

Larry Hogan, Governor Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary Horacio Tablada, Deputy Secretary

February 19, 2020

The Honorable Kumar P. Barve House Environment and Transportation Committee House Office Building, Room 251 Annapolis, Maryland 21401

Re: House Bill 589 – Solid Waste Management - Organics Recycling and Waste Diversion - Food Residuals

Dear Chair Barve and Members of the Committee:

The Maryland Department of the Environment (MDE) has reviewed House Bill 589 entitled *Solid Waste Management - Organics Recycling and Waste Diversion - Food Residuals* and would like to provide additional information regarding this bill.

House Bill 589 would require a person who generates a certain quantity of food residuals to separate those residuals from other solid waste and divert them from final disposal in a refuse disposal system. The requirement would apply only to a person who generates food residuals within 30 miles of an organics recycling facility with the capacity and willingness to accept the material. Additionally, the requirement would apply only to a person who generates at least a threshold quantity of food residuals per week. This threshold would start at 2 tons per week, beginning January 1, 2021, and would be halved annually so that beginning January 1, 2024, a person who generates at least ¼ ton of food residuals per week would be subject to the requirement. Diversion from final disposal may be accomplished through any combination of reducing the amount of food residuals generated; donating servable food; managing food residuals in a system on-site; providing for collection and transportation of the food residuals for agricultural use, including as animal feed; and providing for the collection and transportation of food residuals to an organics recycling facility.

MDE supports the diversion of surplus food from disposal, including through a combination of waste prevention, food donation, composting, and anaerobic digestion. Preventing, donating, and recycling surplus food can reduce greenhouse gas emissions from landfills, conserve existing disposal capacity, feed those in need, and create a valuble soil amendment that improves soil health. Pursuant to Chapter 384, Acts of 2017, MDE conducted a study of various topics related to food and other organics diversion and made recommmendations of ways to increase the diversion of organic materials from disposal. The final report from the study was published in 2019 and is available here: https://mde.maryland.gov/programs/LAND/RMP/Documents/HB%20171%20final%20report.pdf.

In the final report of the study, MDE developed a rough estimate of the number of entities that generate at least one ton of food per week. This estimate supermarkets, food and beverage manufacturers and slaughter facilities, food warehouses or distributors, fast food restaurants, colleges and universities,

hospitals, and senior centers. Using data from the Johns Hopkins Center for a Livable Future, MDE estimated that there were approximately 4,000 of these businesses in Maryland. As the bill's generation threshold for inclusion in the diversion requirement decreases over time, it is likely that significantly more businesses would be subject to the bill's requirement. For example, according to the National Restaurant Association, there are approximately 11,357 restaurants located in Maryland (based on Bureau of Labor Statistics and U.S. Census Bureau 2018 data) that may fall under the scope of the bill.

Currently, only a small portion of the generators meeting the generation threshold is likely to be located within 30 miles of an organics recycling facility with capacity and willingness to accept the materials. Six composting facilities are currently permitted to accept food scraps. MDE is aware of two existing, small-scale AD facilities in Maryland that accept food scraps, as well as one planned facility. However, additional facilities will likely be established over time as demand for food residuals recycling increases. In particular, capacity would need to expand around the areas where the majority of generators are located, including areas near Baltimore and Washington, DC. In 2018, approximately 161,000 tons of food scraps were composted out of an estimated 921,000 tons of food generated in Maryland.

The bill would increase MDE's expenditures to hire one contractual and two permanent Environmental Compliance Specialists to research information on generators subject to bill's requirements, conduct outreach, and enforce the proposed legislation. Beginning December 1, 2021, the bill requires MDE to report to the General Assembly annually on the implementation of the proposed legislation, including impacts on waste diversion in the State. MDE prepares an annual *Maryland Solid Waste Management and Diversion Report*, in accordance with §§ 9-204(n) and 9-1702(e) of the Environment Article. The report required by this bill could be incorporated into the current annual report. It should also be noted that there are no State mandated reporting requirements for businesses that generate food residuals in Maryland. The report required by the bill would be limited to the data voluntarily reported by food residual generators and data required to be reported by composting and solid waste facilities.

Thank you for your consideration. We will continue to monitor House Bill 589 during the Committee's deliberations, and I am available to answer any questions you may have. Please feel free to contact me at 410-260-6301 or by e-mail at *tyler.abbott@maryland.gov*.

Sincerely,

Tyler Abbott

cc: The Honorable Lorig Charkoudian

Ms. Kaley Laleker, Director, Land and Materials Administration