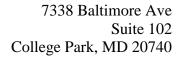
HB824 - Sierra Club - Container Deposit Program Uploaded by: Ainsworth, Martha





Committee: Environment and Transportation

Testimony on: HB824 - "Beverage Container Deposit Program - Establishment and Advisory

Commission"

Position: Support with Amendments

Hearing Date: February 26, 2020

The Maryland Chapter of the Sierra Club strongly supports HB824, with certain clarifying amendments. This bill would require the Maryland Department of the Environment to establish a beverage container deposit program by September 1, 2021. It also would create an Advisory Commission to develop a framework for establishing the program, subject to several parameters and targets, and recommendations for how to implement the program by the designated date.

The Problem

The goal of the proposed program is to remove more than four billion beverage containers annually from Maryland's environment. According to estimates by the Container Recycling Institute (CRI), 5.4 billion beverage containers were sold in Maryland in 2017. However, only about a fifth were recycled and reused.

The balance of more than four billion containers are left in the environment—in landfills, on roadsides, in waterways—or incinerated. Beverage containers comprise 6% of landfilled municipal solid waste in Prince George's County¹ and 8% or more in Wicomico County.² In the Anacostia watershed, beverage containers are nearly half of all of the trash in the waterways by volume (see Exhibit 1). Even counties with high overall recycling rates have low recycling rates for beverage containers because so many are consumed away from home. In Montgomery County, the overall recycling rate in 2012 was 54.8%, but the rates for aluminum cans and plastic bottles were only 19.9% and 17.5%, respectively.

Fixing this problem will have major environmental benefits: increased recycling and reuse of materials; conservation of energy; reduction of greenhouse gas emissions; and reduction of litter on land, in our waterways, the Chesapeake Bay, and the ocean.

The Solution

Ten states have longstanding, highly successful, and cost-effective beverage container deposit programs.³ These programs add a small 5-cent or 10-cent deposit to the purchase of single-use beverage containers that can be redeemed by customers when they are returned for recycling. The programs are generally financed through unredeemed deposits.

These programs have many environmental and economic benefits:⁴

• They provide more opportunities to recycle, especially for people away from home or who live in areas where curbside recycling is unavailable;

¹ SCS Engineers, "Waste Characterization Study, 2014/2015," Waste Management Division, Prince George's County, Maryland.

² EA Engineering, Science, and Technology, Inc. 2014. "Waste Composition Study: Newland Park Landfill, Wicomico County, Maryland." July, Table 3.

³ California, Connecticut, Hawaii, Iowa, Massachusetts, Maine, Michigan, New York, Oregon, Vermont.

⁴ http://www.bottlebill.org/index.php/about-bottle-bills/benefits-of-bottle-bills

- They provide financial incentives for recycling and produce high-quality recyclable materials, with minimum contamination;⁵
- They prevent litter, 6 reduce waste, and minimize the environmental impact of beverage containers;
- They encourage producer and consumer responsibility and create jobs; and
- They provide substantial cost savings for counties and municipalities by diverting container waste from landfills and reducing the number of beverage containers placed in curbside collection.⁷

The average beverage container recycling rate in the ten states with these programs in 2018 was 70%, compared with an estimated 28% recycling rate in Maryland in 2010 (see Exhibit 2). A beverage container deposit in Maryland thus has the potential to more than triple the recycling rate (depending on the amount of the deposit⁸), and have a major impact on reducing waste, litter, and their associated environmental consequences.

TheBill

The approach of HB824 is a departure from previous attempts to establish a beverage container deposit program in Maryland. Rather than spell out legislatively the operational details of a program, it instructs MDE to design and implement a program by 2021, with input from an Advisory Commission composed of diverse stakeholders.

In terms of the criteria the bill sets for the program, we strongly endorse a 10-cent deposit and the goal of a 90% redemption rate, which experience in other states has shown are mutually compatible. We propose an amendment that would provide a more complete list of the types of beverages subject to a deposit, with the addition of non-carbonated non-alcoholic drinks (bottled iced tea and coffee, sports drinks, fruit juices, flavored water), malt beverages, wine, wine coolers, distilled spirits and coolers, and liquor. Most of these programs also explicitly exclude milk. Two drafting errors need to be corrected, which we have shared with the sponsor. 10

The first proposals for a Maryland beverage container deposit program were launched many years ago, and each year they have been improved to address issues raised by opponents. Yet, every year that we have waited, another 3-4 billion containers have been left in the environment. After establishing the program provided for in this bill, there will be adjustments made over time, as in other programs. What we need to do now is to take the first big step. We respectfully request a favorable report on HB824.

Martha Ainsworth, Chair Maryland Chapter Zero Waste Committee Martha.Ainsworth@MDSierra.org Josh Tulkin Chapter Director Josh.Tulkin@MDSierra.org

⁵ In mixed materials recycling, glass is a major contaminant and often has a negative value. Removing glass contamination raises the value of other recycled materials. In contrast, glass in deposit programs is cleaner, sorted by color, with a higher value, and recycled.

⁶ "In fact, there is little evidence that any other program, in and of itself, is nearly as effective as deposit programs at reducing litter rates." University of Maryland, Environmental Finance Center (EFC). 2011. "2011 Impact Analysis of a Beverage Container Deposit Program in Maryland." December 15, p. 4.

⁷ In states with beverage container deposit programs, curbside and deposit coexist to maximize recycling.

⁸ States with a 10-cent deposit have the highest redemption rates.

⁹ University of Maryland EFC (2011), p. 5.

¹⁰ p. 3, line 11, delete "(iii) provide for curbside and drop-off recycling" and line 14, delete "on-the-go".

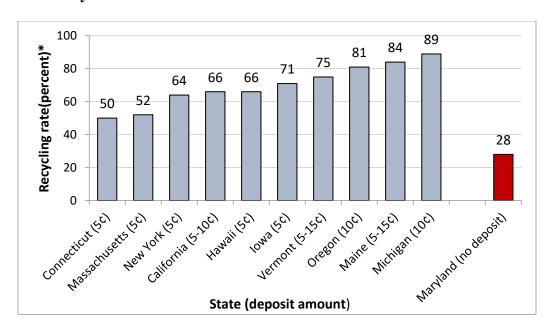


Exhibit 1. Beverage containers are half of litter by volume collected in the Nash Run trash trap, Anacostia Watershed



Source: Anacostia Watershed Society

Exhibit 2. Recycling rates for beverage containers in bottle bill states in 2018, compared with Maryland



^{*2018} redemption rate for beverage containers in bottle bill states; estimated beverage container recycling rate for Maryland circa 2010.

Source: Container Recycling Institute.

CRI Letter Maryland deposits FINALUploaded by: Collins, Susan Position: FAV



4361 Keystone Ave. • Culver City, CA 90232 Telephone (310) 559-7451 • Fax (888) 839-3857 www.container-recycling.org www.bottlebill.org

February 25, 2020

Environment & Transportation Committee
Delegate Kumar Barve, Chairman; Delegate Dana Stein, Vice Chair
House Office Building, Room 251
6 Bladen St., Annapolis, MD 21401

Dear Chair Barve, Vice-Chair Stein, and Members of the Committee,

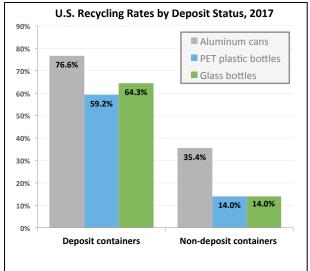
We are writing in support of House Bill 824, "An Act Concerning Beverage Container Deposit Program – Establishment and Advisory Commission."

The bill would create a multi-stakeholder advisory commission charged with designing a framework for a beverage container deposit law in Maryland. The advisory commission would be required to submit its recommendations to the Maryland legislature by Dec. 31, 2020. The bill further charges the Department of the Environment to use these recommendations to establish a beverage container deposit program by September 1, 2021.

We applaud the bill for specifying a minimum deposit of 10¢, and for setting a target of 90% redemption. Michigan and Oregon, the two U.S. states with dime deposits, have achieved much higher redemption rates—89% and 81% respectively in 2018—than the deposit states with nickel deposits (where redemption rates range from 50% to 75%). Ten cents is a strong financial incentive for people to return containers rather than throw them in the trash or litter them. When consumers who purchased the beverage do not directly take bottles and cans in for refund, there are always other groups and individuals ready to step in and do the redemption for them as a means of generating supplemental income.

For almost 50 years, beverage container deposit laws, or "bottle bills," have been successful in achieving recycling rates that are up to 3 times higher than those of bottles and cans without deposits. As the graphic at right shows, more than three quarters (76.6%) of aluminum cans with a deposit were recycled nationwide in 2017, in contrast to just over one third (35.4)% of cans lacking a deposit. The differences for bottles are more pronounced: 59% vs. 14% for non-deposit PET plastic, and 64% vs. 14% for non-deposit glass.

Increasing beverage sales nationwide has led to burgeoning bottle and can waste. **Based on national statistics**, *CRI estimates that 79% of the*



5.4 billion beverage bottles and cans sold in Maryland in 2017 were wasted: littered, landfilled, or incinerated. That level of consumption and wasting represents a significant burden on taxpayers: whether through city-run recycling programs or municipally-contracted trash pickup and disposal.

Deposits have multiple benefits, including:

- Achieving higher recycling rates than municipal programs alone.
- **Transferring** the financial and operational responsibility for recycling from the local taxpayer to the producers of disposable beverage containers.
- Adding value to local and regional economies through the sale and processing of scrap materials.
- Avoiding greenhouse gas emissions and reducing energy use by displacing virgin materials in manufacturing.
- **Reducing litter** that is expensive for public and private entities to clean up, that causes injuries to people and domestic animals, and that adds to harmful ocean plastic waste.

If Maryland were to pass this deposit bill, CRI estimates that the state would recycle **almost 3 billion additional containers annually—or more than 200,000 tons of metal, glass, plastic and paper**—over and above the recycling currently taking place. By reducing the need to make new bottles and cans from virgin materials, this additional recycling would eliminate about 195,000 tons of greenhouse gas emissions: an amount equivalent to taking more than **42,000 cars off the road for a year.**

We are optimistic that there will be strong markets for deposit containers generated in Maryland, in part because multiple global beverage brands have made public commitments to increase their use of recycled materials, as the below table shows.

Selected plastics reduction commitments by global brands		
Company	Timeframe	Commitment or target
Coca-Cola	by 2030	Equivalent of 100% of containers collected and recycled
Coca-Cola	by 2030	Average 50% recycled content in bottles
Danone	by 2025	100% of packaging reusable, recyclable or compostable
McDonald's	by 2025	100% of guest packaging from renewable, recycled or certified sources
Kraft Heinz	by 2025	100% of packaging recyclable, reusable or compostable
Nestlé	by 2025	100% of packaging recyclable or reusable
Reprinted from CRI's Winter 2018 newsletter		
		© Container Recycling Institute, 2018

These lofty goals can only be met through the increased availability of high-quality beverage bottles and cans for use as feedstock in new containers. Deposit programs consistently generate such high-quality bottles and cans. For example, deposit-grade PET bottles currently have a value of 17.75¢ per pound, *twice the value of non-deposit, curbside PET* (9¢ per pound).

Deposits on beverage containers are now available to over 300 million people worldwide. With the announcement of 12 new deposit laws (including India, Turkey, and the United Kingdom), 600 million people will have access to deposit programs by 2021. This trend is projected to continue as more nations realize that deposits are a vital part of the solution to the problem of bottle and can waste.

We would like to make several suggestions to improve HB824:

- Broaden the list of beverages targeted for deposit to include non-alcoholic noncarbonated beverages (such as sports and energy drinks, fruit and vegetable juices and drinks, ready-to-drink iced tea and coffee, kombucha, and other wellness drinks). The bill should also exclude milk and dairy substitutes, although the Commission might want to consider including flavored milks.
- 2. **Clarify how much authority** the Department of the Environment has to interpret the Commission's recommendations.
- 3. Strengthen the bill by making the 90% redemption goal binding. If an overall 90% redemption rate is not achieved by or maintained within a specified period of time (perhaps 2 years), there should be mechanisms in place to automatically increase the deposit value, increase the number of redemption centers available to the public, or both.
- 4. **Specify operational and financial responsibilities:** The bill is silent on whether the planned deposit program will be financed and operated by the beverage industry, or by the State of Maryland. If it is the fiscal responsibility of the beverage industry, then the State should have monitoring, oversight and enforcement authority, with meaningful penalties for non-compliance or violations.

These suggested improvements are among best practices in place in various U.S. states with deposit laws.

In sum, CRI strongly supports the passage of a beverage container deposit law in Maryland.

Please contact me with any questions you may have.

Sincerely,

Susan Collins

President, Container Recycling Institute

About the Container Recycling Institute: CRI is a nonprofit organization and a leading authority on the economic and environmental impacts of beverage containers and other consumer-product packaging.

HB824_Glass Packaging InstituteUploaded by: Defife, Scott



February 26, 2020

The Honorable Kumar Barve Chairman Maryland House Environment and Transportation Committee House Office Building, Room 250 Annapolis, MD 21401

Re: Comments on House Bill 824 - *Beverage Container Deposit Program: Establishment and Advisory*

Dear Chairman Barve, Vice-Chair Stein, and Members of the Committee:

On behalf of the Glass Packaging Institute (GPI), I am pleased to provide the following comments on House Bill 824, which would establish a framework and support network for a refundable beverage container deposit recycling program (aka "bottle bill").

Background

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry. Our member companies produce the vast majority of US food and beverage glass containers purchased in grocery stores and retail outlets (about 27 billion bottles and jars annually). Collectively, the industry directly employs ~16,500 Americans in glass container manufacturing company operations throughout the country.

GPI member companies both process (clean up) and purchase recycled glass collected from municipal programs containers in Maryland, and across the Mid-Atlantic region. Recycled glass is a critical manufacturing input, 100% and endlessly recyclable, and is commonly used in the manufacture of new glass bottles and jars, as well as fiberglass insulation.

Energy and Emissions Benefits of Increased Recycled Glass Use

Using recycled glass to produce new bottles and jars provides clearly defined energy and associated greenhouse gas reduction benefits, recognized by the US EPA, US Dept. of Energy, the US Congress, numerous state and local agencies, in addition to Maryland itself.

When glass plants can increase the levels of recycled glass as part of the overall batch mix, they can reduce furnace temperatures, resulting in reduced energy use and lower greenhouse gas emissions. This is due to the fact that recycled glass melts at lower temperatures in plant furnaces.

In 2018, the Maryland Department of the Environment issued a statewide waste

Glass Packaging Institute * 4250 North Fairfax Drive Suite 600, Arlington, VA 22203 * 703-684-6359

www.gpi.org

reduction and recovery report. The Department's report highlighted the benefits of glass recycling, specifically noting... "Glass recycling and source reduction benefits relate more to energy savings rather than GHG reductions (though there are GHG benefits, also). Glass can also be recycled with no loss in quality (unlike paper). Additionally, for every ton of glass recycled, 1,300 pounds of sand, 410 pounds of soda ash, 380 pounds of limestone, and 160 pounds of feldspar are saved."

We appreciate this recognition, and add that associated greenhouse gas emissions are reduced anywhere from 4-6%, for every 10 percent of recycled glass added to the raw materials batch. Other packaging that experiences greater energy benefits and emissions reductions benefits due to recycled materials use, are significantly more energy-intensive than the glass container manufacturing process.

Use of recycled glass also extends the life of the plant's furnace, reducing the need for expensive retrofits, furnace replacements and associated downtime at the plants.

Bottle Bill Programs Provide Quality, Recycled Glass

Roughly 80% of recycled glass used in the glass container manufacturing process across the country is sourced from the 10 states with bottle bill programs. These programs, achieve on average, over a 70% recovery rate for covered beverage containers.

Demand for quality, recycled glass by glass container manufacturing companies across the country is strong, with available and ready markets. In fact, recycled glass purchased from these bottle bill programs often travels several states to glass container manufacturing plants and other end markets, highlighting this demand.

A prime reason for the success of these programs is that collected containers are kept separate from other recyclables, drastically reducing contamination and providing the best opportunity to return to a manufactured product.

House Bill 824 Framework

We appreciate House Bill 824's thoughtful approach to a bottle bill framework and associated development. Strategically placed beverage container redemption centers, a higher deposit, and ensuring maintained drop-off and curbside recycling options, are important elements to the overall health of the recycling system.

We recommend extending the proposed Advisory Committee to include representatives from both the recycling "processing" and manufacturing end market industries for covered beverage containers. As two key stakeholder groups within the supply chain, they can share their perspective and first-hand insight concerning bottle bill programs.

While the glass container industry does not have a glass plant located in Maryland, the industry does have nearby plants and glass processing facilities in Pennsylvania, New Jersey and Virginia. By increasing the amount of recycled glass utilized in the manufacturing process at these facilities, air quality for Maryland residents, and the entire Mid-Atlantic region is improved.

Oregon, one of the ten bottle bill states, has experienced significant success in expanding its beverage container redemption centers, where a public-private beverage container recycling cooperative, the Oregon Recycling Beverage Cooperative (ORBC) runs a fiscally sound program, with leadership and direction from beverage distributors.

The Oregon program boasts a recovery rate of ~90% of covered containers, and consumers now return about 60% of their containers to the ORBC-run redemption centers, greatly reducing the burden on smaller grocery outlets.

The ORBC recommends four key best practices for other states seeking to implement a bottle deposit recycling program for their residents:

- Ensure a privately-run system where industry has control of costs and benefits
- Allow industry to use all unredeemed deposits to offset costs (pay employees, expand operations and other administrative functions)
- Industry should have control over scrap material (returned beverage containers)
- Prevent additional fees/payments within the system (as the Cooperative handles program obligations for 98% of the state's beverage distributors)

Please see APPENDIX A, for more information on this key program.

Thank you for your consideration of our comments, and we look forward to engaging on recycling policies and issues under consideration by the legislature.

Sincerely,

Scott DeFife President

Sour latt-

Enclosure

HB824_LoveUploaded by: Delegate Love, Delegate Love

SARA N. LOVE Legislative District 16 Montgomery County

Environment and Transportation Committee



The Maryland House of Delegates 6 Bladen Street, Room 210 Annapolis, Maryland 21401 410-841-3454 · 301-858-3454 800-492-7122 Ext. 3454 Sara.Love@house.state.md.us

THE MARYLAND HOUSE OF DELEGATES Annapolis, Maryland 21401

HB 824 – Beverage Container Deposit Program – Establishment and Advisory Commission

The Problem:

1. Recycling rates are low

In 2017, Maryland's recycling rate was 44.1%. The rate varies widely across the state, with 8.77% in Dorchester County to 58% in Montgomery and Prince George's Counties. Every year, over 4 billion beverage containers are sold in Maryland. Only 25%, or 1 billion, are sold back to industry to be reused. That leaves 3 billion that go into our landfills, waterways, beaches and highways. For example: in 2014-2015, an estimated 18,900 tons of beverage containers were buried in the Prince George's landfill; in 2014, Baltimore County disposed of an estimated 24,411 tons of beverage containers as refuse.

2. What is recycled is often unusable

Even when beverage containers are recycled, materials are often contaminated. Paper that gets food on it is unusable and often contaminates all the paper around it. Glass is broken, plastic bottles get contaminants on them, rendering them unusable and put in landfills. When the material can be recycled, because of the degradation, it has a lower value. We think a plastic bottle recycled becomes another plastic bottle, but it doesn't. Because of contamination and degradation, a plastic bottle becomes a carpet or other material and soon loses any usefulness. As a result, billions of containers end up as litter or in our landfills. This has been the case for many years.

What to do about this?

A Container Deposit Program

What is a Container Deposit Program? A CDP is a program whereby a deposit (typically 5-10 cents) is paid upon the purchase of a beverage in a container included in the program (a glass, plastic or aluminum can or bottle). That deposit is returned when the container is returned.

¹ That is a total recycling rate, which includes all recyclable materials.

² 2010 Beverage Market Data Analysis, Container Recycling Institute, 2013; Beverage Packaging in the U.S. 2011 edition.

³ SCS Engineers. "Waste characterization Study: Summary of Results 2014/2015" commissioned by the Prince George's Department of Environmental Resources, Waste Management Division. Beverage Containers comprise about .% of municipal solid waste in the landfill.

⁴ Office of Budget and Finance, Baltimore County. "Comprehensive Annual Financial Report for the Fiscal Year ending June 30, 2015," p. 116. "Operating Indicators by Function, fiscal Years 2005-2014". The table reports a total of 348,730 tons of refuse in 2014. Feb. 18, 2016 testimony by the Baltimore County recycling coordinator indicated beverage containers were 7% of municipal solid waste.

A Beverage Container Deposit Program:

- Incentivizes return of the container, thus increasing redemption & recycling rates. In states with Container Deposit Laws the redemption rates are much higher: Michigan and Oregon have rates are above 90%.
- Reduces roadside litter and solid waste
- Conserves energy and natural resources
- Reduces greenhouses gas emissions
- Creates better quality recyclables
- Shifts costs associated with used beverage containers to those responsible for the waste.

A CDP complements curbside recycling.

HB 824:

- 1) Establishes a Beverage Container Deposit Program in Maryland
- 2) Sets some parameters: a 10-cent deposit (this is shown to vastly increase redemption rates), a goal of 90% redemption, and states the program must be convenient to users to encourage use.
- 3) Creates a commission of stakeholders to determine the details.

I ask for a favorable report.

HB0824_National Aquarium_FAVUploaded by: Fredriksson, Ryan



Date: February 26, 2020

Bill: House Bill 824 - Beverage Container Deposit Program- Establishment and Advisory

Commission

Position: Support

Dear Chairman Barve and Members of the Committee:

The National Aquarium respectfully requests your support for House Bill 824 – Beverage Container Deposit Program- Establishment and Advisory Commission, which will limit the harmful impact single-use plastics, such as plastic bottles, have on neighborhoods and wildlife across Maryland.

The National Aquarium believes that plastic pollution is an issue we can stop in our lifetime. This bill is an important step in making that a reality. An estimated 8 million metric tons of plastic enters the ocean each year; that is equivalent to at least one dump truck full of plastic entering the ocean every minute. If current practices continue, plastic input into the ocean is expected to double by 2025. While these plastics break down into smaller pieces, they never completely disappear from the environment.

The best way to stop or reverse this trend is through a comprehensive and holistic solution. The National Aquarium defines a comprehensive solution using four key approaches: stop plastic pollution at its source; change behaviors; clean up existing plastic pollution; and provide education and outreach. No single approach will stop plastic pollution. Comprehensive solutions must contain policies, such as container deposit laws, that address each of the four areas.

In 2018, 42,000 plastic bottles and caps were cleaned up from Maryland's coastline through the International Coastal Cleanup. Container deposit programs are considered the most effective tool for reducing the amount of litter in communities. These programs incentivize Marylanders to consider how their choices, such as disposing beverage containers, can impact the environment and encourage positive behavior changes. Currently, ten states and Guam have enacted deposit programs. States with container deposit laws report significant reduction in litter from beverage containers as well as overall litter. In addition, recycling rates have been reported as more than double that of states without container deposit laws.

By passing HB 824, Maryland will reduce the amount of harmful plastic entering waterways and littering communities. We urge the Committee to issue a favorable report on HB 354.

Contact:

Ryan Fredriksson
Director, Government Affairs
410-385-8276
rfredriksson@aqua.org

HB824_DTMG_FAV_BarbaraNoveauUploaded by: Noveau, Barbara



Barbara Noveau, Executive Director, DoTheMostGood—Montgomery County

Committee: Environment and Transportation

Testimony on: HB824—Beverage Container Deposit Program—Establishment and Advisory

Commission

Position: Favorable

Hearing Date: February 26, 2020

Bill Contact: Delegate Sara Love

To: The Honorable Kumar P. Barve, Chair, Environment and Transportation Committee, and

Committee Members

DoTheMostGood—Montgomery County (DTMG) is a progressive grassroots organization with more than 1600 members who live in a wide range of communities from Bethesda near the DC line north to Germantown and beyond, and from Potomac east to Silver Spring and Olney. DTMG supports legislation and activities that keep its members healthy and safe in a clean environment. DTMG strongly supports HB824 because establishing a beverage container deposit program will improve the quality of the environment and enhance public health and safety.

In a typical beverage container deposit program, when a retailer receives a shipment of beverages in bottles or cans, it pays a deposit to the distributor. The deposit fee is then collected from the consumer when a bottle or can is sold. Consumers get a refund of the deposit if they return the container to the retailer or to a recycling center established within the state. The retailer then returns the container to the distributor and is refunded the deposit plus a handling fee. If the container is not returned, the retailer loses only the potential handling fee because the deposit it paid to the distributor was passed on to the consumer.

Beverage container deposit laws are successful in other states. Ten states and Guam already have beverage container deposit laws; Oregon established the first program in 1971. In California, private sector recycling centers recycle 55-65% of beverage containers, supermarket-based recyclers account for about 25% of beverage container recycling, and curbside recycling accounts for about 20% of beverage container recycling. California estimates that its law prevents the landfilling or littering of more than 80% (17 billion) of the containers used in California annually.

Beverage container deposit programs benefit the environment in several important ways: First, beverage container deposit programs reduce unsightly roadside litter caused by discarded cans, bottles, and cups. Urban litter causes serious environmental harm because it is the primary source of litter pollution in waterways. Plastic litter, including beverage containers, is easily transported through creeks, other waterways, or storm drains to the ocean. Plastic in the ocean harms marine animals and breaks down to microparticles which make their way into our food chain.

Second, beverage container deposit programs also minimize waste in landfills and reduce air pollution emitted from incinerators. Beverage containers make up about 4-6% of municipal solid waste by weight. Incineration of plastic waste releases a variety of toxins into the air we all breathe, exacerbating asthma and causing other respiratory diseases.

In addition, by increasing recycling of glass, aluminum, and plastic, beverage container deposit programs reduce the need for mining and for using petroleum to make new containers. Producing new beverage containers from virgin materials accounts for up to 20% of greenhouse gas emissions, which cause climate change. Beverage container recycling in California alone prevents the emission of more than 300,000 tons of greenhouse gas emissions annually.

Furthermore, beverage deposit programs also contribute to the public health and safety by reducing broken glass in playgrounds, parks, and other urban areas. Lacerations and abrasions account for up to 50% of all childhood injuries, and broken glass is one of the most common causes of these injuries. A 1996 study found that the beverage deposit program in Massachusetts had immediate public health and safety benefits. The researchers found that in the first year following the 1982 enactment of the deposit legislation, the incidence of glass-related lacerations requiring sutures in the emergency rooms dropped by approximately 60 percent. By providing incentives for the return of empty containers, urban children particularly benefited by reducing their exposure to broken glass

The benefits of beverage container deposit programs demonstrated above are clear. For all of the reasons mentioned above, DTMG strongly supports HB824 and urges a **Favorable** report on the bill.

Respectfully submitted,

Barbara Noveau Executive Director, DoTheMostGood Barbara@dtmg.org 240-338-3048

TOMRA Systems - testimony on HB 824 Uploaded by: Riegle, Chuck



February 25, 2020

The Honorable Kumar Barve Chairman Maryland House Environment and Transportation Committee House Office Building, Room 250 Annapolis, MD 21401

Re: Comments on House Bill 824 - Beverage Container Deposit Program: Establishment and Advisory

Dear Chairman Barve, Vice-Chair Stein, and Members of the Committee:

TOMRA Systems supports your mission to tackle the plastic waste pollution crisis. This is a sprawling human and planetary health crisis that requires a comprehensive solution. We are encouraged to see that House Bill 824 proposes a framework for developing a deposit-return system proven to effectively stop pollution from the source – and create a circular economy for used beverage containers.

With that in mind we wanted to offer our perspective on how we think the proposed bill will be effective and promotes a 'circular economy'. Our comments are based on over 40-years innovating container deposit-return and municipal recycling systems as a provider of collection and sorting solutions, technology, material processing, and data administration. TOMRA works in over 60 deposit-return markets including New York, Connecticut, Massachusetts, Vermont, Maine, Michigan, Iowa and Oregon. We are available to you, your staff and Delegate Love to share our experience and best practices.

Considering learnings from high and lower-performing deposit-return systems, we encourage policy designers to start by adopting the following principles to guide further operational and financing design:

PERFORMANCE

- Mandate a redemption rate to recover all used beverage packaging to prevent litter and waste. This will align all efforts made in system design, deposit level and execution.
- Set a 'recycling rate' for each beverage container type considering the European Commission's recently amended definition of recycling which define recycled material as that which is the output of a recycling sorting operation (not the input). In other words, count those materials which are used by manufacturers.
- A meaningful deposit amount set in statute will engage consumers into this habit and ensure both environmental results and material volume necessary for end-users.
- Consider the European Commission's amendment setting recycled-content targets.

• EASY ACCESS TO REDEMPTION FOR CONSUMERS

 Redemption points must be easily accessible for all consumers. As easy as it was to charge the deposit.

STEWARDSHIP

- Producers/brand owners are responsible for providing a system administrator and system operator under the guidance of statute.
- The system administrator will establish procedures and standards to which the system operator(s) will perform; including a clearinghouse for managing product registration, data, controls and payments.





Create a level playing field for both producers and beverage retailers.

ACCURACY

Establish standards for the redemption system redemption points and clearinghouse.

COST-EFFICIENCY & EFFECTIVENESS

- Unredeemed deposits should remain with the system administrator to cover program costs and be reinvested in the new infrastructure.
- System administrator and system operator(s) working together have proven their ability to comply with the statute using sustainable financing.
- Commodities should remain with the producers/brand owners to encourage a circular economy.
- o Use of best-available technologies applied to support these principles.
- o Consider 'design for recycling' guidelines set by the PET, Glass and Aluminum reclaimers.

Thank you,

Chuck Riegle

SVP Governmental Affairs and Compliance TOMRA Systems, Americas

whigher

One Corporate Drive, Suite 710, Shelton, CT 06484

203.449.8393

Chuck.riegle@tomra.com

About TOMRA

TOMRA was founded on an innovation in 1972 that began with the design, manufacturing and sale of reverse vending machines (RVMs) for automated collection of used beverage containers. Today TOMRA provides technology-led solutions that enable the circular economy with advanced collection and sorting systems that optimize resource recovery and minimize waste in the food, recycling and mining industries.



HB 824-FAV-Trash Free Maryland-Shane Robinson Uploaded by: Robinson, Shane



Bill: HB 824

Date: February 26, 2020

Position: Support

HB 824 - Beverage Container Deposit Program - Establishment and Advisory Commission

Dear Chairman Barve, Chairman Davis, and members of the Committees:

Trash Free Maryland is a nonprofit organization focused on lasting change to prevent trash pollution. We bring together organizations, businesses, government agencies and decision makers, and individuals committed to reducing trash in Maryland's environment.

Trash Free Maryland enthusiastically supports HB 824 which requires MDE to establish a beverage container deposit program under the advisement of a commission. This is a system that has worked to increase recycling and reduce litter in many states, and can work in Maryland as well.

The problem: Beverage containers comprise 40-60% of litter in Maryland, and our state is way behind other states in beverage container recycling rates. States with bottle deposits in place average a 76% recycle rate. Non bottle deposit states average 30%, and Maryland is at 25%. That means that of the approximately four billion beverage containers that are used in Maryland each year, only one billion are recycled, and the remaining three billion are either littered, or end up in landfills or trash incinerators. We need to do more if we are going to reach our recycling goals while reducing litter in our state.

The solution: Many states have successful beverage container deposit programs, and there's no good reason that Maryland can't do the same. You may be concerned that a beverage container deposit program will be too expensive, but in most states that have these programs a portion of unredeemed deposits go to the state thereby increasing revenue and paying for the program.

We urge a favorable report on HB 824. Thank you.

Contact:

Shane Robinson, Executive Director, Trash Free Maryland shane@trashfreemaryland.org 240-429-2330

HB824- Beverage Deposit- SUPPORT Uploaded by: Thomas-Wilhite, Carmera



CHESAPEAKE BAY FOUNDATION

Environmental Protection and Restoration
Environmental Education

House Bill 824

Beverage Container Deposit Program-Establishment and Advisory Commission

DATE: February 26, 2020 CBF Position: SUPPORT

The Chesapeake Bay Foundation (CBF) SUPPORTS HB 824. This bill requires the Maryland Department of the Environment to establish a beverage container deposit program and establishes an Advisory Commission to develop the program's framework and implementation.

Reducing litter from plastic, PET and glass bottles will reduce the amount of aluminum, glass, and plastic bottle pollution in local waterways and the Chesapeake Bay. This legislation requires the Maryland Department of the Environment to establish a beverage deposit program that meets specific goals, based on recommendations of an Advisory Commission, including achieving a statewide beverage container redemption target of 90%, among other goals. Reaching this goal would effect a reduction of litter from bottles.

The Advisory Commission established by this bill is also charged with ensuring the deposit program that reduces greenhouse gas emissions. Reducing greenhouse gases help stabilize the climate and contributes to water quality. Warmer water holds less oxygen and nitrous oxides from incineration of any fuel deposits nitrogen into the Bay. Federal efforts to reverse progress on air pollution from incineration have increased the role states must now play in addressing the air component of the Chesapeake Bay Blueprint.

Maryland's Zero Waste Plan specifically identifies a bottle redemption program as an important part of the State's zero-waste strategy, and this legislation provides an effective and thoughtful means to implement that aspect of the State's plan. HB 824 implements an indisputably effective program to reduce bottle litter and incorporates solutions to concerns about this program heard in previous years.

For these reasons, CBF SUPPORTS HB 824 and urges a FAVORABLE report from the Environment and Transportation Committee. For more information, please contact Carmera Thomas, Baltimore Program Manager at 443.482.2011 or carmerathomas@cbf.org.

HB 824_MoCo_Elrich_SWA Uploaded by: Elrich, Marc



OFFICE OF THE COUNTY EXECUTIVE

Marc Elrich
County Executive

February 26, 2020

TO: The Honorable Kumar P. Barve

Chair, Environment and Transportation Committee

The Honorable Dereck E. Davis Chair, Economic Matters Committee

FROM: Marc Elrich

County Executive

RE: House Bill 824 – Beverage Container Deposit Program – Establishment and

Advisory Commission – Support With Amendment

House Bill 824 requires the Maryland Department of the Environment (MDE) to establish a beverage container deposit program by September 1, 2021. The bill also establishes an Advisory Commission to Develop a Beverage Container Deposit Program. The Advisory Commission is required to develop a framework for establishing a beverage container deposit program and make recommendations on how to implement the program. MDE must establish the program in accordance with the framework and recommendations developed by the Advisory Commission.

I support the intent of House Bill 824 as a means to increase recycling of beverage containers across the State. Deposit programs may also reduce litter by incentivizing customers to return the beverage containers.

While I support the concept of a beverage container deposit program, I respectfully request several amendments to: (1) preserve local government authority to create a more stringent program; (2) require the Advisory Commission to establish reporting mechanisms for beverage containers redeemed and recycled for each jurisdiction and provide that data to each of the counties and the City of Baltimore; (3) add one additional representative of the Maryland

The Honorable Kumar P. Barve The Honorable Dereck E. Davis

Re: House Bill 824 February 26, 2020

Page 2

Association of Counties to the Advisory Commission, specifying that one representative be from a county with a small population and one representative from a county with a large population; and (4) add a representative of the Maryland Restaurant Association to the Advisory Commission.

cc: Members of the Environment and Transportation Committee Members of the Economic Matters Committee

HB0824_UNF_MACo_Alex Butler Uploaded by: Butler, Alex

Position: UNF



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-

<u>committee/49departments/index.php?option=com_content&view=article&id=102&catid=44&Itemid=207</u>

San Diego

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

NWRA_Pam Kasemeyer_UNF_HB0824 Uploaded by: Kasemeyer, Pam

Position: UNF

Maryland-Delaware Solid Waste Association





National **Waste & Recycling Association**_{sm}





Collect. Recycle. Innovate.

The Honorable Kumar P. Barve, Chair TO:

Members, House Environment and Transportation Committee

The Honorable Sara Love

FROM: Pamela Metz Kasemeyer

> J. Steven Wise Danna L. Kauffman Richard A. Tabuteau

DATE: February 26, 2020

RE: **OPPOSE** – House Bill 824 – Beverage Container Deposit Program – Establishment and

Advisory Commission

The Maryland Delaware Solid Waste Association (MDSWA), a chapter of the National Waste and Recycling Association, is a trade association representing the private solid waste industry in the State of Maryland. Its membership includes hauling and collection companies, processing and recycling facilities, transfer stations, and disposal facilities. MDSWA and its members oppose House Bill 824.

House Bill 824 proposes to establish a statewide beverage container deposit program. While it is clearly the objective of the sponsor to increase the percentage of beverage containers recycled in the State, the unintended negative consequences of such a program on Maryland's existing recycling infrastructure, far outweigh any potential benefit.

A container deposit program only addresses certain beverage containers while curbside recycling programs target a broad array of materials recovery. The containers to which the deposit applies reflect a small percentage of the waste stream. In contrast, the traditional recyclables collected in curbside programs (including beverage containers) make up approximately 50% of the overall waste stream. Taking any action that disrupts the existing curbside programs in the State will have a negative effect on the State's overall recycling rate.

While states with container deposits often have relatively higher recycling rates for containers, many have poor overall recycling rates. For example, Michigan – with a purported 95% container redemption rate – has a very low overall recycling rate. In comparison, Washington State, which does not have a container deposit, has one of the highest overall recycling rates. It is critically important to put container recycling rates into context with overall state recycling rates. High container recycling rates do not translate into high overall recycling rates.

Maryland's local jurisdictions have continued to improve and enhance their curbside and other recycling programs. Concurrent with these efforts, has been the development of significant processing capability to manage an increasing percentage of Maryland's waste stream that is being collected to be recycled. As a result of the investment in recycling infrastructure by both the public and private sector, Maryland has some of the country's highest overall recycling rates.

Instituting a container recycling program will be harmful to local curbside recycling programs. Putting a deposit on a beverage container means the establishment of a separate, duplicate recycling system for a small subset of the waste stream. The funds generated in a deposit system will support the high cost of operating a redemption system for a small portion of the waste stream at the expense of existing programs. There are better ways to spend scarce resources to promote recycling. Rather than negatively affecting the entire recycling infrastructure in order to recycle more beverage containers, it would be better to make the investment in current recycling infrastructure in order to update programs and increase participation.

Single stream recycling has become the standard for both residential and commercial collection for all recyclable materials. Imposing a container deposit on top of existing programs will divert revenue from some of the highest value materials, such as aluminum, that support local jurisdiction curbside programs. Consequently, existing recycling programs will lose valuable commodities that they use today to offset the cost of providing recycling services. The result will be a weakened local recycling program and increased costs for curbside collection triggered by the need to cover the costs that are no longer offset by the value of beverage container materials.

Furthermore, because Maryland is a relatively small state geographically, it will be nearly impossible to prohibit the influx of containers from surrounding states for redemption even though those containers will not have been assessed a deposit on the front end. Again, the expenditure of scarce resources that could be better used to enhance current recycling infrastructure and/or for market development for the end use of products.

Despite the opposition of the industry to a container deposit program, should the Committee choose to advance the legislation, MDSWA would request the bill be amended to add a representative of the Association to the Advisory Committee. The knowledge and experience of the waste industry, both in Maryland and nationally, is vital to the development of a container program and the charges of the Advisory Committee outlined in the legislation.

The objective of House Bill 824 may be noteworthy, but the method for achieving it will dramatically undermine overall recycling in Maryland. MDSWA urges an unfavorable report.

For more information call:

Pamela Metz Kasemeyer J. Steven Wise Danna L. Kauffman Richard A. Tabuteau 410-244-7000

HB 824 SDA_UNF

Uploaded by: Manis, Nick

Maryland Delaware DISTRICT OF COLUMBIA

SOFT DRINK ASSOCIATION

To: House Environment and Transportation Committee

House Economic Matters Committee

From: Ellen Valentino

Date: February 26, 2020

Re: HB 824 Beverage Container Deposit Program – Establishment and Advisory Commission

Thank you for the opportunity to make comments on HB 824. The legislation requires the establishment of a minimum 10 cents mandatory bottle deposit program to be implemented September 1, 2021.

The policy conversation around recycling, plastic reduction and solid waste disposal is an important one and one taking place around the country. Our industry recognizes the seriousness of this issue and we welcome the opportunity to work with communities on ideas that get back more of our plastic bottles so they can be remade into new bottles.

Our companies believe that to be effective, a collection system for recyclables needs to be convenient to consumers, efficient, financially stable, and help companies gain increased access to recycled material so it can be remade into new products.

Late last year our industry made local and national news when announcing our 'Every Bottle Back' Initiative, which is investing in recycling infrastructure and community education nationally to improve the collection and remaking of recyclables. Enclosed are materials that outline our commitment and this initiative.

In closing, you have our commitment to be at the table and to participate in best practices discussion or new direction conversation taking place - particularly when talking about our packaging.





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OUR COMMITMENT

We're working together to help ensure our plastic bottles become new bottles, and they don't end up in our oceans, rivers and beaches.

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We're carefully designing our plastic bottles to be 100% recyclable—even the caps.

We make our bottles from PET because it's strong, light, valuable, and most importantly, easy to recycle and make into new products, including new bottles.





RAISING AWARENESS & INSPIRING ACTION

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MEASURING OUR PLASTIC FOOTPRINT

World Wildlife Fund is providing strategic, scientific advice to help measure our industry's efforts to reduce our plastic footprint.



ADDING MESSAGE ON PACKAGING

Our companies will place a message on packaging about the 100% recyclability of our plastic bottles and caps beginning in late 2020.

IMPROVING RECYCLING INFRASTRUCTURE

We're working to improve the quality and availability of recycled plastic in key regions of the country by directing the equivalent of \$400 million to **The Recycling Partnership** and **Closed Loop Partners** through a new \$100 million industry fund that will be matched three-to-one by other grants and investors.











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It's why we want them back. Plastic beverage bottles are unique. Because if our bottle is disposed of, collected and recycled properly, we can turn that bottle into a new bottle. That means we're using less new plastic.

Our bottles can also be made into other products like coats, shirts, shoes and furniture. This means less new plastic is being used to make these products too, and it all adds up to making a real difference in reducing the amount of new plastic in the environment.

Through innovation we have already removed millions of pounds of packaging materials from the market in recent years.

By working together we can make sure that every bottle does what we designed to do: be recycled and made into something new.



PLASTIC BOTTLES CAN BE MADE INTO PRODUCTS SUCH AS...



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WMDA/CAR Service Station and Automotive Repair Association

February 26, 2020

Chair: Kumar P. Barve

Members of House Environment and Transportation committee

RE: HB 824 – Beverage Container Deposit Program – Establishment and Advisory Commission

Position: In opposition

HB 824 could put unknown burdens' on small business with out small business having any input. Beverage container Deposit Program should be incorporated into a comprehensive recycling program that would cover more then beverage containers.

After advisory commission does their work, all stake holders should be able comment in the normal bill/hearing process and be voted on by full legislative body.

Please give HB 824 an unfavorable report

WMDA/CAR is a non-profit trade association that has represented service stations, convenience stores, and independent repair shops since 1937. Any question can be addressed to Kirk McCauley – 301-775-0221 or kmccauley@wmda.net

HB 824 SDA_UNF

Uploaded by: McCauley, Kirk

Maryland Delaware DISTRICT OF COLUMBIA

SOFT DRINK ASSOCIATION

To: House Environment and Transportation Committee

House Economic Matters Committee

From: Ellen Valentino

Date: February 26, 2020

Re: HB 824 Beverage Container Deposit Program – Establishment and Advisory Commission

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February 26, 2020

Chair: Kumar P. Barve

Members of House Environment and Transportation committee

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HB 824 SDA_UNF

Uploaded by: Valentino, Ellen

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WMDA/CAR Service Station and Automotive Repair Association

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After advisory commission does their work, all stake holders should be able comment in the normal bill/hearing process and be voted on by full legislative body.

Please give HB 824 an unfavorable report

WMDA/CAR is a non-profit trade association that has represented service stations, convenience stores, and independent repair shops since 1937. Any question can be addressed to Kirk McCauley – 301-775-0221 or kmccauley@wmda.net

hb824

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Position: INFO



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

Ben Grumbles, Secretary Horacio Tablada, Deputy Secretary

February 26, 2020

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

Re: House Bill 824 - Beverage Container Deposit Program - Establishment and Advisory Commission

Dear Chair Barve and Members of the Committee:

The Maryland Department of the Environment (MDE) has reviewed House Bill 824 entitled *Beverage Container Deposit Program - Establishment and Advisory Commission* and would like to provide the Committee with some information regarding the proposed legislation.

House Bill 824 would amend Title 9, Subtitle 17 of the Environment Article to require MDE to establish a beverage container deposit program by September 1, 2021. The proposed legislation, through uncodified language, establishes an Advisory Commission to Develop a Beverage Container Deposit Program (the "Advisory Commission"). The Advisory Commission would consist of nine members from various public and private stakeholders, including a representative of MDE, and would be staffed by MDE. The chair of the Advisory Commission would be appointed by the Speaker of the House and the President of the Senate. The Advisory Commission would be required to develop a framework for establishing a beverage container deposit program in the State that achieves certain goals outlined in the proposed legislation and make recommendations on how to implement the program by September 1, 2021. The Advisory Commission's framework and recommendations must be reported to various committees of the General Assembly by December 31, 2020. MDE would be required to establish the beverage container deposit program in accordance with the Advisory Commission's framework and recommendations. The proposed legislation would become effective June 1, 2020, and the uncodified portion establishing the Advisory Commission would sunset June 30, 2021.

MDE supports efforts that increase recycling and reduce the littering of all forms of packaging, including beverage containers. In 2018, Maryland's recycling rate for beverage containers was estimated at 69 percent (including wine and liquor bottles). According to EPA's 2017 national municipal solid waste (MSW) generation data, beverage containers were an estimated 4.48 percent of the total municipal solid waste stream by weight. Litter prevention is important for protecting water quality. Maryland currently has trash total maximum daily loads (TMDLs) under the federal Clean Water Act for the Anacostia River and the Baltimore Harbor.

Currently, ten states and the U.S. territory of Guam have enacted beverage container deposit laws (California, Connecticut, Hawaii, Iowa, Maine, Massachusetts, Michigan, New York, Oregon, and

Vermont). These laws generally require a retailer to pay a deposit to the beverage distributor for each container purchased. The consumer pays a deposit to the retailer when buying the beverage, and receives a refund when they return an empty container to a redemption center. The beverage distributor then reimburses the retailer or redemption center the deposit amount for each container returned by a customer, and in most states an additional handling fee. Unredeemed deposits can be remitted to the state, retained by a distributor, or used for program administration. According to the National Conference of State Legislatures, deposit amounts vary from two cents to 15 cents, depending on the volume of the container and type of beverage (https://www.ncsl.org/research/environment-and-natural-resources/state-beverage-container-laws.aspx).

MDE can participate in and staff the Advisory Commission with existing resources. The effective date for the Advisory Commission is June 1, 2020, and the Advisory Commission must submit a report of its framework and recommendations for the beverage container deposit program by December 31. 2020. It may be difficult for the Advisory Commission to formulate and draft a report of its framework and recommendations between June 1, 2020 and December 31, 2020. On or before September 1, 2021, MDE would be required to establish the beverage container deposit program in accordance with the Advisory Commission's framework and recommendations. Although the potential framework and recommendations of the Advisory Commission are unknown, at a minimum, MDE would need to adopt regulations and hire new staff to administer and enforce the beverage container deposit program. Once the regulations are adopted, whoever is designated under the framework as the responsible parties for developing a bottle collection infrastructure, setting up accounting standards for remitting and reimbursing deposit fees, and providing reverse vending machines or other collection mechanisms would need to complete these tasks no later than September 1, 2021. The adoption of regulations and, in collaboration with private and public stakeholders, establishing an operational beverage container deposit program within 9 months after the Advisory Commission reports its final framework and recommendations would also be difficult.

Thank you for your consideration. We will continue to monitor House Bill 824 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 Sara Love

Ms. Kaley Laleker, Director, Land and Materials Administration

RestaurantAssociation_MelvinThompson_INFO_HB824 Uploaded by: Thompson, Melvin

Position: INFO



HOUSE BILL 824

Beverage Container Deposit Program - Establishment and Advisory Commission February 26, 2020

Position: INFO

Mr. Chairman and Members of the Environment & Transportation Committee:

After reviewing House Bill 824, we do not believe it is intended to apply to restaurants, which purchase beverages in containers to sell to customers for mostly on-premise consumption. Part of the Advisory Commission directives outlined on page 3 of this legislation is to "address how to include all on-the-go beverage containers in the program."

As we have previously shared with the Committee during consideration of similar legislation in prior Sessions, it would be difficult for restaurants to recover any container deposits we would be required to pay under such a program. Storing and transporting containers for redemption would pose logistical challenges for restaurants, especially for those with limited outdoor storage space.

However, if the program required by this legislation is intended to also include beverage containers sold for on-premise consumption, we would request that our organization be added to the Advisory Commission established under the bill.

Sincerely,

Melvin R. Thompson Senior Vice President

Melin R. Shorme

Government Affairs and Public Policy