT THIS PART.**

10 **(B) THE DEPARTMENT MAY EXPAND THE TYPES OF BEVERAGE CONTAINERS**
11 **COVERED UNDER THE PROGRAM BY REGULATION IF, BASED ON ITS REVIEW UNDER**
12 **§ 9-1752(3) OF THIS SUBTITLE, THE DEPARTMENT DETERMINES THERE ARE**
13 **CONVENIENT REDEMPTION OPTIONS FOR THOSE BEVERAGE CONTAINERS.**

14 **9-1755.**

15 **(A) EXCEPT AS PROVIDED IN SUBSECTIONS (C) AND (D) OF THIS SECTION,**
16 **THE PROVISIONS OF §§ 9-334 THROUGH 9-344 OF THIS TITLE APPLY TO ENFORCE**
17 **VIOLATIONS OF THIS PART.**

18 **(B) A PENALTY MAY NOT BE IMPOSED ON A PRODUCER FOR FAILING TO**
19 **PROPERLY REGISTER WITH THE DEPARTMENT UNDER § 9-1744 OF THIS SUBTITLE,**
20 **INCLUDING FAILING TO IDENTIFY EACH BRAND OF REDEEMABLE BEVERAGE**
21 **CONTAINER THAT THE PRODUCER INTENDS TO SELL, OFFER FOR SALE, OR**
22 **DISTRIBUTE IN THE STATE, UNLESS:**

23 **(1) THE DEPARTMENT FIRST ISSUES A WRITTEN NOTICE OF THE**
24 **VIOLATION TO THE PRODUCER; AND**

25 **(2) THE PRODUCER DOES NOT REGISTER WITHIN 90 DAYS AFTER**
26 **RECEIVING THE WRITTEN NOTICE.**

27 **(C) (1) A PERSON MAY NOT REDEEM, ATTEMPT TO REDEEM, RECEIVE,**
28 **STORE, TRANSPORT, DISTRIBUTE, OR OTHERWISE FACILITATE OR AID IN THE**
29 **REDEMPTION OF THE FOLLOWING MATERIALS WITH AN INTENT TO DEFRAUD:**

30 **(I) AN EMPTY REDEEMABLE BEVERAGE CONTAINER THAT WAS**
31 **SOLD IN ANOTHER STATE;**

1 (II) AN EMPTY REDEEMABLE BEVERAGE CONTAINER THAT WAS
2 REJECTED FOR REDEMPTION;

3 (III) LINE BREAKAGE;

4 (IV) A PREVIOUSLY REDEEMED REDEEMABLE BEVERAGE
5 CONTAINER; OR

6 (V) ANOTHER INELIGIBLE MATERIAL.

7 (2) A PERSON MAY NOT DISPOSE OF A REDEEMED REDEEMABLE
8 BEVERAGE CONTAINER IN A LANDFILL OR AN INCINERATOR.

9 (3) THE DEPARTMENT SHALL ESTABLISH ADMINISTRATIVE
10 PENALTIES FOR A VIOLATION OF THIS SUBSECTION THAT ARE BASED ON THE
11 NUMBER OF BEVERAGE CONTAINERS AND REFUND AMOUNTS INVOLVED.

12 (D) (1) BEGINNING JANUARY 1, 2032, IF THE BEVERAGE CONTAINER
13 STEWARDSHIP ORGANIZATION HAS NOT MET THE REDEMPTION RATES
14 ESTABLISHED IN § 9-1740 OF THIS SUBTITLE FOR THE IMMEDIATELY PRECEDING 2
15 YEARS, THE DEPARTMENT SHALL ASSESS AN ADMINISTRATIVE PENALTY ON THE
16 BEVERAGE CONTAINER STEWARDSHIP ORGANIZATION.

17 (2) EACH YEAR THAT THE BEVERAGE CONTAINER STEWARDSHIP
18 ORGANIZATION DOES NOT MEET THE REDEMPTION RATES ESTABLISHED IN § 9-1740
19 OF THIS SUBTITLE IS A SEPARATE VIOLATION UNDER THIS SUBSECTION.

20 (3) AN ADMINISTRATIVE PENALTY ASSESSED UNDER THIS
21 SUBSECTION SHALL EQUAL THE TOTAL NUMBER OF REDEEMABLE BEVERAGE
22 CONTAINERS NEEDED TO BE REDEEMED TO MEET THE REDEMPTION RATES
23 ESTABLISHED IN § 9-1740 OF THIS SUBTITLE, MINUS THE NUMBER OF REDEEMABLE
24 BEVERAGE CONTAINERS ACTUALLY REDEEMED, MULTIPLIED BY THE REFUND
25 VALUE IN EFFECT AT THE TIME THE VIOLATION OCCURRED.

26 (E) THE DEPARTMENT MAY ALTER THE ADMINISTRATIVE PENALTIES
27 ASSESSED UNDER SUBSECTIONS (C) AND (D) OF THIS SECTION AS NECESSARY TO
28 ENSURE THAT THE PENALTY AMOUNTS ASSESSED EXCEED THE COSTS OF
29 COMPLYING WITH THIS PART.

30 (F) PENALTIES COLLECTED UNDER THIS SECTION SHALL BE:

31 (1) TRANSFERRED TO THE STATE RECYCLING TRUST FUND UNDER §

1 **9-1707(F) OF THIS SUBTITLE; AND**

2 **(2) USED ONLY TO COVER THE DEPARTMENT'S COSTS OF PLANNING,**
3 **IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND EVALUATING**
4 **THE PROGRAM.**

5 **9-1756.**

6 **ANY PERSON PARTICIPATING IN A BEVERAGE CONTAINER STEWARDSHIP**
7 **PLAN IN ACCORDANCE WITH THIS SUBTITLE IS IMMUNE FROM LIABILITY UNDER**
8 **STATE LAWS CONCERNING ANTITRUST AND RESTRAINT OF TRADE FOR**
9 **COOPERATIVE ACTIVITIES ASSOCIATED WITH THE COLLECTION, TRANSPORT,**
10 **PROCESSING, RECYCLING, REUSE, AND MANAGEMENT OF EMPTY REDEEMABLE**
11 **BEVERAGE CONTAINERS.**

12 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

13 (a) The Department of the Environment shall consult with counties and
14 municipalities to assess the impacts of the Maryland Beverage Container Recycling Refund
15 and Litter Reduction Program (Program), as enacted by Section 1 of this Act, on local
16 beverage container litter and recycling operations and county and municipal budgets.

17 (b) On or before June 1, 2027, the Department of the Environment shall report to
18 the General Assembly, in accordance with § 2-1257 of the State Government Article, its
19 recommendations on ways to offset adverse impacts and enhance positive impacts of the
20 Program on beverage container litter, recycling rates, and county and municipal budgets.

21 **SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June**
22 **1, 2026.**