

OUR MISSION:

Working to enhance the economic prosperity of greater Silver Spring through robust promotion of our member businesses and unrelenting advocacy on their behalf.

SB292 – Environment - Packaging Materials - Producer Responsibility
Finance Committee
February 17, 2022
INFORMATION & AMENDMENT

On behalf of the Greater Silver Spring Chamber of Commerce, representing some 400 member organizations, including small businesses with fewer than ten employees, several nonprofits, restaurants, and a number of breweries and wineries in the greater Silver Spring area of Montgomery County, I write to express our concerns about to SB292 – Environment - Packaging Materials - Producer Responsibility. We oppose the bill as written, but offer an amendment below.

We oppose this legislation, as written, for the following reasons:

- First, the timing of this proposal demonstrates a complete disregard for what these businesses have been through during the past two years. Our restaurants, breweries, and wineries have been required by law to resort to mostly carry out and delivery operations as a result of the pandemic. They are still reeling from a situation that has devastated their businesses. This proposal ignores the sacrifices these business owners have made in order to just stay in business during the pandemic. When faced with the financial cost of complying with everything in this bill, many will likely decide that staying in business is not worth it.
- The amount of paperwork required by the legislation is especially burdensome for local restaurants that do carry-out and delivery, and for breweries, and wineries that package their own product. Already the amount of paperwork and reporting required of these small businesses is overwhelming. The additional requirements in this legislation will greatly hinder the ability of these businesses to sell their products and stay in business.
- The bill provides no details on the fee structure. Just how much will the producers be charged? Leaving this decision up to an "advisory council" puts our members in an impossible financial position. Prior to even considering such a measure, legislators should conduct and consider the financial impact on small producers.
- Speaking of small producers. The definition for "small businesses" is not based in reality. As written, the bill will put small manufactures out of business. The thresholds need to be much, much higher. As proposed, this legislation will only harm small businesses, including family-owned wineries, distilleries, and breweries, especially now, as they have been selling more of their product as "packaged products," as a result of the pandemic.
- Therefore, we suggest amending the bill, as we understand has been suggested, to exempt small breweries and wineries that have sales under \$10 million per year better yet, set the threshold at \$15 million per year. In addition, these annual sales calculations should include only that product that is sold in the packaging that is described in the bill. It should not include product that is sold on site poured into glasses that will be sanitized and reused and product that is sold in kegs that will also be recycled.

Instead of proposing a program that further burdens our already-struggling business community, why not consider a program that provides incentives to those businesses that reduce waste and encourage recycling? How about carrot instead of a stick approach? Most business owners today understand and appreciate the importance of protecting our environment. Most want to do the right thing. With incentives, instead of burdensome paperwork and penalties, they will be able to do so and stay in business serving our community and contributing, once again, to the State's economy.

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