



House Bill 824

Beverage Container Deposit Program - Establishment and Advisory Commission

MACo Position: **OPPOSE**

To: Environment and Transportation and
Economic Matters Committees

Date: February 26, 2020

From: Alex Butler

The Maryland Association of Counties (MACo) **OPPOSES** HB 824. The bill would divert valuable commodities from county recycling programs, with no guarantee of fiscal assistance to those counties, and potentially confuse consumers who have been educated to utilize curbside and single stream recycling programs.

HB 824 would require that the Maryland Department of the Environment (MDE) establish a statewide container deposit program by September 1, 2021. The program must have a redemption goal of 90 percent, and a minimum deposit of ten cents. The bill also creates an Advisory Committee tasked with developing the framework for the program.

The complex fiscal and operational underpinnings of a bottle deposit program could leave counties absorbing the long-term loss of key recycling revenue. Additionally, the new redemption infrastructure could upend Maryland's efforts to promote citizen acceptance of and participation in recycling efforts.

Maryland has debated - and rejected - various proposals to institute container deposits over the years. Recently, the General Assembly has consistently rejected various bottle bill programs and study proposals for several years since 2011. According to the National Conference of State Legislatures (NCSL) only 10 states currently implement a beverage container deposit program. Delaware repealed its deposit program in 2010 when it created a statewide recycling requirement instead. Vermont is among the 10 states with a container program, but it also recently adopted a statewide recycling requirement and studied the impact the recycling program will have on its container program. California's program has faced serious fiscal issues.

Diversion of Material from County Recycling Programs

A core issue for counties regarding any bottle deposit proposal is the loss of the most valuable recyclable commodity – aluminum – from county recycling programs. Counties already strive to deliver successful recycling programs, to satisfy both public demand and State mandates. The sale of collected materials is a component toward paying for this service – but counties are obliged to support recycling programs through a wide range of general taxes and fees. By withdrawing the most

marketable commodities from existing recycling programs (curbside pickup, single stream, etc.), HB 824 would orphan the massive infrastructure investment made in these programs, as well as oblige even larger taxpayer subsidies to cover costs for a reduced material stream. Previous iterations of bottle deposit bills in Maryland have produced fiscal notes stating that local recycling revenues will decrease, potentially significantly, beginning when the deposit program takes effect.

Impact on Consumer Behavior

Maryland has accomplished much through citizen education and program investments to reach its outcomes. Single-stream recycling programs continue to prove popular and accessible to residential users and remain the widespread direction of county-managed efforts.

MACo is concerned about the effect a container deposit program will have on citizen behavior that has been trained toward a single-stream model. As the past has shown, significant education efforts will be needed to alter citizen behavior and there could be a dilution of enthusiasm in participating in single stream programs. Other states' bottle deposit programs were all instituted prior to large-scale curbside recycling programs and cannot provide reliable guidance about potential impacts.

Litter Reduction

MACo acknowledges that the litter issue raised by advocates of the bottle deposit program is a valid concern. However, MACo believes that the issue can most likely be addressed through other methods that would not potentially disrupt Maryland's recycling efforts.

Attached with this testimony are a series of web links that highlight different litter reduction and prevention approaches undertaken by other jurisdictions. MACo tried to select programs that took different approaches and have had some level of success. While no single approach will solve the litter issue, the programs can provide some viable alternatives to the container deposit proposal.

Conclusion

HB 824 would impose a controversial and unpopular charge on consumers and undermine successful recycling efforts. The bill would divert scrap material used to subsidize county recycling programs and potentially confuse the efforts to focus residents on single stream recycling. For these reasons, MACo recommends an **UNFAVORABLE** report on HB 824.

Litter Reduction Programs

Virginia

State Litter Prevention Program: distribution of annual grants to localities for recycling and litter activities, provide educational information

<http://www.deq.virginia.gov/Programs/LandProtectionRevitalization/RecyclingandLitterPreventionPrograms.aspx>

<http://cvwma.com/cvwma-education/litter-prevention/>

Pennsylvania

Great American Clean-Up of Pennsylvania Program: <http://www.gacofpa.org/>

Ohio

State Litter Prevention Grants: <http://epa.ohio.gov/ocapp/grants.aspx>

City of Mansfield Litter Prevention and Recycling Program:

http://ci.mansfield.oh.us/city-electrical-committee/49departments/index.php?option=com_content&view=article&id=102&catid=44&Itemid=207

San Diego

Work of the nonprofit group I Love A Clean San Diego: http://ilacsd.org/a_strategies.php