

To the Honorable Senator Brian Feldman, Chair  
Senator Cheryl Kagan, Vice Chair  
Senate Education, Energy, and the Environment Committee

Re: Support SB 342 - Maryland Beverage Container Recycling Refund and Litter Reduction Program

Dear Chairman Feldman and Committee Members:

This Aluminum Can

This can, this aluminum can has been on an incredible journey (hold up aluminum can to show the committee).

It might have ended up in your refrigerator; and we all appreciate a nice cold beverage on a hot summer day.

Fields, farmland and forests have been cleared to mine bauxite ore that is needed to produce aluminum.

After the ore is mined, it is transported to a processing facility and refined into aluminum.

By not recycling this aluminum can, we are throwing away all of this effort, this natural resource, and **money!**

Aluminum can be recycled an infinite number of times. It is one of the easiest metals to recycle.

SB 342 will provide a small economic incentive, a deposit, to encourage the recycling of aluminum cans and beverage containers.

The bill will help reduce litter, help to create a cleaner environment which includes our great Chesapeake Bay.

Let the journey of this aluminum can continue.

Earlier in the "speech" I had mentioned money.

Increasing the recycling rate will increase the supply of aluminum; and in most cases increasing the supply of a product or commodity will decrease the price (unless demand also increases).

There will be more aluminum that will be able to be used in manufacturing more cans, and many other products.

The next pages present some economic data and other information from the aluminum industry.

Sincerely,

Jerome Henger  
District 41  
423 Wingate Road  
Baltimore, Maryland 21210

The following pages and information were taken from The Aluminum Association website.

The Aluminum Association  
1400 Crystal Drive  
Suite 430  
Arlington, VA 22202  
Phone: 703-358-2960  
<https://www.aluminum.org>

#### Product Markets

Aluminum is all around us, making our everyday lives easier and more efficient. It's in all the usual places – in our aluminum foil, in the cars we drive and, in our soda, and beer cans. And aluminum is infinitely recyclable, lightweight yet strong and durable, energy efficient and sustainable.

But did you know that aluminum is also critical to many of our modern innovations?

Aluminum sent us to Mars, motors us to greater fuel- and cost-efficient vehicles, increases our buildings energy efficiency and facilitates our productivity through our iPads and laptops. Just to name a few – read on to find out all the innovative ways aluminum is the critical element to build our world.

#### Aircraft & Aerospace

From the Wright brothers' use of aluminum in their engine of their first biplane to NASA's use of an aluminum-lithium alloy in the Orion spacecraft—aluminum has created the potential for humans to fly both around the earth and into space.

#### Aluminum Cans

Aluminum cans are the infinitely recyclable and the most sustainable beverage package on the market. They chill quickly, provide a superior metal canvas to print on and, perhaps most important, protect the flavor and integrity of our favorite beverages.

#### Automotive

Aluminum offers the fastest, safest, most environmentally friendly and value-added way to increase vehicle performance, boost fuel efficiency, extend battery range and reduce emissions.

#### Building & Construction

Aluminum is recognized as one of the most energy efficient and sustainable construction materials. It's estimated that more than 60% of the aluminum used in buildings today comes from recycled material.

#### Electrical

Aluminum is the preferred material for electricity transmission and distribution uses. AA-8000 series aluminum alloy conductors have a great track record of 50 years of reliable field installations.

#### Electronics & Appliances

Home appliances and consumer technology—the washing machine, dryer, refrigerator and laptop—exist as they are today because of aluminum's light weight, structural strength and thermal characteristics.

#### Foil & Packaging

Foil's uses have grown over the past 100 years to a nearly endless count. From Christmas tree ornaments to spacecraft insulation, TV dinners to medicine packets—aluminum foil has improved both our products and our lives.

#### New & Innovative Markets

With aluminum in its second century of widespread use, new and innovative technologies continue to grow its market potential. Solar panel nanotechnology, aluminum-ion batteries and more will help open and grow new and innovative markets in the 21<sup>st</sup> century.

Aluminum Makes Jobs in

# Maryland



Companies that make and sell aluminum are a key part of Maryland's economy

The aluminum industry is a key element of Maryland's manufacturing base. Companies that make and sell aluminum and aluminum products provide good-paying jobs throughout the State of Maryland. Strong, lightweight and recyclable, aluminum is a material uniquely suited to meet the needs and challenges of the 21st century.

## Economic Impact of the Aluminum Industry in Maryland

|                 | Direct        | Supplier      | Induced       | Total         |
|-----------------|---------------|---------------|---------------|---------------|
| Jobs (FTE)      | 491           | 960           | 1,067         | 2,518         |
| Wages           | \$39,293,000  | \$73,760,400  | \$70,150,700  | \$183,204,100 |
| Economic Impact | \$237,738,400 | \$241,307,200 | \$284,074,100 | \$763,119,700 |



## The Aluminum Industry Generates 2,518 Jobs and \$763.12 million in Economic Impact in Maryland

The economic benefits of the aluminum industry are clear in Maryland, where the industry is directly responsible for a total of 491 jobs. In Maryland, the manufacturing and wholesaling operations of the aluminum industry are directly responsible for \$237.74 million in economic output. When indirect and induced jobs are considered, 2,518 employees in Maryland earn a total of \$183.20 million annually because of the contributions of the aluminum industry. Jobs supported by the aluminum industry are good jobs, paying an average of \$72,800 in wages and benefits in Maryland compared to a statewide average of \$70,200.



## The Economic Benefits of the Industry Spread Throughout the State

Maryland is home to 2,027 jobs in firms supplying the aluminum industry or benefitting from the induced impact of the industry's expenditures. These jobs include equipment manufacturers, engineers, and truck drivers; among other occupations. When supplier and induced impacts are taken into account, the aluminum industry generates nearly \$763.12 million in economic activity in Maryland. The aluminum industry accounts for 0.18 percent of the state's Gross State Product.<sup>1</sup> All of this activity generates nearly \$25.93 million in state and local revenues and another \$30.01 million for the federal government.

<sup>1</sup> "Gross Domestic Product by State, 4th Quarter 2023 and Preliminary 2023, accessed March 2024. Available at <https://www.bea.gov/data/gdp/gdp-state>



# Choose Aluminum for Green Jobs in Maryland



Infinately recyclable and uniquely sustainable, aluminum is the sustainable material of choice

Lightweight and strong, durable and infinitely recyclable, energy-saving aluminum is the sustainable material of choice. As we strive for a more energy-efficient future, aluminum continues to provide innovative solutions and competitive advantages for businesses and consumers.

Aluminum:

- \* Makes cars and trucks more energy efficient without any compromise on safety or performance.
- \* Makes beverage cans lighter, easier to ship and infinitely recyclable.
- \* Makes more durable, longer-lasting buildings with material that is easily recycled at the end of life.
- \* Supports a more circular and sustainable economy.

And aluminum made in North America today is less than half as carbon intensive as it was 30 years ago thanks to reliance on renewable hydropower in the region. U.S. aluminum helps innovators innovate -- making good products great and great products even better.



## Aluminum Also Creates Jobs Throughout Maryland

|                 | Direct        | Supplier      | Induced       | Total         |
|-----------------|---------------|---------------|---------------|---------------|
| Jobs (FTE)      | 491           | 960           | 1,067         | 2,518         |
| Wages           | \$39,293,000  | \$73,760,400  | \$70,150,700  | \$183,204,100 |
| Economic Impact | \$237,738,400 | \$241,307,200 | \$284,074,100 | \$763,119,700 |



## Aluminum is a Major Part of the Economy in Maryland

The aluminum industry supports 491 jobs in Maryland. An additional 2,027 jobs are indirectly supported by the aluminum industry through suppliers and the induced impact of the industry's expenditures. These jobs include equipment manufacturers, engineers, and truck drivers, among other occupations. Together, these 2,518 employees earn a total of \$183.20 million annually.

In Maryland, the manufacturing and wholesaling operations of the aluminum industry are directly responsible for \$237.74 million in economic output. When supplier and induced impacts are taken into account, the aluminum industry generates nearly \$763.12 million in economic activity in the state. The aluminum industry accounts for 0.18 percent of Maryland's Gross State Product.

In Maryland, all of this activity generates nearly \$25.93 million in state and local revenues and another \$30.01 million for the federal government.

<sup>1</sup> Job estimates are based on data from public sources and company reporting and reflects a best estimate for March 2024.  
<sup>2</sup> \*Gross Domestic Product by State, 4th Quarter 2023 and Preliminary 2023, accessed March 2024. Available at: <https://www.bea.gov/data/gdp/gdp-state>



**The Aluminum Association**  
**The Economic Impact of the Industry**  
**2024 Data**  
**Maryland**

| <b>DIRECT ECONOMIC IMPACT</b>     |                         |                     |                      |
|-----------------------------------|-------------------------|---------------------|----------------------|
|                                   | <b>Jobs<sup>1</sup></b> | <b>Wages</b>        | <b>Output</b>        |
| Alumina refining/Primary aluminum | 0                       | \$0                 | \$0                  |
| Secondary production/alloying     | 58                      | \$5,054,400         | \$100,024,900        |
| Sheet/Plate/Foil                  | 60                      | \$4,652,700         | \$16,240,300         |
| Extrusions                        | 37                      | \$4,702,600         | \$21,562,400         |
| Coatings                          | 8                       | \$630,900           | \$2,911,200          |
| Foundries                         | 177                     | \$9,823,000         | \$40,942,500         |
| Forgings                          | 0                       | \$0                 | \$0                  |
| Metals service centers            | 151                     | \$14,429,400        | \$56,057,100         |
| <b>Total</b>                      | <b>491</b>              | <b>\$39,293,000</b> | <b>\$237,738,400</b> |

| <b>SUPPLIER ECONOMIC IMPACT</b>  |             |                     |                      |
|----------------------------------|-------------|---------------------|----------------------|
|                                  | <b>Jobs</b> | <b>Wages</b>        | <b>Output</b>        |
| Agriculture                      | 6           | \$231,700           | \$736,900            |
| Mining                           | 9           | \$578,300           | \$4,620,100          |
| Construction                     | 5           | \$283,700           | \$910,400            |
| Manufacturing                    | 192         | \$17,255,200        | \$81,304,400         |
| Wholesale                        | 68          | \$6,303,200         | \$16,637,300         |
| Retail                           | 5           | \$207,100           | \$494,700            |
| Transportation & Communication   | 135         | \$8,698,500         | \$25,829,100         |
| Finance, Insurance & Real Estate | 274         | \$21,053,300        | \$79,138,200         |
| Business & Personal. Services    | 224         | \$16,919,800        | \$27,864,000         |
| Travel & Entertainment           | 30          | \$1,039,600         | \$2,205,100          |
| Government                       | 12          | \$1,190,000         | \$1,567,000          |
| Other                            | 0           | \$0                 | \$0                  |
| <b>Total</b>                     | <b>960</b>  | <b>\$73,760,400</b> | <b>\$241,307,200</b> |

| <b>INDUCED ECONOMIC IMPACT</b>   |              |                     |                      |
|----------------------------------|--------------|---------------------|----------------------|
|                                  | <b>Jobs</b>  | <b>Wages</b>        | <b>Output</b>        |
| Agriculture                      | 28           | \$861,800           | \$5,222,600          |
| Mining                           | 1            | \$40,900            | \$579,800            |
| Construction                     | 5            | \$267,500           | \$743,700            |
| Manufacturing                    | 105          | \$9,095,200         | \$56,261,000         |
| Wholesale                        | 19           | \$1,853,500         | \$5,033,900          |
| Retail                           | 82           | \$3,152,300         | \$7,256,000          |
| Transportation & Communication   | 54           | \$4,030,300         | \$11,356,100         |
| Finance, Insurance & Real Estate | 379          | \$29,008,400        | \$165,115,100        |
| Business & Personal Services     | 271          | \$17,212,200        | \$24,091,900         |
| Travel & Entertainment           | 99           | \$3,240,600         | \$6,727,600          |
| Government                       | 7            | \$594,500           | \$906,700            |
| Other                            | 17           | \$793,500           | \$779,700            |
| <b>Total</b>                     | <b>1,067</b> | <b>\$70,150,700</b> | <b>\$284,074,100</b> |

|                              | <b>Jobs</b>  | <b>Wages</b>         | <b>Output</b>        |
|------------------------------|--------------|----------------------|----------------------|
| <b>Total Economic Impact</b> | <b>2,518</b> | <b>\$183,204,100</b> | <b>\$763,119,700</b> |

| <b>TAX IMPACT</b>  | <b>BUSINESS TAXES</b> |
|--------------------|-----------------------|
| Federal Taxes      | \$30,014,100          |
| State Taxes        | \$25,927,600          |
| <b>Total Taxes</b> | <b>\$55,941,700</b>   |

<sup>1</sup> Job estimates are based on data from public sources and company reporting and reflects a best estimate for March 2024.



## The Aluminum Industry Creates Jobs in Maryland

### Other aluminum rolling, drawing and extruding

Clendenin Brothers Inc  
4309 Erdman Avenue  
Baltimore, MD 21213-2601

Hydro Aluminum Metals USA  
1500 Whetstone Way #103  
Baltimore, MD 21230

### Nonferrous metal foundries

Danko Arlington Inc  
4800 E Wabash Ave  
Baltimore, MD 21215

Caldwell Casting Co Inc  
2 Washington St  
Cambridge, MD 21613

C Palmer Die Casting Inc  
97 Commerce Dr  
Oakland, MD 21550-3955

### Secondary smelting and alloying of aluminum

Eramet  
610 Pittman Road  
Baltimore, MD 21226-1788

Kawneer Company, Inc  
7460 New Ridge Rd  
Hanover, MD 21076-3801

### Metal coating and nonprecious engraving

PHOENIX MECANO INC  
7330 Executive Way  
Frederick, MD 21704

### Metal heat treating

Mac Machine Company  
7209 Rutherford Rd  
Windsor Mill, MD 21244

## Value of Material

This KPI measures the dollar value per ton of aluminum can scrap. Aluminum cans help to make municipal recycling programs possible. Many such programs rely on re-selling recycled material to stay financially viable and the high value of aluminum in the recycling stream effectively subsidizes the recycling of less valuable materials in the bin. This measure indicates the relative importance of different types of beverage container to sustaining the financial viability of municipal recycling programs. The data is based on a two-year rolling average of relevant scrap commodity prices.

Americans on average throw away 15 twelve-packs of aluminum beverage cans every year – a nearly

**\$1.2 billion loss.**

This is bad for the economy, environment and national security.

An illustration on a blue background showing a white silhouette of a person standing next to a trash bin. The person is holding a can and about to throw it into the bin. A red 'X' is superimposed over the trash bin, indicating that this action is discouraged or represents a loss. The overall theme is about reducing waste and increasing recycling.

## Closing the Can Recycling Loop

Each year, every American sends around 15 12-packs worth of aluminum beverage cans to landfills instead of the recycling bin on average. This is a massive loss to the economy, environment and national security. In fact, by recycling all the aluminum beverage cans that currently end up in U.S. landfills each year, we could save around \$1.2 billion for the economy and enough energy to power more than 2 million homes for a full year. The Aluminum Association is working on a number of fronts to grow aluminum can recycling in the United States today.