

Letter of Information**House Bill 42 – Solid Waste Disposal Surcharge and Wasted Food Reduction and Diversion Fund and Grant Programs - Established**
Environment and Transportation Committee
January 29, 2025

The Office of the Comptroller thanks Delegate Boyce for introducing HB42, Solid Waste Disposal Surcharge and Wasted Food Reduction and Diversion Fund and Grant Programs - Established. HB42 aims to enhance waste management practices, reduce food waste, promote sustainable agricultural practices, and provide funding for communities that develop initiatives that support these goals. It introduces a disposal surcharge to fund these efforts.

Under HB42, the Comptroller's Office is tasked with collecting the surcharges as well as ensuring the quarterly reporting from businesses is followed. Our agency would then deposit the funds into the Wasted Food Reductions and Diversion Fund. While this is not a new tax, implementing a new surcharge type carries the same operational complexities for our office as implementing a new tax type, including IT costs and the development of forms, instructions, and guidance. Given our existing commitments, implementing HB42 by July 1, 2026 may not be feasible with current resources. However, we would be happy to work with Delegate Boyce to develop an appropriate timeline for implementation.

The language in HB42 does not specify which agency is responsible for compliance and provides no enforcement provisions or penalties for non-compliance regarding this new surcharge, nor does it grant the Comptroller any authority with regard to audits or administration. **In order to properly administer this surcharge, we respectfully request an amendment authorizing the Comptroller to adopt regulations to administer Agriculture Article § 2-109, Maryland Annotated Code.**

Thank you for your consideration of this amendment. If you have any questions, please feel free to reach out to Matthew Dudzic at MDudzic@marylandtaxes.gov.

