#### S.208

An act relating to solid waste management

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

\* \* \* Construction and Demolition Waste; Pilot Project \* \* \*

### Sec. 1. FINDINGS

The General Assembly finds that, for the purposes of Secs. 1–3 of this act:

- (1) Construction and demolition waste create significant issues for the capacity and operation of landfills in the State.
- (2) There are opportunities for materials recovery of construction and demolition waste in a manner consistent with Vermont's solid waste management priorities of reuse and recycling.
- (3) Substantial opportunity exists in Vermont for the recovery and recycling of certain materials in the construction and demolition waste stream, including wood, sheetrock, asphalt shingles, and metal.
- (4) To reduce the amount of construction and demolition waste in landfills and improve materials recovery, the construction industry should attempt to recover as much construction and demolition waste as possible from the overall waste stream.
- (5) To initiate and facilitate the recycling of construction and demolition waste, a pilot program should be established to promote increased recycling and reuse of construction and demolition waste, inform interested parties of

recycling and reuse opportunities, and evaluate the costs and effectiveness of construction and demolition waste recycling in the State.

Sec. 2. 10 V.S.A. § 6605m is added to read:

## § 6605m. CONSTRUCTION AND DEMOLITION WASTE; PILOT PROJECT

- (a) Definitions. In addition to the definitions in section 6602 of this chapter, as used in this section:
- (1) "Commercial project" means construction, renovation, or demolition of a commercial building or of a residential building with two or more residential units.
- (2) "Construction and demolition waste" means waste derived from the construction or demolition of buildings, roadways, or structures, including clean wood, treated or painted wood, plaster, sheetrock, roofing paper and shingles, insulation, glass, stone, soil, flooring materials, brick, concrete, masonry, mortar, incidental metal, furniture, and mattresses. Construction and demolition waste shall not mean asbestos waste, regulated hazardous waste, hazardous waste generated by households, hazardous waste from conditionally exempt generators, or any material banned from landfill disposal under section 6621a of this title.
- (b) Materials recovery requirement. Beginning on or after July 1, 2014, if a person produces 40 cubic yards or more of construction and demolition waste

at a commercial project located within 20 miles of a solid waste facility that recycles construction and demolition waste and meets the requirements of subsection (c) of this section, the person shall:

- (1) arrange for the transfer of the construction and demolition waste from the project to a solid waste facility that recycles construction and demolition waste, provided that the facility meets the requirements of subsection (c) of this section; or
- (2) arrange for a method of disposition of the construction and demolition waste that the Secretary of Natural Resources deems appropriate as an end use.
- (c) Minimum requirements of facility. For the purposes of this section, a solid waste facility that recycles construction and demolition waste under this section:
- (1) shall dispose of 50 percent or less of the construction and demolition waste received at the facility in a solid waste landfill as indicated by the facility's previous quarterly report to the Secretary of Natural Resources;
- (2) shall not charge a fee for construction and demolition waste that exceeds the published gate rate for trash disposal at the facility; and
- (3) may dispose of residuals generated from the processing or recycling of construction and demolition waste at a certified solid waste landfill.
  - (d) Calculation of bulk material.

- (1) Concrete, asphalt, brick, and other similar bulk materials shall not be calculated as construction and demolition waste for the purposes of determining under subsection (b) of this section if 40 cubic yards of construction and demolition waste is generated at a commercial project.
- (2) Concrete, asphalt, brick, and other similar bulk materials shall not be included in the calculation under subsection (c) of this section of the disposal rate at a solid waste facility that recycles construction and demolition waste, provided that:
- (A) the bulk material is recycled or processed as part of a mixed load of construction and demolition waste; and
- (B) the facility shall not recycle soil from a contaminated property unless the soil is suitably treated for use as clean fill.
- (e) Transition; application. The requirements of this section shall not apply to a commercial project subject to a contract entered into on or before July 1, 2014 for the disposal or recycling of the construction and demolition waste from the project.
- (f) Report. On or before January 1, 2017, the Secretary of Natural
  Resources, after consultation with interested persons, shall submit to the
  Senate and House Committees on Natural Resources and Energy a report
  regarding the implementation of the construction and demolition waste pilot
  project. The report shall include:

- (1) a summary of the implementation of the pilot project;
- (2) an estimate of the amount of construction and demolition waste recycled or reused under the pilot project;
- (3) the economic feasibility of continuing the pilot project, including whether viable markets exist for the cost-effective recycling or reuse of components of the construction and demolition waste stream; and
- (4) a recommendation as to whether the pilot project should be permanent, and, if so, any recommended changes to the statutory requirements.
- (g) Guidance on separation of hazardous materials. The Secretary of

  Natural Resources shall publish informational material regarding the need for a

  solid waste facility that recycles construction and demolition waste to manage

  properly and provide for the disposition of hazardous waste and hazardous

  material in construction and demolition waste delivered to a facility.

#### Sec. 3. REPEAL

10 V.S.A. § 6605m (construction and demolition waste pilot project) shall be repealed on July 1, 2017.

- \* \* \* Categorical Solid Waste Facility; Certification \* \* \*
- Sec. 4. 10 V.S.A. § 6605c(a) is amended to read:
- (a) Notwithstanding sections 6605, 6605f, and 6611 of this title, no person may construct, substantially alter, or operate any categorical solid waste

facility without first obtaining a certificate from the Secretary. Certificates shall be valid for a period not to exceed five 10 years.

\* \* \* Solid Waste Transporters; Mandated Recyclables \* \* \*

Sec. 5. 10 V.S.A. § 6607a is amended to read:

## § 6607a. WASTE TRANSPORTATION

- (a) A commercial hauler desiring to transport waste within the State shall apply to the Secretary for a permit to do so, by submitting an application on a form prepared for this purpose by the Secretary and by submitting the disclosure statement described in section 6605f of this title. These permits shall have a duration of five years and shall be renewed annually. The application shall indicate the nature of the waste to be hauled. The Secretary may specify conditions that the Secretary deems necessary to assure compliance with state State law.
  - (b) As used in this section:
    - (1) "Commercial hauler" means:
- (A) any person that transports regulated quantities of hazardous waste; and
- (B) any person that transports solid waste for compensation in a vehicle having a rated capacity of more than one ton.
- (2) The commercial hauler required to obtain a permit under this section is the legal or commercial entity that is transporting the waste, rather than the

individual employees and subcontractors of the legal or commercial entity. In the case of a sole proprietorship, the sole proprietor is the commercial entity.

\* \* \*

- (g)(1) Except as set forth in subdivisions (2) and (3) of this subsection, a transporter certified under this section that offers the collection of solid waste shall:
- (A) Beginning July 1, 2015, offer to collect mandated recyclables separated from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.
- (B) Beginning July 1, 2016, offer to collect leaf and yard residuals separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)–(5) of this title.
- (C) Beginning July 1, 2017, offer collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)–(5) of this title.
- (2) In a municipality that has adopted a solid waste management ordinance addressing the collection of mandated recyclables, leaf and yard residuals, or food residuals, a transporter in that municipality is not required to

comply with the requirements of subdivision (1) of this subsection and subsection (h) of this section for the material addressed by the ordinance if the ordinance:

- (A) is applicable to all residents of the municipality;
- (B) prohibits a resident from opting out of municipally provided municipally provided solid waste services; and
- (C) does not apply a variable rate for the collection for the material addressed by the ordinance.
- (3) A transporter is not required to comply with the requirements of subdivision (1)(A), (B), or (C) of this subsection in a specified area within a municipality if:
- (A) the Secretary has approved a solid waste implementation plan for the municipality;
- (B) the approved plan delineates an area where solid waste management services required by subdivision (1)(A), (B), or (C) of this subsection are not required; and
- (C) in the delineated area, alternatives to the services, including on site on-site management, required under subdivision (1)(A), (B), or (C) of this subsection are offered, the alternative services have capacity to serve the needs of all residents in the delineated area, and the alternative services are convenient to residents of the delineated area.

\* \* \* Waste Management Assistance Fund; Solid Waste Franchise Tax \* \* \* Sec. 6. 10 V.S.A. § 6618 is amended to read:

### § 6618. WASTE MANAGEMENT ASSISTANCE FUND

(a) There is hereby created in the State Treasury a fund to be known as the Waste Management Assistance Fund, to be expended by the Secretary of Natural Resources. The Fund shall have three four accounts: one for Solid Waste Management Assistance, one for Solid Waste Infrastructure Assistance, one for Hazardous Waste Management Assistance, and one for Electronic Waste Collection and Recycling Assistance. The Hazardous Waste Management Assistance Account shall consist of a percentage of the tax on hazardous waste under the provisions of 32 V.S.A. chapter 237, as established by the Secretary, the toxics use reduction fees under subsection 6628(j) of this title, and appropriations of the General Assembly. In no event shall the amount of the hazardous waste tax, which is deposited to the Hazardous Waste Management Assistance Account, exceed 40 percent of the annual tax receipts. The Solid Waste Management Assistance Account shall consist of 86 percent of revenue from the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, and appropriations of the General Assembly. The Electronic Waste Collection and Recycling Account shall consist of the program and implementation fees required under section 7553 of this title. The Solid Waste Infrastructure Assistance Account shall

consist of 14 percent of the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, and appropriations of the General Assembly. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain a part of the Fund Accounts, except as provided in subsection (e) of this section. Interest earned by the Fund shall be deposited into the appropriate fund account. Disbursements from the fund accounts shall be made by the State Treasurer on warrants drawn by the Commissioner of Finance and Management.

- (b) The Secretary may authorize disbursements from the Solid Waste Management assistance account Assistance Account for the purpose of enhancing Solid Waste Management solid waste management in the State in accordance with the adopted waste management plan. This includes:
- (1) the <u>The</u> costs of implementation planning, design, obtaining permits, construction, and operation of <u>state</u> <u>State</u> or regional facilities for the processing of recyclable materials and of waste materials that because of their nature or composition create particular or unique environmental, health, safety, or management problems at treatment or disposal facilities;
- (2) the <u>The</u> costs of assessing existing landfills, and eligible costs for closure and any necessary steps to protect public health at landfills operating before January 1, 1987, provided those costs are the responsibility of the municipality or <u>Solid Waste Management</u> solid waste management district

requesting assistance. The Secretary of Natural Resources shall adopt by procedure technical and financial criteria for disbursements of funds under this subdivision.

- (3) the <u>The</u> costs of preparing the State waste management plan<del>;</del>.
- (4) <u>hazardous Hazardous</u> waste pilot projects consistent with this chapter;
  - (5) the The costs of developing markets for recyclable material;
- (6) the <u>The</u> costs of the Agency of Natural Resources in administering Solid Waste Management solid waste management functions that may be supported by the Fund established in subsection (a) of this section.
- (7) a A portion of the costs of administering the environmental division

  Environmental Division established under 4 V.S.A. chapter 27. The amount of
  \$120,000.00 per fiscal year shall be disbursed for this purpose;
- (8) the The costs, not related directly to capital construction projects, that are incurred by a district, or a municipality that is not a member of a district, in the design and permitting of implementation programs included in the adopted Solid Waste Implementation Plan solid waste implementation plan of the district or of the municipality that is not a member of a district. These disbursements shall be issued in the form of advances requiring repayment.

  These advances shall bear interest at an annual rate equal to the interest rate

which the State pays on its bonds. These advances shall be repaid in full by the grantee no later than 24 months after the advance is awarded.

- (9) the The Secretary shall annually allocate 17 percent of the receipts of this account, based on the projected revenue for that year, for implementation of the Plan adopted pursuant to section 6604 of this title and Solid Waste

  Implementation Plans solid waste implementation plans adopted pursuant to 24 V.S.A. § 2202a.
- (10) the <u>The</u> costs of the proper disposal of waste tires. Prior to disbursing funds under this subsection, the Secretary shall provide a person with notice and opportunity to dispose of waste tires properly. The Secretary may condition a disbursement under this subsection on the repayment of the disbursement. If a person fails to provide repayment subject to the terms of a disbursement, the Secretary may initiate an action against the person for repayment to the Fund or may record against the property of the person a lien for the costs of cleaning up waste tires at a property.
- (c) The Secretary may authorize disbursements from the Hazardous Waste Management Assistance Account for the purpose of enhancing hazardous waste management in the State in accordance with this chapter. This includes:
- (1) The the costs of supplementing the State Waste Management Plan with respect to hazardous waste management-:

- (2) The the costs of the Agency of Natural Resources in administering hazardous waste management functions that may be supported by the Fund established in subsection (a) of this section-; and
- (3) The the costs of administering the Hazardous Waste Facility Grant Program under section 6603g of this title.
- (d) The Secretary shall annually allocate from the fund accounts the amounts to be disbursed for each of the functions described in subsections (b), (c), and (f) of this section. The Secretary, in conformance with the priorities established in this chapter, shall establish a system of priorities within each function when the allocation is insufficient to provide funding for all eligible applicants.
- (e) The Secretary may allocate funds at the end of the fiscal year from the Solid Waste Management Assistance Account to the Fund, established pursuant to section 1283 of this title, upon a determination that the Funds available in the Environmental Contingency Fund are insufficient to meet the State's obligations pursuant to subdivision 1283(b)(9) of this title. Any expenditure of funds transferred shall be restricted to funding the activities specified in subdivision 1283(b)(9) of this title. In no case shall the unencumbered balance of the Solid Waste Account following the transfer authorized under this subsection be less than \$300,000.00.

- (f) The Secretary may authorize disbursements from the Solid Waste

  Infrastructure Assistance Account for the following:
- (1) costs of solid waste districts, municipalities, or other private or public entities to construct solid waste management facilities or infrastructure identified by the Solid Waste Infrastructure Advisory Committee as necessary to comply with the requirements of subsection 6605(j) of this title, and meet any demand for the processing or recycling of mandated recyclables, leaf and yard residuals, or food residuals; and
- (2) up to 50 percent of the costs to a commercial hauler or transporter certified under this chapter to acquire or modify a vehicle:
- (A) when the hauler or transporter demonstrates to the Secretary the need for financial assistance; and
- (B) the vehicle will be used to transport mandated recyclables, leaf and yard residuals, or food residuals in rural or under populated areas of the <a href="State">State</a>.
- Sec. 7. 32 V.S.A. § 5952 is amended to read:
- § 5952. IMPOSITION OF TAX
- (a)(1) A tax is imposed for each calendar quarter or part thereof upon the franchise or privilege of doing business of every person required by 10 V.S.A. chapter 159 to obtain certification for a facility. The tax shall be imposed in the amount of \$6.00 \$7.00 per ton of waste delivered for disposal or

incineration at the facility, regardless of the amount charged by the operator to recoup its expenses of operation, including the expense of this tax.

- (2) The tax shall be similarly imposed on waste delivered to a transfer facility for shipment to an incinerator or other treatment facility or disposal facility that is located outside the state State. However, if the transfer station is located within a district which is authorized by an interstate compact to enter into cooperative agreements with a district in another state, the tax shall only be imposed if the treatment or disposal facility is located outside the state State and also outside the cooperating district in another state. For purposes of this determination, a treatment or disposal facility may be considered to be located within a district only if that district existed before July 1, 1987.
- (3) The tax shall be similarly imposed on waste shipped to an incinerator or other treatment facility or disposal facility that is located outside the state State, without having been delivered to a transfer station located in this state State. In this situation, the tax is imposed for each calendar quarter or part thereof upon the franchise or privilege of doing business of every person regulated under 10 V.S.A. § 6607a as a commercial hauler of solid waste. This tax shall not be imposed on waste exempt under subdivision (2) of this subsection.
- (b) The tax imposed by this section shall be in addition to any other taxes imposed on the taxpayer.

- (c) If a return required by this chapter is not filed, or if a return, when filed, is incorrect or insufficient, the eommissioner Commissioner shall determine the amount of tax due from any information available. If adequate information is not available to determine the tax otherwise due under this section, the eommissioner Commissioner may assess a tax at the rate of \$3.50 per year per person served by the facility. The number of persons served by a facility shall be determined by the eommissioner Commissioner based upon any available information and with regard given to seasonal and recreational use.
- (d) Every person required to pay the tax imposed by this subchapter shall use a weight scale that accurately gauges the weight of the waste and shall keep accurate contemporaneous records of the volume or weight of all waste delivered for disposal; provided, however, that a landfill receiving less than 1,000 tons of municipal solid waste per year which does not have scales which accurately gauge the weight of the waste may compute weight indirectly from volume using accurate records of the volume of waste delivered for disposal and a conversion rate approved by the eommissioner Commissioner. The taxpayer's records relating to imposition of the tax imposed by this subchapter shall be available for inspection or examination at any time upon demand by the eommissioner of taxes Commissioner of Taxes or the secretary of the agency of natural resources, Secretary of Natural Resources or their duly

authorized agents or employees and shall be preserved for a period of three years.

Sec. 8. 10 V.S.A. § 6618 is amended to read:

#### § 6618. WASTE MANAGEMENT ASSISTANCE FUND

(a) There is hereby created in the State Treasury a fund to be known as the Waste Management Assistance Fund, to be expended by the Secretary of Natural Resources. The Fund shall have four three accounts: one for Solid Waste Management Assistance, one for Solid Waste Infrastructure Assistance, one for Hazardous Waste Management Assistance, and one for Electronic Waste Collection and Recycling Assistance. The Hazardous Waste Management Assistance Account shall consist of a percentage of the tax on hazardous waste under the provisions of 32 V.S.A. chapter 237, as established by the Secretary, the toxics use reduction fees under subsection 6628(j) of this title, and appropriations of the General Assembly. In no event shall the amount of the hazardous waste tax, which is deposited to the Hazardous Waste Management Assistance Account, exceed 40 percent of the annual tax receipts. The Solid Waste Management Assistance Account shall consist of 90 percent of revenue from the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, and appropriations of the General Assembly. The Electronic Waste Collection and Recycling Account shall consist of the program and implementation fees required under section

7553 of this title. The Solid Waste Infrastructure Assistance Account shall consist of 10 percent of the franchise tax on waste facilities assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13, and appropriations of the General Assembly. All balances in the Fund accounts at the end of any fiscal year shall be carried forward and remain a part of the Fund Accounts, except as provided in subsection (e) of this section. Interest earned by the Fund shall be deposited into the appropriate fund account. Disbursements from the fund accounts shall be made by the State Treasurer on warrants drawn by the Commissioner of Finance and Management.

\* \* \*

- (f) The Secretary may authorize disbursements from the Solid Waste

  Infrastructure Assistance Account for the following:
- (1) costs of solid waste districts, municipalities, or other private or public entities to construct solid waste management facilities to accept, process, or recycle mandated recyclables, leaf and yard residuals, or food residuals; and
- (2) costs of commercial haulers or transporters certified under this chapter to acquire or modify vehicles intended to transport mandated recyclables, leaf and yard residuals, or food residuals, provided that assistance under this fund shall be limited to 50 percent per vehicle for which the commercial hauler or transporter applies for assistance. [Repealed.]

\* \* \* Solid Waste Infrastructure Advisory Committee \* \* \*

#### Sec. 9. SOLID WASTE INFRASTRUCTURE ADVISORY COMMITTEE

- (a) The Secretary of Natural Resources shall convene a Solid Waste

  Infrastructure Advisory Committee to review the current solid waste

  management infrastructure in the State, evaluate the sufficiency of existing

  solid waste management infrastructure to meet the requirements of subsection

  6605(j) of this title, and recommend development or construction of new solid

  waste management infrastructure in the State.
- (b) The Solid Waste Infrastructure Advisory Committee shall be composed of the Secretary of Natural Resources or his or her designee and the following members, to be appointed by the Secretary of Natural Resources:
- (1) three representatives of the solid waste management districts or other solid waste management entities in the State;
- (2) one representative of a solid waste collector that owns or operates a material recovery facility;
- (3) two representatives of solid waste commercial haulers, provided that one of the commercial haulers shall serve rural or underpopulated areas of the State;
- (4) one representative of recyclers of food residuals or leaf and yard residuals; and

- (5) one Vermont institution or business subject to the requirements under subsection 6605(j) of this title for the management of food residuals.
  - (c) The Solid Waste Infrastructure Advisory Committee shall:
- (1) review the existing systems analysis of the State waste stream to determine whether the existing solid waste management facilities operating in the State provide sufficient services to comply with the requirements of subsection 6605(j) of this title, and meet any demand for services;
- (2) summarize the locations or service sectors where the State lacks sufficient infrastructure or resources to comply with the requirements of and demand generated by subsection 6605(j) of this title, including the infrastructure necessary in each location;
- (3) estimate the cost of constructing the necessary infrastructure identified under subdivision (2) of this subsection; and
- (4) review options for generating the revenue sufficient to fund the costs of constructing necessary infrastructure.
- (d) Report. On or before January 15, 2015 and annually thereafter, the

  Solid Waste Infrastructure Advisory Committee shall submit to the Senate and

  House Committees on Natural Resources and Energy a report with an

  accounting of disbursements from the Solid Waste Infrastructure Assistance

  Fund, a summary of the financial stability of the Fund, and any

  recommendations for legislative action. The report submitted to the General

Assembly on January 15, 2015 under this subsection shall include the information and data developed under subsection (c) of this section.

# Sec. 10. AGENCY OF NATURAL RESOURCES REPORT ON SOLID WASTE GOVERNANCE

- (a) On or before December 15, 2014, the Secretary of Natural Resources shall submit to the Senate and House Committees on Natural Resources and Energy a report recommending the most efficient and cost-effective solid waste management governance system for the implementation of 2012 Acts and Resolves No. 148. The report shall include:
- (1) a summary of the costs and benefits of requiring municipalities to join a solid waste management district; and
- (2) whether or not consolidation of solid waste management districts is necessary to accomplish the objectives of 2012 Acts and Resolves No. 148.
- (b) Before submitting the report required under subsection (a) of this section, the Secretary of Natural Resources shall convene at least two meetings of interested parties to collect input regarding the recommendation required under the report.

\* \* \* Municipal Reporting Regarding Solid Waste Management \* \* \*
Sec. 11. 24 V.S.A. § 2202b is added to read:

# § 2202b. SOLID WASTE DISTRICT REPORTING; SOLID WASTE MANAGEMENT

- (a) Beginning on July 1, 2016 and annually thereafter, a municipality, individually or through a solid waste management district or other entity approved by the Secretary of Natural Resources, shall submit the following data to the Secretary of Natural Resources:
- (1) the number and type of solid waste collection facilities owned, operated, or used by the municipality;
- (2) a list of the commercial haulers doing business in the municipality and the services provided by each commercial hauler;
- (3) the total weight of the following collected in the municipality in the preceding year:
  - (A) mandated recyclables;
  - (B) leaf and yard residuals; and
  - (C) food residuals.
- (4) the collection services that the municipality offers for construction and demolition materials, and, if collection services are provided:
- (A) the total weight of construction and demolition debris collected in the municipality in the preceding year;

- (B) whether the municipality has established a program for the recycling of clean wood and, if so, the total weight of clean wood collected;
- (C) whether the municipality has established a program for the recycling of asphalt shingles and, if so, the total weight of asphalt shingles collected; and
- (D) whether the municipality has established a drywall collection program and, if so, the total weight of drywall collected;
- (5) the collection services provided for household hazardous waste and conditionally exempt generator waste, including:
- (A) whether the municipality provides year-round access to a permanent facility for the collection of household hazardous waste and conditionally exempt generator waste; and
- (B) if a permanent facility is not available under subdivision (5)(A) of this subsection (a), the number and type of collection events in the preceding year provided for household hazardous waste and conditionally exempt generator waste; and
- (6) a summary of how biosolids and septage are managed within the municipality.
- (b) The Secretary of Natural Resources shall compile the data provided under subsection (a) of this section. Notwithstanding the requirements of 2 V.S.A. § 20(d), beginning January 1, 2017 and annually thereafter, the

Secretary shall submit the compiled data to the Senate and House Committees on Natural Resources and Energy.

\* \* \* Effective Dates \* \* \*

## Sec. 12. EFFECTIVE DATES

This act shall take effect on July 1, 2014, except that Sec. 8 (repeal of solid waste infrastructure assistance account) shall take effect on January 1, 2021.