



February 5, 2021

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Delegate Kumar Barve, Chair
Delegate Dana Stein, Vice-Chair
House Environment & Transportation Committee
Maryland General Assembly
House Office Building – Room 251
Annapolis, Maryland 21401

RE: Support for HB 36, An act concerning producer responsibility for packaging, containers, and paper products

Dear Chair Barve, Vice-Chair Stein, and Members of the Committee:

Thank you for the opportunity to submit testimony in support of HB 36, *as introduced*, which will create a packaging stewardship program for Maryland with sustainable funding from producers.

HB 36 will create a producer responsibility program for packaging throughout Maryland. The bill contains many of the standard elements of successful programs, including a producer responsibility organization (PRO), a stewardship plan, PRO fees that incentivize environmental performance, annual reporting, strong performance targets, and third party audits. HB 36 gives municipalities the opportunity to participate in the packaging stewardship program and be reimbursed by producers for *all* recycling costs, including collection, transportation, and processing of materials. The bill also covers the cost of state oversight and enforcement of the program. Significantly, the bill exempts producers with less than \$1 million in gross revenue or that supply less than one ton of packaging material to Maryland residents per year.

Based on two decades of rigorous research and practice, the Product Stewardship Institute (PSI) believes that HB 36 is critical to save Maryland residents millions of dollars in waste recycling and disposal costs while dramatically increasing access to recycling across the state and relieving municipalities of the significant financial burdens that they face in operating recycling programs. HB 36 will create recycling jobs, reduce waste and greenhouse gas emissions, and address the inequitable environmental and health impacts of our current waste system on vulnerable communities.

Under the current system, low-income communities and communities of color are disproportionately affected by the health and environmental impacts of increased landfilling, incineration, and litter. For example, the Southwest Resource Recovery facility, located in a predominantly Black community in

Baltimore City, is the City's largest single source of air pollution, according to data from the U.S. Environmental Protection Agency. There is currently little incentive for the system to change. To drive real transformation, funding for recycling must come from the producers who benefit from the sale of packaging and paper products. Producers are in the best position to make design choices regarding what materials to use for their packaging and paper products, and the amount of post-consumer content that is feasible.

PSI is a national nonprofit working to reduce the health and environmental impacts of consumer products from design and production through end-of-life. We work closely with 47 state environmental agency members, hundreds of local government members, and over 120 partners from businesses, universities, organizations, and international governments. PSI created the model for packaging EPR that is central to HB 36 based on decades of research and partnership with EPR practitioners around the world. Our model has also shaped the EPR policy at the center of the federal Break Free from Plastic Pollution Act, which will be reintroduced this session by U.S. Senator Jeff Merkley and U.S. Representative Alan Lowenthal to reduce packaging waste, as well as emerging bills in a dozen states, including New York, Massachusetts, Vermont, and other states around the country.

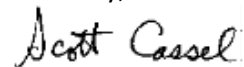
We do believe HB 36 could be further strengthened by a few additional best practices from PSI's policy model. Standards for convenience would ensure participating municipalities provide convenient access to recycling for Maryland residents. Additional environmental and health outcomes could be incorporated into the economic incentives and disincentives built into the fees producers will pay on their materials to address toxics, encourage reduction and reuse, and ensure materials are sustainably sourced.

The need for a new recycling approach has never been clearer. With staffing and budget disruptions caused by the COVID-19 pandemic and commodity prices at all-time lows due to the loss of export markets, local governments are struggling to maintain recycling programs. Communities in Maryland have faced overwhelming increases in residential trash and recycling volumes since the start of the pandemic, and continue to grapple with high rates of contamination due to consumer confusion over complex packaging and inconsistent recycling program guidelines. Many have been forced to dispose of recyclable material, stop curbside service, or even suspended recycling programs altogether.

We urge you to support HB 36 for the financial and environmental health of Maryland's economy.

If you have any questions, please feel free to contact me at (617) 236-4822, or Scott@ProductStewardship.US.

Sincerely,



Scott Cassel
Chief Executive Officer/Founder