



Bill: SB901 - Environment - Packaging Materials - Producer Responsibility Plans

Date: February 18, 2025

Position: Favorable With Amendment

Dear Chair Feldman, Vice-Chair Kagan, and Members of the Education, Energy, and Environment Committee:

We enthusiastically support the goal of modernizing our recycling system and establishing a system of extended producer responsibility (“EPR”) for packaging which creates incentives for producers to reduce overall volume of packaging and to increase the percentage of packaging that can be recycled and sent to responsible end markets.

Packaging makes up 28% of our waste stream. Of that, 40% is plastic, much of which is used for minutes and lasts for years. In the US, only about 5-6% of plastic is recycled. Currently, taxpayers pay for all of the handling, processing, disposal, and litter cleanup from packaging collected in the waste and recycling streams or mismanaged and leaked to the environment as litter.

This bill adopts a modern approach and creates a framework for a program to shift financial responsibility from local governments and the public sector upstream to the packaging producers. The framework includes a process for producers to set up incentive systems to reward packaging reduction, high recyclability, and with targets for recycled content and contamination that will help create and maintain value for recovered materials. As the designers of packaging, producers are well positioned to make certain decisions about how to improve their packaging; however, public oversight, transparency, and accountability for that process are essential. Importantly, this bill includes a 25% packaging reduction goal in statute that is a critical piece of ensuring source reduction incentives are strong and enforceable.

When the public sector is responsible for waste management but it is the private sector that is responsible for the design and introduction of products into the marketplace, there is little alignment of incentives to do better, and taxpayers have been funding the difference. EPR presents an opportunity to align incentives for better performance of the entire system. Five U.S. states have adopted extended producer responsibility for packaging, and bills are under consideration in additional states. We don't want Marylanders to be left behind.

We do suggest the following amendments for consideration:

- The bill can specify that if a beverage container deposit return system should be adopted in the future, it will be harmonized with this act, including specifying that materials covered in a deposit return system are exempt from this act and public outreach and education – an important part of both programs -- is harmonized between the two programs.
- Since the statewide recycling needs assessment is pending, we suggest this bill not limit the Department to solely relying on the pending needs assessment to set the baseline year for establishing performance goals for each packaging material type since some information may not be

available for all performance goals without further assessment, and establishing a reliable baseline for performance for which there is also strong and transparent public oversight is an important part of the bill.

For these reasons, we respectfully urge a favorable report and consideration of these amendments on SB901, and we commend Senator Augustine for his continuing leadership on this issue.

Contact:

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