MARYLAND RETAILERS ASSOCIATION

The Voice of Retailing in Maryland



HB1226 – Environment - Office of Recycling - Mattress Stewardship Program Establishment Environment and Transportation Committee March 9, 2022

Position: Unfavorable

Background: HB1226 would require sellers of mattresses in Maryland to establish and implement a mattress disposal program which includes adding a fee to the sale of all mattresses in the state.

Comments: The Maryland Retailers Association continues to have many concerns with the establishment of product stewardship programs. These programs set a dangerous precedent for adding additional fees onto the cost of any items that are deemed difficult to dispose of or potentially hazardous in any way. Our concerns with stewardship programs and with the mattress stewardship proposal are as follows:

- 1. The Product Stewardship Institute (PSI) acts as the umbrella organization for a coalition of nonprofit entities that seek to establish stewardship programs for a long list of everyday items including batteries, textiles, and "junk mail". This stewardship approach to reducing waste, if ultimately expanded to apply to full list of items that are targeted by PSI's partners, will have a direct financial impact on all consumers.
- 2. Most if not all jurisdictions in Maryland already have collections or drop-off options for unusual trash items or hazardous waste, funded through taxpayer dollars. Though proponents of stewardship programs claim that local waste management costs will decrease over time as more jurisdictions participate in the program, it is unlikely that Marylanders will see a corresponding decrease in their local taxes and waste disposal prices. This will ultimately mean increased household costs across the state as citizens must pay new assessments on particular items in addition to their local taxes and fees.
- 3. Just as we saw with other stewardship programs considered by this Committee, the proposed mattress program has serious ethical implications regarding gatekeeping the market on items that are deemed difficult to dispose of. Stewardship programs in other states have been supported by manufacturers who would see that such programs eliminate their competition in stores by banning manufacturers who do not participate in the program. Such behavior is unethical, and retailers across the country who operate in jurisdictions that have passed similar proposals have confirmed that the programs make it difficult for companies to remain competitive.

4. Though HB1226 specifies that the assessments collected to fund the stewardship program may not surpass the cost of the program's operation, it does not identify a timeline for altering the amount of the assessment if it needs to be updated. Retailers need to know when to expect updates to the program so that they can make the appropriate changes in their POS systems in a timely manner.

For these reasons, we must urge an unfavorable report on HB1226. Thank you for your consideration.