



Date: March 5, 2020
Bill: HB 1105 - Income Tax Credit for Residential Composting and Pickup Services
Testimony: Support Testimony
Name: Ben Parry - Compost Crew, Maryland resident

Good afternoon. Thank you for this opportunity to testify in support of HB 1105. My name is Ben Parry, the owner and CEO of Compost Crew, a food scrap recycling business based in Rockville, MD.

Compost Crew is a locally-owned, small business in an industry that is growing and creating a significant amount of jobs in the region. Our mission is to eliminate food waste and revitalize the earth's soil through clean and convenient solutions available to everyone. Thousands of residential and commercial customers are paying us to divert millions of pounds of food scraps from the waste stream, so we can return this organic matter to the earth, as nature intended.

The individuals we serve in Maryland are spread throughout Montgomery County, Prince George's County, and stretching up to Baltimore. We have colleagues who are building small businesses in other parts of the state, such as Frederick and Anne Arundel County.

To give you an idea of how our residential business works - our standard subscription rate for curbside collection is \$32/month, and we offer discounts when we have enough density. We know at least 20-30% of our customers who cancel do so because they can no longer afford the service.

Because food scrap recycling is still relatively new, the prices we offer are higher than the prices for trash pickup, primarily because of density - for example in some areas we can travel 10-15 minutes between pickups. So a tax credit would reduce the cost to residents, allowing more people to signup, which in turn increases density and would allow us to continue to reduce cost to everyone over time.

And of course the faster we and our industry can grow, the faster we can reinvest cash to help build organics recycling infrastructure that our state badly needs. This bill, along with HB589, will help us more quickly build composting sites in Maryland. Among other benefits, this will help support local farmers and build a healthier food system.

One final point I would like to make concerns the fiscal note. The note stated the impact on small business would be minimal. In my view this is understating the impact, because small businesses drive this industry. Compost Crew has grown to over 20 employees over the past two years. We pay our drivers at least double the Maryland minimum wage, and we provide medical benefits, 401K, and profit sharing. Bills like this would help us create even more jobs.

I urge a favorable vote on HB 1105. I would be happy to take any questions you have.

Thank you,

Ben Parry