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MAYOR

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SB 292

February 17, 2022

TO: Members of the Senate Finance Committee

FROM: Natasha Mehu, Director, Office of Government Relations

RE: SENATE BILL 292 – Environment – Packaging Materials – Producer Responsibility

POSITION: SUPPORT

Chair Kelley, Vice Chair Feldman and Members of the Committee, please be advised that the Baltimore City Administration (BCA) **supports** Senate Bill (SB) 292.

SB 292 would require certain producers of packaging materials to individually or as part of a producer responsibility organization submit a certain packaging materials producer responsibility plan to the Maryland Department of the Environment for review and approval on or before a certain date and in accordance with certain requirements; prohibiting, on or after a certain date, a producer of certain packaging materials from selling, offering for sale, distributing, or importing certain packaging materials unless the producer, individually or as part of a producer responsibility organization, has an approved producer responsibility plan on file with the Department; requiring a producer responsibility organization to implement a producer responsibility plan within a certain amount of time after the Department approves the producer responsibility plan; establishing a producer responsibility plan advisory council and authorizing a local government to request reimbursement from a certain producer that has an approved producer responsibility plan on file.

The City of Baltimore is supportive of SB 292. Baltimore's Less Waste, Better Baltimore (LWBB) plan includes recommendations for legislative actions that will help make progress toward the city's waste reduction goals. These recommendations include Extended Producer Responsibility (EPR) mandates passed at a state or federal level, product take-back programs passed at a state or federal level, and mandated recycled content (MRC) laws. SB 292 will play a part in meeting the recommendations put forth in the LBWW plan.

Baltimore provides single-stream recycling curbside services to residents, incurring costs of about \$1 million a year. A reduction in packaging recyclables could decrease the volume of material the city collects for recycling, generating some savings on the curbside collections expenses the City incurs. Under this legislation, Baltimore would be responsible for establishing a take-back program for covered materials. The City would require funds to set up and maintain such a program, as well as for any education or outreach materials required to facilitate the changes outlined in the bill.

If, as a result of the passage of SB 292, small businesses are faced with higher producer costs, those small businesses could be negatively impacted. It is for this reason that the City also supports the provision that protects businesses with under \$1 million in revenue from the potential effects of the legislation. The State would need to research whether or not the fees and charges included in SB 292 would be passed down to small businesses. As a government entity, Baltimore City would be exempt from these fees. Additionally, the City could seek reimbursement for our recycling costs from the organizations covered under the provisions of the legislation.

For the above reasons, the BCA respectfully requests a **favorable** report on SB 292.