



February 26, 2024

Environment & Transportation Committee
Delegate Mark Korman, Chairman; Delegate Regina T. Boyce, Vice Chair
House Office Building, Room 251
6 Bladen St., Annapolis, MD 21401

Dear Chair Korman, Vice-Chair Boyce, and Members of the Committee,

We are writing in support of House Bill 735, “Maryland Beverage Recycling Refund and Litter Reduction Program,” a bill that would establish a beverage container deposit program in Maryland.

We applaud the bill for:

1. Incorporating most beverage types into the proposed deposit program, including **wine and liquor**. Doing so will generate clean, high-quality glass that is desired by glass manufacturers, and will help alleviate the pressure that the state has been experiencing to find aggregate uses for glass collected through municipal programs.
2. Including a **wide scope of beverage containers**, as per the definition.
3. Specifying a **deposit of 10¢ for containers less than or equal to 24 fluid ounces and 15¢ for containers more than 24 ounces**, with options to increase the refund value in the future.
4. Including **robust performance targets** as well as a description of the penalties for not completing these targets.

Ten cents is a strong financial incentive for people to return containers rather than throw them in the trash or litter them. Michigan and Oregon, the two U.S. states with dime deposits, have achieved much higher redemption rates—76% and 86% respectively in 2022—than the deposit states with 5¢ deposits (where reported redemption rates range from 38% to 72%). When consumers who purchased the drinks do not take bottles and cans in for refund themselves, there are always other people and groups ready to do the redemption for them to generate income.

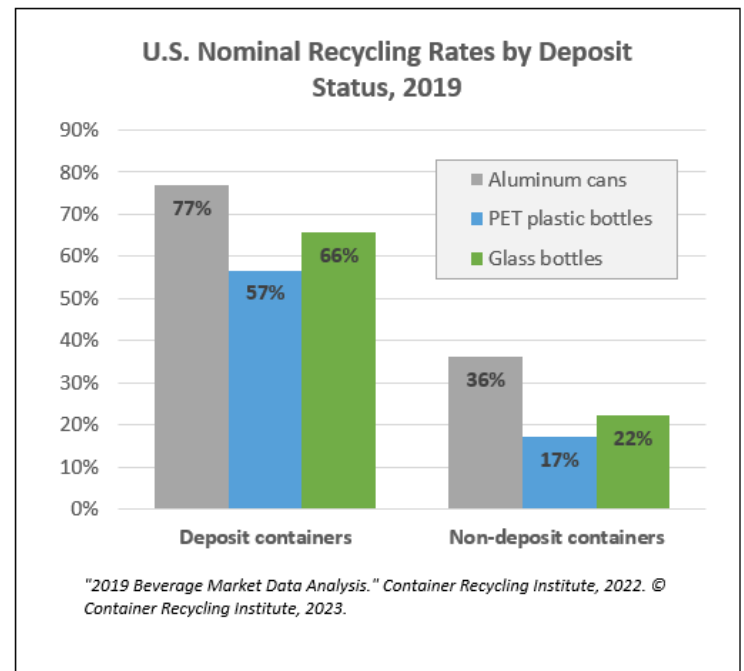
For more than 50 years, beverage container deposit laws, or “bottle bills,” have been successful in achieving recycling rates that are up to 3 times higher than those of bottles and cans without deposits. As the graphic on the following page shows, more than three quarters (77%) of aluminum cans with a deposit were recycled nationwide in 2019, in contrast to just over one third (36%) of cans lacking a deposit. The differences for bottles are more pronounced: 57% vs. 17% for non-deposit PET plastic, and 66% vs. 22% for non-deposit glass.

Increasing beverage sales nationwide has led to burgeoning bottle and can waste. **Based on national statistics, CRI estimates that 76% of the 5.9 billion beverage bottles and cans sold in Maryland in 2021 were wasted:** littered, landfilled, or incinerated. That level of consumption and wasting represents a significant burden on taxpayers: whether through city-run recycling programs or municipally-contracted trash pick-up and disposal.

Deposits have multiple benefits, including:

- **Achieving higher recycling rates** than municipal programs alone.
- **Transferring** the financial and operational responsibility for recycling from the local taxpayer to the producers of disposable beverage containers.
- **Adding value to local and regional economies** through the sale and processing of scrap materials.
- **Avoiding greenhouse gas emissions and reducing energy use** by displacing virgin materials in manufacturing.
- **Reducing litter** that is expensive for public and private entities to clean up, that causes injuries to people and domestic animals, and that adds to harmful ocean plastic waste.
- **Promoting job growth;** it is estimated that there are over 20,000 jobs resulting from the existing deposit return systems in the 10 states where the law exists.

If Maryland were to pass this deposit bill, CRI estimates that the state would recycle **3.3 billion additional containers annually—or just over 208,000 tons of metal, glass, plastic and paper—**over and above the recycling currently taking place. By reducing the need to make new bottles and cans from virgin materials, this additional recycling would eliminate about 212,304 tons of greenhouse gas emissions: **an amount equivalent to taking almost 46,000 cars off the road for a year.**



We are optimistic that there will be strong markets for deposit containers generated in Maryland, in part because multiple global beverage brands have made public commitments to increase their use of recycled materials, as the below table shows.

Selected plastics reduction commitments by global brands		
Company	Timeframe	Commitment or target
Coca-Cola	by 2030	Equivalent of 100% of containers collected and recycled
Coca-Cola	by 2030	Average 50% recycled content in bottles
Danone	by 2025	100% of packaging reusable, recyclable or compostable
McDonald's	by 2025	100% of guest packaging from renewable, recycled or certified sources
Kraft Heinz	by 2025	100% of packaging recyclable, reusable or compostable
Nestlé	by 2025	100% of packaging recyclable or reusable

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These lofty goals can only be met through the increased availability of high-quality beverage bottles and cans for use as feedstock in new containers. Deposit programs consistently generate such high-quality bottles and cans. For example, deposit-grade PET bottles have recently had a value of 17.75¢ per pound, ***twice the value of non-deposit, curbside PET*** (9¢ per pound).

Deposits on beverage containers are now available to over 553 million people worldwide. With the announcement of multiple new deposit laws in 2022 and 2023 (including Uruguay, Singapore, Poland, and Czechia), **694 million people will have access to deposit programs by 2025**. This trend is projected to continue as more nations realize that deposits are a vital part of the solution to the problem of bottle and can waste and plastic pollution.

While we support the passage of this bill, we would like to suggest the following amendments to a few of the definitions. The definition of “distributor” needs more details to ensure that it includes direct sales to consumers, like home and office delivery and online sales. Additionally, while we applaud the wide scope of containers included in the program, the definition of “beverage container” may need to be more specific and describe whether certain atypical containers (pouches, aseptics, boxes) are included in the bill or not. California’s recent amendments serve as a good example of what is included in the program, as they just expanded to these types of containers.

In sum, CRI supports the passage of a beverage container deposit law in Maryland. Please contact me with any questions you may have.

Sincerely,



Susan Collins
President, Container Recycling Institute

About the Container Recycling Institute: *CRI is a nonprofit organization and a leading authority on the economic and environmental impacts of beverage containers and other consumer-product packaging.*