

Maryland SB 901 - Environment - Packaging and Paper Products - Producer Responsibility Plans Summary

By: Michael Robinson

Purpose- Requiring certain producers of covered materials, individually or as part of a producer responsibility organization, to submit a certain covered materials producer responsibility plan to the Department of the Environment for review and approval on or before a certain date and in accordance with certain requirements or develop an alternative collection program; prohibiting, on or after a certain date, a producer of certain covered materials from selling, offering for sale, distributing, or importing certain packaging covered materials unless the producer, individually or as part of a producer responsibility organization, has an approved producer responsibility plan on file with the Department.

Components- Secondary Market Development, Producer Responsibility Organization,

Needs Assessment- On or before July 30, 2024, and at least once every 10 years thereafter there must be an independent needs assessment conducted. Maryland released the [Maryland Statewide Recycling Needs Assessment](#) required by Senate Bill 222 (2023) on February 21, 2025.

Fees- Authorizes the Office of Recycling to establish a fee to cover the costs associated with the needs assessments

- State Recycling Trust Fund- Will hold the fees and fines from this program. Any amount over \$2,000,000 shall revert to the General Fund of the State.
 - Fund Uses- Provide Grants for local recycling plans, cover the cost of the PRO plan, and cover recycling needs assessments.

Definitions-

- Covered Material- Covered materials” means packaging and paper products sold, offered for sale, imported, or distributed in the state.
 - Exempt Material- Packaging for infant formula, packaging for medical food, packaging for fortified oral nutritional supplement, packaging for a product regulated as a drug or medical device, packaging for medical equipment, medical devices and drugs for animals, packaging for products covered by FIFRA, newsprint, packing used to contain hazardous or flammable products, material that a producer distributes to another producer for commercial purposes, packaging for long term protection of over 5 years.

- Producer-
 - 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.
 - 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.
 - 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 follows the physical retail rules.
 - 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.
 - 3) for packaging that is not described in items (1) and (2) of this paragraph, the producer of the packaging is the person that first distributes the item in or into the state.
 - 4) for paper products that are magazines, catalogs, telephone directories, or similar publications, the producer is the publisher.
 - 5) For a producer that is a business operated wholly or in part as a franchise, the producer of the packaging is the franchisor if the franchisor has franchisees that have a commercial presence in the state.
 - Exemptions-
 - De Minimis Producer- Means a person that in their most recent fiscal year: (1) introduced less than 1 ton of covered material into the state; or (2) earned global gross revenues of less than \$2,000,000.

- state, federal or state agency, a 2 political subdivision, or other governmental unit.
 - Registered 501(c)(3) charitable organization or 501(c)(4) social welfare organization.
 - A producer that has executed an agreement with another entity, under which the other entity has agreed to assume responsibility by written certification under a producer responsibility program for any packaging materials attributable to the first entity.
- Recycling- The process of collecting, sorting, cleansing, treating, and constituting materials that would otherwise 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.
 - 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.

Dates and Compliance

- Beginning July 1, 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.
- On or after July 1, 2026, and in accordance with the requirements of this subsection and any regulations adopted by the department, a producer or group of producers may develop and operate an alternative collection program to collect and manage a type or types of covered material sold, offered for sale, or distributed for sale in or into the state by the producer or producers.
- On or before July 1, 2028, and every 5 years thereafter, each producer shall, individually or as part of a producer responsibility organization, submit a producer responsibility plan to the department for review and approval.
- Beginning July 1, 2029, each producer or producer responsibility organization that has an approved producer responsibility plan on file with the department shall report annually to the department on the progress toward meeting plan requirements and goals for the immediately preceding calendar year.

Compliance Concerns

- Possibility for multiple PROs



- Any amount over \$2,000,000 in the general fund will be reverted to the General Fund of the State.
- The fund will cover the cost of Maryland's Land Management Administration

Fees Structure

- Every 5 years a Producer Responsibility Plan must be released describing the funding that will be used for improving reuse, composting and recycling in the state and the reimbursement model.
- Reimbursement Funding Model- Establish reimbursement rates equivalent to:
 - At least 50% of the cost per ton on or before July 1, 2028.
 - At least 75% of the cost per ton on or before July 1, 2029.
 - At least 90% of the cost per ton on or before July 1, 2030 and each year after.

Eco-Modulation

- Every 5 years a Producer Responsibility Plan must be released containing the recycling, composting, reuse, return, post-consumer recycled content, greenhouse gas reduction and waste rates for covered materials.
- Eco-modulation must be considered before establishing the fee structure for participating producers.