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Howard County

Government, Labor, and
Elections Committee

Subcommittees

Election Law

Labor

Oversight Committee on Personnel



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THE MARYLAND HOUSE OF DELEGATES
ANNAPOLIS, MARYLAND 21401

February 11, 2026

To: The Honorable Marc Korman
Chair, Environment and Transportation Committee

From: Delegate Jen Terrasa
District 13, Howard County

Re: Sponsor Testimony in Support of HB 331, Maryland Beverage Container Recycling Refund and Litter Reduction Program

Dear Chair Korman, Vice Chair Guyton, and Members of the Environment and Transportation Committee,

Thank you for the opportunity to present HB 331, which establishes the Beverage Container Recycling Refund and Litter Reduction Program – a.k.a. the Maryland Bottle Bill – to reduce the significant volume of litter and plastic pollution from beverage containers. The program will divert containers from landfills and incinerators and increase recycling, while also improving environmental quality and reducing costs borne by taxpayers and local governments. It's a proven, accountable system that compliments Extended Producer Responsibility legislation.

Last session, this legislation made meaningful progress when ENT passed HB 232 out of committee, demonstrating that there is momentum and recognition that Maryland needs a more effective approach to beverage container waste. HB 331 is very similar to last year's bill with several improvements.

New this year, the bill shifts burden away from the Maryland Department of the Environment to a ready, willing, and proven partner. HB 331 assigns the Chesapeake Bay Trust a limited and appropriate role administering a grant program to support development of beverage container reuse programs, litter reduction, recycling infrastructure, and public water fountains, to reduce the use of single-use water bottles.

HB 331 is the logical next step following the General Assembly's passage of Extended Producer Responsibility legislation last session. EPR and Deposit Return Systems work differently, and intervene at different points in the consumption process. In case studies with other states, EPR for packaging and

beverage container deposit-refund laws have been found to be more effective and beneficial when implemented together.

EPR focuses on curbside pickup, where recyclables are mixed together, and requires producers to be held accountable for the end-of-life of their packaging products. DRS/bottle bills focus on individual consumer disposal – especially in public areas – and ensures that beverage containers consumed away from home are able to enter the recycling stream. Also, curbside recycling allows beverage containers to be contaminated by food and substances from other materials, making them more difficult to recycle. HB 331 will implement a program to separate beverage containers from other recyclables, which keeps them cleaner and increases their likelihood of getting recycled.

Addressing Stakeholder Concerns

We also want to directly address concerns raised by small businesses. HB 331 does not require every retailer to host redemption trailers or dedicate on-site space to bottle collection. Small retailers with less than 3,000 square feet of sales area or large retailers with 150 square feet or less of shelf space displaying redeemable containers are not required to take back used containers but must post at their entrances the location of the nearest reverse vending machine. Modern bag-drop systems rely on shared, centralized redemption facilities that serve many retailers at once, significantly reducing space, staffing, and operational burdens — especially for small and locally owned businesses.

Counties have also expressed concern about potential revenue impacts to their recycling operations. However, counties currently bear substantial costs related to litter cleanup, stormwater management, and recycling contamination caused by beverage containers. This bill shifts those costs upstream, while also creating opportunities for counties to benefit from cleaner recycling streams and reduced cleanup expenses.

Local governments will have no obligation to implement or enforce the program. If they choose to, local governments will be able to set up their own redemption centers and receive a handling fee for collected containers. Many counties and municipalities will avoid costs associated with beverage container collection and processing, as well as litter clean ups. Refunds will be provided to local governments that experience net losses attributed to the deposit program within the first three years of the program's implementation. Additionally, public and private materials recovery facilities (MRFs) will be reimbursed for the collection, transportation, and processing of unredeemed beverage containers by the Stewardship Organization.

Other changes to the bill:

- It is clearly stated that the Stewardship Organization must reimburse a retailer for the value of refund receipts given to the retailers by consumers.
- The Stewardship Plan must describe the location and abundance of redemption facilities throughout the State to comply with convenience standards and achieve the program's performance targets.

- MDE is required to consult with local governments to assess the program's impacts on litter, recycling, local operations, and municipal budgets.

The deposit would start on **January 1, 2029**.

The Problem

Every year, an estimated 5.5 billion beverage containers are sold in the state of Maryland. Despite existing recycling systems, only 25% of the containers are recycled. The remaining 4 billion containers, 2.6 billion of which are plastic, end up in the environment or are incinerated.

Beverage containers are one of the most common items littered throughout our state. They account for over 50% of the material collected in the Anacostia watershed by trash traps. The majority of these containers are plastic, and pose severe health risks to Maryland wildlife and public health. In the environment, plastics break down into small pieces called microplastics, which allows them to easily contaminate sources of food and be ingested by humans and animals.

Plastic pollution in Maryland has gotten so severe that the Environmental Protection Agency declared the Anacostia watershed and Baltimore Harbor to be 'impaired' with trash, 2010 and 2014 respectively.

Beverage container waste not only contributes to litter and plastic pollution but also drains Maryland's energy and resources. Most new beverage containers are manufactured from virgin plastic. This material emits greenhouse gases throughout every stage of its life cycle and has adverse impacts on climate, public health, and marginalized and low-income communities.

What the bill does

The bill will place a 10-15 cent deposit on the price of beverages sold in glass, plastic, and metal containers. The exact deposit amount will be determined by the size of the container. The deposit will be fully refunded when the consumer returns the empty beverage container for recycling. Think of this as "buying the beverage but borrowing the container." The deposit serves as an incentive for consumers and retailers to properly recycle beverage containers. The program is designed to maximize convenience to consumers and retailers when returning empty containers and collecting refunds for the initial deposit.

Consumers will have the opportunity to return beverage containers at select redemption facilities or at retail establishments that sell beverages. Beverage retailers that collect empty containers will have flexibility with how they collect the containers, including (but not limited to):

- **Reverse vending machines**: These are machines where consumers insert empty beverage containers in exchange for their refunded deposits.
- **Bag drops**: These are collection areas set up outside of retail establishments where consumers can drop off bags of empty beverage containers in exchange for their refunded deposits. Oftentimes these sites are shared by multiple retailers.

As mentioned, beverage retailers with less than 3,000 square feet of sales area or 150 square feet or less of beverage shelf space are exempt from collection. Restaurants, bars, hotels, and large venues where

customers consume beverages on the premises will pay a deposit with the purchase of packaged beverages, but this deposit will not be passed on to consumers. These “on premises” sellers will get refunded for their initial deposit when their empty containers are picked up by the system operator.

Both retailers and hospitality businesses will receive a “handling fee” per container to pay for the cost of collecting, sorting, and storing redeemable containers.

The metal, glass, and plastic raw materials are sold on the market to be used to make new beverage containers, and the revenue is put back into the program. Use of the high-grade materials recovered from the redeemed beverage containers displaces the production of beverage containers that are using virgin resources, reducing energy use and greenhouse gas emissions.

The program will be implemented by a non-profit Beverage Container Stewardship Organization (BCSO), selected by the Maryland Department of the Environment (MDE). The system will be self-financing and save local governments costs of beverage container disposal, like the costs of landfill use, incineration, and litter cleanup.

Deposit programs for beverage containers have been enacted in 10 other states, with some of the programs running for as long as 50 years. Those programs typically reduced beverage container litter by 70-85%. Those with a 10-cent deposit have experienced a 90% return rate for containers, compared to the 25% of containers currently returned in Maryland.

Conclusion

Maryland is facing a plastic pollution crisis that is compromising the health of our people and environment. Beverage container waste is a major contributor to plastic pollution. Decades of successful bottle bill programs in other states and jurisdictions demonstrate how HB 331 will substantially reduce beverage container litter and plastic pollution in our state. It will increase the quality of recycled material and create a closed loop recycling system, allowing Maryland to transition from single-use to reusable and refillable containers.

The public has expressed overwhelming support for the Bottle Bill, with a statewide survey reporting that 89-91% of registered voters would support a producer-financed program that puts a 10-cent refundable deposit on beverages sold in plastic, metal, or glass containers.

Like last year’s bill, HB 331 is a carefully crafted bill that incorporates stakeholder feedback, and offers Maryland a practical, accountable solution to a persistent and visible problem.

We need to stop kicking the can down the road and pass the Maryland Bottle Bill now. Every year we wait, another 4 billion containers enter our communities.

I respectfully urge a favorable report on HB 331. Thank you.