

1 H.735

2 Introduced by Representatives Hubert of Milton and Turner of Milton

3 Referred to Committee on

4 Date:

5 Subject: Conservation and development; labor; beverage containers;

6 deposit-redemption system

7 Statement of purpose: This bill proposes to repeal the beverage container
8 deposit redemption system and replace it with a one-half cent fee on all
9 beverage containers, including all water and juice containers. The one-half
10 cent fee per container would decrease to one-quarter cent in year two of the
11 program and one-eighth cent in year three of the program. The fees would be
12 deposited into the waste management assistance fund for the purpose of
13 funding the collection and recycling of beverage containers by solid waste
14 districts. In addition, the bill would assess a temporary, three-year one-cent
15 surcharge on every beverage container sold in the state. The one-cent beverage
16 container surcharge would be deposited in the unemployment compensation
17 fund.

18 An act relating to beverage container recycling

19 It is hereby enacted by the General Assembly of the State of Vermont:

1 Sec. 1. 10 V.S.A. chapter 54 is added to read:

2 CHAPTER 54. BEVERAGE CONTAINER RECYCLING

3 § 1551. DEFINITIONS

4 As used in this chapter:

5 (1) “Beverage” means beer or other malt beverages, mineral water,
6 mixed wine drink, liquor, soda water, noncarbonated water, and all
7 nonalcoholic carbonated or noncarbonated drinks in liquid form and intended
8 for human consumption, except for unflavored rice milk, unflavored soy milk,
9 milk, and dairy-derived products.

10 (2) “Container” means the individual, separate bottle, can, jar, or carton
11 composed of glass, metal, paper, plastic, or any combination of those materials
12 containing a consumer product. This definition shall not include containers
13 made of biodegradable material.

14 (3) “Liquor” means spirits as defined in 7 V.S.A. § 2.

15 (4) “Recycling” means the process of sorting, cleansing, treating, and
16 reconstituting waste and other discarded materials for the purpose of reusing
17 the materials in the same or altered form.

18 § 1552. BEVERAGE CONTAINER RECYCLING FEE

19 (a) Beginning July 1, 2010, the following fees shall be assessed on every
20 beverage container sold at the retail level in this state:

21 (1) A beverage container fee of:

- 1 (A) one-half cent from July 1, 2010, to June 30, 2011;
2 (B) one-quarter cent from July 1, 2011, to June 30, 2012; and
3 (C) one-eighth cent from July 1, 2012, to June 30, 2013.

4 (2) a beverage container surcharge of one cent.

5 (b) The fees assessed under subsection (a) of this section shall be collected
6 concurrently with the sales tax according to the requirements of subchapter 1
7 of chapter 233 of Title 32. Collection of the fees shall be enforced according
8 to the requirements of subchapter 5 of chapter 233 of Title 32.

9 (c) The beverage container recycling fee shall be assessed under
10 subdivision (a)(1) of this section and shall be deposited in the recycling and
11 reuse assistance account of the waste management assistance fund set forth in
12 section 6618 of this title.

13 (d) The beverage container surcharge assessed under subdivision (a)(2) of
14 this section shall be deposited in the unemployment compensation fund set
15 forth in section 1358 of Title 21.

16 Sec. 2. 10 V.S.A. § 6618 is amended to read:

17 § 6618. WASTE MANAGEMENT ASSISTANCE FUND

18 (a) There is hereby created in the state treasury a fund to be known as the
19 waste management assistance fund, to be expended by the secretary of the
20 agency of natural resources. The fund shall have ~~two~~ three accounts: one for
21 solid waste management assistance ~~and~~ and one for hazardous waste management

1 assistance, and one for recycling and reuse assistance. The hazardous waste
2 management assistance account shall consist of a percentage of the tax on
3 hazardous waste under the provisions of ~~32-V.S.A.~~ chapter 237 of Title 32, as
4 established by the secretary, the toxics use reduction fees under subsection
5 6628(j) of this title, and appropriations of the general assembly. In no event
6 shall the amount of the hazardous waste tax which is deposited to the
7 hazardous waste management assistance account exceed 40 percent of the
8 annual tax receipts. The solid waste management assistance account shall
9 consist of the franchise tax on waste facilities assessed under the provisions of
10 subchapter 13 of chapter 151 of Title 32, and appropriations of the general
11 assembly. The recycling and reuse assistance account shall consist of the
12 beverage container recycling fee assessed under section 1522 of this title. All
13 balances in the fund accounts at the end of any fiscal year shall be carried
14 forward and remain a part of the fund accounts, except as provided in
15 subsection (e) of this section. Interest earned by the fund shall be deposited
16 into the appropriate fund account. Disbursements from the fund accounts shall
17 be made by the state treasurer on warrants drawn by the commissioner of
18 finance and management.

19 * * *

20 (d) The secretary shall annually allocate from the fund accounts the
21 amounts to be disbursed for each of the functions described in subsections (b)₂

1 ~~and (c), and (f)~~ of this section. The secretary, in conformance with the
2 priorities established in this chapter, shall establish a system of priorities
3 within each function when the allocation is insufficient to provide funding for
4 all eligible applicants.

5 * * *

6 (f) The secretary may authorize disbursements from the recycling and reuse
7 assistance account for the purpose of funding recycling and reuse activities of
8 the state solid waste districts. This includes:

9 (1) The costs of solid waste districts providing or contracting for
10 recycling or reuse services to citizens of the state; or

11 (2) The costs to solid waste districts in administering recycling or reuse
12 services.

13 Sec. 3. 10 V.S.A. § 6618 is amended to read:

14 § 6618. WASTE MANAGEMENT ASSISTANCE FUND

15 (a) There is hereby created in the state treasury a fund to be known as the
16 waste management assistance fund, to be expended by the secretary of the
17 agency of natural resources. The fund shall have ~~three~~ two accounts: one for
18 solid waste management assistance; and one for hazardous waste management
19 assistance; ~~and one for recycling and reuse assistance~~. The hazardous waste
20 management assistance account shall consist of a percentage of the tax on
21 hazardous waste under the provisions of chapter 237 of Title 32, as established

1 by the secretary, the toxics use reduction fees under subsection 6628(j) of this
2 title, and appropriations of the general assembly. In no event shall the amount
3 of the hazardous waste tax which is deposited to the hazardous waste
4 management assistance account exceed 40 percent of the annual tax receipts.
5 The solid waste management assistance account shall consist of the franchise
6 tax on waste facilities assessed under the provisions of subchapter 13 of
7 chapter 151 of Title 32, and appropriations of the general assembly. ~~The~~
8 ~~recycling and reuse assistance account shall consist of the beverage container~~
9 ~~recycling fee assessed under section 1522 of this title.~~ All balances in the fund
10 accounts at the end of any fiscal year shall be carried forward and remain a part
11 of the fund accounts, except as provided in subsection (e) of this section.
12 Interest earned by the fund shall be deposited into the appropriate fund
13 account. Disbursements from the fund accounts shall be made by the state
14 treasurer on warrants drawn by the commissioner of finance and management.

15 * * *

16 (d) The secretary shall annually allocate from the fund accounts the
17 amounts to be disbursed for each of the functions described in subsections (b),
18 and (c), ~~and (f)~~ of this section. The secretary, in conformance with the
19 priorities established in this chapter, shall establish a system of priorities
20 within each function when the allocation is insufficient to provide funding for
21 all eligible applicants.

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~~(f) The secretary may authorize disbursements from the recycling and reuse assistance account for the purpose of funding recycling and reuse activities of the state solid waste districts. This includes:~~

~~(1) The costs of solid waste districts providing or contracting for recycling or reuse services to citizens of the state; or~~

~~(2) The costs to solid waste districts in administering recycling or reuse services.~~

Sec. 4. 21 V.S.A. § 1358 is amended to read:

§ 1358. UNEMPLOYMENT COMPENSATION FUND; ESTABLISHMENT
AND CONTROL

There is hereby established as a special fund, to be kept separate and apart from all other public moneys or funds of this state, an unemployment compensation fund, which shall be administered by the commissioner exclusively for the purposes of this chapter. This fund shall consist of (1) all contributions collected under this chapter; (2) interest earned upon any moneys in the fund; (3) any property or securities acquired through the use of moneys belonging to the fund; (4) all earnings of such property or securities; (5) all money credited to this state's account in the unemployment trust fund pursuant to section 903 of the Social Security Act as amended; ~~and~~ (6) all fees collected under 10 V.S.A. § 1552(a)(2); and (7) all other moneys received for the fund

1 from any other source. All moneys in the fund shall be mingled and
2 undivided.

3 Sec. 5. 21 V.S.A. § 1358 is amended to read:

4 § 1358. UNEMPLOYMENT COMPENSATION FUND; ESTABLISHMENT
5 AND CONTROL

6 There is hereby established as a special fund, to be kept separate and apart
7 from all other public moneys or funds of this state, an unemployment
8 compensation fund, which shall be administered by the commissioner
9 exclusively for the purposes of this chapter. This fund shall consist of (1) all
10 contributions collected under this chapter; (2) interest earned upon any moneys
11 in the fund; (3) any property or securities acquired through the use of moneys
12 belonging to the fund; (4) all earnings of such property or securities; (5) all
13 money credited to this state's account in the unemployment trust fund pursuant
14 to section 903 of the Social Security Act as amended; and (6) ~~all fees collected~~
15 ~~under 10 V.S.A. § 1552(a)(2); and (7) all other moneys received for the fund~~
16 from any other source. All moneys in the fund shall be mingled and
17 undivided.

18 Sec. 6. REPEAL OF BEVERAGE CONTAINER DEPOSIT REDEMPTION
19 SYSTEM

20 On July 1, 2010, 10 V.S.A. chapter 53 (beverage container deposit
21 redemption system) shall be repealed.

1 Sec. 7. SUNSET OF BEVERAGE CONTAINER RECYCLING FEE AND
2 SURCHARGE

3 On July 1, 2013, 10 V.S.A. chapter 54 (beverage container recycling fee
4 and surcharge) shall be repealed.

5 Sec. 8. TRANSITION

6 (a) Redemption of existing beverage container deposits. Until
7 September 1, 2010, redemption centers and retailers that sell beverages shall
8 continue to redeem beverage containers labeled in accordance with 10 V.S.A.
9 § 1524 and for which a beverage container deposit was paid prior to July 1,
10 2010.

11 (b) Notice to beverage manufacturers or distributors. Beverage
12 manufacturers or distributors shall have until September 15, 2010, to notify
13 manufacturers or distributors of the need to pick up or collect redeemed
14 beverage containers.

15 (c) Manufacturer or distributor pick up. A beverage manufacturer or
16 distributor shall have until September 30, 2010, to collect redeemed beverage
17 containers.

18 (d) Termination of redemption. No beverage container shall be redeemed
19 on or after October 1, 2010, and no manufacturer or distributor shall be
20 required to pick up beverage containers from a retailer after September 30,
21 2010.

1 Sec. 9. EFFECTIVE DATES

2 (a) This section and Secs. 1 (beverage container recycling fee), 2 (waste
3 management assistance fund; beverage container recycling fee), 4 (deposit of
4 beverage container surcharge in unemployment compensation fund), 6 (repeal
5 of beverage container deposit redemption system), and 7 (transition) of this act
6 shall take effect July 1, 2010.

7 (b) Secs. 3 (repeal of deposit of beverage container fee in waste
8 management assistance account) and 5 (repeal of deposit of beverage container
9 surcharge in unemployment compensation fund) of this act shall take effect
10 July 1, 2013.