



Mid-Atlantic Petroleum Distributors Association
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TO: House Environment & Transportation and Economic Matters Committees

FROM: Mid-Atlantic Petroleum Distributors Association

DATE: February 28, 2024

RE: **HOUSE BILL 735** – Maryland Beverage Container Recycling Refund and Litter Reduction Program

On behalf of Maryland's convenience stores and energy distributors, MAPDA urges the committee to issue an unfavorable report on HB735.

This legislation would require retailers, such as convenience stores, to accept redeemable beverage containers at their place of business and pay out the return fee. Additionally, the retailers would be at the forefront of having to charge customers a significant product increase at the cash register.

Border issues drive up costs and hurt local economies. A container deposit represents a significant price increase, especially for less expensive products. That value creates unintended consequences that include fraudulent redemption of containers and loss of business.

Our locations are not made for a deposit scheme. Although there is an exemption for smaller locations it is not reflective of the layout and size of the emerging convenience store market, as the neighborhood convenience store has evolved into the local grocery store providing a host of products from fresh fruits, eggs, and a variety of beverage offerings. The requirement for dedicated space of dirty and used beverage containers, the evaluation of valid container returns, and the responsibility to payout money on products likely not purchased in the store makes this legislation unworkable and unsustainable in a small business environment.

There is an easier way to recycle. Recycling systems should focus on all recyclables – be easy, convenient, and equitable for all. The deposit system does not meet any of those important components.

For these reasons, MAPDA respectfully requests an unfavorable committee report on HB735.

Feeding and fueling the economy through gas, coffee, food, heating oil and propane.

MAPDA is an association of convenience stores and energy distributors in Maryland, Delaware & the District of Columbia.