

HOUSE BILL 1318

M3, M4

4lr2228

By: ~~Delegate Boyce~~ **Delegates Boyce, Addison, Healey, Lehman, Love, Ruth, Stein, Stewart, and Terrasa**

Introduced and read first time: February 9, 2024

Assigned to: Environment and Transportation

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 7, 2024

CHAPTER _____

1 AN ACT concerning

2 ~~Solid Waste Disposal Surcharge and Wasted Food Reduction and Diversion~~
3 **Fund and Grant Programs – Established**

4 FOR the purpose of establishing the On–Farm Organics Diversion and Recycling Grant
5 Program in the Department of Agriculture to award grants to eligible entities to
6 develop and implement on–farm organics recycling and compost use, wasted food
7 prevention, and food rescue; ~~establishing a solid waste disposal surcharge on the~~
8 ~~final disposal of solid waste in the State; requiring, beginning on a certain date and~~
9 ~~each quarter thereafter, the owner or operator of a refuse disposal system to submit~~
10 ~~a certain solid waste disposal surcharge to the Department of the Environment in a~~
11 ~~certain manner; requiring the Department of the Environment to deposit certain~~
12 ~~surcharges into a certain fund; authorizing a county to request an exemption from a~~
13 ~~certain surcharge on behalf of certain refuse disposal systems and authorizing the~~
14 ~~Department of the Environment to approve the request under certain conditions;~~
15 establishing the Wasted Food Reduction and Diversion Fund as a special, nonlapsing
16 fund and requiring interest earnings of the Fund to be credited to the Fund;
17 establishing the Wasted Food Reduction and Diversion Grant Program in the
18 Department of the Environment to award grants to eligible entities for
19 infrastructure, programs, and education that reduce, rescue, and divert wasted food
20 in the State; and generally relating to wasted food reduction and diversion in the
21 State.

22 BY adding to
23 Article – Agriculture

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.



- 1 Section 2–109
2 Annotated Code of Maryland
3 (2016 Replacement Volume and 2023 Supplement)
- 4 BY repealing and reenacting, without amendments,
5 Article – Agriculture
6 Section 2–401(a)
7 Annotated Code of Maryland
8 (2016 Replacement Volume and 2023 Supplement)
- 9 BY repealing and reenacting, without amendments,
10 Article – Environment
11 Section 1–701(a)(1), (7), and (8)
12 Annotated Code of Maryland
13 (2013 Replacement Volume and 2023 Supplement)
- 14 BY repealing and reenacting, without amendments,
15 Article – Environment
16 Section 9–201(a) and (e) ~~and 9–1701(a)~~
17 Annotated Code of Maryland
18 (2014 Replacement Volume and 2023 Supplement)
- 19 BY adding to
20 Article – Environment
21 Section ~~9–1701(e) 1~~, ~~9–1725.1~~, 9–1725.2, and 9–1725.3
22 Annotated Code of Maryland
23 (2014 Replacement Volume and 2023 Supplement)
- 24 BY repealing and reenacting, without amendments,
25 Article – State Finance and Procurement
26 Section 6–226(a)(2)(i)
27 Annotated Code of Maryland
28 (2021 Replacement Volume and 2023 Supplement)
- 29 BY repealing and reenacting, with amendments,
30 Article – State Finance and Procurement
31 Section 6–226(a)(2)(ii)189. and 190.
32 Annotated Code of Maryland
33 (2021 Replacement Volume and 2023 Supplement)
- 34 BY adding to
35 Article – State Finance and Procurement
36 Section 6–226(a)(2)(ii)191.
37 Annotated Code of Maryland
38 (2021 Replacement Volume and 2023 Supplement)

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

3 **Article – Agriculture**

4 **2–109.**

5 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
6 INDICATED.

7 (2) “GRANT PROGRAM” MEANS THE ON–FARM ORGANICS
8 DIVERSION AND RECYCLING GRANT PROGRAM.

9 (3) “URBAN FARMER” HAS THE MEANING STATED IN § 2–401 OF THIS
10 TITLE.

11 (B) THERE IS AN ON–FARM ORGANICS DIVERSION AND RECYCLING GRANT
12 PROGRAM IN THE DEPARTMENT.

13 (C) THE PURPOSE OF THE GRANT PROGRAM IS TO AWARD GRANTS
14 ANNUALLY FOR DEVELOPING AND IMPLEMENTING ON–FARM ORGANICS RECYCLING
15 AND COMPOST USE, WASTED FOOD PREVENTION, AND FOOD RESCUE.

16 (D) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF THE
17 ENVIRONMENT, SHALL ADMINISTER THE GRANT PROGRAM.

18 (E) THE FOLLOWING PERSONS ARE ELIGIBLE FOR A GRANT UNDER THE
19 GRANT PROGRAM:

20 (1) A FARMER OR AN URBAN FARMER;

21 (2) A SOIL CONSERVATION DISTRICT;

22 (3) AN INSTITUTION OF HIGHER EDUCATION AS DEFINED IN § 10–101
23 OF THE EDUCATION ARTICLE;

24 (4) A NONPROFIT ORGANIZATION;

25 (5) A BUSINESS IN THE STATE THAT IS IN GOOD STANDING WITH THE
26 STATE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

27 (6) A CONSORTIUM OF ANY ENTITIES UNDER THIS SUBSECTION.

1 (F) A PROJECT IS ELIGIBLE FOR A GRANT UNDER THE GRANT PROGRAM IF
2 THE PROJECT DEVELOPS, MAINTAINS, OR EXPANDS INFRASTRUCTURE, COLLECTION
3 PROGRAMS, EDUCATION, OR TECHNICAL ASSISTANCE IN THE STATE THAT:

4 (1) REDUCES THE AMOUNT OF WASTED FOOD GENERATED;

5 (2) RESCUES EDIBLE FOOD FOR PURPOSES OF REDISTRIBUTION;

6 (3) RECOVERS WASTED FOOD AS ANIMAL FEED IF THE FEED IS
7 REGISTERED AND TREATED IN ACCORDANCE WITH REGULATIONS IMPLEMENTED BY
8 THE DEPARTMENT;

9 (4) COMPOSTS OR RECYCLES SOURCE-SEPARATED FOOD
10 RESIDUALS, INCLUDING AT-HOME, COMMUNITY, AND ON-FARM COMPOSTING; ~~OR~~

11 (5) TRANSITIONS FROM SINGLE-USE FOOD SERVICEWARE TO
12 DURABLE AND REUSABLE FOOD SERVICEWARE;

13 (6) PROVIDES LABOR AND WAGES IN SUPPORT OF WASTED FOOD
14 PREVENTION, FOOD RESCUE, AND ON-FARM ORGANICS RECYCLING AND COMPOST
15 USE;

16 (7) PROVIDES BEST MANAGEMENT PRACTICE TRAINING IN
17 RELEVANT FIELDS BY A REPUTABLE TRAINING PROGRAM;

18 (8) STUDIES THE IMPACTS OF COMPOST APPLICATION ON ON-FARM
19 NUTRIENT AND WATER QUALITY MANAGEMENT; OR

20 (9) ASSISTS IN THE PAYMENT OF APPLICABLE PERMIT APPLICATION
21 COSTS.

22 (G) IN AWARDING GRANTS UNDER THE GRANT PROGRAM, THE
23 DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF THE ENVIRONMENT,
24 SHALL PRIORITIZE PROJECTS:

25 (1) FOR WHICH THE APPLICANT CLEARLY DESCRIBES HOW THE
26 PROJECT WILL:

27 (I) PROVIDE DIRECT, MEANINGFUL, AND ASSURED BENEFITS
28 TO THE COMMUNITY; AND

29 (II) ADDRESS IMPORTANT COMMUNITY NEEDS;

1 **(2) THAT PREVENT, RESCUE, AND DIVERT WASTED FOOD WITHIN A**
2 **LOCAL COMMUNITY;**

3 **(3) THAT PLAN TO PRODUCE COMPOST THAT MEETS THE**
4 **CLASSIFICATION OF “GENERAL USE” UNDER COMAR 15.18.04.05;**

5 **(4) THAT PLAN TO PRODUCE MINIMALLY CONTAMINATED COMPOST**
6 **THROUGH:**

7 **(I) PROCESSING SOURCE-SEPARATED MATERIALS;**

8 **(II) NOT USING DEPACKAGERS; AND**

9 **(III) MEETING THE U.S. COMPOSTING COUNCIL’S SEAL OF**
10 **TESTING ASSURANCE;**

11 **(5) THAT SERVE AN OVERBURDENED OR UNDERSERVED COMMUNITY;**

12 **(6) THAT MINIMIZE NEGATIVE IMPACTS TO THE LOCAL COMMUNITY;**

13 **AND**

14 **(7) THAT MAXIMIZE BENEFITS TO THE LOCAL COMMUNITY,**
15 **INCLUDING:**

16 **(I) THE CREATION OF JOBS;**

17 **(II) INCREASING JOB TRAINING; AND**

18 **(III) INCREASING HIRING AND LEADERSHIP DEVELOPMENT**
19 **PRACTICES THAT ARE INCLUSIVE AND PROVIDE A LIVING WAGE.**

20 ~~**(G)**~~ **(H) AN ELIGIBLE PERSON THAT RECEIVES A GRANT UNDER THE**
21 **GRANT PROGRAM MAY NOT RECEIVE A GRANT UNDER THE WASTED FOOD**
22 **REDUCTION AND DIVERSION GRANT PROGRAM UNDER § 9-1725.3 OF THE**
23 **ENVIRONMENT ARTICLE IN THE SAME CALENDAR YEAR.**

24 ~~**(H)**~~ **(I) ON OR BEFORE DECEMBER 31, 2026, AND EACH DECEMBER 1**
25 **THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN**
26 **ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON:**

27 **(1) THE NUMBER AND TYPES OF GRANTS AWARDED;**

28 **(2) THE IMPACT OF THE GRANTS ON THE CREATION OF JOBS AND**
29 **OTHER BENEFITS TO THE STATE;**

1 **(3) THE IMPACT ON FOOD WASTE PREVENTED, RESCUED, AND**
 2 **DIVERTED FROM DISPOSAL; AND**

3 **(4) THE IMPACT ON FARMERS IN THE STATE.**

4 2-401.

5 (a) (1) In this section the following words have the meanings indicated.

6 (2) “Urban area” means an area delineated as an urban area by the U.S.
 7 Census Bureau.

8 (3) “Urban farmer” means an individual who farms in an urban area.

9 **Article – Environment**

10 1-701.

11 (a) (1) In this section the following words have the meanings indicated.

12 (7) “Overburdened community” means any census tract for which three or
 13 more of the following environmental health indicators are above the 75th percentile
 14 statewide:

15 (i) Particulate matter (PM) 2.5;

16 (ii) Ozone;

17 (iii) National Air Toxics Assessment (NATA) diesel PM;

18 (iv) NATA cancer risk;

19 (v) NATA respiratory hazard index;

20 (vi) Traffic proximity;

21 (vii) Lead paint indicator;

22 (viii) National Priorities List Superfund site proximity;

23 (ix) Risk Management Plan facility proximity;

24 (x) Hazardous waste proximity;

25 (xi) Wastewater discharge indicator;

26 (xii) Proximity to a Concentrated Animal Feeding Operation (CAFO);

- 1 (xiii) Percent of the population lacking broadband coverage;
- 2 (xiv) Asthma emergency room discharges;
- 3 (xv) Myocardial infarction discharges;
- 4 (xvi) Low-birth-weight infants;
- 5 (xvii) Proximity to emitting power plants;
- 6 (xviii) Proximity to a Toxic Release Inventory (TRI) facility;
- 7 (xix) Proximity to a brownfields site;
- 8 (xx) Proximity to mining operations; and
- 9 (xxi) Proximity to a hazardous waste landfill.

10 (8) "Underserved community" means any census tract in which, according
11 to the most recent U.S. Census Bureau Survey:

- 12 (i) At least 25% of the residents qualify as low-income;
- 13 (ii) At least 50% of the residents identify as nonwhite; or
- 14 (iii) At least 15% of the residents have limited English proficiency.

15 9-201.

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

17 (e) "Refuse disposal system" includes:

- 18 (1) An incinerator;
- 19 (2) A transfer station;
- 20 (3) A landfill system;
- 21 (4) A landfill;
- 22 (5) A solid waste processing facility; and
- 23 (6) Any other solid waste acceptance facility.

24 ~~9-1701.~~

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

2 ~~(S-1) "SOURCE SEPARATION" MEANS THE SEPARATION OF MATERIALS FROM~~
3 ~~EACH OTHER PRIOR TO COLLECTION AND AT THE POINT OF GENERATION.~~

4 ~~9-1725.1.~~

5 ~~(A) (1) THERE IS A SOLID WASTE DISPOSAL SURCHARGE ON THE FINAL~~
6 ~~DISPOSAL OF SOLID WASTE IN REFUSE DISPOSAL SYSTEMS IN THE STATE.~~

7 ~~(2) SUBJECT TO PARAGRAPH (3) OF THIS SUBSECTION, THE SOLID~~
8 ~~WASTE DISPOSAL SURCHARGE IS \$2 PER TON OF SOLID WASTE PROCESSED BY A~~
9 ~~REFUSE DISPOSAL SYSTEM FOR FINAL DISPOSAL.~~

10 ~~(3) ON OR BEFORE JULY 1, 2027, AND EVERY 2 YEARS THEREAFTER,~~
11 ~~THE DEPARTMENT SHALL:~~

12 ~~(I) ADJUST THE SOLID WASTE DISPOSAL SURCHARGE IN~~
13 ~~ACCORDANCE WITH THE CONSUMER PRICE INDEX FOR THE MID ATLANTIC~~
14 ~~DIVISION; AND~~

15 ~~(II) EVALUATE THE SOLID WASTE DISPOSAL SURCHARGE TO~~
16 ~~DETERMINE IF ADDITIONAL ADJUSTMENTS TO THE SURCHARGE ARE REQUIRED.~~

17 ~~(4) IF THE SURCHARGE HAS BEEN ASSESSED ON AN ELIGIBLE OWNER~~
18 ~~OR OPERATOR OF A TRANSFER STATION, THE SOLID WASTE DISPOSAL SURCHARGE~~
19 ~~MAY NOT BE ASSESSED ON AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM~~
20 ~~THAT RECEIVES THE SOLID WASTE FOR FINAL DISPOSAL.~~

21 ~~(5) AN OWNER OR OPERATOR OF A REFUSE DISPOSAL SYSTEM SHALL~~
22 ~~COLLECT THE SURCHARGE REQUIRED UNDER THIS SECTION BY INCLUDING THE~~
23 ~~SURCHARGE AMOUNT DUE AS A SEPARATE LINE ITEM ON EVERY CUSTOMER BILL~~
24 ~~PRESENTED TO A SOLID WASTE COLLECTOR OR GENERATOR.~~

25 ~~(6) A SOLID WASTE HAULER OR COLLECTOR MAY COLLECT RATES,~~
26 ~~FEES, OR SURCHARGES FROM SOLID WASTE GENERATORS SERVICED BY THE SOLID~~
27 ~~WASTE HAULER OR COLLECTOR IN AN AMOUNT SUFFICIENT TO RECOVER THE~~
28 ~~SURCHARGE COLLECTED BY THE OWNER OR OPERATOR OF A REFUSE DISPOSAL~~
29 ~~SYSTEM.~~

30 ~~(B) (1) SUBJECT TO SUBSECTION (C) OF THIS SECTION AND BEGINNING~~
31 ~~JULY 1, 2025, AND EVERY QUARTER THEREAFTER, THE OWNER OR OPERATOR OF A~~
32 ~~REFUSE DISPOSAL SYSTEM IN THE STATE SHALL SUBMIT, UNDER OATH, THE SUM OF~~

~~1 SURCHARGES COLLECTED IN THE IMMEDIATELY PRECEDING QUARTER TO THE
2 DEPARTMENT.~~

~~3 (2) IN ADDITION TO THE SURCHARGES SUBMITTED TO THE
4 DEPARTMENT UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE OWNER OR
5 OPERATOR OF A REFUSE DISPOSAL SYSTEM SHALL SUBMIT, AS APPLICABLE, AN
6 ACCOUNTING OF THE NUMBER OF TONS OF SOLID WASTE ACCEPTED FOR DISPOSAL,
7 TRANSFER, OR COLLECTION DURING THE REPORTING PERIOD.~~

~~8 (3) THE DEPARTMENT SHALL DEPOSIT THE SURCHARGES
9 COLLECTED UNDER THIS SUBSECTION INTO THE WASTED FOOD REDUCTION AND
10 DIVERSION FUND UNDER § 9-1725.2 OF THIS SUBTITLE.~~

~~11 (c) (1) A COUNTY MAY SUBMIT A REQUEST ON BEHALF OF THE REFUSE
12 DISPOSAL SYSTEMS IN THE COUNTY FOR AN EXEMPTION FROM THE REQUIREMENTS
13 OF THIS SECTION.~~

~~14 (2) THE DEPARTMENT MAY APPROVE A REQUEST FOR AN EXEMPTION
15 UNDER PARAGRAPH (1) OF THIS SUBSECTION IF:~~

~~16 (i) THE COUNTY ESTABLISHES A SOLID WASTE DISPOSAL
17 SURCHARGE TO FUND FOOD RESCUE, WASTED FOOD DIVERSION, AND ORGANICS
18 RECYCLING;~~

~~19 (ii) THE COUNTY'S ASSESSED AND COLLECTED SOLID WASTE
20 DISPOSAL SURCHARGE IS NOT LESS THAN THE STATEWIDE SOLID WASTE DISPOSAL
21 SURCHARGE; AND~~

~~22 (iii) ELIGIBLE ENTITIES FOR GRANTS TO FUND FOOD RESCUE,
23 WASTED FOOD DIVERSION, AND ORGANICS RECYCLING INCLUDE THE ELIGIBLE
24 ENTITIES UNDER:~~

~~25 1. THE ON-FARM ORGANICS DIVERSION AND
26 RECYCLING GRANT PROGRAM IN ACCORDANCE WITH § 2-109 OF THE
27 AGRICULTURE ARTICLE; AND~~

~~28 2. THE WASTED FOOD REDUCTION AND DIVERSION
29 GRANT PROGRAM IN ACCORDANCE WITH § 9-1725.3 OF THIS SUBTITLE.~~

~~30 (3) IF A COUNTY ESTABLISHES A SOLID WASTE DISPOSAL
31 SURCHARGE, A REFUSE DISPOSAL SYSTEM IN THE COUNTY MAY ASSESS THE
32 SURCHARGE DURING EITHER WASTE GENERATION, COLLECTION, OR FINAL
33 DISPOSAL.~~

~~(4) IF A COUNTY ESTABLISHES A SURCHARGE IN ACCORDANCE WITH THIS SUBSECTION, THE DEPARTMENT MAY ANNUALLY REVIEW THE COUNTY SURCHARGE PROGRAM IN ORDER TO:~~

~~(I) ENSURE COMPLIANCE WITH THE REQUIREMENTS OF THIS SUBSECTION; AND~~

~~(H) EVALUATE BEST PRACTICES AT THE COUNTY LEVEL TO BE ADOPTED FOR THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE.~~

9-1725.2.

(A) IN THIS SECTION, "FUND" MEANS THE WASTED FOOD REDUCTION AND DIVERSION FUND.

(B) THERE IS A WASTED FOOD REDUCTION AND DIVERSION FUND.

(C) THE PURPOSE OF THE FUND IS TO FUND ELIGIBLE PROJECTS UNDER THE ON-FARM ORGANICS DIVERSION AND RECYCLING GRANT PROGRAM ESTABLISHED UNDER § 2-109 OF THE AGRICULTURE ARTICLE AND THE WASTED FOOD REDUCTION AND DIVERSION GRANT PROGRAM ESTABLISHED UNDER § 9-1725.3 OF THIS SUBTITLE.

(D) THE SECRETARY SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF:

~~(1) REVENUE DISTRIBUTED TO THE FUND UNDER § 9-1725.1 OF THIS SUBTITLE;~~

~~(2)~~ MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

~~(3)~~ (2) INTEREST EARNINGS; AND

~~(4)~~ (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND.

1 **(G) (1) NOT MORE THAN ~~10%~~ 25% OF THE FUND MAY BE USED FOR**
2 **ADMINISTRATIVE EXPENSES BY THE DEPARTMENT OR THE DEPARTMENT OF**
3 **AGRICULTURE EACH FISCAL YEAR.**

4 **(2) THE COMPTROLLER SHALL TRANSFER THE REMAINING MONEY**
5 **FROM THE FUND AFTER ADMINISTRATIVE EXPENSES UNDER PARAGRAPH (1) OF**
6 **THIS SUBSECTION AS FOLLOWS:**

7 **(I) ON JULY 1, 2026:**

8 **1. 4% TO THE GRANT PROGRAM TO REDUCE AND**
9 **COMPOST SCHOOL WASTE UNDER § 7-130 OF THE EDUCATION ARTICLE;**

10 **2. 48% TO THE WASTED FOOD REDUCTION AND**
11 **DIVERSION GRANT PROGRAM UNDER § 9-1725.3 OF THIS SUBTITLE; AND**

12 **3. 48% TO THE ON-FARM ORGANICS DIVERSION AND**
13 **RECYCLING GRANT PROGRAM UNDER § 2-109 OF THE AGRICULTURE ARTICLE;**
14 **AND**

15 **(II) BEGINNING ON JULY 1, 2027, AND EACH JULY 1**
16 **THEREAFTER:**

17 **1. 50% TO THE WASTED FOOD REDUCTION AND**
18 **DIVERSION GRANT PROGRAM UNDER § 9-1725.3 OF THIS SUBTITLE; AND**

19 **2. 50% TO THE ON-FARM ORGANICS DIVERSION AND**
20 **RECYCLING GRANT PROGRAM UNDER § 2-109 OF THE AGRICULTURE ARTICLE.**

21 **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
22 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

23 **(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO**
24 **THE FUND.**

25 **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE**
26 **WITH THE STATE BUDGET.**

27 **(J) MONEY EXPENDED FROM THE FUND FOR THE SCHOOL WASTE**
28 **REDUCTION AND COMPOSTING PROGRAM, THE WASTED FOOD REDUCTION AND**
29 **DIVERSION GRANT PROGRAM, AND THE ON-FARM ORGANICS DIVERSION AND**
30 **RECYCLING GRANT PROGRAM IS SUPPLEMENTAL TO AND IS NOT INTENDED TO**
31 **TAKE THE PLACE OF FUNDING THAT OTHERWISE WOULD BE APPROPRIATED FOR**
32 **THOSE PROGRAMS.**

1 **9-1725.3.**

2 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
3 INDICATED.

4 (2) "GRANT PROGRAM" MEANS THE WASTED FOOD REDUCTION AND
5 DIVERSION GRANT PROGRAM.

6 (3) "OVERBURDENED COMMUNITY" HAS THE MEANING STATED IN §
7 1-701 OF THIS ARTICLE.

8 (4) "UNDERSERVED COMMUNITY" HAS THE MEANING STATED IN §
9 1-701 OF THIS ARTICLE.

10 (5) "URBAN FARMER" HAS THE MEANING STATED IN § 2-401 OF THE
11 AGRICULTURE ARTICLE.

12 (B) BEGINNING JULY 1, 2026, THERE IS A WASTED FOOD REDUCTION AND
13 DIVERSION GRANT PROGRAM IN THE DEPARTMENT.

14 (C) THE PURPOSE OF THE GRANT PROGRAM IS TO AWARD GRANTS
15 ANNUALLY FOR INFRASTRUCTURE, PROGRAMS, AND EDUCATION THAT REDUCE,
16 RESCUE, AND DIVERT WASTED FOOD IN THE STATE.

17 (D) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT OF
18 AGRICULTURE, SHALL ADMINISTER THE GRANT PROGRAM.

19 (E) THE FOLLOWING PERSONS ARE ELIGIBLE FOR A GRANT UNDER THE
20 GRANT PROGRAM:

21 (1) ~~A UNIT OF STATE OR LOCAL GOVERNMENT THAT HAS NOT OPTED~~
22 ~~OUT OF THE STATEWIDE SOLID WASTE DISPOSAL SURCHARGE;~~

23 ~~(2)~~ (2) A LOCAL EDUCATION AGENCY;

24 ~~(3)~~ (2) AN INSTITUTION OF HIGHER EDUCATION AS DEFINED IN §
25 10-101 OF THE EDUCATION ARTICLE;

26 ~~(4)~~ (3) A NONPROFIT ORGANIZATION;

27 ~~(5)~~ (4) A FARMER OR AN URBAN FARMER;

28 ~~(6)~~ (5) A BUSINESS IN THE STATE THAT IS IN GOOD STANDING WITH
29 THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION; AND

1 (III) MEETING THE UNITED STATES COMPOSTING COUNCIL'S
2 SEAL OF TESTING ASSURANCE;

3 (5) THAT SERVE AN OVERBURDENED OR UNDERSERVED COMMUNITY;

4 (6) THAT MINIMIZE NEGATIVE IMPACTS TO THE LOCAL COMMUNITY;

5 AND

6 (7) THAT MAXIMIZE BENEFITS TO THE LOCAL COMMUNITY,
7 INCLUDING:

8 (I) THE CREATION OF JOBS;

9 (II) INCREASING JOB TRAINING; AND

10 (III) INCREASING HIRING AND LEADERSHIP DEVELOPMENT
11 PRACTICES THAT ARE INCLUSIVE AND PROVIDE A LIVING WAGE.

12 (H) AN ELIGIBLE PERSON THAT RECEIVES A GRANT UNDER THE GRANT
13 PROGRAM MAY NOT RECEIVE A GRANT UNDER THE ON-FARM ORGANICS
14 DIVERSION AND RECYCLING GRANT PROGRAM UNDER § 2-109 OF THE
15 AGRICULTURE ARTICLE IN THE SAME CALENDAR YEAR.

16 (I) (1) THE DEPARTMENT, IN CONSULTATION WITH THE DEPARTMENT
17 OF AGRICULTURE, SHALL ADOPT REGULATIONS TO IMPLEMENT THIS SECTION.

18 (2) REGULATIONS ADOPTED UNDER THIS SUBSECTION SHALL
19 INCLUDE:

20 (I) A SIMPLE COMMON APPLICATION PROCEDURE; AND

21 (II) FOR ELIGIBLE ENTITIES, A PROCESS TO FACILITATE THE
22 PARTICIPATION OF ELIGIBLE ENTITIES THAT HAVE LIMITED RESOURCES OR
23 LANGUAGE BARRIERS.

24 (J) ON OR BEFORE DECEMBER 31, 2026, AND EACH DECEMBER 1
25 THEREAFTER, THE DEPARTMENT SHALL REPORT TO THE GENERAL ASSEMBLY, IN
26 ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, ON:

27 (1) THE NUMBER AND TYPES OF GRANTS AWARDED;

28 (2) THE IMPACT OF THE GRANTS ON THE CREATION OF JOBS AND
29 OTHER BENEFITS TO THE STATE;

1 **(3) THE IMPACT ON WASTE PREVENTED, RESCUED, AND DIVERTED**
2 **FROM DISPOSAL; AND**

3 **(4) THE IMPACT ON FARMERS IN THE STATE.**

4 **Article – State Finance and Procurement**

5 6–226.

6 (a) (2) (i) Notwithstanding any other provision of law, and unless
7 inconsistent with a federal law, grant agreement, or other federal requirement or with the
8 terms of a gift or settlement agreement, net interest on all State money allocated by the
9 State Treasurer under this section to special funds or accounts, and otherwise entitled to
10 receive interest earnings, as accounted for by the Comptroller, shall accrue to the General
11 Fund of the State.

12 (ii) The provisions of subparagraph (i) of this paragraph do not apply
13 to the following funds:

14 189. the Teacher Retention and Development Fund; [and]

15 190. the Protecting Against Hate Crimes Grant Fund; AND

16 **191. THE WASTED FOOD REDUCTION AND DIVERSION**
17 **FUND.**

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 2024.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.