

Maryland-Delaware Solid Waste Association

a chapter of the

**National
Waste & Recycling
AssociationSM**

Collect. Recycle. Innovate.

TO: The Honorable Kumar P. Barve, Chair
Members, House Environment and Transportation Committee
The Honorable Sara Love

FROM: Pamela Metz Kasemeyer
J. Steven Wise
Danna L. Kauffman

DATE: February 9, 2021

RE: **OPPOSE** – House Bill 99 – *Beverage Container Deposit Program – Establishment and Advisory Commission*

The Maryland Delaware Solid Waste Association (MDSWA), a chapter of the National Waste and Recycling Association, is a trade association representing the private solid waste industry in the State of Maryland. Its membership includes hauling and collection companies, processing and recycling facilities, transfer stations, and disposal facilities. MDSWA and its members **oppose** House Bill 99.

House Bill 99 proposes to establish a statewide beverage container deposit program. While it is clearly the objective of the sponsor to increase the percentage of beverage containers recycled in the State, the unintended negative consequences of such a program on Maryland's existing recycling infrastructure, far outweigh any potential benefit.

A container deposit program only addresses certain beverage containers, while curbside recycling programs target a broad array of materials recovery. The containers to which the deposit applies reflect a small percentage of the waste stream. In contrast, the traditional recyclables collected in curbside programs (including beverage containers) make up approximately 50% of the overall waste stream. Taking any action that disrupts the existing curbside programs in the State will have a negative effect on the State's overall recycling rate.

While states with container deposits often have relatively higher recycling rates for containers, many have poor overall recycling rates. For example, Michigan – with a purported 95% container redemption rate – has a very low overall recycling rate. In comparison, Washington State, which does not have a container deposit, has one of the highest overall recycling rates. It is critically important to put container recycling rates into context with overall state recycling rates. High container recycling rates do not translate into high overall recycling rates.

Maryland's local jurisdictions have continued to improve and enhance their curbside and other recycling programs. Concurrent with these efforts, has been the development of significant processing capability to manage an increasing percentage of Maryland's waste stream that is being collected to be recycled. As a result of the investment in recycling infrastructure by both the public and private sector, Maryland has some of the country's highest overall recycling rates.

Instituting a container recycling program will be harmful to local curbside recycling programs. Putting a deposit on a beverage container means the establishment of a separate, duplicate recycling system for a small subset of the waste stream. The funds generated in a deposit system will support the high cost of operating a redemption system for a small portion of the waste stream at the expense of existing programs. There are better ways to spend scarce resources to promote recycling. Rather than negatively affecting the entire recycling infrastructure in order to recycle more beverage containers, it would be better to make the investment in current recycling infrastructure in order to update programs and increase participation.

Single stream recycling has become the standard for both residential and commercial collection for all recyclable materials. Imposing a container deposit on top of existing programs will divert revenue from some of the highest value materials, such as aluminum, that support local jurisdiction curbside programs. Consequently, existing recycling programs will lose valuable commodities that they use today to offset the cost of providing recycling services. The result will be a weakened local recycling program and increased costs for curbside collection triggered by the need to cover the costs that are no longer offset by the value of beverage container materials.

Furthermore, because Maryland is a relatively small state geographically, it will be nearly impossible to prohibit the influx of containers from surrounding states for redemption, even though those containers will not have been assessed a deposit on the front end. Again, the expenditure of scarce resources that could be better used to enhance current recycling infrastructure and/or for market development for the end use of products.

Despite the opposition of the industry to a container deposit program, should the Committee choose to advance the legislation, MDSWA would request the bill be amended to add a representative of the Association to the Advisory Committee. The knowledge and experience of the waste industry, both in Maryland and nationally, is vital to the development of a container program and the charges of the Advisory Committee outlined in the legislation.

The objective of House Bill 99 may be noteworthy, but the method for achieving it will dramatically undermine overall recycling in Maryland. MDSWA urges an unfavorable report.

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