

HOUSE BILL 69

M3

5lr1539

HB 168/24 – ENT & ECM

(PRE-FILED)

By: **Delegates Terrasa, Charkoudian, Feldmark, Foley, Kaufman, Lehman, Mireku-North, Palakovich Carr, Ruth, Solomon, Vogel, and Wu**

Requested: October 31, 2024

Introduced and read first time: January 8, 2025

Assigned to: Environment and Transportation and Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Environment – Plastic Products – Postconsumer Recycled Content Program**

3 FOR the purpose of prohibiting certain producers of certain plastic products from selling,
4 offering for sale, or distributing the products to any person in the State unless certain
5 conditions are met; requiring certain producers of certain plastic products to,
6 individually or as part of a representative organization, register and pay a certain
7 fee annually to the Department of the Environment; establishing certain minimum
8 postconsumer recycled content percentage requirements for certain plastic beverage
9 containers and rigid plastic containers; authorizing the Department to grant a
10 certain waiver under certain circumstances; authorizing the Department to conduct
11 certain audits and investigations and to participate in a certain multistate
12 clearinghouse; requiring the Department to publish on its website certain
13 information; authorizing the Department to grant a reduction in certain
14 administrative penalties under certain circumstances; and generally relating to
15 plastic products and postconsumer recycled content.

16 BY repealing and reenacting, without amendments,
17 Article – Environment
18 Section 9–1702(a)
19 Annotated Code of Maryland
20 (2014 Replacement Volume and 2024 Supplement)

21 BY repealing and reenacting, with amendments,
22 Article – Environment
23 Section 9–1702(d) and 9–1707(f)
24 Annotated Code of Maryland
25 (2014 Replacement Volume and 2024 Supplement)

26 BY adding to

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Environment

Section 9–2701 through 9–2710 to be under the new subtitle “Subtitle 27.
Postconsumer Recycled Content Program”

Annotated Code of Maryland

(2014 Replacement Volume and 2024 Supplement)

Preamble

WHEREAS, Minimum recycled content requirements in plastic containers protect the environment and conserve resources by reducing greenhouse gas emissions and energy consumption associated with the extraction of fossil fuels and production of new plastic, and by diverting waste from landfills and incinerators; and

WHEREAS, Minimum recycled content requirements in plastic containers increase and create a stable demand for recycled plastics, strengthen recycled commodity values, increase economic growth, create jobs in the plastics recycling industry, and create incentives for producers to redesign their products to be more recyclable; and

WHEREAS, The Department of the Environment’s Office of Recycling is required to promote the development of markets for recycled materials and recycled products in the State in accordance with § 9–1702(d) of the Environment Article; now, therefore,

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) ADMINISTER THE POSTCONSUMER RECYCLED CONTENT PROGRAM UNDER SUBTITLE 27 OF THIS TITLE;

[(5)] (6) 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)] (7) 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.

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) THE POSTCONSUMER RECYCLED CONTENT REGISTRATION FEES COLLECTED UNDER § 9–2703 OF THIS TITLE;

[(v)] (VI) All fines and penalties collected under this subtitle **AND § 9–2710 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] EXCEPT AS PROVIDED IN PARAGRAPH (7) OF THIS SUBSECTION, 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 PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND EVALUATING THE POSTCONSUMER RECYCLED CONTENT PROGRAM ESTABLISHED UNDER SUBTITLE 27 OF THIS TITLE;

[(iv)] (V) 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)] (VI) To carry out the purposes of the land management administration.

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

(II) THE SEPARATE ACCOUNT SHALL CONSIST OF:

1. ANY FEES COLLECTED FROM PRODUCERS OF COVERED PRODUCTS UNDER § 9–2703 OF THIS TITLE; AND

2. ALL FINES AND PENALTIES COLLECTED UNDER § 9–2710 OF THIS TITLE.

(III) THE SEPARATE ACCOUNT SHALL BE USED ONLY TO:

1. REIMBURSE THE GENERAL FUND OF THE STATE IN ACCORDANCE WITH § 9–2703(A)(4)(II)1 OF THIS TITLE; AND

2. COVER THE COSTS OF PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND EVALUATING THE

POSTCONSUMER RECYCLED CONTENT PROGRAM ESTABLISHED UNDER SUBTITLE 27 OF THIS TITLE.

(IV) MONEY DEPOSITED INTO THE SEPARATE ACCOUNT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE AND MAY NOT REVERT TO THE GENERAL FUND OF THE STATE.

[(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 27. POSTCONSUMER RECYCLED CONTENT PROGRAM.

9-2701.

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) “COVERED PRODUCT” MEANS A PRODUCT THAT IS SUBJECT TO THE POSTCONSUMER RECYCLED CONTENT PERCENTAGE REQUIREMENTS ESTABLISHED UNDER THIS SUBTITLE.

(C) (1) “HOUSEHOLD CLEANING PRODUCT” MEANS A PRODUCT THAT IS LABELED OR MARKETING TO CLEAN, FRESHEN, OR REMOVE UNWANTED SUBSTANCES SUCH AS DIRT, STAINS, OR OTHER IMPURITIES FROM OBJECTS, INTERIOR OR EXTERIOR STRUCTURES, VEHICLES, POSSESSIONS, AND OTHER ENVIRONMENTS ASSOCIATED WITH A HOUSEHOLD.

(2) “HOUSEHOLD CLEANING PRODUCT” INCLUDES:

(I) LIQUID SOAPS, LAUNDRY SOAPS, DETERGENTS, FABRIC SOFTENERS, SURFACE POLISHES, AND STAIN REMOVERS; AND

(II) TEXTILE CLEANERS, CARPET CLEANERS, AND PET CLEANERS AND TREATMENTS.

(D) (1) “PERSONAL CARE PRODUCT” MEANS A PRODUCT THAT IS LABELED OR MARKETING FOR THE APPLICATION TO AN INDIVIDUAL IN ORDER TO CLEAN, ALTER, OR MAINTAIN THE APPEARANCE OF THE INDIVIDUAL.

(2) “PERSONAL CARE PRODUCT” INCLUDES:

(I) SHAMPOO, CONDITIONER, STYLING SPRAYS AND GELS, AND
OTHER HAIR CARE PRODUCTS;

(II) LOTION, MOISTURIZER, FACIAL TONER, AND OTHER SKIN
CARE PRODUCTS; AND

(III) LIQUID SOAP AND OTHER BODY CARE PRODUCTS.

(E) (1) "POSTCONSUMER RECYCLED CONTENT" MEANS THE PORTION OF
A COVERED PRODUCT'S TOTAL WEIGHT THAT IS COMPOSED OF POSTCONSUMER
RECYCLED MATERIAL, AS DETERMINED BY A MATERIAL BALANCE APPROACH THAT
CALCULATES TOTAL POSTCONSUMER RECYCLED MATERIAL AS A PERCENTAGE OF
THE TOTAL WEIGHT OF THE COVERED PRODUCT.

(2) "POSTCONSUMER RECYCLED CONTENT" DOES NOT INCLUDE
PRECONSUMER OR POSTINDUSTRIAL SECONDARY WASTE MATERIAL OR MATERIALS
AND BY-PRODUCTS GENERATED FROM, AND COMMONLY USED WITHIN, AN ORIGINAL
MANUFACTURING AND FABRICATION PROCESS.

(F) "POSTCONSUMER RECYCLED MATERIAL" MEANS A MATERIAL OR
PRODUCT GENERATED BY HOUSEHOLDS OR BY COMMERCIAL, INDUSTRIAL, AND
INSTITUTIONAL FACILITIES IN THEIR ROLE AS END USERS OF THE MATERIAL OR
PRODUCT THAT HAS:

(1) BEEN USED FOR ITS INTENDED USE OR CAN NO LONGER BE USED
FOR ITS INTENDED USE, INCLUDING MATERIAL OR PRODUCT THAT HAS BEEN
RETURNED FROM THE DISTRIBUTION CHAIN; AND

(2) BEEN SEPARATED FROM THE SOLID WASTE STREAM FOR THE
PURPOSES OF COLLECTION AND RECYCLING.

(G) (1) "PRODUCER" MEANS A PERSON RESPONSIBLE FOR COMPLYING
WITH THE REQUIREMENTS UNDER THIS SUBTITLE.

(2) "PRODUCER" INCLUDES A FRANCHISOR OF A FRANCHISE
LOCATED IN THE STATE.

(3) "PRODUCER" DOES NOT INCLUDE:

(I) THE STATE, A COUNTY, A MUNICIPALITY, OR ANY OTHER
POLITICAL SUBDIVISION OF THE STATE;

1 (II) A CHARITABLE ORGANIZATION THAT IS TAX EXEMPT UNDER
2 § 501(C)(3) OF THE INTERNAL REVENUE CODE;

3 (III) A SOCIAL WELFARE ORGANIZATION THAT IS TAX EXEMPT
4 UNDER § 501(C)(4) OF THE INTERNAL REVENUE CODE;

5 (IV) A FRANCHISEE THAT OPERATES A FRANCHISE IN THE
6 STATE;

7 (V) A PERSON THAT ANNUALLY SELLS, OFFERS FOR SALE,
8 DISTRIBUTES, OR IMPORTS INTO THE COUNTRY FOR SALE IN THE STATE LESS THAN
9 1 TON OF A SINGLE CATEGORY OF COVERED PRODUCTS; OR

10 (VI) A PERSON THAT ANNUALLY SELLS, OFFERS FOR SALE, OR
11 DISTRIBUTES ANY CATEGORY OF A COVERED PRODUCT IN THE STATE IF THE
12 PERSON'S AGGREGATE GLOBAL ANNUAL REVENUE IS LESS THAN \$5,000,000.

13 (H) "PROGRAM" MEANS THE POSTCONSUMER RECYCLING CONTENT
14 PROGRAM.

15 9-2702.

16 (A) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THIS SECTION
17 APPLIES TO A PRODUCER THAT SELLS, OFFERS FOR SALE, OR DISTRIBUTES A
18 COVERED PRODUCT IN THE STATE.

19 (2) (I) IF THE COVERED PRODUCT IS SOLD UNDER THE
20 PRODUCER'S OWN BRAND OR LACKS IDENTIFICATION OF A BRAND, THE PRODUCER
21 IS THE PERSON WHO MANUFACTURES THE COVERED PRODUCT.

22 (II) IF THE COVERED PRODUCT IS MANUFACTURED BY A
23 PERSON OTHER THAN THE BRAND OWNER, THE PRODUCER IS THE PERSON WHO IS
24 THE LICENSEE OF A BRAND OR TRADEMARK UNDER WHICH A COVERED PRODUCT IS
25 SOLD, OFFERED FOR SALE, OR DISTRIBUTED IN THE STATE, WHETHER OR NOT THE
26 TRADEMARK IS REGISTERED IN THE STATE, UNLESS ANOTHER RESPONSIBLE
27 PERSON HAS CONTRACTUALLY ASSUMED RESPONSIBILITY AS THE PRODUCER.

28 (III) IF THERE IS NO PERSON DESCRIBED IN SUBPARAGRAPH (I)
29 OR (II) OF THIS PARAGRAPH OVER WHOM THE STATE CAN CONSTITUTIONALLY
30 EXERCISE JURISDICTION, THE PRODUCER IS THE PERSON WHO IMPORTS OR
31 DISTRIBUTES THE COVERED PRODUCT IN THE STATE.

(3) IF ANOTHER PERSON CONTRACTUALLY ASSUMES RESPONSIBILITY AS A PRODUCER UNDER PARAGRAPH (2)(II) OF THIS SUBSECTION, THE PRODUCER MUST PROVIDE A CERTIFIED COPY OF THE CONTRACT AGREEMENT TO THE DEPARTMENT.

(B) A PRODUCER MAY NOT SELL, OFFER FOR SALE, OR DISTRIBUTE A COVERED PRODUCT TO ANY PERSON IN THE STATE UNLESS:

(1) THE PRODUCT MEETS THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE REQUIREMENTS ESTABLISHED UNDER THIS SUBTITLE; AND

(2) IN ACCORDANCE WITH § 9-2703 OF THIS SUBTITLE, THE PRODUCER HAS, INDIVIDUALLY OR AS PART OF A REPRESENTATIVE ORGANIZATION:

(I) REGISTERED WITH THE DEPARTMENT; AND

(II) SUBMITTED A REGISTRATION FEE TO THE DEPARTMENT.

9-2703.

(A) (1) ON OR BEFORE MARCH 1 EACH YEAR, BEGINNING IN 2026, A PRODUCER SHALL, INDIVIDUALLY OR AS PART OF A REPRESENTATIVE ORGANIZATION, REGISTER WITH THE DEPARTMENT.

(2) ON OR BEFORE MAY 15 EACH YEAR, BEGINNING IN 2026, A PRODUCER SHALL, INDIVIDUALLY OR AS PART OF A REPRESENTATIVE ORGANIZATION, PAY THE REGISTRATION FEE ESTABLISHED BY THE DEPARTMENT UNDER PARAGRAPH (3) OF THIS SUBSECTION.

(3) (I) THE DEPARTMENT SHALL ESTABLISH AN ANNUAL REGISTRATION FEE FOR EACH CATEGORY OF A COVERED PRODUCT.

(II) EXCEPT AS PROVIDED IN SUBPARAGRAPH (III) OF THIS PARAGRAPH, REGISTRATION FEES SHALL BE SET IN A MANNER THAT:

1. WILL PRODUCE FUNDS SUFFICIENT TO COVER THE DEPARTMENT'S ESTIMATED COSTS OF PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND EVALUATING THE PROGRAM FOR THE UPCOMING 1-YEAR PERIOD; AND

2. IS PROPORTIONAL TO THE PRODUCER'S SHARE OF THE TOTAL POUNDS OF PLASTIC SOLD IN THE STATE IN EACH PRODUCT CATEGORY FOR THE IMMEDIATELY PRECEDING YEAR.

1 (III) FOR THE FIRST YEAR OF THE PROGRAM'S OPERATION,
2 REGISTRATION FEES SHALL BE SET IN A MANNER THAT:

3 1. WILL PRODUCE FUNDS SUFFICIENT TO COVER THE
4 DEPARTMENT'S ESTIMATED COSTS OF PLANNING, IMPLEMENTING,
5 ADMINISTERING, MONITORING, ENFORCING, AND EVALUATING THE PROGRAM FOR
6 THE UPCOMING 1-YEAR PERIOD;

7 2. WILL PRODUCE FUNDS SUFFICIENT TO REIMBURSE
8 THE GENERAL FUND OF THE STATE FOR THE ACTUAL COSTS THAT RESULT FROM
9 THE PROGRAM IN THAT YEAR; AND

10 3. IS PROPORTIONAL TO THE PRODUCER'S SHARE OF
11 THE TOTAL POUNDS OF PLASTIC SOLD IN THE STATE IN EACH PRODUCT CATEGORY
12 FOR THE IMMEDIATELY PRECEDING YEAR.

13 (4) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS
14 PARAGRAPH, IF, IN ANY YEAR, THE AMOUNT OF REGISTRATION FEE REVENUE
15 COLLECTED BY THE DEPARTMENT EXCEEDS THE DEPARTMENT'S ACTUAL COSTS OF
16 PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND
17 EVALUATING THE PROGRAM, THE DEPARTMENT SHALL CARRY THE EXCESS
18 AMOUNT FORWARD FOR THE PURPOSE OF REDUCING REGISTRATION FEES FOR THE
19 FOLLOWING YEAR.

20 (II) FOR THE FIRST YEAR OF THE PROGRAM'S OPERATION,
21 REGISTRATION FEE REVENUE SHALL BE USED:

22 1. NOTWITHSTANDING § 9-1707(F)(7)(IV) OF THIS
23 TITLE, TO REIMBURSE THE GENERAL FUND OF THE STATE FOR ACTUAL COSTS THAT
24 RESULT FROM THE PROGRAM FOR THAT YEAR; AND

25 2. TO COVER THE DEPARTMENT'S ACTUAL COSTS OF
26 PLANNING, IMPLEMENTING, ADMINISTERING, MONITORING, ENFORCING, AND
27 EVALUATING THE PROGRAM.

28 (5) IF, IN ANY GIVEN YEAR, THE AMOUNT OF REGISTRATION FEE
29 REVENUE COLLECTED BY THE DEPARTMENT IS INSUFFICIENT TO COVER THE
30 DEPARTMENT'S ACTUAL COSTS OF PLANNING, IMPLEMENTING, ADMINISTERING,
31 MONITORING, ENFORCING, AND EVALUATING THE PROGRAM, THE DEPARTMENT
32 SHALL ADJUST REGISTRATION FEES FOR THE FOLLOWING YEAR TO COVER THE
33 DEPARTMENT'S ACTUAL COSTS.

(B) THE REGISTRATION SHALL INCLUDE INFORMATION REGARDING:

(1) EACH PRODUCER INCLUDED UNDER THE REGISTRATION;

(2) EACH BRAND OF A COVERED PRODUCT INCLUDED UNDER THE REGISTRATION;

(3) THE TOTAL NUMBER OF COVERED PRODUCTS SOLD IN THE STATE IN THE IMMEDIATELY PRECEDING CALENDAR YEAR, INCLUDING THE TOTAL NUMBER BY EACH CATEGORY OF A COVERED PRODUCT;

(4) THE TOTAL WEIGHT OF COVERED PRODUCTS SOLD IN THE STATE IN THE IMMEDIATELY PRECEDING CALENDAR YEAR, INCLUDING THE TOTAL WEIGHT BY EACH CATEGORY OF A COVERED PRODUCT;

(5) THE AVERAGE PERCENTAGE OF POSTCONSUMER RECYCLED CONTENT FOR EACH CATEGORY OF A COVERED PRODUCT SOLD IN THE STATE IN THE IMMEDIATELY PRECEDING CALENDAR YEAR;

(6) PROOF OF THIRD-PARTY CERTIFICATION IN ACCORDANCE WITH SUBSECTION (C) OF THIS SECTION; AND

(7) ANY ADDITIONAL INFORMATION REQUIRED BY THE DEPARTMENT IN REGULATION.

(C) (1) ON OR BEFORE MARCH 1 EACH YEAR, BEGINNING IN 2028, A PRODUCER SHALL INCLUDE PROOF OF THIRD-PARTY CERTIFICATION OF THE POSTCONSUMER RECYCLED CONTENT OF EACH COVERED PRODUCT INCLUDED IN THE REGISTRATION IN A MANNER REQUIRED BY THE DEPARTMENT.

(2) THE CERTIFICATION REQUIRED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE COMPLETED BY AN INDEPENDENT, ACCREDITED CERTIFYING BODY AS REQUIRED BY THE INTERNATIONAL ORGANIZATION FOR STANDARDIZATION.

(D) ANY SALES DATA SUBMITTED TO THE DEPARTMENT TO COMPLY WITH THE REQUIREMENTS OF THIS SECTION SHALL BE TREATED AS CONFIDENTIAL AND PROPRIETARY, AND MAY NOT BE DISCLOSED EXCEPT AS OTHERWISE REQUIRED BY LAW.

9-2704.

1 **(A) (1) THIS SECTION APPLIES TO BEVERAGE CONTAINERS THAT ARE**
2 **PRIMARILY COMPOSED OF ONE OR MORE PLASTIC RESINS AND INTENDED TO**
3 **CONTAIN BEVERAGES UP TO 2 GALLONS IN CAPACITY, INCLUDING AN INDIVIDUAL,**
4 **SEALABLE, SEPARATE BOTTLE, CAN, JAR, CARTON, OR OTHER BEVERAGE**
5 **CONTAINER THAT IS CAPABLE OF MAINTAINING ITS SHAPE WHEN EMPTY.**

6 **(2) THIS SECTION DOES NOT APPLY TO:**

7 **(I) REFILLABLE BEVERAGE CONTAINERS, INCLUDING**
8 **CONTAINERS THAT ARE SUFFICIENTLY DURABLE FOR MULTIPLE ROTATIONS OF**
9 **THEIR ORIGINAL PURPOSE OR A SIMILAR PURPOSE AND ARE INTENDED TO**
10 **FUNCTION IN A SYSTEM OF REUSE;**

11 **(II) LINERS, BLADDERS, CAPS, CORKS, CLOSURES, LABELS, AND**
12 **OTHER ITEMS ADDED TO THE BOTTLE OR CONTAINER BUT THAT ARE SEPARATE**
13 **FROM THE STRUCTURE OF THE BOTTLE OR CONTAINER;**

14 **(III) CONTAINERS CERTIFIED BY THE BIODEGRADABLE**
15 **PRODUCTS INSTITUTE AS COMPOSTABLE; OR**

16 **(IV) CONTAINERS USED FOR INFANT FORMULA, MEDICAL**
17 **BEVERAGES, OR FORTIFIED ORAL NUTRITIONAL SUPPLEMENTS.**

18 **(B) THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE**
19 **REQUIREMENT FOR PLASTIC BEVERAGE CONTAINERS IS:**

20 **(1) FROM JANUARY 1, 2027, TO DECEMBER 31, 2028, BOTH**
21 **INCLUSIVE, 15%;**

22 **(2) FROM JANUARY 1, 2029, TO DECEMBER 31, 2032, BOTH**
23 **INCLUSIVE, 25%; AND**

24 **(3) ON AND AFTER JANUARY 1, 2033, 50%.**

25 **9-2705.**

26 **(A) (1) THIS SECTION APPLIES TO RIGID PLASTIC CONTAINERS OR OTHER**
27 **NONDURABLE CONTAINERS THAT ARE PRIMARILY COMPOSED OF ONE OR MORE**
28 **PLASTIC RESINS, ARE CAPABLE OF MAINTAINING THEIR SHAPE WHEN EMPTY, AND**
29 **ARE USED TO PACKAGE OR STORE FOOD.**

30 **(2) THIS SECTION DOES NOT APPLY TO:**

(I) REFILLABLE RIGID PLASTIC FOOD CONTAINERS, INCLUDING CONTAINERS THAT ARE SUFFICIENTLY DURABLE FOR MULTIPLE ROTATIONS OF THEIR ORIGINAL PURPOSE OR A SIMILAR PURPOSE AND ARE INTENDED TO FUNCTION IN A SYSTEM OF REUSE;

(II) RIGID PLASTIC CONTAINERS THAT CONTAIN DIETARY SUPPLEMENTS; OR

(III) A PLASTIC BEVERAGE CONTAINER UNDER § 9-2704 OF THIS SUBTITLE.

(B) THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE REQUIREMENT FOR RIGID PLASTIC CONTAINERS USED TO PACKAGE OR STORE FOOD IS:

(1) FROM JANUARY 1, 2027, TO DECEMBER 31, 2030, BOTH INCLUSIVE, 15%;

(2) FROM JANUARY 1, 2031, TO DECEMBER 31, 2033, BOTH INCLUSIVE, 30%; AND

(3) ON AND AFTER JANUARY 1, 2034, 40%.

9-2706.

(A) (1) THIS SECTION APPLIES TO RIGID PLASTIC CONTAINERS OR OTHER NONDURABLE CONTAINERS THAT ARE PRIMARILY COMPOSED OF ONE OR MORE PLASTIC RESINS, ARE CAPABLE OF MAINTAINING THEIR SHAPE WHEN EMPTY, AND ARE USED FOR HOUSEHOLD CLEANING PRODUCTS OR PERSONAL CARE PRODUCTS.

(2) THIS SECTION DOES NOT APPLY TO:

(I) REFILLABLE HOUSEHOLD CLEANING AND PERSONAL CARE PRODUCT CONTAINERS, INCLUDING CONTAINERS THAT ARE SUFFICIENTLY DURABLE FOR MULTIPLE ROTATIONS OF THEIR ORIGINAL PURPOSE OR A SIMILAR PURPOSE AND ARE INTENDED TO FUNCTION IN A SYSTEM OF REUSE; OR

(II) RIGID PLASTIC CONTAINERS THAT ARE MEDICAL DEVICES OR THAT ARE USED FOR:

1. MEDICAL PRODUCTS THAT ARE REQUIRED TO BE STERILE; OR

2. NONPRESCRIPTION OR PRESCRIPTION DRUGS.

(B) THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE REQUIREMENT FOR RIGID PLASTIC CONTAINERS USED FOR HOUSEHOLD CLEANING OR PERSONAL CARE PRODUCTS IS:

(1) FROM JANUARY 1, 2027, TO DECEMBER 31, 2030, BOTH INCLUSIVE, 25%;

(2) FROM JANUARY 1, 2031, TO DECEMBER 31, 2034, BOTH INCLUSIVE, 30%; AND

(3) ON AND AFTER JANUARY 1, 2035, 35%.

9-2707.

THE DEPARTMENT MAY GRANT A TEMPORARY WAIVER FROM THE REQUIREMENTS UNDER THIS SUBTITLE TO A PRODUCER IF THE DEPARTMENT DETERMINES THAT ACHIEVING COMPLIANCE UNDER THIS SUBTITLE WOULD PRESENT AN UNDUE HARDSHIP OR A PRACTICAL DIFFICULTY NOT GENERALLY APPLICABLE TO OTHER PRODUCERS IN SIMILAR CIRCUMSTANCES.

9-2708.

(A) THE DEPARTMENT MAY:

(1) CONDUCT AUDITS AND INVESTIGATIONS FOR THE PURPOSE OF ENSURING COMPLIANCE WITH THE REQUIREMENTS OF THIS SUBTITLE; AND

(2) PARTICIPATE IN THE ESTABLISHMENT AND IMPLEMENTATION OF A MULTISTATE CLEARINGHOUSE TO ASSIST IN CARRYING OUT THE REQUIREMENTS OF THIS SUBTITLE, INCLUDING TO:

(I) HELP COORDINATE THE REVIEW OF REGISTRATIONS, WAIVER REQUESTS, AND CERTIFICATIONS; AND

(II) IMPLEMENT EDUCATION AND OUTREACH ACTIVITIES.

(B) ON AN ANNUAL BASIS, THE DEPARTMENT SHALL PUBLISH ON ITS WEBSITE:

(1) A LIST OF EACH REGISTERED PRODUCER OF A COVERED PRODUCT AND ASSOCIATED BRAND NAMES;

1 **(2) THE COMPLIANCE STATUS FOR EACH REGISTERED PRODUCER;**
2 **AND**

3 **(3) ANY OTHER INFORMATION DEEMED APPROPRIATE BY THE**
4 **DEPARTMENT.**

5 **9-2709.**

6 **THE DEPARTMENT SHALL ADOPT REGULATIONS TO CARRY OUT THIS**
7 **SUBTITLE.**

8 **9-2710.**

9 **(A) (1) EXCEPT AS PROVIDED IN SUBSECTION (B) OF THIS SECTION, THE**
10 **PROVISIONS OF §§ 9-334 THROUGH 9-342 OF THIS TITLE APPLY TO ENFORCE**
11 **VIOLATIONS OF THIS SUBTITLE.**

12 **(2) A PENALTY MAY NOT BE IMPOSED ON A PRODUCER UNDER THIS**
13 **SECTION FOR FAILING TO REGISTER WITH THE DEPARTMENT UNDER § 9-2703 OF**
14 **THIS SUBTITLE UNLESS:**

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

17 **(II) THE PRODUCER HAS NOT REGISTERED WITH THE**
18 **DEPARTMENT WITHIN 90 DAYS OF RECEIPT OF THE WRITTEN NOTICE.**

19 **(B) (1) BEGINNING JANUARY 1, 2027, A PRODUCER THAT DOES NOT**
20 **MEET THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE**
21 **REQUIREMENTS ESTABLISHED UNDER THIS SUBTITLE IS SUBJECT TO AN**
22 **ADMINISTRATIVE PENALTY EACH YEAR THE VIOLATION OCCURS.**

23 **(2) AN ADMINISTRATIVE PENALTY IMPOSED UNDER THIS**
24 **SUBSECTION SHALL EQUAL THE PRODUCT OF MULTIPLYING:**

25 **(I) THE TOTAL POUNDS OF PLASTIC USED IN THE PRODUCT**
26 **CATEGORY MULTIPLIED BY THE RELEVANT MINIMUM POSTCONSUMER RECYCLED**
27 **CONTENT PERCENTAGE, LESS THE TOTAL POUNDS OF POSTCONSUMER RECYCLING**
28 **PLASTIC USED; AND**

29 **(II) 20 CENTS.**

1 **(3) THE DEPARTMENT MAY ADJUST THE ADMINISTRATIVE PENALTY**
2 **AMOUNT IMPOSED UNDER THIS SUBSECTION AS NECESSARY TO ENSURE THAT THE**
3 **ADMINISTRATIVE PENALTY EXCEEDS THE COST OF COMPLIANCE.**

4 **(4) (I) THE DEPARTMENT MAY GRANT A REDUCTION IN THE**
5 **ADMINISTRATIVE PENALTIES IMPOSED UNDER THIS SUBSECTION IF A PRODUCER**
6 **SUBMITS TO THE DEPARTMENT A CORRECTIVE ACTION PLAN AND THE**
7 **DEPARTMENT APPROVES THE CORRECTIVE ACTION PLAN.**

8 **(II) A CORRECTIVE ACTION PLAN SUBMITTED UNDER THIS**
9 **PARAGRAPH SHALL INCLUDE:**

10 **1. THE REASONS THE PRODUCER WILL FAIL TO MEET OR**
11 **FAILED TO MEET THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE**
12 **REQUIREMENTS; AND**

13 **2. THE STEPS THAT THE PRODUCER WILL TAKE TO**
14 **COMPLY WITH THE REQUIREMENTS DURING THE SUBSEQUENT REPORTING YEAR.**

15 **(III) IN DETERMINING WHETHER TO GRANT A REDUCTION IN THE**
16 **ADMINISTRATIVE PENALTIES, THE DEPARTMENT SHALL CONSIDER:**

17 **1. ANOMALOUS MARKET CONDITIONS;**

18 **2. DISRUPTION IN SUPPLY OR LACK OF SUPPLY OF**
19 **RECYCLED PLASTICS;**

20 **3. EFFORTS UNDERTAKEN BY THE PRODUCER TO**
21 **INCREASE THE RECYCLABILITY OF THE PRODUCER'S PRODUCT AND THE SUPPLY OF**
22 **POSTCONSUMER RECYCLED PLASTIC; AND**

23 **4. OTHER FACTORS THAT PREVENT A PRODUCER FROM**
24 **MEETING THE MINIMUM POSTCONSUMER RECYCLED CONTENT PERCENTAGE**
25 **REQUIREMENTS.**

26 **SECTION 2. AND BE IT FURTHER ENACTED, That:**

27 **(a) The Department of the Environment shall contract with a research university**
28 **or an independent third-party consultant to:**

29 **(1) evaluate the implementation of this Act and its effectiveness in**
30 **stimulating the recycling markets in the State and displacing virgin plastic with**
31 **postconsumer recycled content; and**

1 (2) make recommendations for legislative or administrative actions, if any,
2 necessary to further the purpose of this Act.

3 (b) On or before October 1, 2030, the Department shall:

4 (1) report the findings and recommendations of the research university or
5 independent third-party consultant to the Governor and, in accordance with § 2-1257 of
6 the State Government Article, the Senate Education, Energy, and the Environment
7 Committee and the House Environment and Transportation Committee; and

8 (2) post the findings and recommendations on the Department's website.

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