

SENATE BILL 901

M3

5lr2545

By: **Senators Augustine and ~~Love~~, Love, Brooks, Hester, Kagan, and M. Washington**

Introduced and read first time: January 28, 2025

Assigned to: Education, Energy, and the Environment

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 28, 2025

CHAPTER _____

1 AN ACT concerning

2 **Environment – Packaging ~~Materials~~ and Paper Products – Producer**
3 **Responsibility Plans**

4 FOR the purpose of requiring certain producers of ~~packaging~~ covered materials,
5 individually or as part of a producer responsibility organization, to submit a certain
6 ~~packaging covered~~ materials producer responsibility plan to the Department of the
7 Environment for review and approval on or before a certain date and in accordance
8 with certain requirements or develop an alternative collection program; prohibiting,
9 on or after a certain date, a producer of certain ~~packaging covered~~ materials from
10 selling, offering for sale, distributing, or importing certain ~~packaging covered~~
11 materials unless the producer, individually or as part of a producer responsibility
12 organization, has an approved producer responsibility plan on file with the
13 Department; requiring a producer responsibility organization to pay certain costs to
14 the Department; requiring a producer responsibility plan to be implemented within
15 a certain amount of time after the Department approves the producer responsibility
16 plan; altering the responsibilities of the producer responsibility advisory council;
17 authorizing a ~~local government~~ service provider to request reimbursement from a
18 certain producer that has an approved producer responsibility plan on file with the
19 Department for certain costs in a certain manner; requiring a certain service
20 provider to register with the Department for a certain purpose and in a certain
21 manner; requiring the Department to develop a list of certain packaging materials
22 on or before a certain date, in a certain manner, and subject to certain requirements;
23 authorizing a certain producer to request that the Department exempt certain
24 materials from a certain list; requiring the Office of Recycling in the Department to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



hire an independent contractor to conduct certain statewide recycling needs assessments; requiring the Department to coordinate the implementation of certain programs under certain circumstances and in a certain manner; and generally relating to producer responsibility for packaging ~~materials~~ and paper products.

BY repealing and reenacting, without amendments,
Article – Environment
Section 9–1702(a)
Annotated Code of Maryland
(2014 Replacement Volume and 2024 Supplement)

BY repealing and reenacting, with amendments,
Article – Environment
~~Section 9–1702(d), 9–1707(f), 9–2501, and 9–2503~~ Section 9–1702(d) and 9–1707(f);
and 9–2501 through 9–2503 to be under the amended subtitle “Subtitle 25.
Producer Responsibility for Packaging and Paper Products”
Annotated Code of Maryland
(2014 Replacement Volume and 2024 Supplement)

BY adding to
Article – Environment
Section 9–1702.2, ~~9–2502,~~ and 9–2504 through ~~9–2510~~ 9–2512
Annotated Code of Maryland
(2014 Replacement Volume and 2024 Supplement)

~~BY repealing~~
~~Article – Environment~~
~~Section 9–2502~~
~~Annotated Code of Maryland~~
~~(2014 Replacement Volume and 2024 Supplement)~~

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – Environment

9–1702.

(a) There is an Office of Recycling created within the Department.

(d) The Office shall:

(1) Assist the counties in developing an acceptable recycling plan required under § 9–1703 of this subtitle and § 9–505 of this title, including technical assistance to the local governments;

(2) Coordinate the efforts of the State to facilitate the implementation of the recycling goals at the county level;

(3) Review all recycling plans submitted as part of a county plan as required under § 9–505 of this title and advise the Secretary on the adequacy of the recycling plan;

(4) Administer the Statewide Electronics Recycling Program under Part IV of this subtitle;

(5) Promote the development of markets for recycled materials and recycled products in the State in accordance with § 9–1702.1 of this subtitle; [and]

(6) Review and approve plans and annual reports, including the paint stewardship assessment, submitted in accordance with a Paint Stewardship Program established under Part V of this subtitle; AND

(7) REVIEW AND APPROVE, IN CONSULTATION WITH THE PRODUCER RESPONSIBILITY ADVISORY COUNCIL ESTABLISHED UNDER § 9–2503 OF THIS TITLE, PRODUCER RESPONSIBILITY PLANS AND ANNUAL REPORTS SUBMITTED IN ACCORDANCE WITH SUBTITLE 25 OF THIS TITLE.

9–1702.2.

(A) ~~IN THIS SECTION, “ADVISORY COUNCIL” AND “PRODUCER” HAVE THE MEANINGS~~ SECTION, “ADVISORY COUNCIL” HAS THE MEANING STATED IN § 9–2501 OF THIS TITLE.

(B) (1) ON OR BEFORE JULY 30, 2034, AND AT LEAST ONCE EVERY 10 YEARS THEREAFTER, THE OFFICE SHALL HIRE AN INDEPENDENT CONSULTANT TO CONDUCT A STATEWIDE RECYCLING NEEDS ASSESSMENT TO INFORM THE PROVISION OF RECYCLING SERVICES IN THE STATE INCLUDING IMPLEMENTATION OF SUBTITLE 25 OF THIS TITLE.

(2) THE NEEDS ASSESSMENT SHALL INCLUDE:

(I) AN ANALYSIS OF THE STATE’S CURRENT SOLID WASTE STREAMS, INCLUDING:

1. SOLID WASTE GENERATED IN THE STATE BY LOCAL JURISDICTION, TYPE, AND MATERIAL;

2. DISPOSAL METHODS BY MATERIAL TYPE AND AMOUNT; AND

1 3. ASSOCIATED COSTS AND REVENUES FOR SOLID
2 WASTE DISPOSAL PROGRAMS;

3 (II) AN ANALYSIS OF THE STATE'S CURRENT RECYCLING
4 STREAMS, INCLUDING:

5 1. RECYCLABLE MATERIALS PROCESSED BY LOCAL
6 JURISDICTION, TYPE, AND AMOUNT;

7 2. PROCESSING METHODS BY MATERIAL TYPE AND
8 AMOUNT;

9 3. ASSOCIATED COSTS AND REVENUES FOR RECYCLING
10 PROGRAMS, COLLECTION, AND TIPPING FEES; ~~AND~~

11 4. AN ESTIMATE OF THE AMOUNT OF RECYCLABLE
12 MATERIALS THAT ARE NOT CURRENTLY BEING RECYCLED; AND

13 5. AN ESTIMATE OF THE AMOUNT OF REUSABLE
14 PACKAGING THAT IS NOT CURRENTLY BEING REUSED;

15 (III) AN EVALUATION OF THE CURRENT INFRASTRUCTURE AND
16 CAPACITY RELATED TO, NEED FOR, AND ASSOCIATED COSTS OF:

17 1. RECYCLING ACCESS AND AVAILABILITY;

18 2. COLLECTING AND HAULING RECYCLABLE,
19 REUSABLE, OR COMPOSTABLE MATERIALS IN THE STATE;

20 3. PROCESSING RECYCLABLE OR COMPOSTABLE
21 MATERIALS IN THE STATE;

22 4. TAKING ADVANTAGE OF FAVORABLE MARKET
23 CONDITIONS OR OTHER OPPORTUNITIES FOR INCREASING RECYCLING, REUSE, OR
24 ORGANICS RECYCLING IN THE STATE;

25 5. IN COORDINATION WITH LOCAL GOVERNMENTS,
26 CONSUMER EDUCATION REGARDING RECYCLING, ORGANICS RECYCLING, REUSABLE
27 PACKAGING, AND CONTAMINATION REDUCTION;

28 6. REUSE INFRASTRUCTURE; AND

29 7. ORGANICS RECYCLING INFRASTRUCTURE;

1 (IV) AN EVALUATION OF COMMINGLED RECYCLING PROCESSING
2 FACILITY WORKER CONDITIONS, WAGES, AND BENEFITS;

3 (V) AN EVALUATION OF OPPORTUNITIES IN THE RECYCLING
4 AND REUSE SYSTEM FOR WOMEN AND MINORITY INDIVIDUALS;

5 (VI) AN EVALUATION OF LOCAL GOVERNMENT REQUIREMENTS
6 RELATED TO MULTIFAMILY AND COMMERCIAL RECYCLING SERVICES AND THEIR
7 IMPLEMENTATION;

8 (VII) THE SUFFICIENCY OF RECYCLING AND REUSE EDUCATION
9 PROGRAMS RELATIVE TO DESIRED EQUITY OUTCOMES;

10 (VIII) AN EVALUATION OF THE ECONOMIC OPPORTUNITIES IN THE
11 STATE'S RECYCLING AND REUSE SYSTEM, INCLUDING:

12 1. STATE AND LOCAL REVENUE THAT MAY BE
13 CONSIDERED LOST BECAUSE RECYCLABLE MATERIALS ARE NOT BEING RECYCLED;

14 2. CURRENT JOBS ASSOCIATED WITH THE SOLID WASTE,
15 REUSE, AND RECYCLING INDUSTRIES;

16 3. OPPORTUNITIES TO INCREASE EMPLOYMENT IN THE
17 RECYCLING INDUSTRY BY MATERIAL TYPE;

18 4. BUSINESS OPPORTUNITIES ASSOCIATED WITH
19 RECYCLING OR REUSABLE PACKAGING;

20 5. BARRIERS TO INCREASING THE USE OF RECYCLABLE
21 MATERIALS AS FEEDSTOCK FOR PRINCIPAL PROCESSORS AND MANUFACTURERS
22 AND MEANS OF ELIMINATING THOSE BARRIERS; AND

23 6. RECOMMENDATIONS FOR INCENTIVES TO STIMULATE
24 JOB GROWTH AND BUSINESS OPPORTUNITIES IN THE STATE'S RECYCLING
25 ~~INDUSTRY~~ AND REUSABLE PACKAGING INDUSTRIES;

26 (IX) RECOMMENDATIONS FOR IMPROVING EQUITY AND
27 EQUITABLE OUTCOMES FOR UNDERSERVED POPULATIONS IN THE STATE'S
28 RECYCLING SYSTEM;

29 (X) AN ANALYSIS OF THE COSTS AND BENEFITS OF
30 IMPLEMENTING AN EXTENDED PRODUCER RESPONSIBILITY PROGRAM, INCLUDING
31 TO:

1. LOCAL GOVERNMENTS;
2. WASTE PRODUCERS;
3. RESIDENTS; AND
4. WASTE MANAGEMENT COMPANIES;

(XI) AN ANALYSIS OF THE POTENTIAL ENVIRONMENTAL IMPACT OF AN EXTENDED PRODUCER RESPONSIBILITY PROGRAM, INCLUDING THROUGH:

1. INCREASED RECYCLING;
2. RESOURCE RECOVERY;
3. WASTE REDUCTION; AND
4. REDUCED ENVIRONMENTAL DAMAGE; AND

(XII) RECOMMENDATIONS ON THE BEST PRACTICES TO FOLLOW FROM SUCCESSFUL EXTENDED PRODUCER RESPONSIBILITY PROGRAMS IN OTHER STATES AND COUNTRIES.

(C) THE OFFICE SHALL REPORT ON THE RESULTS OF EACH ASSESSMENT CONDUCTED UNDER THIS SECTION TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY.

(D) IN CONDUCTING AN ASSESSMENT REQUIRED UNDER THIS SECTION, THE INDEPENDENT CONSULTANT SHALL CONSULT WITH PRODUCER RESPONSIBILITY ORGANIZATIONS, THE PRODUCER RESPONSIBILITY ADVISORY COUNCIL ESTABLISHED UNDER § 9-2503 OF THIS TITLE, APPROPRIATE LOCAL GOVERNMENTAL ENTITIES, AND REGIONAL SOLID WASTE ORGANIZATIONS IN THE STATE.

(E) ~~(1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE~~ THE OFFICE SHALL ESTABLISH AND COLLECT A FEE TO BE PAID BY PRODUCER RESPONSIBILITY ORGANIZATIONS TO COVER THE COSTS ASSOCIATED WITH CONDUCTING AN:

(1) THE ASSESSMENT REQUIRED UNDER CHAPTER 465 OF THE ACTS OF THE GENERAL ASSEMBLY OF 2023; AND

(2) EACH SUBSEQUENT ASSESSMENT REQUIRED UNDER THIS SECTION.

~~(2) BEFORE ESTABLISHING AND COLLECTING A FEE UNDER
PARAGRAPH (1) OF THIS SUBSECTION, THE OFFICE SHALL:~~

~~(I) PUBLISH A PROPOSED FEE ON ITS WEBSITE; AND~~

~~(II) ALLOW 90 CALENDAR DAYS FOR PUBLIC COMMENT.~~

9-1707.

(f) (1) There is a State Recycling Trust Fund.

(2) The Fund shall consist of:

(i) The newsprint recycling incentive fee;

(ii) The telephone directory recycling incentive fee collected under § 9-1709 of this subtitle;

(iii) The covered electronic device manufacturer registration fee collected under § 9-1728 of this subtitle;

(iv) The Paint Stewardship Program plan and annual report review fees collected under § 9-1733(b) and (h) of this subtitle;

(V) ANY FEES COLLECTED FROM PRODUCER RESPONSIBILITY ORGANIZATIONS UNDER § 9-1702.2 OF THIS SUBTITLE OR SUBTITLE 25 OF THIS TITLE;

[(v)] (VI) All fines and penalties collected under this subtitle AND § ~~9-2510~~ § 9-2512 OF THIS TITLE;

[(vi)] (VII) Money appropriated in the State budget to the Fund; and

[(vii)] (VIII) Any other money from any other source accepted for the benefit of the Fund.

(3) The Secretary shall administer the Fund.

(4) The Treasurer shall hold the Fund separately and the Comptroller shall account for the Fund.

(5) At the end of each fiscal year, any unspent or unencumbered balance in the Fund that exceeds \$2,000,000 shall revert to the General Fund of the State in accordance with § 7-302 of the State Finance and Procurement Article.

(6) In accordance with the State budget, the Fund shall be used only:

(i) To provide grants to the counties to be used by the counties to develop and implement local recycling plans;

(ii) To provide grants to counties that have addressed methods for the separate collection and recycling of covered electronic devices in accordance with § 9–1703(c)(1) of this subtitle;

(iii) To provide grants to municipalities to be used by the municipalities to implement local covered electronic device recycling programs;

(iv) To cover the costs of the Paint Stewardship Program plan review under § 9–1733(b) of this subtitle, the annual report review under § 9–1733(h) of this subtitle, and associated costs for Program compliance oversight; [and]

(V) IN ACCORDANCE WITH PARAGRAPH (7) OF THIS SUBSECTION, TO COVER THE COSTS OF A STATEWIDE RECYCLING NEEDS ASSESSMENT CONDUCTED UNDER § 9–1702.2 OF THIS SUBTITLE;

(VI) IN ACCORDANCE WITH PARAGRAPH (7) OF THIS SUBSECTION, TO COVER THE COSTS OF PRODUCER RESPONSIBILITY PLAN REVIEW, OVERSIGHT, AND ENFORCEMENT UNDER SUBTITLE 25 OF THIS TITLE; AND

[(v)] (VII) To carry out the purposes of the land management administration.

(7) (I) THERE IS A SEPARATE ACCOUNT WITHIN THE FUND.

(II) THE SEPARATE ACCOUNT SHALL CONSIST OF:

1. ANY FEES COLLECTED FROM PRODUCER RESPONSIBILITY ORGANIZATIONS UNDER § 9–1702.2 OF THIS SUBTITLE OR SUBTITLE 25 OF THIS TITLE; AND

2. ALL FINES AND PENALTIES COLLECTED UNDER § ~~9–2510~~ § 9–2512 OF THIS TITLE.

(III) THE SEPARATE ACCOUNT SHALL BE USED ONLY FOR THE COSTS OF STATEWIDE RECYCLING NEEDS ASSESSMENTS CONDUCTED UNDER § 9–1702.2 OF THIS SUBTITLE AND PRODUCER RESPONSIBILITY PLAN REVIEW, OVERSIGHT, AND ENFORCEMENT UNDER SUBTITLE 25 OF THIS TITLE.

[(7)] (8) (i) The Treasurer shall invest the money in the Fund in the same manner as other State money may be invested.

(ii) Any investment earnings of the Fund shall be credited to the General Fund of the State.

Subtitle 25. Producer Responsibility for Packaging [Materials] AND PAPER PRODUCTS.
9–2501.

(a) In this subtitle the following words have the meanings indicated.

(b) “Advisory council” means the producer responsibility advisory council established under § 9–2503 of this subtitle.

(c) **“BEVERAGE CONTAINER” MEANS A PREPACKAGED BEVERAGE CONTAINER:**

(1) MADE OF ANY MATERIAL, INCLUDING GLASS, PLASTIC, METAL, OR MULTIMATERIALS;

(2) IN ANY FORM, INCLUDING A BOTTLE, CAN, CARTON, OR POUCH;
AND

(3) THE VOLUME OF WHICH IS NOT MORE THAN 5 LITERS.

(D) “BRAND OWNER” MEANS A PERSON THAT OWNS OR LICENSES A BRAND OR THAT OTHERWISE HAS RIGHTS TO MARKET A PRODUCT UNDER THE BRAND, WHETHER OR NOT THE BRAND’S TRADEMARK IS REGISTERED.

(E) “COMPOSTING” AND “COMPOSTING FACILITY” HAVE THE MEANINGS STATED IN § 9–1701 OF THIS TITLE.

(F) “COVERED ENTITY” MEANS A PERSON OR LOCATION THAT RECEIVES COVERED SERVICES FOR COVERED MATERIALS IN ACCORDANCE WITH THE REQUIREMENTS OF THIS SUBTITLE, INCLUDING:

(1) A SINGLE-FAMILY RESIDENCE;

(2) A MULTIFAMILY RESIDENCE;

(3) A PUBLIC OR NONPUBLIC KINDERGARTEN, ELEMENTARY, OR SECONDARY SCHOOL;

(4) A CHILD CARE CENTER, AS DEFINED IN § 9.5–401 OF THE EDUCATION ARTICLE; AND

1 **(5) A PUBLIC BUILDING OWNED OR OPERATED BY THE STATE OR A**
2 **LOCAL GOVERNMENT.**

3 **(G) (1) “COVERED MATERIALS” MEANS PACKAGING AND PAPER**
4 **PRODUCTS SOLD, OFFERED FOR SALE, IMPORTED, OR DISTRIBUTED IN THE STATE.**

5 **(2) “COVERED MATERIALS” DOES NOT INCLUDE EXEMPT MATERIALS.**

6 **(H) “COVERED MATERIAL TYPE” MEANS A SINGULAR AND SPECIFIC TYPE OF**
7 **COVERED MATERIAL, SUCH AS PAPER, PLASTIC, METAL, OR GLASS, THAT:**

8 **(1) CAN BE CATEGORIZED BASED ON DISTINGUISHING CHEMICAL OR**
9 **PHYSICAL PROPERTIES, INCLUDING PROPERTIES THAT ALLOW THE MATERIAL TYPE**
10 **TO BE AGGREGATED INTO A DISCRETE COMMODITY CATEGORY FOR PURPOSES OF**
11 **REUSE, RECYCLING, OR COMPOSTING; AND**

12 **(2) IS BASED ON SIMILAR USES IN THE FORM OF A PRODUCT OR**
13 **PACKAGE.**

14 **(I) (1) “COVERED SERVICES” MEANS:**

15 **(I) COLLECTING, TRANSFERRING, TRANSPORTING, SORTING,**
16 **PROCESSING, RECOVERING, PREPARING, OR OTHERWISE MANAGING COVERED**
17 **MATERIALS FOR PURPOSES OF WASTE REDUCTION, REUSE, RECYCLING, OR**
18 **COMPOSTING; AND**

19 **(II) PUBLIC EDUCATION AND OUTREACH ACTIVITIES RELATED**
20 **TO THE ACTIVITIES DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH.**

21 **(2) “COVERED SERVICES” DOES NOT INCLUDE DISPOSAL OF**
22 **COVERED MATERIALS.**

23 **(J) “DE MINIMIS PRODUCER” MEANS A PERSON THAT IN THEIR MOST**
24 **RECENT FISCAL YEAR:**

25 **(1) INTRODUCED LESS THAN 1 TON OF COVERED MATERIAL INTO THE**
26 **STATE; OR**

27 **(2) EARNED GLOBAL GROSS REVENUES OF LESS THAN \$2,000,000.**

28 **(K) “ENVIRONMENTAL IMPACT” MEANS THE IMPACT OF A COVERED**
29 **MATERIAL ON HUMAN HEALTH AND THE ENVIRONMENT, BEGINNING WITH THE**
30 **EXTRACTION AND PROCESSING OF THE RAW MATERIALS THAT COMPOSE THE**
31 **COVERED MATERIAL THROUGH THE MANUFACTURING, DISTRIBUTION, USE,**

1 RECOVERY FOR REUSE, RECYCLING OR COMPOSTING, AND FINAL DISPOSAL OF THE
2 COVERED MATERIAL.

3 (L) "EXEMPT MATERIAL" MEANS A MATERIAL, OR ANY PORTION OF A
4 MATERIAL, THAT IS:

5 (1) PACKAGING FOR INFANT FORMULA, AS DEFINED IN 21 U.S.C. §
6 321(Z);

7 (2) PACKAGING FOR MEDICAL FOOD, AS DEFINED IN 21 U.S.C. §
8 360EE(B)(3);

9 (3) PACKAGING FOR A FORTIFIED ORAL NUTRITIONAL SUPPLEMENT
10 USED BY INDIVIDUALS WHO REQUIRE SUPPLEMENTAL OR SOLE SOURCE NUTRITION
11 TO MEET NUTRITIONAL OR SPECIAL DIETARY NEEDS DIRECTLY RELATED TO THE
12 FOLLOWING CONDITIONS AS DEFINED BY THE INTERNATIONAL CLASSIFICATION OF
13 DISEASES, TENTH REVISION:

14 (I) CANCER;

15 (II) CHRONIC KIDNEY DISEASE;

16 (III) DIABETES;

17 (IV) MALNUTRITION; OR

18 (V) FAILURE TO THRIVE;

19 (4) PACKAGING FOR A PRODUCT REGULATED AS A DRUG OR MEDICAL
20 DEVICE BY THE U.S. FOOD AND DRUG ADMINISTRATION, INCLUDING ASSOCIATED
21 COMPONENTS AND CONSUMABLE MEDICAL EQUIPMENT;

22 (5) PACKAGING FOR MEDICAL EQUIPMENT OR A PRODUCT USED IN
23 MEDICAL SETTINGS THAT IS REGULATED BY THE U.S. FOOD AND DRUG
24 ADMINISTRATION, INCLUDING ASSOCIATED COMPONENTS AND CONSUMABLE
25 MEDICAL EQUIPMENT;

26 (6) DRUGS, BIOLOGICAL PRODUCTS, PARASITICIDES, MEDICAL
27 DEVICES, OR IN VITRO DIAGNOSTICS THAT ARE USED TO TREAT, OR THAT ARE
28 ADMINISTERED TO, ANIMALS AND ARE REGULATED BY:

29 (I) THE U.S. FOOD AND DRUG ADMINISTRATION UNDER THE
30 FEDERAL FOOD, DRUG, AND COSMETIC ACT; OR

1 (II) THE U.S. DEPARTMENT OF AGRICULTURE UNDER THE
2 FEDERAL VIRUS-SERUM-TOXIN ACT;

3 (7) PACKAGING FOR PRODUCTS REGULATED BY THE U.S.
4 ENVIRONMENTAL PROTECTION AGENCY UNDER THE FEDERAL INSECTICIDE,
5 FUNGICIDE, AND RODENTICIDE ACT;

6 (8) PACKAGING USED TO CONTAIN LIQUEFIED PETROLEUM GAS AND
7 DESIGNED TO BE REFILLED;

8 (9) NEWSPRINT SUBJECT TO § 9-1707 OF THIS TITLE;

9 (10) A PAPER PRODUCT USED FOR A MAGAZINE'S PRINT PUBLICATION
10 THAT HAS A CIRCULATION OF LESS THAN 95,000 AND THAT PRIMARILY INCLUDES
11 CONTENT DERIVED FROM PRIMARY SOURCES RELATED TO NEWS AND CURRENT
12 EVENTS;

13 (11) PACKAGING USED TO CONTAIN HAZARDOUS OR FLAMMABLE
14 PRODUCTS REGULATED UNDER THE 2012 FEDERAL OCCUPATIONAL SAFETY AND
15 HEALTH ADMINISTRATION HAZARD COMMUNICATION STANDARD THAT PREVENT
16 THE PACKAGING FROM BEING WASTE REDUCED OR MADE REUSABLE, RECYCLABLE,
17 OR COMPOSTABLE, AS DETERMINED BY THE DEPARTMENT;

18 (12) PACKAGING COLLECTED AND PROPERLY MANAGED THROUGH
19 THE PAINT STEWARDSHIP PROGRAM UNDER SUBTITLE 17, PART V OF THIS TITLE;
20 OR

21 (13) MATERIAL THAT A PRODUCER DISTRIBUTES TO ANOTHER
22 PRODUCER THAT IS:

23 (I) SUBSEQUENTLY USED TO CONTAIN A PRODUCT, AND THE
24 PRODUCT IS DISTRIBUTED TO A COMMERCIAL BUSINESS OR ENTITY; AND

25 (II) NOT INTRODUCED TO A PERSON OTHER THAN THE
26 COMMERCIAL OR BUSINESS ENTITY THAT FIRST RECEIVED THE PRODUCT.

27 ~~(D)~~ (M) "Local government" means:

28 (1) A county; or

29 (2) A municipality.

30 ~~[(d)] (E)~~ "~~Organics recycling~~" has the meaning stated in ~~§ 9-1701~~ of this title.

~~(F) "ORGANICS RECYCLING FACILITY" HAS THE MEANING STATED IN § 9-1701 OF THIS TITLE.~~

~~(G) "PACKAGING MATERIAL WASTE" MEANS THE PERCENTAGE OF THE TOTAL WEIGHT OF PACKAGING MATERIALS SOLD OR DISTRIBUTED IN THE STATE THAT ARE NOT RECYCLED, REUSED, OR COMPOSTED.~~

~~[(e)] (H) (N) (1) "Packaging materials" means, regardless of recyclability, any part of a package or container, including material that is used for the containment, protection, handling, delivery, and presentation of a product~~ MEANS A MATERIAL, A SUBSTANCE, OR AN OBJECT THAT IS USED TO PROTECT, CONTAIN, TRANSPORT, SERVE, OR FACILITATE THE DELIVERY OF A PRODUCT THAT IS SOLD OR SUPPLIED WITH THE PRODUCT TO THE CONSUMER FOR PERSONAL, NONCOMMERCIAL USE AND that is sold, offered for sale, imported, or distributed in the State.

(2) "Packaging materials" includes:

(i) Primary, secondary, and tertiary packaging intended for the consumer market;

(ii) Service packaging designed and intended to be filled at the point of sale, including:

1. Carry-out bags;

2. Bulk goods bags; and

3. Take-out and home delivery food service packaging; and

(iii) Beverage containers.

~~(3) "Packaging materials" does not include:~~

~~(i) Any part of a package or container that is sold or supplied in connection with:~~

~~1. A pesticide product regulated by the Federal Insecticide, Fungicide, and Rodenticide Act under 7 U.S.C. § 136 et seq. or any other applicable federal law, rule, or regulation;~~

~~2. A federally regulated drug, medical device, biologic, diagnostic, or dietary supplement including items intended for animals; or~~

~~3. A medical product that is required to be sterile or enclosed in packaging with tamper-resistant seals to protect public health, including medical products intended for animals; or~~

~~(ii) Liquefied petroleum gas containers that are designed to be refilled.~~

(O) (1) "PAPER PRODUCTS" MEANS PRODUCTS MADE PRIMARILY FROM WOOD PULP OR OTHER CELLULOSIC FIBERS.

(2) "PAPER PRODUCTS" DOES NOT INCLUDE:

(I) BOUND BOOKS; OR

(II) PRODUCTS THAT ARE NOT ACCEPTED BY MATERIALS RECYCLING FACILITIES OR COMPOSTING FACILITIES BECAUSE OF THE UNSAFE OR UNSANITARY NATURE OF THE PRODUCTS.

[(f)] ~~(H)~~ (P) (1) "Producer" means a person that THE FOLLOWING PERSON, AS APPLICABLE, THAT IS RESPONSIBLE FOR COMPLIANCE WITH A PRODUCER RESPONSIBILITY PLAN UNDER THIS SUBTITLE:

~~(i) With respect to packaging materials used to directly protect or contain a product sold, offered for sale, or distributed in the State:~~

~~1. A. Has legal ownership of the brand of the product under which the product is sold; or~~

~~B. Is the manufacturer of the product, if the product is sold in packaging materials that lack identification of the brand;~~

~~2. Is the licensee of the brand or trademark under which the product is sold, whether or not the trademark is registered in the State, if the product is manufactured by a person other than the brand owners; or~~

~~3. Is the person that imports the product into the United States for use in a commercial enterprise that sells, offers for sale, or distributes the item in the State, if there is no person described in items 1 and 2 of this item~~ **FOR ITEMS SOLD IN OR WITH PACKAGING AT A PHYSICAL RETAIL LOCATION IN THE STATE:**

1. IF THE ITEM IS SOLD IN OR WITH PACKAGING UNDER THE BRAND OF THE ITEM MANUFACTURER OR IS SOLD IN PACKAGING WITHOUT BRAND IDENTIFICATION, THE PRODUCER IS THE ITEM MANUFACTURER;

2. IF THERE IS NO PERSON DESCRIBED IN ITEM 1 OF THIS ITEM, THE PRODUCER IS THE PERSON THAT IS LICENSED TO MANUFACTURE AND SELL OR OFFER FOR SALE TO CONSUMERS IN THE STATE AN ITEM WITH

PACKAGING UNDER THE BRAND OR TRADEMARK OF ANOTHER MANUFACTURER OR PERSON;

3. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 AND 2 OF THIS ITEM, THE PRODUCER IS THE BRAND OWNER OF THE ITEM;

4. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 THROUGH 3 OF THIS ITEM WITHIN THE UNITED STATES, THE PRODUCER IS THE PERSON THAT IMPORTS THE PRODUCT INTO THE UNITED STATES FOR USE IN A COMMERCIAL ENTERPRISE THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES THE ITEM IN THE STATE; OR

5. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 THROUGH 4 OF THIS ITEM, THE PRODUCER IS THE PERSON THAT FIRST DISTRIBUTES THE ITEM IN OR INTO THE STATE; and

(ii) ~~With respect to packaging materials used to ship a product to a consumer in the State, is the person that packages and ships the product~~ FOR ITEMS SOLD OR DISTRIBUTED IN PACKAGING IN OR INTO THE STATE VIA E-COMMERCE, REMOTE SALE, OR ONLINE DISTRIBUTION:

1. FOR PACKAGING USED DIRECTLY TO PROTECT OR CONTAIN THE ITEM, THE PRODUCER OF THE PACKAGING IS A PRODUCER UNDER ITEM (I) OF THIS PARAGRAPH; AND

2. FOR PACKAGING USED TO SHIP THE ITEM TO A CONSUMER, THE PRODUCER OF THE PACKAGING IS THE PERSON THAT PACKAGES THE ITEM TO BE SHIPPED TO THE CONSUMER;

(III) FOR PACKAGING THAT IS NOT DESCRIBED IN ITEMS (I) AND (II) OF THIS PARAGRAPH, THE PRODUCER OF THE PACKAGING IS THE PERSON THAT FIRST DISTRIBUTES THE ITEM IN OR INTO THE STATE;

(IV) FOR PAPER PRODUCTS THAT ARE MAGAZINES, CATALOGS, TELEPHONE DIRECTORIES, OR SIMILAR PUBLICATIONS, THE PRODUCER IS THE PUBLISHER;

(V) FOR A PAPER PRODUCT NOT DESCRIBED IN ITEM (IV) OF THIS PARAGRAPH:

1. IF THE PAPER PRODUCT IS SOLD UNDER THE MANUFACTURER'S OWN BRAND, THE PRODUCER IS THE PERSON THAT MANUFACTURES THE PAPER PRODUCT;

1 **2. IF THERE IS NO PERSON DESCRIBED IN ITEM 1 OF**
2 **THIS ITEM, THE PRODUCER IS THE PERSON THAT IS THE OWNER OR LICENSEE OF A**
3 **BRAND OR TRADEMARK UNDER WHICH THE PAPER PRODUCT IS USED IN A**
4 **COMMERCIAL ENTERPRISE, SOLD, OFFERED FOR SALE, OR DISTRIBUTED IN THE**
5 **STATE, WHETHER OR NOT THE TRADEMARK IS REGISTERED IN THE STATE;**

6 **3. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1 AND**
7 **2 OF THIS ITEM, THE PRODUCER IS THE BRAND OWNER OF THE PAPER PRODUCT; OR**

8 **4. IF THERE IS NO PERSON DESCRIBED IN ITEMS 1**
9 **THROUGH 3 OF THIS ITEM WITHIN THE UNITED STATES, THE PRODUCER IS THE**
10 **PERSON THAT IMPORTS THE PAPER PRODUCT INTO THE UNITED STATES FOR USE**
11 **IN A COMMERCIAL ENTERPRISE THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES**
12 **THE PAPER PRODUCT IN THE STATE; AND**

13 **(IV) FOR A PRODUCER IDENTIFIED IN ITEMS (I) THROUGH (III)**
14 **OF THIS PARAGRAPH THAT IS A BUSINESS OPERATED WHOLLY OR IN PART AS A**
15 **FRANCHISE, THE PRODUCER OF THE PACKAGING IS THE FRANCHISOR IF THE**
16 **FRANCHISOR HAS FRANCHISEES THAT HAVE A COMMERCIAL PRESENCE IN THE**
17 **STATE.**

18 (2) “Producer” does not include:

19 (i) ~~A local government~~ **STATE, FEDERAL OR STATE AGENCY, A**
20 **POLITICAL SUBDIVISION, OR OTHER GOVERNMENTAL UNIT;**

21 (ii) ~~A nonprofit~~ **REGISTERED 501(C)(3)** charitable organization **OR**
22 **501(C)(4) SOCIAL WELFARE ORGANIZATION;**

23 (iii) ~~An entity that manufactures a drug or device authorized for sale~~
24 ~~by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic~~
25 ~~Act~~ **A DE MINIMIS PRODUCER;**

26 (iv) ~~An entity that generated less than \$5,000,000 in~~
27 ~~gross revenue during the immediately preceding calendar year~~ **A MILL THAT USES ANY**
28 **VIRGIN WOOD FIBER IN THE PRODUCTS IT PRODUCES;**

29 (v) ~~An entity that sold, offered for sale, or distributed for sale in the~~
30 ~~State during the immediately preceding calendar year less than 1 metric ton of packaging~~
31 ~~materials~~ **A PAPER MILL THAT PRODUCES CONTAINER BOARD DERIVED FROM 100%**
32 **POSTCONSUMER RECYCLED CONTENT AND NONPOSTCONSUMER RECYCLED**
33 **CONTENT;**

34 (vi) 1. An entity that owns or operates a restaurant, food cart, or
35 similar establishment that:

1 A. Is headquartered in the State; and

2 B. Primarily sells to members of the public food that is
3 generally intended to be consumed immediately and without the need for further
4 preparation, either on or off the premises; and

5 2. Is not a producer of food serviceware;

6 (vii) An entity that owns or operates a single retail sales
7 establishment that:

8 1. Has no online sales; and

9 2. Is not supplied or operated as part of a franchise or a
10 chain; or

11 (viii) 1. An entity that is licensed under Title 2 of the Alcoholic
12 Beverages and Cannabis Article; and

13 2. Generated less than \$10,000,000 in gross revenue during
14 the immediately preceding calendar year; or

15 (ix) ~~An entity~~ **A PRODUCER UNDER PARAGRAPH (1) OF THIS**
16 **SUBSECTION** that has executed an agreement with another entity, under which the other
17 entity has agreed to assume responsibility **BY WRITTEN CERTIFICATION** under a producer
18 responsibility program for any packaging materials attributable to the first entity.

19 [(g)] ~~(H)~~ **(Q)** “Producer responsibility organization” means a nonprofit organization
20 that is:

21 (1) Exempt from taxation under § 501(c)(3) of the Internal Revenue Code;
22 and

23 (2) Created by a group of producers to [represent the interests of producers
24 under] **IMPLEMENT A PRODUCER RESPONSIBILITY PLAN IN ACCORDANCE WITH** this
25 subtitle.

26 ~~(K)~~ **(R)** **“PRODUCER RESPONSIBILITY PLAN” MEANS A ~~PACKAGING~~**
27 **COVERED MATERIALS PRODUCER RESPONSIBILITY PLAN SUBMITTED TO THE**
28 **DEPARTMENT BY A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION IN**
29 **ACCORDANCE WITH § 9-2505 OF THIS SUBTITLE.**

30 **(S) (1) “RECYCLING” MEANS THE PROCESS OF COLLECTING, SORTING,**
31 **CLEANSING, TREATING, AND CONSTITUTING MATERIALS THAT WOULD OTHERWISE**
32 **BE DISPOSED OF AND RETURNING THEM TO OR MAINTAINING THEM WITH THE**

ECONOMIC MAINSTREAM IN THE FORM OF RECOVERED MATERIAL FOR NEW, REUSED, OR RECONSTITUTED PRODUCTS THAT MEET THE QUALITY STANDARDS NECESSARY TO BE USED IN THE MARKETPLACE.

(2) "RECYCLING" DOES NOT INCLUDE:

(I) LANDFILLING;

(II) COMBUSTION;

(III) INCINERATION;

(IV) ENERGY GENERATION;

(V) FUEL PRODUCTION; OR

(VI) ALTERNATIVE DAILY COVER OR OTHER FORMS OF USE OR DISPOSAL WITHIN THE FOOTPRINT OF A LANDFILL.

(T) "RECYCLED COVERED MATERIAL" MEANS COVERED MATERIAL THAT IS SENT TO A RESPONSIBLE END MARKET.

(U) "RECYCLING RATE" MEANS THE AMOUNT OF RECYCLABLE COVERED MATERIAL, IN AGGREGATE OR BY INDIVIDUAL COVERED MATERIAL TYPE, RECYCLED IN A CALENDAR YEAR DIVIDED BY THE TOTAL AMOUNT OF RECYCLABLE COVERED MATERIALS SOLD OR DISTRIBUTED INTO THE STATE BY THE RELEVANT UNIT OF MEASUREMENT.

(V) "REFILL" MEANS THE CONTINUED USE OF A COVERED MATERIAL BY A CONSUMER THROUGH A SYSTEM THAT IS:

(1) INTENTIONALLY DESIGNED AND MARKETING FOR REPEATED FILLING OF A COVERED MATERIAL TO REDUCE DEMAND FOR NEW PRODUCTION OF THE COVERED MATERIAL;

(2) SUPPORTED BY ADEQUATE LOGISTICS AND INFRASTRUCTURE TO PROVIDE CONVENIENT ACCESS FOR CONSUMERS; AND

(3) COMPLIANT WITH APPLICABLE FEDERAL, STATE, AND LOCAL STATUTES, RULES, ORDINANCES, AND OTHER LAWS GOVERNING HEALTH AND SAFETY.

1 (W) “RESPONSIBLE END MARKET” MEANS A MATERIAL MARKET IN WHICH
2 THE RECYCLING AND RECOVERY OF MATERIALS OR THE DISPOSAL OF
3 CONTAMINANTS IS CONDUCTED IN A WAY THAT:

4 (1) BENEFITS THE ENVIRONMENT; AND

5 (2) MINIMIZES RISKS TO PUBLIC HEALTH AND WORKER HEALTH AND
6 SAFETY.

7 (X) “RETURN RATE” MEANS THE AMOUNT OF REUSABLE COVERED
8 MATERIAL, IN AGGREGATE OR BY INDIVIDUAL COVERED MATERIALS TYPE,
9 COLLECTED FOR REUSE BY A PRODUCER OR SERVICE PROVIDER IN A CALENDAR
10 YEAR, DIVIDED BY THE TOTAL AMOUNT OF REUSABLE COVERED MATERIALS SOLD
11 OR DISTRIBUTED INTO THE STATE BY THE RELEVANT UNIT OF MEASUREMENT.

12 (Y) “REUSABLE” MEANS BEING CAPABLE OF REUSE.

13 (Z) “REUSE” MEANS THE RETURN OF A COVERED MATERIAL TO THE
14 MARKETPLACE AND THE CONTINUED USE OF THE COVERED MATERIAL BY A
15 PRODUCER OR SERVICE PROVIDER WHEN THE COVERED MATERIAL IS:

16 (1) INTENTIONALLY DESIGNED AND MARKETING TO BE USED
17 MULTIPLE TIMES FOR ITS ORIGINAL INTENDED PURPOSE WITHOUT A CHANGE IN
18 FORM;

19 (2) DESIGNED FOR DURABILITY AND MAINTENANCE TO EXTEND ITS
20 USEFUL LIFE AND REDUCE DEMAND FOR NEW PRODUCTION OF THE COVERED
21 MATERIAL;

22 (3) SUPPORTED BY ADEQUATE LOGISTICS AND INFRASTRUCTURE AT
23 A RETAIL LOCATION, BY A SERVICE PROVIDER, OR ON BEHALF OF OR BY A
24 PRODUCER, THAT PROVIDES CONVENIENT ACCESS FOR CONSUMERS; AND

25 (4) COMPLIANT WITH APPLICABLE FEDERAL, STATE, AND LOCAL
26 STATUTES, RULES, ORDINANCES, AND OTHER LAWS GOVERNING HEALTH AND
27 SAFETY.

28 (AA) “REUSE RATE” MEANS THE SHARE OF UNITS OF A REUSABLE COVERED
29 MATERIAL SOLD OR DISTRIBUTED INTO THE STATE IN A CALENDAR YEAR THAT ARE
30 DEMONSTRATED AND DEEMED REUSABLE IN ACCORDANCE WITH AN APPROVED
31 PRODUCER RESPONSIBILITY PLAN.

32 (BB) (1) “SERVICE PROVIDER” MEANS AN ENTITY THAT PROVIDES
33 COVERED SERVICES FOR COVERED MATERIALS.

(2) “SERVICE PROVIDER” INCLUDES A LOCAL GOVERNMENT THAT PROVIDES, CONTRACTS FOR, OR OTHERWISE ARRANGES WITH ANOTHER PARTY TO PROVIDE COVERED SERVICES FOR COVERED MATERIALS WITHIN ITS JURISDICTION REGARDLESS OF WHETHER THE LOCAL GOVERNMENT PROVIDED, CONTRACTED FOR, OR OTHERWISE ARRANGED FOR SIMILAR SERVICES BEFORE THE APPROVAL OF THE APPLICABLE PRODUCER RESPONSIBILITY PLAN.

~~§9-2502.~~

(A) On or before October 1, 2023, the Department shall approve a single producer responsibility organization to represent the interests of producers under this subtitle.~~§~~

~~§-2502.~~

(B) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THIS SUBTITLE PROVIDE A FRAMEWORK FOR:

(1) MINIMIZING THE ENVIRONMENTAL AND HUMAN HEALTH IMPACTS OF PACKAGING, INCLUDING BY:

(I) REDUCING THE AMOUNT OF PACKAGING, ESPECIALLY PLASTIC PACKAGING, SOLD IN THE STATE;

(II) REDUCING PACKAGING WASTE;

(III) REDESIGNING PACKAGING TO BE RECYCLABLE, COMPOSTABLE, AND REUSABLE; AND

(IV) REDUCING THE TOXICITY OF PACKAGING;

(2) CONSERVING RESOURCES BY INCREASING THE RECYCLING RATES AND RECYCLED CONTENT OF COVERED PRODUCTS;

(3) MODERNIZING AND IMPROVING WASTE AND RECYCLING SYSTEMS IN THE STATE, INCLUDING BY:

(I) ~~FACILITATING;~~

~~(I) THE FACILITATING THE IMPROVEMENT OF REUSE, ORGANICS RECYCLING, COMPOSTING, AND RECYCLING;~~

(II) ~~THE IMPROVEMENT OF RECYCLING MARKETS;~~

~~(III) THE REDUCTION OF WASTE~~ STIMULATING RESPONSIBLE
END MARKETS FOR COVERED MATERIALS; AND

~~(IV) (III) AN INCREASE IN RECYCLING RATES~~ IMPROVING
ACCESS TO AND THE EFFICIENCY OF RECYCLING, COMPOSTING, AND REUSE
INFRASTRUCTURE, WITH SPECIAL EMPHASIS ON UNDERSERVED COMMUNITIES; AND

~~(2) (4) REIMBURSING LOCAL GOVERNMENTS~~ MAKING PRODUCERS
FINANCIALLY RESPONSIBLE FOR INVESTING IN THE NEEDED INFRASTRUCTURE AND
REIMBURSING LOCAL GOVERNMENTS AND OTHER SERVICE PROVIDERS FOR COSTS
ASSOCIATED WITH TRANSPORTING, COLLECTING, AND PROCESSING ~~PACKAGING
COVERED MATERIALS.~~

9–2503.

(a) There is a producer responsibility advisory council.

(b) The purpose of the advisory council is to provide advice and make recommendations regarding establishing and implementing a producer responsibility program in the State for ~~packaging~~ COVERED materials, **INCLUDING ADVICE ON DRAFTING, AMENDING, AND IMPLEMENTING PRODUCER RESPONSIBILITY PLANS.**

(c) (1) The advisory council shall consist of [up to 21 members,] **MEMBERS** appointed by the Secretary, representing a broad range of interested stakeholders, including:

(i) Representatives from the following industries or entities in the State:

1. Local government agencies responsible for recycling programs;

2. Recyclables and compostable materials collectors from both the public and private sectors;

3. Recycling processors from both the public and private sectors;

4. Organics recycling processors;

5. Producers from the consumer goods sector;

6. Retail and small businesses; and

7. Material-oriented trade groups;

(ii) ~~A representative from the producer responsibility organization approved by the Department under [§ 9-2502] § 9-2505(A) of this subtitle;~~

~~(iii)~~ (iii) Representatives of at least two nonprofit organizations in the State with missions related to reducing waste;

~~(iv)~~ (III) At least one representative of an environmental advocacy organization;

~~(v)~~ (IV) At least one representative of an advocacy organization that advocates on behalf of overburdened or underserved communities, as defined in § 1-701 of this article; ~~and~~

~~(vi)~~ (V) At least two members of the public who reside in the State;
AND

(VI) THE FOLLOWING NONVOTING MEMBERS, WHO MAY NOT SERVE AS COCHAIRS OF THE ADVISORY COUNCIL:

1. A REPRESENTATIVE OF THE PRODUCER RESPONSIBILITY ORGANIZATION APPROVED BY THE DEPARTMENT UNDER § 9-2502(A) OF THIS SUBTITLE; AND

2. THE DIRECTOR OF THE DEPARTMENT'S LAND AND MATERIALS ADMINISTRATION, OR THE DIRECTOR'S DESIGNEE.

(2) In appointing members to the advisory council, the Secretary shall, to the extent practicable, ensure that the membership of the advisory council represents:

(i) All geographic regions of the State;

(ii) Large and small counties and municipalities; and

(iii) The variability in how waste and recyclable and compostable materials are collected and processed in the State.

~~(3) A MEMBER OF A PRODUCER RESPONSIBILITY ORGANIZATION MAY NOT SERVE AS A VOTING MEMBER OR AS A COCHAIR OF THE ADVISORY COUNCIL.~~

(d) From among the advisory council members, the Secretary shall designate two representatives to serve as cochairs.

(e) The Department shall provide staff for the advisory council.

(f) A member of the advisory council:

(1) May not receive compensation as a member of the advisory council; but

(2) Is entitled to reimbursement for expenses under the Standard State Travel Regulations, as provided in the State budget.

(g) The advisory council shall meet at the request of the Secretary.

(h) [(1)] The advisory council shall [evaluate and make recommendations, including legislative recommendations, on how to effectively establish and implement a producer responsibility program in the State for packaging materials.

(2) In making recommendations under paragraph (1) of this subsection, the advisory council shall include recommendations regarding the responsibilities of producers under a producer responsibility program]:

(1) ON REQUEST BY A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION, PROVIDE ADVICE REGARDING THE DRAFTING OR AMENDING OF A PRODUCER RESPONSIBILITY PLAN REQUIRED UNDER § 9-2505 OF THIS SUBTITLE;

(2) RECEIVE AND REVIEW THE PRODUCER RESPONSIBILITY PLANS SUBMITTED IN ACCORDANCE WITH § 9-2505 OF THIS SUBTITLE;

(3) RECEIVE AND REVIEW ANNUAL REPORTS SUBMITTED IN ACCORDANCE WITH ~~§ 9-2507~~ § 9-2509 OF THIS SUBTITLE;

(4) MAKE RECOMMENDATIONS TO THE DEPARTMENT REGARDING PRODUCER RESPONSIBILITY PLAN APPROVAL;

(5) MAKE RECOMMENDATIONS TO THE DEPARTMENT AND PRODUCER RESPONSIBILITY ORGANIZATIONS REGARDING PRODUCER RESPONSIBILITY PLAN IMPLEMENTATION; AND

(6) PROVIDE WRITTEN RECOMMENDATIONS REGARDING THE PRODUCER RESPONSIBILITY PLAN, INCLUDING ANY UPDATE OR REVISION TO AN APPROVED PLAN, TO A PRODUCER RESPONSIBILITY ORGANIZATION BEFORE THE PRODUCER RESPONSIBILITY ORGANIZATION SUBMITS THE PLAN TO THE DEPARTMENT.

[(i) On or before December 1, 2024, the advisory council shall report its findings and recommendations to the Governor and, in accordance with § 2-1257 of the State Government Article, the Senate Committee on Education, Energy, and the Environment and the House Environment and Transportation Committee.]

9-2504.

(A) THIS SUBTITLE DOES NOT AFFECT THE AUTHORITY OF THE STATE OR A LOCAL JURISDICTION TO REGULATE THE SALE OR USE OF ANY PACKAGING MATERIAL.

(B) THIS SUBTITLE MAY NOT BE CONSTRUED TO:

(1) PROHIBIT A LOCAL GOVERNMENT, A SERVICE PROVIDER, OR ANY OTHER ENTITY FROM SELLING RECYCLED MATERIALS OR COMPOST TO END MARKETS AND RETAINING THE REVENUES FROM THOSE SALES;

(2) AFFECT THE AUTHORITY OF A PUBLICLY OR PRIVATELY OWNED MATERIALS RECYCLING FACILITY OR ~~ORGANICS RECYCLING~~ COMPOSTING FACILITY TO DETERMINE WHICH ENTITIES MAY USE THE FACILITY; OR

(3) LIMIT THE ABILITY OF LOCAL GOVERNMENTS, MATERIALS RECYCLING FACILITIES, OR ~~ORGANICS RECYCLING~~ COMPOSTING FACILITIES TO MAKE DECISIONS ON RECYCLING INFRASTRUCTURE PURCHASES, INCLUDING PROCESSING EQUIPMENT.

9-2505.

~~(A) (1) ON OR BEFORE JUNE 30, 2025, THE DEPARTMENT SHALL APPROVE A SINGLE PRODUCER RESPONSIBILITY ORGANIZATION TO FULFILL THE REQUIREMENTS OF THIS SUBSECTION.~~

~~(2)~~ (I) BEGINNING JULY 1, ~~2025~~ 2026, AND EACH YEAR THEREAFTER, THE PRODUCER RESPONSIBILITY ORGANIZATION APPROVED UNDER § 9-2502(A) OF THIS SUBTITLE SHALL FILE A REGISTRATION FORM WITH THE DEPARTMENT.

(II) THE REGISTRATION FORM SHALL INCLUDE:

1. A LIST OF THE PRODUCERS PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION;

2. A LIST OF THE BRANDS OF EACH PRODUCER PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION;

3. A LIST OF THE COVERED MATERIALS OF EACH PRODUCER PARTICIPATING IN THE PRODUCER RESPONSIBILITY ORGANIZATION; AND

4. THE NAME, ADDRESS, AND CONTACT INFORMATION OF A PERSON RESPONSIBLE FOR ENSURING THE PRODUCER RESPONSIBILITY

1 ORGANIZATION'S AND THE MEMBER PRODUCERS' COMPLIANCE WITH THIS
2 SUBTITLE.

3 (III) ~~SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, AT AT~~
4 THE TIME OF FILING THE REGISTRATION FORM, THE PRODUCER RESPONSIBILITY
5 ORGANIZATION SHALL PAY TO THE DEPARTMENT AN ANNUAL REGISTRATION FEE,
6 AS SET BY THE DEPARTMENT, IN AN AMOUNT SUFFICIENT TO COVER THE COSTS OF
7 ~~RECORD KEEPING, NOT TO EXCEED \$1,000;~~

8 1. IN EACH YEAR:

9 A. THE COSTS OF RECORD KEEPING UNDER THIS
10 SUBTITLE, NOT TO EXCEED \$1,000; AND

11 B. THE COSTS OF DEVELOPING AND UPDATING THE LIST
12 REQUIRED UNDER § 9-2508 OF THIS SUBTITLE;

13 2. IN 2026 ONLY, THE COSTS OF DEVELOPING AND
14 IMPLEMENTING REGULATIONS IN ACCORDANCE WITH § 9-2511 OF THIS SUBTITLE;
15 AND

16 3. IN 2028 AND EACH YEAR THEREAFTER, THE COSTS OF
17 REGISTERING SERVICE PROVIDERS UNDER § 9-2507 OF THIS SUBTITLE.

18 ~~(3) BEFORE ESTABLISHING AND COLLECTING AN ANNUAL~~
19 ~~REGISTRATION FEE UNDER PARAGRAPH (2)(III) OF THIS SUBSECTION, THE~~
20 ~~DEPARTMENT SHALL:~~

21 ~~(I) PUBLISH A PROPOSED FEE ON ITS WEBSITE; AND~~

22 ~~(II) ALLOW 90 CALENDAR DAYS FOR PUBLIC COMMENT.~~

23 ~~(4) (2)~~ (I) ON OR AFTER JULY 1, ~~2031~~ 2033, A NONPROFIT
24 ORGANIZATION MAY REQUEST THAT THE DEPARTMENT DESIGNATE THE
25 NONPROFIT ORGANIZATION AS AN ADDITIONAL PRODUCER RESPONSIBILITY
26 ORGANIZATION.

27 (II) THE DEPARTMENT MAY DESIGNATE A NONPROFIT
28 ORGANIZATION AS AN ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION IF
29 THE DEPARTMENT DETERMINES, IN COORDINATION WITH THE ADVISORY COUNCIL
30 ESTABLISHED UNDER § 9-2503 OF THIS SUBTITLE, THAT THE DESIGNATION OF THE
31 ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION IS NECESSARY TO:

32 1. INCREASE RECYCLING RATES; OR

1 **2. IMPROVE RECYCLING SERVICES FOR A SPECIFIC**
2 **TYPE OF ~~PACKAGING~~ COVERED MATERIAL.**

3 **(III) IF THE DEPARTMENT APPROVES THE DESIGNATION OF AN**
4 **ADDITIONAL PRODUCER RESPONSIBILITY ORGANIZATION UNDER THIS**
5 **SUBSECTION, THE PRODUCER RESPONSIBILITY ORGANIZATION SHALL:**

6 **1. NOT LATER THAN 30 DAYS AFTER BEING APPROVED**
7 **BY THE DEPARTMENT AND ON OR BEFORE JULY 1 EACH YEAR THEREAFTER, FILE A**
8 **REGISTRATION FORM WITH THE DEPARTMENT CONTAINING THE INFORMATION**
9 **REQUIRED UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION AND PAY THE ANNUAL**
10 **REGISTRATION FEE DESCRIBED IN PARAGRAPH (2)(III) OF THIS SUBSECTION; AND**

11 **2. COORDINATE WITH THE PRODUCER RESPONSIBILITY**
12 **ORGANIZATION ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE**
13 **DEPARTMENT, AND LOCAL GOVERNMENTS TO ENSURE THAT:**

14 **A. RECYCLING SERVICES FOR RESIDENTS OF THE STATE**
15 **ARE PROVIDED IN A SEAMLESS MANNER; AND**

16 **B. PUBLIC OUTREACH, EDUCATION, AND**
17 **COMMUNICATION ARE PROVIDED IN A CONSISTENT MANNER.**

18 **(IV) THE PRODUCER RESPONSIBILITY ORGANIZATION**
19 **ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION AND ANY ADDITIONAL**
20 **PRODUCER RESPONSIBILITY ORGANIZATIONS DESIGNATED UNDER THIS**
21 **PARAGRAPH MAY CREATE A REPRESENTATIVE ORGANIZATION TO REPRESENT THE**
22 **PARTICIPATING PRODUCER RESPONSIBILITY ORGANIZATIONS TO IMPLEMENT THE**
23 **REQUIREMENTS OF THIS SUBTITLE.**

24 **(3) (I) ON OR AFTER JULY 1, 2026, AND IN ACCORDANCE WITH THE**
25 **REQUIREMENTS OF THIS SUBSECTION AND ANY REGULATIONS ADOPTED BY THE**
26 **DEPARTMENT, A PRODUCER OR GROUP OF PRODUCERS MAY DEVELOP AND**
27 **OPERATE AN ALTERNATIVE COLLECTION PROGRAM TO COLLECT AND MANAGE A**
28 **TYPE OR TYPES OF COVERED MATERIAL SOLD, OFFERED FOR SALE, OR DISTRIBUTED**
29 **FOR SALE IN OR INTO THE STATE BY THE PRODUCER OR PRODUCERS.**

30 **(II) A PRODUCER THAT MANAGES A TYPE OF COVERED**
31 **MATERIAL UNDER AN APPROVED ALTERNATIVE COLLECTION PROGRAM THROUGH**
32 **REUSE, RECYCLING, OR COMPOSTING MAY WHOLLY OR IN PART OFFSET THE**
33 **PRODUCER'S PAYMENT OBLIGATIONS UNDER THIS SUBTITLE.**

1 **(III) AN ALTERNATIVE COLLECTION PROGRAM SHALL IMPROVE**
2 **AND PROVIDE A DEDICATED COLLECTION PROGRAM FOR THE APPLICABLE**
3 **COVERED MATERIAL.**

4 **(B) (1) ON OR BEFORE ~~APRIL 1, 2027~~ JULY 1, 2028, AND EVERY 5 YEARS**
5 **THEREAFTER, EACH PRODUCER SHALL, INDIVIDUALLY OR AS PART OF A PRODUCER**
6 **RESPONSIBILITY ORGANIZATION, SUBMIT A PRODUCER RESPONSIBILITY PLAN TO**
7 **THE DEPARTMENT FOR REVIEW AND APPROVAL.**

8 **(2) BEFORE SUBMITTING THE PLAN REQUIRED UNDER THIS**
9 **SUBSECTION TO THE DEPARTMENT, A PRODUCER OR PRODUCER RESPONSIBILITY**
10 **ORGANIZATION SHALL:**

11 **(I) CONSULT WITH THE ADVISORY COUNCIL ESTABLISHED**
12 **UNDER § 9-2503 OF THIS SUBTITLE; AND**

13 **(II) CONSIDER THE WRITTEN RECOMMENDATIONS OF THE**
14 **ADVISORY COUNCIL AND RESPOND IN WRITING TO THE ADVISORY COUNCIL.**

15 **(3) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS**
16 **PARAGRAPH, ON OR AFTER A DATE ESTABLISHED IN REGULATIONS ADOPTED BY THE**
17 **DEPARTMENT UNDER ~~§ 9-2509~~ § 9-2511 OF THIS SUBTITLE, A PRODUCER MAY NOT**
18 **SELL, OFFER FOR SALE, DISTRIBUTE, OR IMPORT FOR SALE OR DISTRIBUTION**
19 **~~PACKAGING~~ COVERED MATERIALS FOR USE IN THE STATE UNLESS THE PRODUCER,**
20 **INDIVIDUALLY OR AS PART OF A PRODUCER RESPONSIBILITY ORGANIZATION, HAS**
21 **AN APPROVED PRODUCER RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT.**

22 **(II) A PRODUCER IS NOT REQUIRED TO SUBMIT A PRODUCER**
23 **RESPONSIBILITY PLAN TO THE DEPARTMENT, INDIVIDUALLY OR AS PART OF A**
24 **PRODUCER RESPONSIBILITY ORGANIZATION, IF ANOTHER PERSON HAS AGREED TO**
25 **ASSUME RESPONSIBILITY UNDER THIS SUBTITLE FOR ANY ~~PACKAGING~~ COVERED**
26 **MATERIAL SOLD, OFFERED FOR SALE, OR DISTRIBUTED IN OR INTO THE STATE BY**
27 **THAT PRODUCER.**

28 **(C) (1) A PRODUCER RESPONSIBILITY PLAN SHALL:**

29 ~~**(1)**~~ **(I) IDENTIFY THE PRODUCERS COVERED BY THE PLAN,**
30 **INCLUDING THE CONTACT INFORMATION FOR EACH PARTICIPATING PRODUCER**
31 **AND THE PRODUCER RESPONSIBILITY ORGANIZATION;**

32 ~~**(2)**~~ **(II) IDENTIFY EACH BRAND OF ~~PACKAGING~~ COVERED**
33 **MATERIALS COVERED BY THE PLAN;**

~~(3)~~ (III) REQUIRE, IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION, ACHIEVEMENT WITHIN 5 YEARS AFTER THE DATE ON WHICH THE FIRST VERSION OF THE PLAN IS APPROVED AND ESTABLISH THE FOLLOWING PERFORMANCE GOALS, AS RELEVANT AND AS APPROPRIATE, FOR EACH ~~PACKAGING COVERED~~ MATERIAL TYPE:

~~(I)~~ 1. POSTCONSUMER RECYCLED CONTENT GOALS;

~~(II)~~ RECYCLABILITY AND RECYCLING RATE GOALS;

~~(III)~~ REUSE GOALS;

~~(IV)~~ PACKAGING REDUCTION GOALS;

~~(V) COMPOST ACCESS OR COMPOST RATE GOALS, IF APPLICABLE AND TECHNOLOGICALLY AND ENVIRONMENTALLY FEASIBLE;~~

~~(VI) CONTAMINATION REDUCTION RATE GOALS;~~ RECYCLING RATES;

2. COMPOSTING RATES;

3. REUSE RATES;

4. RETURN RATES;

5. THE PERCENTAGE OF COVERED MATERIALS TO BE WASTE REDUCED;

6. THE PERCENTAGE OF POSTCONSUMER RECYCLED CONTENT THAT COVERED MATERIALS ARE REQUIRED TO CONTAIN, INCLUDING THE OVERALL PERCENTAGE FOR ALL COVERED MATERIALS AS APPLICABLE, AND NOT INCLUDING COMPOSTABLE MATERIALS THAT CANNOT CONTAIN POSTCONSUMER RECYCLED CONTENT DUE TO UNIQUE CHEMICAL OR PHYSICAL PROPERTIES OR HEALTH AND SAFETY REQUIREMENTS THAT PROHIBIT THE INTRODUCTION OF POSTCONSUMER RECYCLED CONTENT; AND

~~(VII)~~ 7. GREENHOUSE GAS REDUCTION GOALS; AND

~~(VIII) ANY OTHER GOAL THAT REDUCES PACKAGING MATERIAL WASTE AND IS JUSTIFIED IN THE PLAN;~~

~~(4) REQUIRE EACH PARTICIPATING PRODUCER TO REDUCE PACKAGING MATERIAL WASTE TO THE MAXIMUM EXTENT PRACTICABLE, AND BY~~

~~NOT LESS THAN 25%, WITHIN 5 YEARS AFTER THE DATE ON WHICH THE FIRST
VERSION OF THE PLAN IS APPROVED;~~

~~(5)~~ (IV) DESCRIBE, IN ACCORDANCE WITH SUBSECTION (E) OF THIS
SECTION, THE FINANCING METHOD THAT WILL BE USED TO IMPLEMENT THE PLAN;

(V) DESCRIBE HOW, FOR EACH COVERED MATERIAL TYPE, THE
PRODUCER RESPONSIBILITY ORGANIZATION WILL MEASURE RECYCLING, WASTE
REDUCTION, REUSE, COMPOSTING, AND THE INCLUSION OF POSTCONSUMER
RECYCLED CONTENT;

~~(6)~~ (VI) DESCRIBE HOW THE PERFORMANCE GOALS ESTABLISHED
UNDER ITEM ~~(3)~~ (III) OF THIS ~~SUBSECTION~~ PARAGRAPH WILL BE MET OR EXCEEDED;

(VII) INCLUDE PROPOSALS FOR EXEMPTIONS FROM
PERFORMANCE TARGETS AND STATEWIDE REQUIREMENTS FOR COVERED
MATERIALS THAT CANNOT BE WASTE REDUCED OR MADE REUSABLE, RECYCLABLE,
OR COMPOSTABLE DUE TO FEDERAL OR STATE HEALTH AND SAFETY
REQUIREMENTS, IDENTIFYING THE SPECIFIC FEDERAL OR STATE REQUIREMENT
AND THEIR IMPACT ON THE COVERED MATERIALS;

(VIII) DESCRIBE INFRASTRUCTURE INVESTMENTS, INCLUDING
GOALS AND OUTCOMES AND A DESCRIPTION OF HOW THE PROCESS TO OFFER AND
SELECT OPPORTUNITIES WILL BE CONDUCTED IN AN OPEN, COMPETITIVE, AND FAIR
MANNER, HOW IT WILL ADDRESS GAPS IN THE SYSTEM NOT MET BY SERVICE
PROVIDERS, AND THE POTENTIAL FINANCIAL AND LEGAL INSTRUMENTS TO BE
USED;

(IX) EXPLAIN HOW THE PROGRAM WILL BE PAID FOR BY THE
PRODUCER RESPONSIBILITY ORGANIZATION THROUGH FEES FROM PRODUCERS,
WITHOUT ANY NEW OR ADDITIONAL CONSUMER-FACING FEE TO MEMBERS OF THE
PUBLIC, BUSINESSES, SERVICE PROVIDERS, THE STATE OR ANY POLITICAL
SUBDIVISIONS, OR ANY OTHER PERSON WHO IS NOT A PRODUCER, UNLESS THE FEE
IS:

1. A DEPOSIT MADE IN CONNECTION WITH A PRODUCT'S
REFILL, REUSE, OR RECYCLING THAT CAN BE REDEEMED BY A CONSUMER; OR

2. A CHARGE FOR SERVICE BY A SERVICE PROVIDER,
REGARDLESS OF WHETHER THE SERVICE PROVIDER IS REGISTERED;

(X) DESCRIBE ACTIVITIES TO BE UNDERTAKEN BY THE
PRODUCER RESPONSIBILITY ORGANIZATION DURING EACH YEAR TO:

1 1. MINIMIZE THE ENVIRONMENTAL IMPACTS AND
2 HUMAN HEALTH IMPACTS OF COVERED MATERIALS, INCLUDING ASSESSING EACH
3 COVERED MATERIAL'S GENERATION OF HAZARDOUS WASTE, GENERATION OF
4 GREENHOUSE GASES, ENVIRONMENTAL JUSTICE IMPACTS, PUBLIC HEALTH
5 IMPACTS, AND OTHER IMPACTS;

6 2. FOSTER THE IMPROVED DESIGN OF COVERED
7 MATERIALS;

8 3. PROVIDE FUNDING TO EXPAND AND INCREASE THE
9 CONVENIENCE OF WASTE REDUCTION, REUSE, COLLECTION, RECYCLING, AND
10 COMPOSTING SERVICES TO COVERED ENTITIES;

11 4. PROVIDE FOR REIMBURSEMENT RATES UNDER
12 SUBSECTION (E)(1)(II) OF THIS SECTION TO SERVICE PROVIDERS FOR STATEWIDE
13 COVERAGE OF COVERED SERVICES AT AN OPTIMAL LEVEL OF CONVENIENCE AND
14 SERVICE FOR APPLICABLE COVERED MATERIALS ON THE LIST ESTABLISHED UNDER
15 § 9-2508 OF THIS SUBTITLE; AND

16 5. MONITOR TO ENSURE THAT POSTCONSUMER
17 MATERIALS ARE DELIVERED TO RESPONSIBLE END MARKETS;

18 (XI) INCLUDE PERFORMANCE STANDARDS FOR SERVICE
19 PROVIDERS AS APPLICABLE TO THE SERVICE PROVIDED, INCLUDING;

20 1. REQUIREMENTS THAT SERVICE PROVIDERS MUST
21 ACCEPT ALL REQUIRED COVERED MATERIALS ON THE LIST ESTABLISHED UNDER §
22 9-2508 OF THIS SUBTITLE; AND

23 2. LABOR STANDARDS AND SAFETY PRACTICES,
24 INCLUDING SAFETY PROGRAMS, HEALTH BENEFITS, AND LIVING WAGES;

25 (XII) DESCRIBE HOW THE PRODUCER RESPONSIBILITY
26 ORGANIZATION WILL TREAT AND PROTECT NONPUBLIC DATA SUBMITTED BY
27 SERVICE PROVIDERS;

28 (XIII) INCLUDE A DESCRIPTION OF HOW THE PRODUCER
29 RESPONSIBILITY ORGANIZATION WILL PROVIDE TECHNICAL ASSISTANCE TO
30 SERVICE PROVIDERS IN ORDER TO ASSIST THEM IN DELIVERING COVERED
31 MATERIALS TO RESPONSIBLE END MARKETS;

32 ~~(7)~~ (XIV) DESCRIBE HOW STAKEHOLDER COMMENTS WERE
33 CONSIDERED IN THE DEVELOPMENT OF THE PLAN;

~~(8)~~ (XV) DESCRIBE HOW STAFFING AND ADMINISTERING THE IMPLEMENTATION OF THE PLAN WILL BE HANDLED;

~~(9) DESCRIBE THE STRATEGY FOR REDUCING PACKAGING MATERIALS IN THE STATE, INCLUDING HOW PRODUCERS PARTICIPATING IN A PLAN WILL WORK TOGETHER TO REDUCE PACKAGING THROUGH PRODUCT DESIGN AND PROGRAM INNOVATIONS;~~

~~(10)~~ (XVI) DESCRIBE THE ACTIONS TAKEN OR THAT WILL BE TAKEN FOR PUBLIC OUTREACH, EDUCATION, AND COMMUNICATION, TAKING INTO ACCOUNT THAT PUBLIC OUTREACH, EDUCATION, AND COMMUNICATION SHALL:

~~(I)~~ 1. PROMOTE THE RESPONSIBLE END-OF-LIFE MANAGEMENT OF ~~PACKAGING~~ COVERED MATERIALS;

~~(II)~~ 2. PROVIDE INFORMATION ON HOW TO PREVENT LITTER OF ~~PACKAGING~~ COVERED MATERIALS;

~~(III)~~ 3. PROVIDE RECYCLING AND ~~ORGANICS RECYCLING~~ COMPOSTING INSTRUCTIONS THAT ARE, TO THE EXTENT PRACTICABLE:

~~1.~~ A. CONSISTENT STATEWIDE, TAKING INTO ACCOUNT DIFFERENCES AMONG LOCAL LAWS AND PROCESSING CAPABILITIES;

~~2.~~ B. EASY TO UNDERSTAND; AND

~~3.~~ C. EASILY ACCESSIBLE; AND

~~(IV)~~ 4. PROVIDE FOR OUTREACH AND EDUCATION THAT ARE:

~~1.~~ A. DESIGNED TO ACHIEVE PACKAGING MATERIALS MANAGEMENT GOALS AND REQUIREMENTS, INCLUDING THE PREVENTION OF CONTAMINATION OF ~~PACKAGING~~ COVERED MATERIALS;

~~2.~~ B. COORDINATED ACROSS PROGRAMS TO AVOID CONFUSION FOR CONSUMERS; AND

~~3.~~ C. DEVELOPED IN CONSULTATION WITH LOCAL GOVERNMENTS AND OTHER STAKEHOLDERS;

~~(11)~~ (XVII) DESCRIBE, IN ACCORDANCE WITH SUBSECTION (F) OF THIS SECTION, THE AMOUNT OF FUNDING THAT WILL BE USED FOR IMPROVING REUSE, ~~ORGANICS RECYCLING~~ COMPOSTING, AND RECYCLING IN THE STATE;

~~(12)~~ (XVIII) DESCRIBE THE PROCESS BY WHICH A ~~LOCAL~~
~~GOVERNMENT~~ SERVICE PROVIDER MAY REQUEST REIMBURSEMENT FOR COSTS
ASSOCIATED WITH TRANSPORTING, COLLECTING, AND PROCESSING ~~PACKAGING~~
COVERED MATERIALS THAT ARE IDENTIFIED IN THE PLAN, INCLUDING:

~~(I)~~ 1. THE PROCESS BY WHICH THE REQUEST WILL BE
REVIEWED;

~~(II)~~ 2. THE PROCESS FOR APPROVING OR DENYING A
REQUEST FOR REIMBURSEMENT;

~~(III)~~ 3. THE SCHEDULE FOR PROVIDING REIMBURSEMENT
THAT INCLUDES REIMBURSEMENT ON AT LEAST A QUARTERLY BASIS; ~~AND~~

~~(IV)~~ 4. THE PROCESS FOR PROVIDING REIMBURSEMENT FOR
MULTIPLE BRANDS OF ~~PACKAGING~~ COVERED MATERIALS; AND

5. THE PROCESS FOR RESOLVING, THROUGH
ARBITRATION, DISPUTES THAT ARISE BETWEEN THE PRODUCER RESPONSIBILITY
ORGANIZATION AND A SERVICE PROVIDER REGARDING THE DETERMINATION OF
REIMBURSEMENT RATES AND PAYMENT OF REIMBURSEMENTS;

~~(13)~~ (XIX) ~~(I)~~ 1. PROVIDE THE WRITTEN RECOMMENDATIONS
FROM THE ADVISORY COUNCIL PROVIDED UNDER § 9-2503 OF THIS SUBTITLE AND
THE PRODUCER RESPONSIBILITY ORGANIZATION'S WRITTEN RESPONSE TO THE
ADVISORY COUNCIL; AND

~~(II)~~ 2. DESCRIBE HOW THE WRITTEN RECOMMENDATIONS
FROM THE ADVISORY COUNCIL WERE CONSIDERED AND ADDRESSED IN THE
DEVELOPMENT OF THE PLAN; AND

~~(14)~~ (XX) INCLUDE ANY OTHER INFORMATION THAT IS REQUIRED BY
THE DEPARTMENT.

(2) THE PERFORMANCE GOALS ESTABLISHED UNDER PARAGRAPH
(1)(III) OF THIS SUBSECTION DO NOT APPLY TO:

(I) PRODUCTS PACKAGED AT ESTABLISHMENTS UNDER
MANDATORY INSPECTION BY THE U.S. DEPARTMENT OF AGRICULTURE'S FOOD
SAFETY AND INSPECTION SERVICE IN ACCORDANCE WITH THE FEDERAL MEAT
INSPECTION ACT, THE FEDERAL POULTRY PRODUCTS INSPECTION ACT, THE
FEDERAL EGG PRODUCTS INSPECTION ACT, OR U.S. DEPARTMENT OF
AGRICULTURAL OR U.S. FOOD AND DRUG ADMINISTRATION REGULATIONS
RELATED TO CHEESE PACKAGING;

1 **(II) PRODUCTS PACKAGED AT FACILITIES REGULATED UNDER**
2 **STATE MEAT AND DAIRY INSPECTION LAWS; OR**

3 **(III) FOR A PERIOD OF 5 YEARS AFTER THE DATE ON WHICH THE**
4 **FIRST VERSION OF THE PLAN IS APPROVED AND ESTABLISHED, WITH AN OPTIONAL**
5 **EXTENSION OF 5 YEARS CONTINGENT ON THE DEVELOPMENT OF RECYCLING,**
6 **INCLUDING ORGANICS RECYCLING, INFRASTRUCTURE CAPABLE OF HANDLING**
7 **PATHOGEN-CONTAMINATED PACKAGING IN A SAFE AND EFFECTIVE MANNER,**
8 **CHEESE, MEAT, AND POULTRY PREPARED AND PACKAGED AT RETAIL LOCATIONS**
9 **SUCH AS GROCERY STORES, BUTCHER SHOPS, OR ONLINE RETAILERS.**

10 **(D) BASED ON THE RESULTS OF THE MOST RECENT STATEWIDE RECYCLING**
11 **NEEDS ASSESSMENT CONDUCTED UNDER CHAPTER 465 OF THE ACTS OF THE**
12 **GENERAL ASSEMBLY OF 2023 OR § 9-1702.2 OF THIS TITLE, THE DEPARTMENT, IN**
13 **COORDINATION WITH A PRODUCER RESPONSIBILITY ORGANIZATION AND VIA THE**
14 **APPROVAL OF PRODUCER RESPONSIBILITY PLANS, SHALL ESTABLISH**
15 **PERFORMANCE GOALS FOR EACH ~~PACKAGING COVERED~~ MATERIAL TYPE USING A**
16 **BASELINE YEAR THAT IS INFORMED BY THE STATEWIDE RECYCLING NEEDS**
17 **ASSESSMENT, INCLUDING ESTABLISHING RECYCLING RATE GOALS FOR EACH**
18 **~~PACKAGING COVERED~~ MATERIAL TYPE, AT 5-, 10-, AND 15-YEAR INTERVALS.**

19 **(E) (1) THE FINANCING METHOD THAT WILL BE USED BY A PRODUCER**
20 **RESPONSIBILITY ORGANIZATION TO IMPLEMENT A PRODUCER RESPONSIBILITY**
21 **PLAN SHALL:**

22 **(I) PROVIDE THE METHOD FOR EITHER DIRECT INVESTMENTS**
23 **OR REIMBURSEMENTS FOR IMPROVING INFRASTRUCTURE FOR REUSE, ~~ORGANICS~~**
24 **~~RECYCLING~~ COMPOSTING, AND RECYCLING IN ACCORDANCE WITH SUBSECTION**
25 **~~(C)(11)~~ (C)(1)(XVII) OF THIS SECTION, WITH PRIORITY GIVEN TO THE IMPROVEMENT**
26 **OF EXISTING INFRASTRUCTURE;**

27 **(II) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION,**
28 **~~PROVIDE:~~**

29 **1. PROVIDE A METHODOLOGY FOR REIMBURSEMENT**
30 **RATES FOR COVERED SERVICES FOR COVERED MATERIALS, EXCLUSIVE OF EXEMPT**
31 **MATERIALS;**

32 **2. INCORPORATE RELEVANT COST INFORMATION**
33 **IDENTIFIED BY THE MOST RECENT NEEDS ASSESSMENT PERFORMED UNDER**
34 **CHAPTER 465 OF THE ACTS OF THE GENERAL ASSEMBLY OR § 9-1702.2 OF THIS**
35 **TITLE;**

1 3. BE UPDATED ANNUALLY; AND

2 4. ESTABLISH REIMBURSEMENT RATES EQUIVALENT

3 TO:

4 A. AT LEAST 50% OF THE COST PER TON ON OR BEFORE

5 JULY 1, 2028;

6 B. AT LEAST 75% OF THE COST PER TON ON OR BEFORE

7 JULY 1, 2029; AND

8 C. AT LEAST 90% OF THE COST PER TON ON OR BEFORE

9 JULY 1, 2030, AND EACH YEAR THEREAFTER A REASONABLE ANNUAL RATE PER TON
10 OF RECYCLED OR COMPOSTED PACKAGING MATERIALS FOR REIMBURSING LOCAL
11 GOVERNMENTS FOR COSTS ASSOCIATED WITH:

12 1. UP TO 50% OF THE COST OF COLLECTING PACKAGING
13 MATERIALS THAT ARE IDENTIFIED IN THE PLAN;

14 2. TRANSPORTING RECYCLABLE OR COMPOSTABLE
15 PACKAGING MATERIALS TO A MATERIALS RECYCLING FACILITY OR AN ORGANICS
16 RECYCLING FACILITY;

17 3. PROCESSING PACKAGING MATERIALS, INCLUDING
18 REMOVING CONTAMINATION; AND

19 4. CONVERTING PACKAGING MATERIALS THAT ARE
20 DIVERTED TO BE RECYCLED OR COMPOSTED INTO COMMODITY MATERIALS;

21 (III) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION,
22 ESTABLISH A FEE STRUCTURE FOR PARTICIPATING PRODUCERS THAT IS SET IN A
23 MANNER TO COVER COSTS ASSOCIATED WITH:

24 1. IMPLEMENTING THE PLAN, INCLUDING THE
25 ADMINISTRATIVE COSTS OF A PRODUCER RESPONSIBILITY ORGANIZATION;

26 2. REIMBURSING LOCAL GOVERNMENTS OR SERVICE
27 PROVIDERS FOR COSTS IN ACCORDANCE WITH ITEM (II) OF THIS PARAGRAPH;

28 3. THE ADMINISTRATION, REVIEW, OVERSIGHT, AND
29 ENFORCEMENT OF THE PLAN BY THE DEPARTMENT; AND

~~4. IMPLEMENTING THE STRATEGY IN THE PLAN FOR
REDUCING PACKAGING MATERIALS IN ACCORDANCE WITH SUBSECTION (C)(9) OF
THIS SECTION; AND~~

~~5. IMPLEMENTING THE STRATEGY IN THE PLAN FOR
IMPROVING REUSE, ORGANICS RECYCLING, COMPOSTING, AND RECYCLING IN THE
STATE IN ACCORDANCE WITH SUBSECTION (C)(11) (C)(1)(XVII) OF THIS SECTION;~~

(IV) 1. DESCRIBE THE INCENTIVES TO ENCOURAGE
PARTICIPATING PRODUCERS TO ENGAGE IN WASTE REDUCTION AND RECYCLING
ACTIVITIES; AND

2. DESCRIBE THE DISINCENTIVES TO DISCOURAGE
DESIGNS OR PRACTICES THAT INCREASE THE COST OF MANAGING PACKAGING
MATERIALS;

(V) BE EVALUATED BY AN INDEPENDENT FINANCIAL AUDITOR,
AS DESIGNATED BY THE DEPARTMENT, TO ENSURE THAT THE COSTS OF
IMPLEMENTING THE PLAN ARE COVERED; AND

(VI) MEET ANY OTHER REQUIREMENT ESTABLISHED BY THE
DEPARTMENT BY REGULATION.

(2) THE REIMBURSEMENT RATE ESTABLISHED UNDER PARAGRAPH
(1)(II) OF THIS SUBSECTION SHALL ~~BE:~~

~~(I) BASED ON THE FOLLOWING, AS APPLICABLE BY SERVICE
PROVIDED:~~

~~1. THE POPULATION SIZE OF A LOCAL JURISDICTION;~~

~~2. THE DISTANCE TO THE RELEVANT MATERIALS
RECYCLING FACILITY OR ORGANICS RECYCLING FACILITY;~~

~~3. THE COMMODITY VALUE OF RECYCLED PACKAGING
MATERIALS; AND~~

~~4. ANY SOCIOECONOMIC OR GEOGRAPHIC FACTOR, AS
DETERMINED BY THE DEPARTMENT; AND~~

~~(II) DISCOUNTED EQUIVALENT TO THE ESTIMATED ANNUAL
VOLUME OF PACKAGING MATERIALS SOLD IN THE STATE BY PERSONS THAT ARE
EXEMPT FROM THE REQUIREMENTS OF THIS SUBTITLE BE BASED ON THE
FOLLOWING, AS APPLICABLE BY SERVICE PROVIDED:~~

1 (I) A FIXED AMOUNT FOR EACH TON OF COVERED MATERIAL
2 COLLECTED BY A SERVICE PROVIDER THAT REFLECTS CONDITIONS AFFECTING
3 COLLECTION, RECYCLING, AND COMPOSTING COSTS IN THE REGION OR
4 JURISDICTION WHERE THE SERVICES WERE PROVIDED, INCLUDING:

5 1. THE NUMBER AND SIZE OF COVERED ENTITIES;

6 2. POPULATION DENSITY;

7 3. COLLECTION METHODS EMPLOYED;

8 4. THE DISTANCE TRAVELED TO CONSOLIDATION OR
9 TRANSFER FACILITIES, MATERIALS RECYCLING FACILITIES, REUSE FACILITIES,
10 COMPOSTING FACILITIES, OR RESPONSIBLE END MARKETS;

11 5. OTHER FACTORS THAT MAY CONTRIBUTE TO
12 REGIONAL OR JURISDICTIONAL COST DIFFERENCES;

13 6. THE PROPORTION OF COVERED COMPOSTABLE
14 MATERIALS WITHIN ALL SOURCE-SEPARATED COMPOSTABLE MATERIALS
15 COLLECTED OR MANAGED THROUGH COMPOSTING; AND

16 7. THE GENERAL QUALITY OF COVERED MATERIALS
17 RECYCLED OR COMPOSTED BY A SERVICE PROVIDER;

18 (II) A FIXED AMOUNT FOR EACH TON OF COVERED MATERIAL
19 RECYCLED OR COMPOSTED BY A SERVICE PROVIDER IN THE PREVIOUS CALENDAR
20 YEAR BASED ON:

21 1. THE AVERAGE COSTS ASSOCIATED WITH THE
22 TRANSPORTATION AND PROCESSING, FROM A CENTRAL LOCATION WITHIN A
23 POLITICAL SUBDIVISION, OF COLLECTED COVERED MATERIAL FROM THE POLITICAL
24 SUBDIVISION TO A MATERIALS RECYCLING FACILITY OR COMPOSTING FACILITY;

25 2. THE PROCESSING OF, AND REMOVAL OF
26 CONTAMINATION FROM, COVERED MATERIALS BY A MATERIALS RECYCLING
27 FACILITY OR COMPOSTING FACILITY;

28 3. THE RECYCLING OR COMPOSTING OF COVERED
29 MATERIALS LESS THE AVERAGE FAIR MARKET VALUE FOR THAT COVERED
30 MATERIAL BASED ON THE MARKET INDICES FOR THE REGION, UPDATED MONTHLY;

1 4. COSTS ASSOCIATED WITH THE MANAGEMENT OF
2 CONTAMINATED MATERIALS REMOVED FROM THE COLLECTED COVERED
3 MATERIALS; AND

4 5. THE PROPORTION OF COVERED COMPOSTABLE
5 MATERIALS WITHIN ALL SOURCE-SEPARATED COMPOSTABLE MATERIALS
6 COLLECTED OR MANAGED THROUGH COMPOSTING;

7 (III) AN ADDITIONAL FIXED AMOUNT PER TON, IN EXCESS OF THE
8 RATE PROVIDED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR EACH
9 COVERED MATERIAL TYPE NOT LISTED UNDER § 9-2508 OF THIS SUBTITLE THAT
10 WAS RECYCLED OR COMPOSTED BY A SERVICE PROVIDER IN THE PREVIOUS
11 CALENDAR YEAR, LESS THE AVERAGE FAIR MARKET VALUE FOR THE COVERED
12 MATERIAL BASED ON THE MARKET INDICES FOR THE REGION, UPDATED MONTHLY;

13 (IV) A FIXED AMOUNT FOR EACH TON OF MIXED RECYCLING
14 THAT IS MANAGED THROUGH A PROCESS THAT INCLUDES PERCENTAGES OF
15 COVERED MATERIALS LISTED UNDER § 9-2508 OF THIS SUBTITLE AND ADDITIONAL
16 COVERED MATERIALS, PRORATED FOR THE VALUES IN ITEMS 1 AND 2 OF
17 SUBPARAGRAPH (II) OF THIS PARAGRAPH, BASED ON THE MOST RECENT WASTE
18 CHARACTERIZATION FOR MIXED RECYCLING TON AVERAGES;

19 (V) A FIXED AMOUNT, BASED ON POPULATION SERVED, FOR
20 ADMINISTRATIVE COSTS OF SERVICE PROVIDERS, INCLUDING EDUCATION, PUBLIC
21 AWARENESS CAMPAIGNS, AND OUTREACH PROGRAM COSTS AS APPLICABLE; AND

22 (VI) A FIXED AMOUNT FOR THE COST OF MANAGING COVERED
23 MATERIALS CAPABLE OF REFILL OR REUSABLE COVERED MATERIALS AND FOR THE
24 COSTS ASSOCIATED WITH COLLECTION, CLEANING, SANITATION, DISTRIBUTION,
25 AND MANAGEMENT OF CONTAMINATION.

26 (3) (I) BEFORE ESTABLISHING THE FEE STRUCTURE FOR
27 PARTICIPATING PRODUCERS UNDER PARAGRAPH (1)(III) OF THIS SUBSECTION, THE
28 PRODUCER RESPONSIBILITY ORGANIZATION SHALL:

29 1. PUBLISH A PROPOSED FEE ON ITS WEBSITE; AND

30 2. ALLOW 90 CALENDAR DAYS FOR PUBLIC COMMENT.

31 (II) THE FEE STRUCTURE ESTABLISHED UNDER PARAGRAPH
32 (1)(III) OF THIS SUBSECTION SHALL BE VARIABLE BASED ON:

33 1. COSTS ASSOCIATED WITH TRANSPORTING,
34 COLLECTING, AND PROCESSING ~~PACKAGING~~ COVERED MATERIALS;

2. AN ECO-MODULATION OF FEES, INCLUDING
ESTABLISHING:

A. A HIGHER FEE FOR ~~PACKAGING~~ COVERED MATERIALS
~~WITH LOW RECYCLABILITY OR NOT LISTED UNDER § 9-2508 OF THIS SUBTITLE OR~~
WITH LOW RECYCLED CONTENT; AND

B. A DISCOUNTED FEE FOR ~~PACKAGING~~ COVERED
MATERIALS ~~WITH HIGH RECYCLABILITY OR~~ LISTED UNDER § 9-2508 OF THIS
SUBTITLE OR WITH HIGH RECYCLED CONTENT; AND

3. ANY OTHER FACTOR, AS DETERMINED BY THE
DEPARTMENT.

(4) (I) A PRODUCER RESPONSIBILITY ORGANIZATION SHALL
RETAIN ANY FEE COLLECTED UNDER THIS SUBSECTION IN ITS OWN ACCOUNT.

(II) THE DEPARTMENT MAY REQUEST AT ANY TIME AN AUDIT OF
THE FINANCIAL RECORDS OF A PRODUCER RESPONSIBILITY ORGANIZATION.

(5) (I) A SERVICE PROVIDER SHALL RETAIN ALL REVENUE FROM
THE SALE OF COVERED MATERIALS.

(II) NOTHING IN THIS SUBTITLE MAY BE CONSTRUED TO
RESTRICT A SERVICE PROVIDER FROM CHARGING A FEE FOR COVERED SERVICES OF
COVERED MATERIALS TO THE EXTENT THAT REIMBURSEMENT FROM A PRODUCER
RESPONSIBILITY ORGANIZATION DOES NOT COVER ALL COSTS OF SERVICES,
INCLUDING:

1. CONTINUED INVESTMENT AND INNOVATION IN
OPERATIONS;

2. OPERATING PROFITS; AND

3. RETURNS ON INVESTMENTS REQUIRED BY A SERVICE
PROVIDER TO PROVIDE SUSTAINABILITY OF THE SERVICES.

(F) THE FUNDING THAT WILL BE USED FOR IMPROVING REUSE, ~~ORGANICS~~
~~RECYCLING~~ COMPOSTING, AND RECYCLING SHALL INCLUDE INVESTMENT IN
MARKET DEVELOPMENT AND EXISTING AND FUTURE REUSE, ~~ORGANICS RECYCLING~~
COMPOSTING, AND RECYCLING INFRASTRUCTURE, GIVING PRIORITY TO
INVESTMENT IN EXISTING INFRASTRUCTURE, INCLUDING:

1 **(1) INSTALLING OR UPGRADING EQUIPMENT TO IMPROVE THE**
2 **SORTING OF PACKAGING MATERIALS AT EXISTING SORTING AND PROCESSING**
3 **FACILITIES;**

4 **(2) MITIGATING THE IMPACTS OF PACKAGING MATERIALS ON OTHER**
5 **COMMODITIES AT EXISTING SORTING AND PROCESSING FACILITIES; AND**

6 **(3) CAPITAL EXPENDITURES FOR NEW TECHNOLOGY, EQUIPMENT,**
7 **AND FACILITIES, BASED ON THE RESULTS OF THE MOST RECENT STATEWIDE**
8 **RECYCLING NEEDS ASSESSMENT CONDUCTED UNDER CHAPTER 465 OF THE ACTS**
9 **OF THE GENERAL ASSEMBLY OF 2023 OR § 9-1702.2 OF THIS TITLE.**

10 **(G) THE DEPARTMENT SHALL REVIEW:**

11 **(1) THE PRODUCER RESPONSIBILITY PLAN REQUIRED UNDER**
12 **SUBSECTION (B) OF THIS SECTION; AND**

13 **(2) THE WORK PRODUCT OF THE INDEPENDENT FINANCIAL AUDITOR**
14 **DESIGNATED BY THE DEPARTMENT TO EVALUATE THE FINANCING COMPONENT OF**
15 **THE PRODUCER RESPONSIBILITY PLAN UNDER SUBSECTION (E)(1)(V) OF THIS**
16 **SECTION.**

17 **(H) (1) WITHIN 120 DAYS AFTER RECEIVING A PROPOSED PRODUCER**
18 **RESPONSIBILITY PLAN, THE DEPARTMENT SHALL APPROVE, APPROVE WITH**
19 **CONDITIONS, OR REJECT THE PLAN.**

20 **(2) IN MAKING A DETERMINATION UNDER PARAGRAPH (1) OF THIS**
21 **SUBSECTION, THE DEPARTMENT SHALL CONSIDER WHETHER:**

22 **(I) THE PRODUCER RESPONSIBILITY PLAN COMPLIES WITH**
23 **THE REQUIREMENTS OF THIS SECTION, INCLUDING WHETHER THE FINANCING**
24 **METHOD WILL COVER THE COSTS OF IMPLEMENTING THE PLAN; AND**

25 **(II) THE PRODUCER RESPONSIBILITY ORGANIZATION ENGAGED**
26 **SUFFICIENTLY WITH STAKEHOLDERS, INCLUDING LOCAL GOVERNMENTS, IN**
27 **DEVELOPING THE PLAN.**

28 **(3) NOT LATER THAN 60 DAYS AFTER THE DATE A PRODUCER**
29 **RESPONSIBILITY PLAN IS INITIALLY APPROVED UNDER THIS SECTION, THE ENTITY**
30 **THAT SUBMITTED THE PLAN SHALL PAY TO THE DEPARTMENT:**

31 **(I) THE DEPARTMENT'S COST OF REVIEWING THE PLAN; AND**

(II) THE DEPARTMENT'S ESTIMATED COSTS OF ADMINISTERING, OVERSEEING, AND ENFORCING THE PLAN BETWEEN THE INITIAL DATE OF APPROVAL AND THE DATE OF THE INITIAL ANNUAL REPORT REQUIRED UNDER ~~§ 9-2507~~ § 9-2509 OF THIS SUBTITLE.

(I) IMPLEMENTATION OF AN APPROVED PRODUCER RESPONSIBILITY PLAN SHALL BEGIN NOT LATER THAN 6 MONTHS AFTER THE DATE THE PRODUCER RESPONSIBILITY PLAN IS APPROVED BY THE DEPARTMENT.

(J) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION AND SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, AN APPROVED PRODUCER RESPONSIBILITY PLAN SHALL EXPIRE AFTER 5 YEARS.

(2) A PRODUCER RESPONSIBILITY PLAN MAY CONTINUE AFTER 5 YEARS IF IT IS RENEGOTIATED, RENEWED, OR AMENDED AND APPROVED BY THE DEPARTMENT IN ACCORDANCE WITH THIS SUBTITLE.

(3) THE DEPARTMENT MAY RESCIND APPROVAL OF A PRODUCER RESPONSIBILITY PLAN AT ANY TIME FOR GOOD CAUSE.

(4) IF THE DEPARTMENT RESCINDS AN APPROVAL OF A PRODUCER RESPONSIBILITY PLAN UNDER PARAGRAPH (3) OF THIS SUBSECTION, THE PRODUCER OR, IF APPLICABLE, THE PRODUCER RESPONSIBILITY ORGANIZATION MAY AMEND THE PLAN AND SUBMIT IT TO THE DEPARTMENT FOR APPROVAL IN ACCORDANCE WITH THIS SUBTITLE.

(5) IF, BASED ON THE ANNUAL REPORT SUBMITTED UNDER ~~§ 9-2507~~ § 9-2509 OF THIS SUBTITLE, THE PERFORMANCE GOALS ESTABLISHED UNDER SUBSECTION ~~(C)(3)~~ (C)(1)(III) OF THIS SECTION HAVE NOT BEEN ACHIEVED, THE DEPARTMENT MAY:

(I) REQUIRE THAT A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION AMEND THE PRODUCER RESPONSIBILITY PLAN; AND

(II) IMPOSE AN ADMINISTRATIVE PENALTY ON A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION IN ACCORDANCE WITH ~~§ 9-2510~~ § 9-2512 OF THIS SUBTITLE.

(6) IF THE DEPARTMENT REQUIRES A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION TO AMEND A PRODUCER RESPONSIBILITY PLAN UNDER PARAGRAPH (5) OF THIS SUBSECTION, THE PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION SHALL COVER THE COST OF THE DEPARTMENT'S REVIEW AND SUPPLEMENTAL WORK ON THE PLAN.

9-2506.

(A) IN ACCORDANCE WITH THE REQUIREMENTS OF A PRODUCER RESPONSIBILITY ORGANIZATION, AS ESTABLISHED IN AN APPROVED PRODUCER RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT, AND ANY OTHER REQUIREMENT ADOPTED BY THE DEPARTMENT, A ~~LOCAL-GOVERNMENT~~ SERVICE PROVIDER MAY REQUEST REIMBURSEMENT FROM A PRODUCER RESPONSIBILITY ORGANIZATION FOR COSTS ASSOCIATED WITH COLLECTING, TRANSPORTING, AND PROCESSING ~~PACKAGING~~ COVERED MATERIALS THAT ARE IDENTIFIED UNDER THE PLAN, INCLUDING COSTS ASSOCIATED WITH RECYCLING SERVICES FOR ~~PUBLIC PLACES AND PUBLIC HOUSING~~ COVERED ENTITIES.

(B) (1) IF MULTIPLE PRODUCER RESPONSIBILITY ORGANIZATIONS REGISTER APPROVED PRODUCER RESPONSIBILITY PLANS WITH THE DEPARTMENT IN ACCORDANCE WITH THIS SUBTITLE, THE PRODUCER RESPONSIBILITY ORGANIZATIONS SHALL COORDINATE REIMBURSEMENT REQUESTED UNDER THIS SECTION.

(2) MULTIPLE PRODUCER RESPONSIBILITY ORGANIZATIONS MAY ESTABLISH A THIRD-PARTY ENTITY TO COORDINATE REIMBURSEMENT IN ACCORDANCE WITH THIS SUBSECTION.

(C) THIS SECTION DOES NOT AUTHORIZE A ~~LOCAL-GOVERNMENT~~ SERVICE PROVIDER TO REQUEST REIMBURSEMENT FROM A PRODUCER RESPONSIBILITY ORGANIZATION FOR COSTS ASSOCIATED WITH COMPOSTING MATERIALS THAT ARE NOT ~~PACKAGING~~ COVERED MATERIALS, INCLUDING FOOD WASTE AND OTHER ORGANIC MATERIALS.

9-2507.

(A) ON OR BEFORE JANUARY 1, 2029, AND EACH JANUARY 1 THEREAFTER, A SERVICE PROVIDER SEEKING REIMBURSEMENT FOR SERVICES PROVIDED UNDER AN APPROVED PRODUCER RESPONSIBILITY PLAN UNDER § 9-2505 OF THIS SUBTITLE SHALL REGISTER WITH THE DEPARTMENT BY SUBMITTING THE FOLLOWING INFORMATION:

(1) THE CONTACT INFORMATION FOR AN INDIVIDUAL REPRESENTING THE SERVICE PROVIDER;

(2) THE ADDRESS OF THE SERVICE PROVIDER; AND

(3) (I) IF APPLICABLE TO THE SERVICES PROVIDED, A REPORT OF THE TOTAL AMOUNT BILLED FOR COLLECTION FOR COVERED ENTITIES,

1 PROCESSING SERVICES, AND TRANSFER STATION OPERATIONS PROVIDED DURING
2 THE IMMEDIATELY PRECEDING CALENDAR YEAR.

3 (II) IF POSSIBLE, VALUES UNDER SUBPARAGRAPH (I) OF THIS
4 PARAGRAPH SHALL BE DISAGGREGATED BY WHETHER THE VALUE IS FOR
5 COLLECTION, PROCESSING, OR TRANSFER.

6 (B) A SERVICE PROVIDER RECEIVING REIMBURSEMENT OR FUNDING
7 UNDER AN APPROVED PRODUCER RESPONSIBILITY PLAN SHALL:

8 (1) AS APPLICABLE TO THE SERVICES OFFERED BY AND SERVICE
9 AREA OF THE SERVICE PROVIDER, PROVIDE COVERED SERVICES FOR:

10 (I) COVERED MATERIALS INCLUDED ON THE LISTS
11 ESTABLISHED UNDER § 9-2508 OF THIS SUBTITLE;

12 (II) A REFILL SYSTEM; OR

13 (III) REUSABLE COVERED MATERIALS;

14 (2) REGISTER WITH THE DEPARTMENT UNDER SUBSECTION (A) OF
15 THIS SECTION;

16 (3) SUBMIT INVOICES TO THE PRODUCER RESPONSIBILITY
17 ORGANIZATION FOR REIMBURSEMENT FOR SERVICES RENDERED, AS PROVIDED
18 UNDER AN APPROVED PRODUCER RESPONSIBILITY PLAN;

19 (4) MEET PERFORMANCE STANDARDS ESTABLISHED IN AN
20 APPROVED PRODUCER RESPONSIBILITY PLAN UNDER § 9-2505 OF THIS SUBTITLE;

21 (5) ENSURE THAT COVERED MATERIALS ARE SENT TO RESPONSIBLE
22 END MARKETS;

23 (6) PROVIDE DOCUMENTATION TO THE PRODUCER RESPONSIBILITY
24 ORGANIZATION ON THE AMOUNTS, COVERED MATERIAL TYPES, AND WEIGHTS OF
25 COVERED MATERIALS BY COVERED SERVICE METHOD;

26 (7) DISPLAY THE SERVICE PROVIDER'S PRICE, LESS THE
27 REIMBURSEMENT FROM THE PRODUCER RESPONSIBILITY ORGANIZATION AS
28 DETERMINED UNDER § 9-2505 OF THIS SUBTITLE WHEN INVOICING CUSTOMERS;
29 AND

30 (8) OTHERWISE COMPLY WITH ALL OTHER APPLICABLE
31 REQUIREMENTS OF THIS SUBTITLE.

1 (C) (1) A SERVICE PROVIDER MAY DESIGNATE AS CONFIDENTIAL ANY
2 PROPRIETARY INFORMATION PROVIDED TO:

3 (I) THE DEPARTMENT UNDER THIS SECTION; OR

4 (II) A PERSON DETERMINING REIMBURSEMENT RATES UNDER §
5 9-2505 OF THIS SUBTITLE.

6 (2) INFORMATION DESIGNATED AS CONFIDENTIAL UNDER THIS
7 SUBSECTION IS NOT SUBJECT TO DISCLOSURE UNDER TITLE 4 OF THE GENERAL
8 PROVISIONS ARTICLE (THE MARYLAND PUBLIC INFORMATION ACT), EXCEPT THAT
9 THE INFORMATION MAY BE DISCLOSED AS SUMMARIZED OR AGGREGATED DATA IF
10 DOING SO DOES NOT DIRECTLY OR INDIRECTLY DISCLOSE THE PROPRIETARY
11 INFORMATION OF ANY SPECIFIC FACILITY.

12 9-2508.

13 (A) (1) ON OR BEFORE JULY 1, 2027, THE DEPARTMENT SHALL DEVELOP
14 A STATEWIDE LIST OF COVERED MATERIALS DETERMINED TO BE RECYCLABLE OR
15 COMPOSTABLE THROUGH CURBSIDE RECYCLING PROGRAMS.

16 (2) COVERED MATERIALS IN THE LIST DEVELOPED UNDER
17 PARAGRAPH (1) OF THIS SUBSECTION SHALL BE COLLECTED:

18 (I) AT AN OPTIMAL LEVEL OF SERVICE AND CONVENIENCE FOR
19 COVERED ENTITIES; AND

20 (II) AT A MINIMUM, WHEREVER COLLECTION SERVICES FOR
21 MIXED MUNICIPAL SOLID WASTE ARE AVAILABLE.

22 (B) THE DEPARTMENT SHALL DEVELOP THE LIST UNDER SUBSECTION (A)
23 OF THIS SECTION IN CONSULTATION WITH:

24 (1) THE ADVISORY COUNCIL;

25 (2) PRODUCER RESPONSIBILITY ORGANIZATIONS;

26 (3) SERVICE PROVIDERS;

27 (4) LOCAL GOVERNMENTS; AND

28 (5) OTHER INTERESTED PARTIES.

1 (C) IN DEVELOPING THE LIST UNDER SUBSECTION (A) OF THIS SECTION,
2 THE DEPARTMENT MAY CONSIDER THE FOLLOWING CRITERIA:

3 (1) CURRENT AVAILABILITY OF RECYCLING AND COMPOSTING
4 COLLECTION SERVICES;

5 (2) RECYCLING AND COMPOSTING PROCESSING INFRASTRUCTURE;

6 (3) CAPACITY AND TECHNOLOGY FOR SORTING COVERED
7 MATERIALS;

8 (4) WHETHER A COVERED MATERIAL IS:

9 (I) OF A TYPE AND FORM THAT IS REGULARLY SORTED AND
10 AGGREGATED INTO DEFINED STREAMS FOR RECYCLING PROCESSES; OR

11 (II) INCLUDED IN A SPECIFICATION OF THE INSTITUTE OF
12 SCRAP RECYCLING INDUSTRIES, OR A SUCCESSOR ORGANIZATION;

13 (5) AVAILABILITY OF RESPONSIBLE END MARKETS;

14 (6) PRESENCE AND AMOUNT OF PROCESSING RESIDUALS,
15 CONTAMINATION, AND TOXIC SUBSTANCES;

16 (7) QUANTITY OF COVERED MATERIAL ESTIMATED TO BE AVAILABLE
17 AND RECOVERABLE;

18 (8) PROJECTED FUTURE CONDITIONS FOR THE CRITERIA UNDER
19 ITEMS (1) THROUGH (7) OF THIS SUBSECTION; AND

20 (9) ANY OTHER CRITERIA OR FACTOR, AS DETERMINED BY THE
21 DEPARTMENT.

22 (D) (1) THE DEPARTMENT MAY AMEND A LIST COMPLETED UNDER THIS
23 SECTION AT ANY TIME.

24 (2) (I) THE DEPARTMENT SHALL PROVIDE AN AMENDED LIST
25 UNDER THIS SUBSECTION TO PRODUCER RESPONSIBILITY ORGANIZATIONS WITHIN
26 A REASONABLE AMOUNT OF TIME, DETERMINED BY THE DEPARTMENT, AFTER
27 AMENDING THE LIST.

28 (II) ON RECEIPT OF AN AMENDED LIST, A PRODUCER
29 RESPONSIBILITY ORGANIZATION SHALL:

1 1. PROVIDE THE LIST TO SERVICE PROVIDERS AS SOON
2 AS PRACTICABLE AFTER RECEIVING THE AMENDED LIST; AND

3 2. WORK TO INCORPORATE CHANGES IN RELEVANT
4 SERVICE PROVIDER REIMBURSEMENT RATES WITHIN 1 CALENDAR YEAR.

5 (E) (1) (I) A PRODUCER MAY REQUEST, ON A FORM PRESCRIBED BY
6 THE DEPARTMENT, THAT THE DEPARTMENT CLASSIFY ONE OR MORE TYPES OF
7 PACKAGING AS AN EXEMPT MATERIAL.

8 (II) THE DEPARTMENT SHALL SUBMIT A REQUEST RECEIVED
9 UNDER THIS SUBSECTION TO THE ADVISORY COUNCIL FOR REVIEW AND COMMENT
10 BEFORE APPROVING OR DENYING THE REQUEST.

11 (2) SUBJECT TO PARAGRAPH (1)(II) OF THIS SUBSECTION, THE
12 DEPARTMENT MAY APPROVE THE REQUEST ONLY IF THE DEPARTMENT
13 DETERMINES THAT A SPECIFIC FEDERAL OR STATE HEALTH AND SAFETY
14 REQUIREMENT PREVENTS THE PACKAGING FROM BEING WASTE REDUCED OR MADE
15 REUSABLE, RECYCLABLE, OR COMPOSTABLE.

16 (3) WITHIN 120 DAYS AFTER THE DATE ON WHICH THE DEPARTMENT
17 RECEIVES A REQUEST UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE
18 DEPARTMENT SHALL:

19 (I) REVIEW AND APPROVE OR DENY THE REQUEST; OR

20 (II) REQUEST ADDITIONAL INFORMATION FROM THE
21 PRODUCER.

22 (4) THE DEPARTMENT SHALL PUBLISH AND UPDATE AS NECESSARY
23 ON THE DEPARTMENT'S WEBSITE A LIST OF MATERIALS EXEMPTED BY REQUEST
24 UNDER THIS SUBSECTION.

25 (5) (I) AN EXEMPTION APPROVED PER A REQUEST UNDER THIS
26 SUBSECTION SHALL EXPIRE 2 YEARS AFTER THE DATE ON WHICH THE DEPARTMENT
27 APPROVES THE REQUEST.

28 (II) A PRODUCER MAY FILE A SUBSEQUENT REQUEST THAT THE
29 DEPARTMENT CLASSIFY ONE OR MORE TYPES OF PACKAGING AS AN EXEMPT
30 MATERIAL AFTER THE EXPIRATION OF THE CLASSIFICATION UNDER
31 SUBPARAGRAPH (I) OF THIS PARAGRAPH.

32 ~~9-2507.~~ 9-2509.

1 (A) BEGINNING ~~MARCH 1, 2028~~ JULY 1, 2029, EACH PRODUCER OR
2 PRODUCER RESPONSIBILITY ORGANIZATION THAT HAS AN APPROVED PRODUCER
3 RESPONSIBILITY PLAN ON FILE WITH THE DEPARTMENT SHALL REPORT ANNUALLY
4 TO THE DEPARTMENT ON THE PROGRESS TOWARD MEETING PLAN REQUIREMENTS
5 AND GOALS FOR THE IMMEDIATELY PRECEDING CALENDAR YEAR.

6 (B) THE REPORT REQUIRED UNDER SUBSECTION (A) OF THIS SECTION
7 SHALL INCLUDE:

8 (1) A DETAILED DESCRIPTION OF THE REIMBURSEMENT METHODS
9 USED FOR COLLECTING, TRANSPORTING, AND PROCESSING ~~PACKAGING~~ COVERED
10 MATERIALS;

11 (2) (I) THE STATUS ON ACHIEVING THE PERFORMANCE GOALS
12 ESTABLISHED UNDER ~~§ 9-2505(C)(3)~~ § 9-2505(C)(1)(III) OF THIS SUBTITLE; AND

13 (II) IF THE GOALS HAVE NOT BEEN ACHIEVED, A DESCRIPTION
14 OF THE ACTIONS PROPOSED TO ACHIEVE THE GOALS;

15 (3) THE AMOUNT OF EACH ~~PACKAGING~~ COVERED MATERIAL TYPE
16 COLLECTED IN THE STATE, INCLUDING THE METHOD OF DISPOSITION OF EACH
17 PACKAGING MATERIAL TYPE;

18 (4) THE TOTAL COST OF IMPLEMENTING THE PLAN, AS DETERMINED
19 BY AN INDEPENDENT FINANCIAL AUDITOR, INCLUDING:

20 (I) A COPY OF THE WORK PRODUCT OF THE INDEPENDENT
21 FINANCIAL AUDITOR; AND

22 (II) FINANCIAL STATEMENTS DETAILING ALL PAYMENTS
23 RECEIVED AND ISSUED BY THE PRODUCERS COVERED UNDER THE APPROVED PLAN;

24 (5) SAMPLES OF ALL EDUCATIONAL MATERIALS PROVIDED TO
25 CONSUMERS OR OTHER ENTITIES;

26 (6) A DETAILED DESCRIPTION OF THE ACTIONS TAKEN AND AN
27 EVALUATION OF THE METHODS USED TO DISSEMINATE EDUCATIONAL MATERIALS,
28 INCLUDING RECOMMENDATIONS, IF ANY, FOR HOW THE EDUCATIONAL COMPONENT
29 OF THE PLAN CAN BE IMPROVED;

30 (7) A DETAILED DESCRIPTION OF INVESTMENTS MADE IN MARKET
31 DEVELOPMENT AND FOR IMPROVING REUSE, ~~ORGANICS RECYCLING~~ COMPOSTING,
32 AND RECYCLING INFRASTRUCTURE;

(8) PROOF OF A THIRD-PARTY AUDIT OF:

(I) THE REDUCTION IN ~~PACKAGING~~ COVERED MATERIALS REPORTED;

(II) THE DATA USED TO DETERMINE THE STATUS OF ACHIEVING PERFORMANCE GOALS;

(III) THE AMOUNT OF EACH ~~PACKAGING~~ COVERED MATERIAL TYPE COLLECTED IN THE STATE; AND

(IV) THE OVERALL REDEMPTION RATE AND RECYCLING RATE OF BEVERAGE CONTAINERS IN THE STATE; AND

(9) ANY OTHER INFORMATION AS REQUIRED BY THE DEPARTMENT.

(C) WHEN PROVIDING THE DEPARTMENT WITH THE ANNUAL REPORT REQUIRED UNDER THIS SECTION, A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION SHALL PAY TO THE DEPARTMENT THE DEPARTMENT'S ESTIMATED COSTS OF ADMINISTERING, OVERSEEING, AND ENFORCING THE PLAN FOR THE 1 YEAR IMMEDIATELY FOLLOWING THE ANNUAL REPORT.

(D) FINANCIAL, PRODUCTION, OR SALES DATA REPORTED TO THE DEPARTMENT BY A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION SHALL BE KEPT CONFIDENTIAL BY THE DEPARTMENT AND MAY NOT BE SUBJECT TO PUBLIC INSPECTION.

(E) SUBJECT TO SUBSECTION (D) OF THIS SECTION, THE REPORT SHALL BE POSTED ON THE WEBSITE OF THE DEPARTMENT AND THE PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION.

~~9-2508.~~ 9-2510.

ANY PERSON PARTICIPATING IN A PRODUCER RESPONSIBILITY PLAN IN COMPLIANCE WITH THIS SUBTITLE IS IMMUNE FROM LIABILITY UNDER STATE LAW RELATING TO ANTITRUST AND RESTRAINT OF TRADE FOR ANY COOPERATED ACTIVITIES ARISING OUT OF THE RECYCLING, REUSE, AND DISPOSAL OF ~~PACKAGING~~ COVERED MATERIALS.

~~9-2509.~~ 9-2511.

(A) THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS SUBTITLE.

(B) REGULATIONS ADOPTED UNDER THIS SECTION:

(1) MAY ESTABLISH CRITERIA REGARDING PROVIDING BENEFITS TO THE ENVIRONMENT AND MINIMIZING RISKS TO PUBLIC HEALTH AND WORKER HEALTH AND SAFETY; AND

(2) SHALL ESTABLISH, OR REQUIRE A PRODUCER RESPONSIBILITY PLAN TO ESTABLISH, A PROCESS FOR VALIDATING RESPONSIBLE END MARKETS.

~~9-2510, 9-2512.~~

(A) EXCEPT AS OTHERWISE PROVIDED UNDER SUBSECTIONS (B) AND (C) OF THIS SECTION, THE PROVISIONS OF §§ 9-334 THROUGH 9-344 OF THIS TITLE APPLY TO ENFORCE VIOLATIONS OF:

(1) THIS SUBTITLE;

(2) ANY REGULATION ADOPTED UNDER THIS SUBTITLE; OR

(3) ANY ORDER ISSUED UNDER THIS SUBTITLE.

(B) (1) A PRODUCER OR PRODUCER RESPONSIBILITY ORGANIZATION THAT VIOLATES THIS SUBTITLE IS SUBJECT TO:

(I) FOR A FIRST VIOLATION, AN ADMINISTRATIVE PENALTY OF \$5,000;

(II) FOR A SECOND VIOLATION, AN ADMINISTRATIVE PENALTY OF \$10,000; AND

(III) FOR A THIRD OR SUBSEQUENT VIOLATION, A CIVIL PENALTY OF \$20,000.

(2) A PENALTY MAY NOT BE IMPOSED ON A PRODUCER UNDER THIS SECTION UNLESS:

(I) THE DEPARTMENT FIRST ISSUES A WRITTEN NOTICE OF VIOLATION TO THE PRODUCER; AND

(II) THE VIOLATION IS NOT CORRECTED WITHIN 60 DAYS AFTER RECEIPT OF THE WRITTEN NOTICE.

(3) AFTER THE 60-DAY PERIOD SPECIFIED UNDER PARAGRAPH (2) OF THIS SUBSECTION, EACH DAY THAT A VIOLATION CONTINUES IS A SEPARATE VIOLATION.

(C) IF, BASED ON THE ANNUAL REPORT SUBMITTED UNDER ~~§ 9-2507~~ § 9-2509 OF THIS SUBTITLE, THE PERFORMANCE GOALS ESTABLISHED UNDER § 9-2505(C)(3) ~~§ 9-2505(C)(1)(III)~~ OF THIS SUBTITLE HAVE NOT BEEN ACHIEVED, THE DEPARTMENT MAY IMPOSE AN ADMINISTRATIVE PENALTY, NOT TO EXCEED \$250,000, ON THE PRODUCER RESPONSIBILITY ORGANIZATION.

(D) ANY PENALTY COLLECTED BY THE DEPARTMENT UNDER THIS SECTION SHALL BE PAID INTO THE STATE RECYCLING TRUST FUND ESTABLISHED UNDER § 9-1707 OF THIS TITLE.

SECTION 2. AND BE IT FURTHER ENACTED, That, ~~on or before December 1, 2025, each local government in the State shall file a feasibility plan with the Department of the Environment that prioritizes the sale of recycled packaging materials back to manufacturers that have a manufacturing facility in the State if a beverage container deposit return program is enacted in the State, the Department of the Environment shall:~~

(1) coordinate the implementation of the beverage container deposit return program in a manner that ensures compatibility with producer responsibility plans and related provisions of law as enacted by Section 1 of this Act; and

(2) ensure that:

(i) materials covered in the beverage container deposit program are exempt from producer responsibility plans; or

(ii) related financial obligations are reduced.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2025.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.