| 1 | S.236 |
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| 2 | Introduced by Senators Bray, Lyons, Clarkson, Hardy, McCormack and |
| 3 | Pearson |
| 4 | Referred to Committee on |
| 5 | Date: |
| 6 | Subject: Conservation and development; extended producer responsibility; |
| 7 | packaging; paper products; single-use food service ware |
| 8 | Statement of purpose of bill as introduced: This bill proposes to require parties |
| 9 | responsible for the production or distribution of packaging and paper products |
| 10 | to implement or participate in a plan for the collection and recycling of |
| 11 | specified packaging, paper products, and single-use food service ware. |
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| 12 13 | An act relating to extended producer responsibility for packaging and paper products |
| 14 | It is hereby enacted by the General Assembly of the State of Vermont: |
| 15 | Sec. 1. 10 V.S.A. chapter 164B is added to read: |
| 16 | CHAPTER 164B. EXTENDED PRODUCER RESPONSIBILITY |
| 17 | PROGRAM FOR PACKAGING AND PAPER PRODUCTS |
| 18 | § 7181. DEFINITIONS |
| 19 | As used in this chapter: |
| 20 | (1) "Agency" means the Agency of Natural Resources. |

| 1 | (2) "Covered entity" means any person who presents for collection any |
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| 2 | amount of covered materials to a stewardship organization implementing an |
| 3 | approved producer responsibility plan. |
| 4 | (3)(A) "Covered materials" means: |
| 5 | (i) packaging; |
| 6 | (ii) printed material; and |
| 7 | (iii) single-use food service ware. |
| 8 | (B) "Covered materials" do not mean packaging or paper products |
| 9 | that could become unsafe or unsanitary to recycle by virtue of the anticipated |
| 10 | use of the material or design of the material. |
| 11 | (4)(A) "Packaging" means any containers or materials used for the |
| 12 | containment, protection, handling, delivery, and presentation of goods. |
| 13 | (B) The term "packaging" includes: |
| 14 | (i) packaging intended for the consumer market; |
| 15 | (ii) service packaging designed and intended to be used or filled at |
| 16 | the point of sale, such as carry-out bags, bulk good bags, take-out bags, and |
| 17 | home delivery food service packaging; |
| 18 | (iii) secondary packaging used to group products for multiunit |
| 19 | sale; |
| 20 | (iv) tertiary packaging used for transportation or distribution |
| 21 | directly to a consumer; and |

| 1 | (v) ancillary elements hung or attached to a product and |
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| 2 | performing a packaging or product display function. |
| 3 | (C) The term "packaging" does not include containers or materials: |
| 4 | (i)(I) used for the long-term protection or storage of a product; and |
| 5 | (II)(aa) with a life of not less than five years; or |
| 6 | (bb) intended for reuse for the same or similar purpose; or |
| 7 | (ii) a beverage container subject to regulation under chapter 53 of |
| 8 | this title. |
| 9 | (5)(A) "Paper product" means paper that is not packaging that is printed |
| 10 | with text or graphics or intended to be printed with text or graphics as a |
| 11 | medium for communicating information. "Paper product" includes: |
| 12 | (i) newsprint and inserts; |
| 13 | (ii) magazines and catalogs; |
| 14 | (iii) paper used for copying, writing, or other general use; |
| 15 | (iv) telephone directories; |
| 16 | (v) flyers; |
| 17 | (vi) brochures; and |
| 18 | (vii) booklets. |
| 19 | (B) "Printed material" does not include a bound book. |

| I | (6) "Plan" means a plan described in section 7184 of this title that |
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| 2 | describes the manner in which an extended producer responsibility program |
| 3 | will be implemented and financed. |
| 4 | (7) "Post-consumer recycled content" means the content of a covered |
| 5 | material made of feed stock derived from post-consumer recycled materials. |
| 6 | (8) "Program" means a program plan implemented by a responsible |
| 7 | party or stewardship organization. |
| 8 | (9) "Program year" means the period from July 1 through June 30. |
| 9 | (10) "Recyclable" means covered materials that can be sorted by entities |
| 10 | processing recyclables to be used in the production of materials or products. |
| 11 | (11) "Recycle" means the process of reclaiming or processing covered |
| 12 | materials to produce new materials or products. |
| 13 | (12) "Recycling rate" means the percentage of discarded covered |
| 14 | materials that are reused and recycled from the total amount of discarded |
| 15 | material, disposed, reused, or recycled. |
| 16 | (13) "Responsible party" means: |
| 17 | (A)(i) For items sold in packaging at a physical retail location in this |
| 18 | State: |
| 19 | (I) if the item is sold in packaging under a manufacturer's own |
| 20 | brand or is sold in packaging that lacks identification of a brand, the producer |
| 21 | of the packaging is the person that manufactures the packaged item; |

| 1 | (II) if the item is manufactured by a person other than the brand |
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| 2 | owner, the producer of the packaging is the person that is the licensee of a |
| 3 | brand or trademark under which a packaged item is used in a commercial |
| 4 | enterprise, sold, offered for sale or distributed in or into this State, whether or |
| 5 | not the trademark is registered in this State; or |
| 6 | (III) if there is no person described in subdivisions (A)(i)(I) and |
| 7 | (II) of this subdivision (18) within the United States, the producer of the |
| 8 | packaging is the person that imports the packaged item into the United States |
| 9 | for use in a commercial enterprise that sells, offers for sale, or distributes the |
| 10 | item in this State. |
| 11 | (ii) For items sold or distributed in packaging in or into this State |
| 12 | through remote sale or distribution: |
| 13 | (I) The producer of packaging used to directly protect or |
| 14 | contain the item is the same as the producer for purposes of subdivision (A)(i) |
| 15 | of this subdivision (13). |
| 16 | (II) The producer of packaging used to ship the item to a |
| 17 | consumer is the person that packages and ships the item to the consumer. |
| 18 | (iii) For all other packaging that is a covered product, the producer |
| 19 | of the packaging is the person that first distributes the packaged item in or into |
| 20 | this State. |

| 1 | (B)(i) For printed material that is newsprint and inserts, a magazine, a |
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| 2 | catalog, a telephone directory, a flyer, a brochure, or a booklet, the producer is |
| 3 | the publisher. |
| 4 | (ii) For printed material that is not described in subdivision (B)(i) |
| 5 | of this subdivision, the producer is: |
| 6 | (I) the person that manufactures the printing and writing paper |
| 7 | under the person's own brand; |
| 8 | (II) if the printed material is manufactured by a person other |
| 9 | than the brand owner, the person that the owner or licensee of a brand or |
| 10 | trademark under which the printing and writing paper is used in a commercial |
| 11 | enterprise, sold, offered for sale, or distributed in or into this State, whether or |
| 12 | not the trademark is registered in this State; or |
| 13 | (III) if there is no person described in subdivisions (B)(ii)(I) or |
| 14 | (II) of this subdivision (13) within the United States, the person that imports |
| 15 | the printing and writing paper into the United States for use in a commercial |
| 16 | enterprise that sells, offers for sale, or distributes the printing and writing paper |
| 17 | in this State. |
| 18 | (C) The producer of single-use food service ware is the person that |
| 19 | first sells or distributes the single-use food service ware in or into this State. |
| 20 | (14) "Reusable" means, with respect to covered materials, that the |
| 21 | covered material is: |

| 1 | (A) technically feasible to reuse for its original purpose by the |
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| 2 | consumer, is capable of being refilled with materials available to the consumer |
| 3 | or is collected and refilled by the producer; and |
| 4 | (B) is reusable or refillable for such number of cycles, but not less |
| 5 | than 100 cycles, as the Secretary determines to be appropriate for the covered |
| 6 | material. |
| 7 | (15) "Secretary" means the Secretary of Natural Resources. |
| 8 | (16) "Sell" or "sale" means any transfer for consideration of title or of |
| 9 | the right to use, by lease or sales contract, covered materials, including transfer |
| 10 | of covered materials into the State through sales catalogs, the telephone, or the |
| 11 | Internet. "Sell" or "sale" does not include the sale, resale, lease, or transfer of |
| 12 | used covered materials or a responsible party's wholesale transaction with a |
| 13 | distributor or a retailer. |
| 14 | (17) "Single-use food service ware" means paper or plastic plates, |
| 15 | wraps, cups, bowls, pizza boxes, cutlery, straws, lids, bags, aluminum foil or |
| 16 | clamshells or similar containers that are: |
| 17 | (A) generally intended for single use; and |
| 18 | (B) sold to a retailer or a dine-in food establishment or a take-out |
| 19 | food establishment, regardless of whether the item is used to prepackage food |
| 20 | for resale, is filled on site for food ordered by a customer, or is resold as is. |

| 1 | (18) "Stewardship organization" means an organization, association, or |
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| 2 | entity that assumes the responsibilities, obligations, and liabilities under this |
| 3 | chapter of multiple responsible parties of covered materials. |
| 4 | § 7182. SALE OR DISTRIBUTION OF COVERED MATERIALS; |
| 5 | <u>EXCEPTIONS</u> |
| 6 | (a) Prohibition. Beginning on January 1, 2025, a responsible party shall |
| 7 | not sell, offer for sale, distribute, or deliver in or into the State to a consumer or |
| 8 | retail establishment for subsequent sale covered material unless all the |
| 9 | following have been met: |
| 10 | (1) The responsible party is registered with the Secretary of Natural |
| 11 | Resources. |
| 12 | (2) The responsible party is participating in a stewardship organization |
| 13 | implementing an approved program plan. |
| 14 | (3) The name of the responsible party, the responsible party's brand, and |
| 15 | the name of the responsible party's covered materials are submitted to the |
| 16 | Agency of Natural Resources and listed on the stewardship organization's |
| 17 | website as covered by an approved program plan. |
| 18 | (4) The stewardship organization in which the responsible party |
| 19 | participates has submitted an annual report as required under section 7184 of |
| 20 | this title. |

| 1 | (5) The stewardship organization in which the responsible party |
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| 2 | participates has conducted a plan audit as required under section 7184 of this |
| 3 | title. |
| 4 | (b) De minimis exception. A responsible party is exempt from the |
| 5 | requirements of this chapter if the responsible party: |
| 6 | (1) produces, sells, offers for sale, or distributes less than one ton of |
| 7 | covered material per year in the State; or |
| 8 | (2) has a gross annual revenue of less than \$1,000,000.00. |
| 9 | § 7183. STEWARDSHIP ORGANIZATION; REGISTRATION |
| 10 | (a) Participation in a stewardship organization. A responsible party shall |
| 11 | satisfy the requirements of this chapter by participating in a stewardship |
| 12 | organization implementing an approved program plan. |
| 13 | (b) Qualifications for a stewardship organization. To qualify as a |
| 14 | stewardship organization under this chapter, an organization, association, or |
| 15 | entity shall: |
| 16 | (1) commit to assume the responsibilities, obligations, and liabilities |
| 17 | under a program plan of all responsible parties participating in the stewardship |
| 18 | organization; |
| 19 | (2) not create unreasonable barriers for participation in the stewardship |
| 20 | organization; |

| 1 | (3) maintain a public website that lists all responsible parties and brands |
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| 2 | and products covered by the stewardship organization's approved program |
| 3 | plan; and |
| 4 | (4) coordinate with all other stewardship organizations to submit one |
| 5 | stewardship plan. |
| 6 | (c) Stewardship organization registration requirements. |
| 7 | (1) Beginning on July 1, 2023 and annually thereafter, a stewardship |
| 8 | organization shall file a registration form with the Secretary. The Secretary |
| 9 | shall provide the registration form to a stewardship organization. The |
| 10 | registration form shall include: |
| 11 | (A) a list of the responsible parties participating in the stewardship |
| 12 | organization; |
| 13 | (B) a list of the brands of each responsible party participating in the |
| 14 | stewardship organization; |
| 15 | (C) a list of the covered materials of each responsible party |
| 16 | participating in the stewardship organization; |
| 17 | (D) the name, address, and contact information of a person |
| 18 | responsible for ensuring the stewardship organization and its member |
| 19 | responsible party's compliance with this chapter; |

| 1 | (E) a description of how the stewardship organization meets the |
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| 2 | requirements of subsection (b) of this section, including any reasonable |
| 3 | requirements for participation in the stewardship organization; and |
| 4 | (F) the name, address, and contact information of a person for a |
| 5 | nonmember of the stewardship organization to contact regarding how to |
| 6 | participate in the stewardship organization to satisfy the requirements of this |
| 7 | <u>chapter.</u> |
| 8 | (2) A renewal of a registration without changes may be accomplished |
| 9 | through notifying the Agency of Natural Resources on a form provided by the |
| 10 | Agency. |
| 11 | (d) Multiple stewardship organizations; implementation. If multiple |
| 12 | stewardship organizations register under this chapter, the stewardship |
| 13 | organizations shall coordinate and submit to the Secretary one program plan. |
| 14 | The multiple stewardship organizations may form a third-party entity to |
| 15 | implement the requirements of the chapter for all member stewardship |
| 16 | organizations. |
| 17 | (e) Registration fee. A stewardship organization shall pay to the Secretary |
| 18 | an annual registration fee of \$1,000.00. |
| 19 | § 7184. PROGRAM PLANS; REPORT; AUDIT |
| 20 | (a) Producer responsibility program; plan required. Prior to July 1, 2024, a |
| 21 | stewardship organization representing responsible parties shall submit a |

| 1 | producer responsibility program plan to the Secretary for review in the manner |
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| 2 | prescribed by the Secretary. |
| 3 | (b) Term. A program plan shall have a term of five years, and the |
| 4 | stewardship organization shall review and update the program plan every five |
| 5 | years following approval of the original program plan. The Secretary may |
| 6 | require the plan to be reviewed or revised prior to the termination of a plan |
| 7 | term if: |
| 8 | (1) the Secretary has cause to believe that the minimum post-consumer |
| 9 | recycled content rates, minimum recycling rates, fair and equitable payment to |
| 10 | collectors and processors, or other program plan factors are not being met or |
| 11 | followed by the stewardship organization; or |
| 12 | (2) the Secretary determines a change in circumstances warrants |
| 13 | revision of the plan. |
| 14 | (c) Program plan; minimum requirements. Each program plan shall |
| 15 | include, at a minimum, all of the following: |
| 16 | (1) List of participants. The program plan shall list all the responsible |
| 17 | parties, brands, and covered materials covered by the plan. |
| 18 | (2) Collection of covered materials. |
| 19 | (A) The program plan shall provide a reasonable reimbursement rate |
| 20 | for collection of recyclable covered materials from covered entities, including |

| 1 | covered materials collected through curbside collection services, at recycling |
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| 2 | centers and transfer stations, or at public spaces. |
| 3 | (B) A stewardship organization shall accept all recyclable covered |
| 4 | material collected from a covered entity and shall not refuse the collection of |
| 5 | covered material based on the brand or responsible party for the covered |
| 6 | material. |
| 7 | (3) Rates. The program plan shall provide for payment of reasonable |
| 8 | rates to all collectors that opt into the program plan, including a reasonable |
| 9 | reimbursement rate for curbside collection and recycling center and transfer |
| 10 | station collection, and material recovery facilities. The rates shall be |
| 11 | calculated according to the needs assessment required under section 7190 of |
| 12 | this title, provided that the rate may vary by market conditions, collector, |
| 13 | facility, region, collection conditions, or other criteria established by the |
| 14 | Secretary by rule. Rates shall be reviewed annually by the Secretary and the |
| 15 | Advisory Council or at the request of the Advisory Council. |
| 16 | (4) Compliance. The program plan shall comply with State law for the |
| 17 | collection of covered materials, including existing requirements for the |
| 18 | collection of mandated recyclables under chapter 159 of this title; |

| 1 | (5) Funding mechanism. |
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| 2 | (A) The program plan shall include details, including a percentage of |
| 3 | program funding, on how the stewardship organization shall fund each of the |
| 4 | following: |
| 5 | (i) implementation and administration of the program plan; |
| 6 | (ii) collection of covered materials for recycling; |
| 7 | (iii) processing of covered materials for recycling; |
| 8 | (iv) research and development for improvement of markets and |
| 9 | infrastructure; and |
| 10 | (v) education. |
| 11 | (B) The funding mechanism shall include: |
| 12 | (i) incentives for responsible parties based on the ability to reuse |
| 13 | covered material, post-consumer recycled content of covered material, and |
| 14 | recyclability of the covered material; |
| 15 | (ii) penalties or increased fees for responsible parties for covered |
| 16 | materials that disrupt the solid waste or recycling system in the State, are a |
| 17 | common source of litter, or may only be managed through landfill disposal; |
| 18 | (iii) considerations based on a life-cycle analysis of covered |
| 19 | materials; and |
| 20 | (iv) other considerations relevant to establishing an equitable |
| 21 | mechanism. |

| (| C) The plan shall include how stewardship organizations will |
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| equitably | assign to member responsible parties the responsibility and costs of |
| implemen | tation. A program plan submitted by a third-party entity shall assign |
| equitably | among member stewardship organizations and member responsible |
| parties the | e responsibility and costs of implementing the program plan. |
| <u>(</u> | D) The plan shall include the proposed amount the stewardship |
| <u>organizati</u> | on shall pay to the State for the first two years of the program to |
| cover the | State's costs. The proposed amount shall be based on the needs |
| assessmer | nt required under section 7189 of this title. After the first two years |
| of plan im | plementation, reimbursement to the State under the plan shall be |
| based on t | the State's reported actual costs. The stewardship organization shall |
| have six n | nonths to reimburse the State from the date of the State's reported |
| actual cos | <u>ts.</u> |
| <u>(6)</u> | Performance standards. |
| <u>(</u> | A) The program plan shall be designed to manage covered materials |
| according | to the following hierarchy from first priority to lowest: source |
| reduction, | reuse, recycling, waste to energy, landfilling, and incineration. |
| <u>(</u> | B) The program plan shall be designed so that as the program plan is |
| implemen | ted, the program achieves higher rates of reuse, recovery, |
| recyclabil | ity, and recycled content for covered materials in the State. |

| 1 | (C) The program plan shall establish performance goals for covered |
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| 2 | materials under the plan. The performance goals shall be designed for each |
| 3 | covered material covered by the plan as appropriate and technologically |
| 4 | feasible for each covered material type, including goals for: |
| 5 | (i) postconsumer content goals; |
| 6 | (ii) recovery rate goals for covered materials; |
| 7 | (iii) recyclability and recycling rate goals; |
| 8 | (iv) packaging reduction goals; |
| 9 | (v) compost access or compost rate goals, if applicable and |
| 10 | technologically and environmentally feasible; |
| 11 | (vi) contamination reduction rate goals; |
| 12 | (vii) greenhouse gas reduction goals; |
| 13 | (viii) a goal for reusable packaging; and |
| 14 | (ix) any other goal that demonstrates positive environmental |
| 15 | improvement and is justified in the stewardship plan. |
| 16 | (D) Performance goals shall be based on weight, material type, or |
| 17 | other factors approved by the Secretary and relevant to a covered material. |
| 18 | (E) Performance standards may be proposed based on the incentives, |
| 19 | penalties, or other modulated fees that the Secretary approves under the |
| 20 | funding mechanism for the program plan proposed by a stewardship |
| 21 | organization. |

| 1 | (F) The plan shall require the stewardship organization and its |
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| 2 | members to reduce all covered material covered by the plan to the maximum |
| 3 | extent practicable and by not less than 25 percent by January 2035, as |
| 4 | determined from a baseline year established by the stewardship organization |
| 5 | that takes into consideration current source reduction accomplishment by |
| 6 | producers. |
| 7 | (7) Public education and outreach. |
| 8 | (A) The program plan shall include an education and outreach |
| 9 | program that may include media advertising, retail displays, articles in trade |
| 10 | and other journals and publications, and other public educational efforts. The |
| 11 | education and outreach program shall include a website and consistent |
| 12 | statewide messaging to notify the public of the following: |
| 13 | (i) that there is a collection and recycling program for covered |
| 14 | materials; |
| 15 | (ii) how the stewardship organization shall collect and recycle |
| 16 | covered materials and how a covered entity can access collection programs, |
| 17 | including collection services and the location and hours of operation of |
| 18 | collection points; |
| 19 | (iii) what materials are recyclable and any special handling |
| 20 | considerations associated with covered materials; |

| 1 | (iv) how the stewardship organization will support and work with |
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| 2 | solid waste planning entities and collectors to provide outreach and education |
| 3 | on recycling; and |
| 4 | (v) how labels will be used to educate consumers about proper |
| 5 | end-of-life management of covered materials and how labeling will improve |
| 6 | over time, including the creation of consistent labeling standards. |
| 7 | (B) The program plan shall include information on how the education |
| 8 | and outreach activities of the plan shall be evaluated for effectiveness. |
| 9 | (C) If upon review of implementation of a program plan the |
| 10 | Secretary determines that a stewardship organization is not sufficiently |
| 11 | meeting performance standards under a program plan, the Secretary may |
| 12 | require the stewardship organization to evaluate the existing education and |
| 13 | outreach program and implement additional education or outreach activities. |
| 14 | (8) Compliance with appropriate environmental standards. In |
| 15 | implementing a program plan, a stewardship organization shall comply with all |
| 16 | applicable laws related to the collection, transportation, and disposal of |
| 17 | covered materials. A stewardship organization shall comply with any special |
| 18 | handling or disposal standards established by the Secretary for covered |
| 19 | materials or for the program plan of the stewardship organization. |
| 20 | (9) Recyclable materials. A proposed list of recyclable materials to be |
| 21 | collected under the plan. |

| 1 | (10) Litter abatement. The program plan shall describe how it will |
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| 2 | minimize litter and fund the cleanup of litter from covered materials. |
| 3 | (d) Annual report. At the end of each program year, a stewardship |
| 4 | organization implementing a program plan under this chapter shall submit an |
| 5 | annual report to the Secretary that contains the following: |
| 6 | (1) A summary of the implementation of the program plan. |
| 7 | (2) The means of collection, including the locations of any collection |
| 8 | facilities where covered materials were collected. |
| 9 | (3) The type and weight of covered materials collected and the method |
| 10 | of disposition. |
| 11 | (4) An estimate of the amount of covered materials listed under the |
| 12 | program plan that are available for collection by material type and the |
| 13 | methodology used to develop this amount. Sales data and other confidential |
| 14 | business information provided under this section shall be exempt from public |
| 15 | inspection and copying under the Public Records Act and shall be kept |
| 16 | confidential. Confidential information shall be redacted from any final public |
| 17 | report. |
| 18 | (5) The recycling rate by material type and how the achieved rate |
| 19 | compares to performance targets. |
| 20 | (6) A sample of education materials under the plan. |

| 1 | (7) The cost of the program, including cost for administration, collection |
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| 2 | of covered material, processing of covered material, research and development |
| 3 | of markets, infrastructure improvement, and education. |
| 4 | (8) The reasonableness and adequacy of rates for collection and |
| 5 | transportation under the program. |
| 6 | (9) Rates of achievement for all performance goals in the plan. |
| 7 | (10) Any changes to the proposed list of recyclable materials to be |
| 8 | collected under the plan. |
| 9 | (e) Plan audit. Once every five years, a stewardship organization shall hire |
| 10 | an independent third party to audit the stewardship organization's program |
| 11 | plan and implementation of the plan. The auditor shall examine the |
| 12 | effectiveness of the program plan in collecting and recycling of covered |
| 13 | materials. The auditor shall make recommendations to the Secretary on ways |
| 14 | to increase the efficacy and cost-effectiveness of the program plan. |
| 15 | § 7185. PACKAGING AND PAPER PRODUCT STEWARDSHIP |
| 16 | PROGRAM ADVISORY COUNCIL |
| 17 | (a) The Secretary shall appoint the Packaging and Paper Product |
| 18 | Stewardship Program Advisory Council to provide nonbinding advice to the |
| 19 | Secretary and responsible parties or stewardship organizations in the drafting |
| 20 | or amendment of a program plan and to oversee and provide recommendations |
| 21 | for the implementation of a program plan, including development of |

| 1 | reasonable rate payments, annual reports, and needs assessments. The |
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| 2 | Advisory Council shall advise on and review annual reports and shall provide |
| 3 | recommendations to the Secretary prior to any regulatory changes related to |
| 4 | the stewardship program. The Advisory Council shall advise the stewardship |
| 5 | organization regarding rates to compensate haulers, transfer stations and drop- |
| 6 | off sites that accept covered material, and payment terms. |
| 7 | (b) The Advisory Council shall be composed of up to 21 members |
| 8 | appointed by the Secretary, equitably representing all supply chain participants |
| 9 | in the recycling system. In making the appointments under this section, the |
| 10 | Secretary shall give consideration to representing all geographic regions of the |
| 11 | State and all sizes of communities. Members of the Advisory Council shall |
| 12 | include the following: |
| 13 | (1) one individual representing the PRO, who will represent a consumer |
| 14 | brand or other responsible party; |
| 15 | (2) two individuals representing manufacturers of covered materials or |
| 16 | national associations of packaging producers; |
| 17 | (3) two individuals representing manufacturers of post-consumer |
| 18 | material or associations representing them; |
| 19 | (4) two individuals representing manufacturers of virgin covered |
| 20 | materials or associations representing suppliers of substrates of covered |
| 21 | materials; |

| 1 | (5) two individuals representing material recovery facilities in the State |
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| 2 | one of whom shall represent public facilities and one of whom shall represent |
| 3 | private facilities; |
| 4 | (6) two individuals representing waste haulers, one of whom shall |
| 5 | represent large haulers and one of whom will represent small haulers; |
| 6 | (7) two individuals representing county or municipal government waste |
| 7 | management programs; |
| 8 | (8) two individuals representing a retailer or statewide association |
| 9 | representing retailers; |
| 10 | (9) one individual representing a statewide environmental organization; |
| 11 | (10) one individual representing a community-based organization or an |
| 12 | organization representing equity and underrepresented stakeholders; |
| 13 | (11) one individual representing a privately owned transfer station or |
| 14 | drop-off center that collects recyclables from the public; |
| 15 | (12) one individual representing a publicly owned transfer station or |
| 16 | drop-off center that collects recyclables from the public; and |
| 17 | (13) at the discretion of the Secretary, two open seats, to which the |
| 18 | Secretary may appoint additional, rotating advisory council members as |
| 19 | needed. |
| 20 | (c) An individual appointed to the Council may be appointed to or |
| 21 | represent only one of the positions on the Council. |

| 1 | (d) The Secretary shall call the first meeting of the Council. The Agency |
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| 2 | of Natural Resources shall provide administrative, technical, and legal support |
| 3 | to the Council. |
| 4 | § 7186. ANTITRUST; CONDUCT AUTHORIZED |
| 5 | (a) Activity authorized. A responsible party, group of responsible parties, |
| 6 | or stewardship organization implementing or participating in an approved |
| 7 | program plan under this chapter is individually or jointly immune from liability |
| 8 | for conduct under State laws relating to antitrust, restraint of trade, unfair trade |
| 9 | practices, and other regulation of trade or commerce under 9 V.S.A. |
| 10 | chapter 63, subchapter 1, to the extent that the conduct is reasonably necessary |
| 11 | to plan, implement, and comply with the responsible party's, group of |
| 12 | responsible parties', or stewardship organization's chosen system for managing |
| 13 | discarded covered materials. This subsection shall also apply to conduct of a |
| 14 | wholesaler participating in a responsible party's or stewardship organization's |
| 15 | approved program plan when the conduct is necessary to plan and implement |
| 16 | the responsible party's or stewardship organization's organized collection or |
| 17 | recycling system for discarded covered materials. |
| 18 | (b) Limitations on antitrust activity. Subsection (a) of this section shall not |
| 19 | apply to an agreement among responsible parties, groups of responsible |
| 20 | parties, retailers, wholesalers, or stewardship organizations affecting the price |

| 1 | of covered materials or any agreement restricting the geographic area in which |
|----|--|
| 2 | or customers to whom covered materials shall be sold. |
| 3 | § 7187. AGENCY RESPONSIBILITIES |
| 4 | (a) Review and approve program plans. The Secretary shall review and |
| 5 | approve or deny program plans submitted under section 7184 of this title. The |
| 6 | Secretary shall approve a program plan if the Secretary finds that the plan: |
| 7 | (1) complies with the requirements of subsection 7184(a) of this title; |
| 8 | (2) provides adequate notice to the public of the collection opportunities |
| 9 | available for discarded covered materials; |
| 10 | (3) ensures that collection of discarded covered materials shall occur in |
| 11 | an environmentally sound fashion that is consistent with the law or with any |
| 12 | special handling requirements adopted by the Secretary; and |
| 13 | (4) promotes the collection and disposal of discarded covered materials. |
| 14 | (b) Plan amendment. The Secretary, in his or her discretion or at the |
| 15 | request of a responsible party or stewardship organization, may require a |
| 16 | stewardship organization to amend an approved program plan. Amendments |
| 17 | to program plans shall be subject to the public input provisions of |
| 18 | subsection (c) of this section. |
| 19 | (c) Public input. The Secretary shall establish a process under which a |
| 20 | program plan for discarded covered material is available for public review and |
| 21 | comment for 30 days prior to plan approval or amendment. In establishing |

| 1 | such a process, the Secretary shall consult with interested persons, including |
|----|--|
| 2 | responsible parties, environmental advocacy groups, wholesalers, |
| 3 | municipalities, and solid waste management entities. |
| 4 | (d) Registrations. The Secretary shall accept, review, and approve or deny |
| 5 | registrations required by this chapter. The Secretary may revoke a registration |
| 6 | of a responsible party or stewardship organization for actions that are |
| 7 | unreasonable, unnecessary, or contrary to the requirements or the policy of this |
| 8 | chapter. |
| 9 | (e) Supervisory capacity. The Secretary shall act in a supervisory capacity |
| 10 | over the actions of a responsible party or stewardship organization registered |
| 11 | under this section. In acting in this capacity, the Secretary shall review the |
| 12 | actions of the responsible party or stewardship organization to ensure that they |
| 13 | are reasonable, necessary, and limited to carrying out requirements of and |
| 14 | policy established by this chapter. |
| 15 | (f) Special handling requirements. The Secretary may adopt, by rule, |
| 16 | special handling requirements for the collection, transport, and disposal of |
| 17 | covered materials. |
| 18 | (g) Annual report of costs. On or before March 1, 2027, and annually |
| 19 | thereafter, the Agency shall report to the General Assembly and stewardship |
| 20 | organizations the Agency's actual costs of administering the requirements of |
| 21 | this chapter for the previous calendar year. |

| 1 | § 7188. RULEMAKING |
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| 2 | The Secretary of Natural Resources may adopt rules to implement the |
| 3 | requirements of this chapter, including rules addressing: |
| 4 | (1) the format, process for, or manner of submission of a program plan |
| 5 | or plan amendment for review; |
| 6 | (2) special handling or environmental requirements for specific covered |
| 7 | materials; |
| 8 | (3) contamination standards for specific covered material and the |
| 9 | appropriate manner of disposal for contaminated materials; |
| 10 | (4) additional materials subject to collection as mandated recyclables |
| 11 | under chapter 159 of this title; and |
| 12 | (5) reporting requirements for the collection of covered material by |
| 13 | entities that are not participating in a stewardship organization and whether |
| 14 | such collected covered material can be calculated toward the collection rates of |
| 15 | a stewardship organization. |
| 16 | § 7189. NEEDS ASSESSMENT |
| 17 | (a) Prior to approval of a producer responsibility plan under this section, an |
| 18 | independent third party approved by the Secretary shall conduct a needs |
| 19 | assessment to evaluate: |
| 20 | (1) current funding needs for a plan, including operational and capital |
| 21 | impacting recycling access and availability; |

| 1 | (2) existing State statutory provisions and funding sources for recycling, |
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| 2 | reuse, reduction, and recovery; |
| 3 | (3) the collection and hauling system for recyclable materials in the |
| 4 | State; |
| 5 | (4) the processing capacity and infrastructure for recyclable materials in |
| 6 | the State and regionally and identifying necessary capital investments to |
| 7 | existing and future reuse and recycling infrastructure; |
| 8 | (5) the market conditions and opportunities for recyclable materials in |
| 9 | the State and regionally; |
| 10 | (6) consumer education needs for recycling, reuse, and reduction of |
| 11 | covered materials and products; |
| 12 | (7) current recovery and recycling rates in Vermont by material; and |
| 13 | (8) costs to the State to administer the requirements of this chapter, |
| 14 | including costs of: |
| 15 | (A) oversight, including annual oversight; |
| 16 | (B) issuance of rules; |
| 17 | (C) planning; |
| 18 | (D) plan review; |
| 19 | (E) compliance actions; |
| 20 | (F) outreach and education; |
| 21 | (G) enforcement; |

| 1 | (H) staff positions sufficient to administer the requirements of this |
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| 2 | chapter; and |
| 3 | (I) other activities directly related to subdivisions (a)(8)(A)–(H) of |
| 4 | this subsection. |
| 5 | (b) Producer responsibility organizations or responsible parties shall fund |
| 6 | the needs assessment required by this section. |
| 7 | Sec. 2. 10 V.S.A. § 8003 is amended to read: |
| 8 | § 8003. APPLICABILITY |
| 9 | (a) The Secretary may take action under this chapter to enforce the |
| 10 | following statutes and rules, permits, assurances, or orders implementing the |
| 11 | following statutes, and the Board may take such action with respect to |
| 12 | subdivision (10) of this subsection: |
| 13 | * * * |
| 14 | (30) 3 V.S.A. § 2810, relating to interim environmental media |
| 15 | standards; and |
| 16 | (31) 10 V.S.A. chapter 124, relating to the trade in covered animal parts |
| 17 | or products; and |
| 18 | (32) 10 V.S.A. chapter 164B, relating to the Extended Producer |
| 19 | Responsibility Program for Packaging and Paper Products. |
| 20 | * * * |

| 1 | Sec. 3. 10 V.S.A. § 8503 is amended to read: |
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| 2 | § 8503. APPLICABILITY |
| 3 | (a) This chapter shall govern all appeals of an act or decision of the |
| 4 | Secretary, excluding enforcement actions under chapters 201 and 211 of this |
| 5 | title and rulemaking, under the following authorities and under the rules |
| 6 | adopted under those authorities: |
| 7 | (1) The following provisions of this title: |
| 8 | * * * |
| 9 | (V) chapter 124 (trade in covered animal parts or products). |
| 10 | (W) chapter 164B (Extended Producer Responsibility Program for |
| 11 | Packaging and Paper Products). |
| 12 | (2) 29 V.S.A. chapter 11 (management of lakes and ponds). |
| 13 | (3) 24 V.S.A. chapter 61, subchapter 10 (relating to salvage yards). |
| 14 | * * * |
| 15 | Sec. 4. EFFECTIVE DATE |
| 16 | This act shall take effect on passage. |