TRASH FREE



MARYLAND

Committee:Environment and TransportationBill:SB901 "Environment-Packaging and Paper Products - Producer Responsibility Plans"Date:March 27, 2025Position:Favorable With Amendments

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

Trash Free Maryland appreciates the opportunity to testify in support of SB901. We enthusiastically support the specific goals of SB901 and the general policy of producer responsibility which holds manufacturers accountable for the environmental impacts of their products throughout their lifecycle.

We support SB901's goals to minimize the environmental and human health impacts of packaging by establishing a system of extended producer responsibility (EPR) for packaging. SB901 creates a framework with incentives to reduce packaging and packaging waste, modernize our recycling systems, facilitate improvement and access to reuse, recycling, and composting infrastructure, and shift financial responsibility from taxpayers to producers to reimburse local governments and other service providers for the costs associated with transporting, collecting, and processing covered packaging and paper materials.

Packaging makes up 28% of our waste stream. Of that, 40% is plastic, much of which is used for minutes to transport, display, or serve products, and then disposed of in landfills or incinerators or littered to remain for years in our environment. In the US, only about 5-6% of plastic is recycled. Currently, local governments (and taxpayers) fund collection, processing, disposal, and cleanup from packaging managed in our waste and recycling streams or mismanaged and leaked to the environment as litter. Local government recycling facilities must process materials with little control over inputs or ability to facilitate increases in recycling rates or system efficiencies. Producers control product design but are disconnected from end of life waste management options for products introduced into the marketplace.

How SB901 and Producer Responsibility for Packaging Would Work

SB901 requires producers of packaging materials, individually or as part of a nonprofit producer responsibility organization, to submit producer responsibility plans to the Maryland Department of the Environment (MDE) for review and approval. MDE will provide review and oversight, but the plan will be implemented by the producer responsibility organization. The producer plans would propose performance goals for each covered material type. The plan would also describe a system for fees paid by producers. Fees would be structured to incentivize increased recyclability, discourage packaging designs that increase management costs, and establish producer financing of the program administration and fund reimbursement to local governments and covered service providers for end of life recycling, reuse, and composting of covered packaging and paper products.

In particular, we support the amended legislative intent to provide a framework for: minimizing the environmental and human health impacts of packaging, including reducing packaging and plastic packaging; conserving resources; modernizing waste and recycling systems; and shifting financial responsibility for end of life of covered materials from local governments to the producers of the packaging.

EPR for packaging shifts the financial burden upstream from local governments to producers. It aligns incentives for packaging design and financial responsibility for end of life management, helping to build a more efficient and environmentally sustainable system for packaging materials management. As the designers of packaging, producers are best positioned to design for improved environmental outcomes while maintaining packaging performance. This bill adopts a modern approach in place in many jurisdictions around the world and gaining momentum in the United States. Five US states have adopted extended producer responsibility for packaging (including three states that also have bottle bill legislation in place), and many more states are considering packaging producer responsibility legislation.

Support for Legislative Intent, Responsible End Markets, and Harmonization with Future Bottle Bill

SB901 has been strengthened and is a product of significant Maryland stakeholder input processes as well as efforts to learn from best practices and experiences in other states. Efforts have been made to harmonize with other packaging EPR legislation as appropriate while meeting Maryland's unique needs to expand and improve recycling, reuse, and composting infrastructure.

In particular, we are pleased to see the following amendments in the legislation to establish a framework that will:

- Harmonize with a future recycling refund program for beverage containers (aka "bottle bill"), should one be enacted in Maryland as a tested policy to increase collection and reduce beverage container litter in the state,
- Minimize environmental and human health impacts of packaging, including by:
 - Reducing the amount of packaging especially plastic packaging sold in the state
 - Redesigning packaging to be recyclable, compostable, and reusable
 - Reducing the toxicity of packaging
- Conserve resources by increasing recycling rates and recycled content
- Modernize and improve waste and recycling systems by facilitating reuse, composting, and recycling, improving system access and efficiency, and stimulating responsible end markets,
- Make producers financially responsible for infrastructure investments through reimbursements to local governments and other service providers, with a priority on existing systems.

Support for Packaging Reduction Goal

The performance goals in this program will be set by producers and approved by MDE via the approval of producer plans. As the designers of packaging, producers are well positioned to make design decisions about how to improve their packaging; however, public oversight, transparency, and accountability for meeting the legislative intent and overall packaging reduction goal is essential. Strong MDE oversight will also help build and maintain public confidence in Maryland's recycling systems. For packaging reduction goals not set in statute, an additional option for consideration could be to adopt performance goals through rulemaking or to add a public comment period to MDE's producer plan approval process. Minnesota's EPR for packaging legislation provides an example of performance goals set in regulation as well as public comment perior to agency approval. Adding goals in statute or developed through a regulatory process can build transparency and confidence in the desired environmental outcomes while preserving flexibility for producers in determining how targets are met.

EPR presents an opportunity to align incentives for better environmental performance, fairness, and efficiency throughout the system. We commend Senator Augustine's continuing leadership in developing a program to effectively manage our packaging and modernize our infrastructure in a way that will serve Maryland's needs into the future.

For these reasons, we respectfully request the Committee issue a favorable report on SB901.

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