

Maryland-Delaware Solid Waste Association

a chapter of the

**National
Waste & Recycling
AssociationSM**

Collect. Recycle. Innovate.

TO: The Honorable Marc Korman, Chair
Members, House Environment and Transportation Committee
The Honorable Jen Terrasa

FROM: Andrew G. Vetter
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DATE: February 28, 2024

RE: **OPPOSE** – House Bill 735 – *Maryland Beverage Container Recycling Refund and Litter Reduction Program*

The Maryland Delaware Solid Waste Association (MDSWA), a chapter of the National Waste and Recycling Association, is a trade association representing the private solid waste industry in the State of Maryland. Its membership includes hauling and collection companies, processing and recycling facilities, transfer stations, and disposal facilities. MDSWA and its members **oppose** House Bill 735.

House Bill 735 proposes to establish a statewide beverage container recycling refund and litter reduction program. While it is clearly the objective of the sponsor to increase the percentage of beverage containers recycled in the State as well as reduce litter, the unintended negative impacts of such a program on Maryland's existing recycling infrastructure, far outweigh any potential benefit.

A container recycling refund program as proposed in House Bill 735 only addresses certain beverage containers, while curbside recycling programs target a broad array of materials recovery. The containers to which the bill applies reflect a small percentage of the waste stream. In contrast, the traditional recyclables collected in curbside programs (including beverage containers) make up approximately 50% of the overall waste stream. Taking any action that disrupts the existing curbside programs in the State will have a negative effect on the State's overall recycling rate. While states with similar programs often have relatively higher recycling rates for containers, many have poor overall recycling rates. It is critically important to put container recycling rates into context with overall state recycling rates. High container recycling rates do not translate into high overall recycling rates.

Maryland's local jurisdictions have continued to improve and enhance their curbside and other recycling programs. Concurrent with these efforts, has been the development of significant processing capability to manage an increasing percentage of Maryland's waste stream that is being collected to be

recycled. As a result of the investment in recycling infrastructure by both the public and private sector, Maryland has some of the country's highest overall recycling rates.

Instituting a container recycling program will be harmful to local curbside recycling programs. Putting a specific refundable deposit on a beverage container means the establishment of a separate, duplicate recycling system for a small subset of the waste stream. The funds generated in such a system will support the high cost of operating a redemption system for a small portion of the waste stream at the expense of existing programs. There are better ways to spend scarce resources to promote recycling. Rather than negatively affecting the entire recycling infrastructure in order to recycle more beverage containers, it would be better to make the investment in current recycling infrastructure in order to update programs and increase participation.

Single stream recycling has become the standard for both residential and commercial collection for all recyclable materials. Imposing a container redemption program on top of existing programs will divert revenue from some of the highest value materials, such as aluminum, that support local jurisdiction curbside programs. Consequently, existing recycling programs will lose valuable commodities that they use today to offset the cost of providing recycling services. The result will be a weakened local recycling program and increased costs for curbside collection triggered by the need to cover the costs that are no longer offset by the value of beverage container materials.

Furthermore, because Maryland is a relatively small state geographically, it will be nearly impossible to prohibit the influx of containers from surrounding states for redemption, even though those containers will not have been assessed on the front end. Again, the expenditure of scarce resources that could be better used to enhance current recycling infrastructure and/or for market development for the end use of products.

Finally, in 2023, the General Assembly passed ***Senate Bill 222: Statewide Recycling Needs Assessment and Producer Responsibility in Packaging***, which requires a Statewide Recycling Needs Assessment, and it is the industries' opinion that no legislative action should be taken until the Statewide Recycling Needs Assessment is completed. This Needs Assessment will provide a complete picture of Maryland's recycling and waste infrastructure and what actions Maryland needs to take to enhance Maryland's recycling framework and effectiveness. The Maryland Department of the Environment recently issued a request for proposal for the needs assessment and a final report is expected later this year.

The objective of House Bill 735 may be noteworthy, but the method for achieving it will dramatically undermine overall recycling in Maryland and is preemptive, given the State's commitment to comprehensively consider extended producer responsibility. MDSWA urges an unfavorable report.