

Draft House E&E Committee Amendment

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Environment and Energy to which was referred House
3 Bill No. 158 entitled “An act relating to the beverage container redemption
4 system” respectfully reports that it has considered the same and recommends
5 that the bill be amended by striking out all after the enacting clause and
6 inserting in lieu thereof the following:

7 Sec. 1. 10 V.S.A. chapter 53 is amended to read:

8 CHAPTER 53. BEVERAGE CONTAINERS; DEPOSIT-REDEMPTION
9 SYSTEM

10 § 1521. DEFINITIONS

11 As used in this chapter:

12 (1) “Beverage” means ~~beer or other malt beverages and mineral waters,~~
13 ~~mixed wine drink, soda water and carbonated soft~~ all drinks in liquid form and
14 intended for human consumption, except for milk, dairy products, plant-based
15 beverages, infant formula, meal replacement drinks, or nonalcoholic cider.

16 “Beverage” also means liquor and ready to drink spirits beverage.

17 (2) ~~“Biodegradable material” means material that is capable of being~~
18 ~~broken down by bacteria into basic elements. [Repealed.]~~

19 (3) “Container” means the individual, and separate, bottle, can, or jar, ~~or~~
20 ~~carton~~ composed of glass, aluminum or other metal, paper, plastic,
21 polyethylene terephthalate, high density polyethylene, or any combination of

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1 those materials, and containing a ~~consumer product~~ beverage. This definition
2 ~~shall~~ does not include ~~containers made of biodegradable material~~
3 noncarbonated beverage containers with a volume greater than two and one-
4 half liters and carbonated beverage containers with a volume greater than three
5 liters.

6 (4) “Distributor” means every person who engages in the sale of
7 consumer products in containers to a dealer in this State, including any
8 manufacturer who engages in such sales. Any dealer or retailer who sells, at
9 the retail level, beverages in containers without having purchased them from a
10 person otherwise classified as a distributor ~~shall be~~ is a distributor.

11 (5) “Manufacturer” means every person bottling, canning, packing, or
12 otherwise filling containers for sale to distributors or dealers.

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

16 (7) “Redemption center” means a store or other location where any
17 person may, during normal business hours, redeem the amount of the deposit
18 for any empty beverage container labeled or certified pursuant to section 1524
19 of this title.

20 (8) “Secretary” means the Secretary of Natural Resources.

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1 (9) “Mixed wine drink” means a beverage containing wine and more
2 than 15 percent added plain, carbonated, or sparkling water and that contains
3 added natural or artificial blended material, such as fruit juices, flavors,
4 flavoring, adjuncts, coloring, or preservatives; that contains not more than
5 16 percent alcohol by volume; or other similar product marketed as a wine
6 cooler.

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

8 (11) “Cider” has the same meaning as in 7 V.S.A. § 2.

9 (12) “Hard kombucha” means a fermented beverage produced from a
10 mixture of steeped tea and sugar, combined with a culture of yeast strains and
11 bacteria, that has an alcohol content of 0.5 percent or more alcohol by volume.

12 (13) “Plant-based beverage” means a liquid intended for human
13 consumption that imitates dairy milk, consists of plant material suspended in
14 water, and the primary protein source in the beverage is from plant material or
15 a derivative of plant materials. Plant-based beverages include beverages made
16 from rice, soy, nuts, oats, and hemp.

17 (14) “Vinous beverages” means all fermented beverages of any name or
18 description manufactured or obtained for sale from the natural sugar content of
19 fruits or other agricultural product, containing sugar, the total alcoholic content
20 of which is not less than one percent nor more than 16 percent by volume at 60

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1 degrees Fahrenheit. As used in this section, “vinous beverages” does not mean
2 cider, **hard kombucha**, or a mixed wine drink.

3 § 1522. BEVERAGE CONTAINERS; DEPOSIT

4 (a) Except with respect to beverage containers that contain liquor, a deposit
5 of not less than five cents shall be paid by the consumer on each beverage
6 container sold at the retail level and refunded to the consumer upon return of
7 the empty beverage container. With respect to beverage containers that
8 contain a vinous beverage, a deposit of 15 cents shall be paid by the consumer
9 on each beverage container sold at the retail level and refunded to the
10 consumer upon return of the empty beverage container. With respect to
11 beverage containers of volume greater than 50 ml. that contain liquor, a deposit
12 of 15 cents shall be paid by the consumer on each beverage container sold at
13 the retail level and refunded to the consumer upon return of the empty
14 beverage container. The difference between liquor bottle deposits collected
15 and refunds made is hereby retained by the Liquor Control Enterprise Fund for
16 administration of this subsection.

17 (b) A retailer or a person operating a redemption center who redeems
18 beverage containers shall be reimbursed by the manufacturer or distributor of
19 such beverage containers in an amount that is three and one-half cents per
20 container for containers of beverage brands that are part of a commingling

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1 program and ~~four~~ five cents per container for containers of beverage brands
2 that are not part of a commingling program.

3 (c) If the Secretary determines that the producer responsibility organization
4 failed to meet the relevant redemption rate goal established in section 1534 of
5 this title for two consecutive years for one or more beverage container
6 category, the beverage container deposit for that category established in
7 subsection (a) of this section shall increase by five cents, provided that the
8 maximum deposit for any beverage container category shall not exceed 20
9 cents for wine bottles and liquor bottles and shall not exceed 10 cents for every
10 other container. Within one year following the Secretary's determination
11 under this section, manufacturers and distributors shall comply with the
12 labelling requirements of section 1524 of this title before assessing the relevant
13 deposit for the beverage container.

14 (d) Containers shall be redeemed during ~~no~~ not fewer than 40 hours per
15 week during the regular operating hours of the establishment.

16 § 1522a. RULES

17 ~~The Secretary may adopt rules, in accordance with 3 V.S.A. chapter 25,~~
18 ~~necessary for the administration of this chapter. These rules may include the~~
19 ~~following:~~

20 ~~(1) Provisions to ensure that beverage containers not labeled in~~
21 ~~accordance with section 1524 of this title are not redeemed.~~

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1 ~~(2) Provisions to ensure that beverage containers are commingled.~~

2 ~~(3) Administrative penalties for the failure by a redemption center or~~
3 ~~retailer to remove beverage containers that are not labeled prior to pickup by a~~
4 ~~distributor or manufacturer. Penalties may include nonpayment of the deposit~~
5 ~~and handling fee established under section 1522 of this title for a reasonable~~
6 ~~period of time and for the number of beverage containers that were not labeled.~~

7 ~~(4) Any other provision that may be necessary for the implementation of~~
8 ~~this chapter. [Repealed.]~~

9 § 1523. ACCEPTANCE OF BEVERAGE CONTAINERS

10 (a) Except as provided in section 1522 of this title:

11 (1) A retailer shall not refuse to accept from any person any empty
12 beverage containers, labeled in accordance with section 1524 of this title, of
13 the kind, size, and brand sold by the retailer, or refuse to pay to that person the
14 refund value of a beverage container as established by section 1522 of this
15 title, except as provided in subsection (b) of this section.

16 (2) A manufacturer or distributor may not refuse to pick up from a
17 retailer that sells its product or a person operating a certified redemption center
18 any empty beverage containers, labeled in accordance with section 1524 of this
19 title, of the kind, size, and brand sold by the manufacturer or distributor, or
20 refuse to pay the retailer or a person operating a redemption center the refund
21 value of a beverage container as established by section 1522 of this title.

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1 (b) A retailer, ~~with the prior approval of the Secretary,~~ may refuse to
2 redeem beverage containers if a ~~redemption center or centers are established~~
3 ~~that serve the public need~~ stewardship plan that meets the requirements of
4 section 1532 of this title has been implemented by the producer responsibility
5 organization in the State and the retailer’s building is less than 5,000 square
6 feet.

7 (c) A retailer ~~or that is not exempt,~~ a person operating a redemption center,
8 or any other point of redemption may only refuse to redeem beverage
9 containers that are not clean; or are broken; and shall not redeem beverage
10 containers that are not labeled in accordance with section 1524 of this title.

11 § 1524. LABELING

12 (a)(1) Every beverage container sold or offered for sale at retail in this
13 State shall clearly indicate by embossing ~~or~~, imprinting on the normal product
14 label, or ~~in the case of a metal beverage container on the top of the container,~~
15 other approved method secured to the container the word “Vermont” or the
16 letters “VT” and the refund value of the container one of the following in not
17 less than one-eighth inch type size or such other alternate indications as may be
18 approved by the Secretary;

19 (A) the refund value of the container;

20 (B) the words “refund value”; or

21 (C) the letters “RV”.

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1 (2) The label shall be on the top lid of the beverage container, the side of
2 the beverage container, or in a clearly visible location on the beverage
3 container. This subsection does not prohibit including names or abbreviations
4 of other states with deposit legislation comparable to this chapter.

5 (b) Each beverage container sold or offered for sale in the State that has a
6 deposit pursuant to section 1522 of this title shall include a Universal Product
7 Code and barcode. Each distributor shall provide the Universal Product Code
8 and barcode as part of its beverage registration or within 60 days following
9 March 1, 2025, whichever occurs first.

10 (c) The Commissioner of Liquor and Lottery may allow, in the case of
11 liquor bottles, a conspicuous, adhesive sticker to be attached to indicate the
12 deposit information required in subsection (a) of this section, provided that the
13 size, placement, and adhesive qualities of the sticker are as approved by the
14 Commissioner. The stickers shall be affixed to the bottles by the
15 manufacturer, except that liquor that is sold in the State in quantities less than
16 100 cases per year may have stickers affixed by personnel employed by the
17 Division of Liquor Control.

18 (d) The Secretary may allow a manufacturer, a distributor, or a retailer of
19 vinous beverage containers to attach a conspicuous adhesive sticker to the
20 beverage containers to indicate the deposit information required in subsection
21 (a) of this section, provided that the size, placement, and adhesive qualities of

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1 the sticker are as approved by the Secretary. The sticker shall be affixed by the
2 manufacturer, the distributor, or the retailer.

3 ~~(e)(e) This section shall not apply to permanently labeled beverage~~
4 ~~containers This section shall not apply to a beverage container containing a~~
5 ~~vinous beverage if a distributor or retailer purchased the beverage container~~
6 ~~prior to July 1, 202? and the container is sold prior to January 1, 2028.~~

7 * * *

8 § 1527. ~~PENALTY~~

9 ~~A person who violates a provision of this chapter shall be fined not more~~
10 ~~than \$1,000.00 for each violation. [Repealed.]~~

11 § 1528. BEVERAGE REGISTRATION

12 No distributor or manufacturer shall sell a beverage container in the State of
13 Vermont without ~~the manufacturer registering the beverage container with the~~
14 ~~Agency of Natural Resources prior to sale, registering 30 days in advance of~~
15 ~~initiating sale of the beverage container and participating in a stewardship plan~~
16 ~~approved by the Secretary~~ unless distributed by the Department of Liquor and
17 Lottery. ~~This registration shall take place on a form provided by the Secretary~~
18 ~~and include the following:~~

19 ~~(1) the name and principal business address of the manufacturer;~~

20 ~~(2) the name of the beverage and the container size;~~

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1 ~~(3) whether the beverage is a part of an approved commingling~~
2 ~~agreement; and~~

3 ~~(4) the name of the person picking up the empty beverage container, if~~
4 ~~that person is different from the manufacturer.~~

5 § 1529. REDEMPTION CENTER CERTIFICATION

6 A person operating a redemption center may obtain a certification from the
7 Secretary. A redemption center certification shall include the following:

8 (1) Specification of the name and location of the facility;

9 ~~(2) If the certified redemption center redeems more than 250,000~~
10 ~~containers per year, a requirement that the certified redemption center shall~~
11 ~~participate in an approved commingling agreement; and~~

12 ~~(3) Additional conditions, requirements, and restrictions as the Secretary~~
13 may deem necessary to implement the requirements of this chapter. This may
14 include requirements concerning reporting, recording, and inspections of the
15 operation of the site.

16 * * *

17 § 1531. MANUFACTURER PARTICIPATION IN PRODUCER

18 RESPONSIBILITY ORGANIZATION

19 (a) No manufacturer or distributor may sell or distribute a beverage
20 container in this State without participating in a Secretary-approved producer
21 responsibility organization. [Other than liquor?]

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1 (b) On or before January 1, 2024, manufacturers of beverage containers
2 sold or distributed within the State shall apply to the Secretary to form a
3 producer responsibility organization to fulfill the requirement of manufacturers
4 under this chapter.

5 (c) The Secretary may approve, for a period not longer than 10 years, the
6 producer responsibility organization, provided that:

7 (1) the producer responsibility organization has the capacity to
8 administer the requirements of a stewardship plan required by section 1532 of
9 this title; and

10 (2) the producer responsibility organization does not create any
11 unreasonable barriers to joining the producer responsibility organization and
12 shall take into the consideration the needs of small manufacturers that do not
13 generate a significant volume of containers.

14 (d) After approval, the producer responsibility organization shall maintain a
15 website that identifies:

16 (1) the name and principal business address of each manufacturer
17 participating in the producer responsibility organization; and

18 (2) the name of each beverage and the container size covered by the
19 stewardship plan.

20 (e) If the producer responsibility organization fails to implement the
21 requirements of this chapter, the rules adopted by the Secretary, or an approved

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1 stewardship plan, the Secretary may dissolve the producer responsibility
2 organization.

3 (f) If no producer responsibility organization is formed, the Secretary shall
4 either require the formation of the producer responsibility organization or
5 adopt and administer a plan that meets the requirements of section 1532 of this
6 title. If the Secretary administers the plan adopted under section 1532, the
7 Secretary shall charge each manufacturer the costs of plan administration, the
8 Agency's oversight costs, and a recycling market development assessment of
9 10 percent of the plan's total cost to be deposited in the Solid Waste
10 Management Assistance Account of the Waste Management Assistance Fund,
11 for the purpose of providing grants to develop markets to recycle materials.

12 (g) The producer responsibility organization shall reimburse the Agency of
13 Natural Resources for all oversight costs in administering this chapter.

14 § 1532. STEWARDSHIP PLAN; MINIMUM REQUIREMENTS

15 (a) Plan elements. On or before October 1, 2024, an approved producer
16 responsibility organization shall submit a stewardship plan to the Secretary. A
17 stewardship plan shall, at a minimum, meet all of the following requirements
18 of this section:

19 (1) Convenience of collection. A plan shall ensure that consumers have
20 convenient opportunities to redeem beverage containers. The plan shall take
21 reasonable efforts to site points of redemption equitably across all regions of

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1 the State to allow for convenient and reasonable access of all Vermonters to
2 redemption opportunities. A plan shall document how redemption services
3 will be available to consumers as follows:

4 (A) at least three points of redemption per county that provide an
5 immediate return of a deposit to a consumer unless a waiver is granted by the
6 Secretary;

7 (B) at least one point of redemption per municipality with a
8 population of 7,000 or more persons that provides an immediate return of a
9 deposit to a consumer unless a waiver is granted by the Secretary; and

10 (C) how sites of redemption are or will be sited in areas with high
11 population density or located in centers designated under 24 V.S.A. chapter
12 76A.

13 (2) Fair operation and compensation to redemption centers. The plan
14 shall satisfy all of the following requirements.

15 (A) The plan shall describe how all locations that redeem beverage
16 containers are fairly compensated for their participation in the collection
17 program.

18 (B) There shall not be barriers to the participation in the collection
19 program for a redemption center, except for restrictions that are authorized by
20 the Secretary.

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1 (C) The plan shall describe how management and sorting of
2 containers at redemption centers is minimized. The plan shall document how
3 brand sorting will be eliminated at points of redemption.

4 (D) The plan shall describe how materials will be picked up from
5 redemption centers on a timely basis.

6 (E) The plan shall maximize the use of existing infrastructure when
7 establishing points of collection under subdivision (1) of this subsection (a).

8 (3) Education to consumers. The plan shall describe what education
9 efforts will be undertaken to increase the number of beverage containers
10 redeemed in the State.

11 (4) Consultation with stakeholders. The producer responsibility
12 organization shall consult with stakeholders on the development of the plan.
13 The plan shall include processes for regular consultation, which shall not be
14 less than annually, with stakeholders including the Agency, redemption
15 centers, municipal and private recycling organizations, and other stakeholders.

16 (b) Reporting. At a frequency required by the Secretary but not less than
17 annually, the producer responsibility organization shall report the following to
18 the Secretary:

19 (1) the name, address, and business hours of each redemption center
20 participating in the approved stewardship plan;

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- 1 (2) the amount, in containers and tons, and material type of beverage
2 containers redeemed under the plan and the redemption rate by the following
3 categories of:
- 4 (A) wine bottles;
5 (B) liquor bottles; and
6 (C) all other beverage containers;
- 7 (3) the location and amount of beverage container material that was
8 recycled and what products that beverage container material was recycled into;
- 9 (4) the carbon impacts associated with the administration of the
10 stewardship plan;
- 11 (5) the costs associated with administration of the stewardship plan,
12 including the costs of collection, management, and transportation of redeemed
13 containers and the amount received for commodities;
- 14 (6) a description of any improvements made in the reporting year to
15 increase ease and convenience for consumers to return beverage containers for
16 redemption;
- 17 (7) efforts taken by or on behalf of the manufacturer or distributor to
18 reduce environmental impacts throughout the product life cycle and to increase
19 reusability or recyclability at the end of the life cycle by material type;
- 20 (8) efforts taken by or on behalf of the producer responsibility
21 organization to improve the environmental outcomes of the program by

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1 improving operational efficiency, such as reduction of truck trips through
2 improved material handling or compaction or the increased use of refillable
3 containers in a local refilling system;

4 (9) a description and copies of educational materials and educational
5 strategies the producer uses for the purposes of this program; and

6 (10) any additional information required by the Secretary.

7 (c) Secretary of Natural Resources approval. The plan shall be submitted
8 to the Secretary, and, after concluding that the elements of the plan will
9 maximize diversion of recyclable materials, provide convenience to users, and
10 create a more circular economy, the Secretary's approval pursuant to this
11 subsection shall be for a period not greater than five years.

12 § 1533. PROGRAM AND FISCAL AUDIT

13 (a) Program audit. Beginning on March 1, 2030 and every five years
14 thereafter, the producer responsibility organization shall conduct an
15 independent third-party program audit of the operation of the stewardship plan.
16 The audit shall make recommendations to improve the operation of the
17 collection program established by this chapter.

18 (b) Fiscal audit. Beginning on March 1, 2026 and annually thereafter, the
19 producer responsibility organization shall conduct an independent third-party
20 fiscal audit of the program. The fiscal audit shall provide a transparent fiscal
21 analysis of the producer responsibility organization, its expenditures, the

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1 number of beverage containers collected, and the amount of unclaimed
2 deposits. The audit shall also provide the redemption rate of beverage
3 containers redeemed in the State after approval by the Secretary.

4 (c) Submission to Secretary. The results of each audit required under
5 subsections (a) and (b) of this section shall be submitted to the Secretary for
6 purposes of reviewing performance of the stewardship plan and for oversight
7 of the requirements of this chapter.

8 § 1534. BEVERAGE CONTAINER REDEMPTION RATE GOAL;

9 REPORT

10 (a) It is a goal of the State that the following minimum beverage container
11 redemption rates shall be satisfied by the specified dates:

12 (1) Beginning on July 1, 2026: 75 percent.

13 (2) Beginning on July 1, 2030: 80 percent.

14 (3) Beginning on July 1, 2035: 85 percent.

15 (4) Beginning on July 1, 2040: 90 percent.

16 (b) Beginning on July 1, 2025 and every five years thereafter, the Secretary
17 of Natural Resources shall submit to the Senate Committees on Natural
18 Resources and Energy and on Finance and the House Committees on
19 Environment and Energy and on Ways and Means a written report containing
20 the current beverage container redemption rate in the State.

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1 § 1535. RULEMAKING

2 The Secretary may adopt rules, in accordance with 3 V.S.A. chapter 25,
3 necessary for the administration of this chapter.

4 Sec. 2. 10 V.S.A. § 1530(c)(1) is amended to read:

5 (c)(1) ~~On or before January 1, 2020, and quarterly thereafter,~~ Every quarter,
6 at the time a report is filed pursuant to subsection (d) of this section, each
7 deposit initiator shall remit to the Commissioner of Taxes ~~any~~ 50 percent of the
8 abandoned beverage container deposits from the preceding quarter. The
9 remaining 50 percent of the abandoned beverage container deposits shall be
10 retained by the producer responsibility organization implementing the
11 requirements of this chapter for the deposit initiator. The amount of
12 abandoned beverage container deposits for a quarter is the amount equal to the
13 amount of deposits that the deposit initiator collected in the quarter less the
14 amount of the total refund value paid out by the deposit initiator for beverage
15 containers during the quarter.

16 Sec. 3. 10 V.S.A. § 1530(c)(1) is amended to read:

17 (c)(1) Every quarter, at the time a report is filed pursuant to subsection (d)
18 of this section, each deposit initiator shall remit to the Commissioner of Taxes
19 ~~50 percent of the~~ any abandoned beverage container deposits from the
20 preceding quarter. ~~The remaining 50 percent of the abandoned beverage~~
21 ~~container deposits shall be retained by the producer responsibility organization~~

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1 ~~implementing the requirements of this chapter for the deposit initiator.~~ The
2 amount of abandoned beverage container deposits for a quarter is the amount
3 equal to the amount of deposits that the deposit initiator collected in the quarter
4 less the amount of the total refund value paid out by the deposit initiator for
5 beverage containers during the quarter.

6 Sec. 4. 10 V.S.A. § 7714 is amended to read:

7 § 7714. TYPE 3 PROCEDURES

8 (a) Purpose; scope.

9 (1) The purpose of this section is to establish the public notice and
10 comment requirements that the Department must follow when adopting general
11 permits, except for general permits governed by section 7712 of this chapter,
12 and when considering other permits listed in this section.

13 (2) The procedures under this section shall be known as Type 3
14 Procedures. This section governs each of the following:

15 (A) Each general permit issued pursuant to the Secretary's authority
16 under this title other than a general permit subject to section 7712 of this
17 chapter. However, this section does not apply to a notice of intent under a
18 general permit.

19 (B) Issuance of a dam safety order under chapter 43 of this title,
20 except for an unsafe dam order under section 1095 of this title.

21 (C) An application or request for approval of:

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1 (i) an aquatic nuisance control permit under chapter 50 of this
2 title;

3 (ii) a change in treatment for a public water supply under chapter
4 56 of this title;

5 (iii) a collection plan for mercury-containing lamps under section
6 7156 of this title;

7 (iv) an individual plan for the collection and recycling of
8 electronic waste under section 7554 of this title; ~~and~~

9 (v) a primary battery stewardship plan under section 7586 of this
10 title; and

11 (vi) approval of a stewardship plan required under chapter 53 of
12 this title.

13 (b) Notice of application. The Secretary shall provide notice of an
14 administratively complete application through the environmental notice
15 bulletin.

16 (c) Notice of draft decision; comment period. The Secretary shall provide
17 notice of the draft decision through the environmental notice bulletin and shall
18 post the draft decision to the bulletin. The Secretary shall provide a public
19 comment period.

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1 (d) Public meeting. The Secretary shall hold a public meeting whenever
2 any person files a written request for such a meeting. The Secretary otherwise
3 may hold a public meeting at ~~his or her~~ the Secretary's discretion.

4 (e) Notice of final decision. The Secretary shall provide notice of the final
5 decision through the environmental notice bulletin and shall post the final
6 decision to the bulletin. The Secretary shall provide a response to comments.

7 Sec. 5. 10 V.S.A. § 1388 is amended to read:

8 § 1388. CLEAN WATER FUND

9 (a) There is created a special fund to be known as the Clean Water Fund to
10 be administered by the Secretary of Administration. The Fund shall consist of:

11 (1) revenues from the Property Transfer Tax surcharge established under
12 32 V.S.A. § 9602a;

13 (2) other gifts, donations, and impact fees received from any source,
14 public or private, dedicated for deposit into the Fund and approved by the
15 Secretary of Administration;

16 (3) 50 percent of the unclaimed beverage container deposits (escheats)
17 remitted to the State under chapter 53 of this title;

18 (4) six percent of the revenues from the meals and rooms taxes imposed
19 under 32 V.S.A. chapter 225; and

20 (5) other revenues dedicated for deposit into the Fund by the General
21 Assembly.

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1 (b) Notwithstanding any contrary provisions of 32 V.S.A. chapter 7,
2 subchapter 5, unexpended balances and any earnings shall remain in the Fund
3 from year to year.

4 Sec. 6. 10 V.S.A. § 6618(a) is amended to read:

5 (a) There is hereby created in the State Treasury a fund to be known as the
6 Waste Management Assistance Fund, to be expended by the Secretary of
7 Natural Resources. The Fund shall have three accounts: one for Solid Waste
8 Management Assistance, one for Hazardous Waste Management Assistance,
9 and one for Electronic Waste Collection and Recycling Assistance. The
10 Hazardous Waste Management Assistance Account shall consist of a
11 percentage of the tax on hazardous waste under the provisions of 32 V.S.A.
12 chapter 237, as established by the Secretary, the toxics use reduction fees
13 under subsection 6628(j) of this title; and appropriations of the General
14 Assembly. In no event shall the amount of the hazardous waste tax that is
15 deposited to the Hazardous Waste Management Assistance Account exceed
16 40 percent of the annual tax receipts. The Solid Waste Management
17 Assistance Account shall consist of the franchise tax on waste facilities
18 assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13;
19 50 percent of the unclaimed beverage container deposits remitted to the State
20 under chapter 53 of this title; and appropriations of the General Assembly.
21 The Electronic Waste Collection and Recycling Account shall consist of the

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1 program and implementation fees required under section 7553 of this title. All
2 balances in the Fund accounts at the end of any fiscal year shall be carried
3 forward and remain a part of the Fund accounts, except as provided in
4 subsection (e) of this section. Interest earned by the Fund shall be deposited
5 into the appropriate Fund account. Disbursements from the Fund accounts
6 shall be made by the State Treasurer on warrants drawn by the Commissioner
7 of Finance and Management.

8 **Sec. 7. SYSTEMS ANALYSIS OF BEVERAGE CONTAINER SYSTEM**

9 On or before January 15, 2025, the Agency of Natural Resources shall
10 submit to the House Committee Environment and Energy and the Senate
11 Committee on Natural Resources and Energy a written report on:

12 (1) an estimate of the total system costs and savings associated with the
13 implementation of the beverage container redemption system under 10 V.S.A.
14 chapter 53, including climate impacts;

15 (2) an estimate of the impacts of an expanded bottle bill on the recycling
16 system, including how much additional beverage container material will be
17 collected by the expansion of the bottle bill; the operational savings, if any, on
18 material recovery facilities; the loss to material recovery facilities from the
19 removal of bottle bill material from the recycling system; and an estimate of
20 the impacts on tipping fees at each material recovery facility; and

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1 (3) an estimate of the costs of operating a redemption center and other
2 alternate points of redemption under a stewardship plan and a recommendation
3 on whether the handling fee should be altered or replaced with an alternative
4 means of compensating points of redemption.

5 **Sec. 8. REPEAL**

6 10 V.S.A. § 1528 (beverage registration) and 10 V.S.A. § 1529 (redemption
7 center certification) are repealed on March 1, 2025.

8 **Sec. 9. IMPLEMENTATION; TRANSITION**

9 (a) In the implementation and enforcement of the requirements of this act,
10 the Secretary of Natural Resources may:

11 (1) allow beverage containers to be sold or redeemed that do not meet
12 the labeling requirements of 10 V.S.A. § 1524;

13 (2) determine whether a beverage or container is subject to the
14 requirements of 10 V.S.A. chapter 53 due to the nature of the beverage or the
15 composition or size of the container; and

16 (3) exercise discretion in the administration and enforcement of the
17 requirements of 10 V.S.A. chapter 53 for categories or types of beverages or
18 beverage containers.

19 (b) This section shall be repealed on March 1, 2028.

20 **Sec. 10. EFFECTIVE DATES**

21 This act shall take effect on July 1, 2023, except that:

Draft House E&E Committee Amendment

1 (1) in Sec. 1, 10 V.S.A. § 1521(1) (expansion of the definition of
2 beverage types) and 10 V.S.A. § 1522(a)(deposit for vinous beverages) shall
3 take effect on January 1, 2027;

4 (2) in Sec. 1, 10 V.S.A. § 1528 (requiring product registration to take
5 place with the producer responsibility organization) shall take effect on
6 March 1, 2025;

7 (3) in Sec. 1, 10 V.S.A. § 1524(b) (requiring a UPC label on containers)
8 shall take effect on March 1, 2025;

9 (4) in Sec. 1, 10 V.S.A. § 1531(a) (prohibiting the sale or distribution
10 without participating in the producer responsibility organization) shall take
11 effect on March 1, 2025;

12 (5) Sec. 2 (remittance of abandoned beverage container deposits) shall
13 take effect on January 1, 2026;

14 (6) Sec. 3. (repeal of remittance of beverage container deposit) shall take
15 effect on July 1, 2031;

16 (7) Sec. 5 (changing the amount of funds deposited in the Clean Water
17 Fund) shall take effect on July 1, 2031; and

18 (8) Sec. 6 (Waste Management Assistance Fund) shall take effect on
19 July 1, 2031.

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(Committee vote: _____)

Representative _____

FOR THE COMMITTEE