



Wes Moore GOVERNOR

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February 11, 2026

The Honorable Marc Korman, Chair
House Environment and Transportation Committee
250 House Office Building
Annapolis, Maryland 21401

Re: Letter of Information on House Bill 331 - Maryland Beverage Container Recycling Refund and Litter Reduction Program

Dear Chair Korman and Members of the Committee,

The Maryland Environmental Service (MES) would like to offer the following comments on HB 331 – Maryland Beverage Container Recycling Refund and Litter Reduction Program.

HB 331 would establish a statewide beverage container deposit and redemption program. The Maryland Department of the Environment would need to stand up the program and approve a stewardship organization to run the program. The bill sets ambitious redemption goals (70% by 2030 and 90% by 2033) and recycling goals (65% by 2029 and 85% by 2032). By December 31, 2038, at least 10% of all beverage containers in the State must be returned and refilled.

MES wholeheartedly agrees with the objective of finding ways to reduce litter and contribute as much as possible to a more circular economy. As the only unit of state government with a mission to operate environmental facilities such as composting facilities, materials recycling facilities (MRFs), and solid waste facilities, this general objective is central to MES.

In 2025, the Maryland General Assembly passed, and Governor Moore signed into law, Chapter 431, Acts of 2025 (Senate Bill 901 – Environment - Packaging and Paper Products - Producer Responsibility Plans). This legislation established the framework for an Extended Producer Responsibility (EPR) program in the State and is designed to create a circular economy by encouraging companies to design packaging that is more durable, reusable, and easily recyclable. The program is also designed to help fund improvements to MRFs and collection systems in Maryland with the primary objective of increasing recycling rates and decreasing contamination.

The EPR program is not expected to be fully implemented until July 2028. This implementation period allows the State to take a "measure twice, cut once" approach because this law shifts

hundreds of millions of dollars in costs to producers. The time period between 2026–2028 will be used to build the necessary data tracking systems. This ensures that when the bills start arriving for companies in 2030, the infrastructure is actually ready to handle the increased recycling volume.

The universe of materials the EPR program will capture includes beverage containers. It would be far more prudent to let this program be established, collect data on beverage container recycling rates, and THEN make decisions on whether to pivot.

MES operates MRFs in Maryland. These facilities collect and sort recycled materials, then sell the commodities in the commodities market to offset the costs of operating MRFs (this is true in both public and private MRFs). For publicly owned MRFs, which rely on county subsidies to offset low or zero tipping fees, removing high-value materials such as aluminum and PET will increase operating costs and require shifting of increasingly scarce financial resources. For privately owned MRFs, costs to collect and tipping fees will increase on area businesses and counties that do not own MRFs.

Commodity prices for aluminum (approximately \$2,000 per ton) and PET (approximately \$300 per ton) represent a critical revenue stream. This bottle deposit program will cause MRFs to lose critical revenues before the State's newly formed EPR program can even produce data to demonstrate success.

Thank you for the opportunity to comment. It is our hope that the committee will take these comments into consideration as the committee deliberates on HB 331.

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