

February 14, 2025

To: Maryland House Environment and Transportation Committee Re: HB232 Beverage Container Deposits Oppose

Maryland Recycling Network's members are county and municipal government recycling managers, private sector recyclers, non-profit recyclers and citizens who support recycling. We have direct experience operating recycling and composting programs at the county and municipal government level. We know the ins and outs of recycling in Maryland. Our experience informs our comments.

We strongly support more recycling in our state. We agree that litter is a serious problem and that beverage containers are a highly visible form of litter. Container deposits will decrease that litter source and increase beverage container recycling. However, as written, it will impose collateral damage on Maryland's Materials Recovery Facilities (MRFs – the facilities that process curbside recyclables) causing a loss of revenue and higher operating costs. Local governments that depend on both public and private MRFs to process their recyclables will bear the burden of these higher costs.

We appreciate the language which recognizes this damage and attempts to address it (see section 9-1748). We believe that it does not accurately reflect the negative impact removing valuable recyclables currently being processed at both public and private MRFs on behalf of local governments. While these containers represent about 5 percent of the overall recyclables processed by publicly and privately owned MRFs, they represent an invaluable revenue stream which can supply one-third or more of MRF revenue (see, for instance, a study on the contribution of aluminum beverage cans to recycling programs (see, for instance, from the Can Manufacturers Institute "Aluminum Beverage Can: Driver of the U.S. Recycling System" June, 2020).

We would also note that while this section attempts to offset lost revenues and higher costs for local government programs, including Maryland's four publicly-owned MRFs, it makes no attempt to do the same for the three privately-owned MRFs in our state. Their processing costs will go up and their revenue will go down with no relief. This includes a new MRF, costing over \$50 million to build, opening soon in Howard County. This is unfair and will harm the local governments who rely on them.

In light of these concerns, we cannot support HB232 at this time. We hope to work with the bill's authors to resolve these concerns.

The Maryland Recycling Network is a resource for legislators and others interested in recycling and waste reduction. Please do not hesitate to contact us via email <u>phoustle@marylandrecyclingnetwork.org</u>, phone 301-725-2508 or mail - MRN, PO

Box 1640, Columbia MD 21044 if you have any questions or would like additional information regarding our comments.

Chaz Miller Chair, MRN Legislative Committee

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