

H.175. An Act Relating to the Beverage Container Redemption System

Overview and Section by Section Summary

- In 1972, Vermont became the second state in the country to enact a beverage container redemption system, commonly called the Bottle Bill.
- Since 1971, Vermont’s Bottle Bill has remained largely the same as when it was first enacted.
- H.175 would amend the Vermont Bottle Bill by doing the following:
 - Expanding the scope of the law to include the many beverages currently not covered.
 - Increasing the deposit on containers from 5 cents to 10 cents.
 - Increasing the amount of the handling fee that beverage manufacturers pay retailers and redemption centers for sorting containers that are not part of a co-mingling agreement.
 - Amending the requirements for participation in a commingling agreement; and
 - Amending the requirement for how metal beverage containers must be labelled.
- All changes go into effect in a year, July 1, 2022, to allow manufacturers time to comply.

Section by Section Summary

Section 1. Amends 10 V.S.A. Chapter 53, chapter where Bottle Bill is located.

§ 1521. Definitions.

- Amends the definition of beverage. Because the container deposit is on beverage containers, the definition of “beverage” generally establishes the scope of the Bottle Bill.
- § 1521(1) would add wine, noncarbonated soft drinks, noncarbonated water, and all other carbonated and noncarbonated drinks in liquid form intended for human consumption.
- § 1521(1) would exclude milk, rice milk, soy milk, almond milk, hemp seed milk, and dairy products from the definition of beverage.

§ 1522. Beverage Container Deposit

- § 1522(a) increases the beverage container deposit from 5 cents to 10 cents. [Note: Unclaimed deposits are collected by the State under 10 V.S.A. § 1530 and deposited into the Clean Water Fund under 10 V.S.A. § 1388.]
- § 1522(a) would also apply the liquor deposit to containers of 50 ml or less, which are currently not subject to deposit. [The liquor deposit is 15 cents per container; unclaimed liquor deposits are retained by the State and deposited into the Liquor Control Enterprise Fund]
- § 1522(b) increases from 4 cents to 5 cents per container the handling fee that manufacturers and distributors pay retailers and redemption centers that redeem containers that are not part of a commingling program.

§ 1524. Labeling

- Currently, all beverage containers subject to the deposit must include the word Vermont or the letters VT and the refund value of the container.
- Metal containers are required to have this information on the top of the container. However, more beverages are being produced in aluminum bottles, and it is hard to label a bottle cap with the required information at the required size.
- § 1524(a) would strike the requirement that metal containers be labelled on their top and would instead allow for any approved method that secures the information to the container.
- § 1524(d) provides that for wine bottles, ANR may allow a conspicuous adhesive sticker to be attached to indicate the required deposit information provided that the size, placement, and adhesive qualities of the sticker are as approved by the Secretary. The sticker shall be affixed by the manufacturer.
 - Many wines are manufactured and labeled years before sale. Thus, they will not have opportunity to include the deposit information on the normal label. Stickers were used to add the labelling requirements to liquor when liquor containers were added to the program.

Section 2. ANR Beverage Container Rules—Commingling Agreements

- Current ANR rules provide that any commingling agreement for containers must include pick up of commingled beverage containers from at least 30% of beverage containers redeemed in the State.
- This is difficult for smaller manufacturers to satisfy and joining the larger commingling program may be too expensive for small manufacturers.
- Section 2 would allow ANR to approve commingling agreements that do not meet the 30% requirement, thereby hopefully allowing smaller manufacturers to enter commingling agreements.

Section 3. Effective Date

- As introduced the bill would have gone into effect on July 1, 2021. However, the Committee on Natural Resources, Fish and Wildlife is proposing to amend the effective date to July 1, 2022 to allow manufacturers and distributors more time to come into compliance with the proposed changes.