



Senate Bill 342

Date: February 10, 2026

Committee: Senate Education, Energy, and the Environment

Position: Unfavorable

Founded in 1968, the Maryland Chamber of Commerce (the Chamber) is the leading voice for business in Maryland. We are a statewide coalition of more than 7,000 members and federated partners, and we work to develop and promote strong public policy that ensures sustained economic growth for Maryland businesses, employees, and families.

Senate Bill 342 (SB 342) would establish the Maryland Beverage Container Recycling Refund and Litter Reduction Program to increase the reuse and recycling of beverage containers. A producer would be prohibited from selling, offering for sale, or distributing or importing into the State a redeemable beverage container unless the producer is registered with the Maryland Department of the Environment, pays a fee, and is part of a beverage container stewardship organization.

Maryland's business community supports policies that improve recycling outcomes and reduce litter. However, SB 342 would impose significant new costs and operational burdens on retailers, distributors, and consumers, while duplicating recycling policy the State has only just enacted.

In 2025, Maryland enacted a comprehensive Extended Producer Responsibility (EPR) law for packaging. That law was the result of extensive stakeholder engagement and is intended to improve recycling systems statewide. Regulations have not yet been finalized, nor has implementation begun. Passing an additional, highly complex bottle deposit system before EPR is operational is premature and risks confusion, inefficiency, and unnecessary cost increases for businesses and consumers.

Retailers, particularly grocery stores, operate on thin margins. SB 342 would require many stores to serve as redemption locations, forcing them to dedicate limited retail space to bottle storage or machines, lease and maintain specialized equipment, and staff and sanitize redemption areas. These burdens are especially challenging for small-format stores and grocers in underserved communities, where space constraints and added costs may discourage investment.

Additionally, states with bottle deposit programs have experienced widespread fraud, including redemption of out-of-state containers. Maryland's proximity to neighboring states without bottle bills makes this a significant enforcement concern, yet SB 342 does not adequately address these risks or the associated administrative costs.

Maryland has already taken a major step forward on recycling through EPR. The State should allow that framework to be implemented and evaluated before layering on additional mandates that raise costs, strain retailers, and disproportionately impact vulnerable communities.

For these reasons, the Chamber respectfully requests an **unfavorable report** on **SB 342**.