## Senate proposal of amendment

## H. 158

An act relating to the beverage container redemption system

The Senate proposes to the House to amend the bill as follows:

<u>First</u>: In Sec. 1, 10 V.S.A. chapter 53, in section 1523, by striking out subsection (b) in its entirety and inserting in lieu thereof a new subsection (b) to read as follows:

- (b)(1) A retailer, with the prior approval of the Secretary, may refuse to redeem beverage containers if a redemption center or centers are established that serve the public need stewardship plan that meets the requirements of section 1532 of this title has been implemented by the producer responsibility organization in the State and the retailer's building is less than 5,000 square feet.
- (2) A manufacturer or distributor that sells directly to a consumer from a retail location may refuse to redeem beverage containers if the retail location where the manufacturer or distributor sells beverage containers is less than 5,000 square feet.

<u>Second</u>: In Sec. 1, 10 V.S.A. chapter 53, in section 1532, by inserting a subsection (d) to read as follows:

(d) Revision of stewardship goals. If the producer responsibility organization fails to meet the beverage container redemption rate in section 1534 of this title for vinous beverage containers or for all other beverage containers, the Secretary may require the producer responsibility organization to implement activities to enhance the rate of redemption, including additional public education and outreach, additional redemption sites, or additional redemption opportunities.

<u>Third</u>: In Sec. 1, 10 V.S.A. chapter 53, in section 1534, by striking out subsections (b) and (c) in their entireties and inserting in lieu thereof a new subsection (b) to read as follows:

- (b)(1) Beginning on July 1, 2025 and annually thereafter, the Secretary of Natural Resources shall submit to the Senate Committees on Natural Resources and Energy and on Finance and the House Committees on Environment and Energy and on Ways and Means a written report containing the current beverage container redemption rate in the State for the following three categories of beverage containers:
  - (A) liquor bottles;
  - (B) vinous beverage containers; and
  - (C) all other beverage containers.

(2) Each annual report submitted under subdivision (1) of this subsection shall include a recommendation of whether the beverage container deposit for any of the three beverage categories should be increased to improve redemption of that category of beverage container.

<u>Fourth</u>: By striking out Sec. 7, systems analysis of beverage container system, in its entirety and inserting in lieu thereof a new Sec. 7 to read as follows:

## Sec. 7. SYSTEMS ANALYSIS OF BEVERAGE CONTAINER SYSTEM

- (a) The Agency of Natural Resources shall contract with an independent third-party consultant to conduct a systems analysis of the efficacy and cost of Vermont's beverage container redemption system. The analysis shall estimate:
- (1) the total system costs and savings associated with the implementation of the expanded beverage container redemption system under 10 V.S.A. chapter 53, including climate impacts;
- (2) the cost to consumers of complying with an expanded beverage container redemption system, including transportation costs, compliance costs, carbon impact, and externalities, such as lost time;
- (3) the impacts of an expanded beverage container redemption system on the recycling system, including how much additional beverage container material will be collected by the expansion of the beverage container redemption system; the cost to solid waste entities of an expanded beverage container redemption system, including lost revenues from the sale of recyclable materials; the operational savings, if any, on material recovery facilities; the loss to material recovery facilities from the removal of material collected under the beverage container redemption system material from the recycling system; and an estimate of the impacts on tipping fees or solid waste fees at each material recovery facility or solid waste transfer station;
- (4) the costs of operating a redemption center and other alternate points of redemption under a stewardship plan and a recommendation on whether the handling fee for redeemed containers should be altered or replaced with an alternative means of compensating points of redemption;
- (5) the impact on overall recycling in the State and the redemption rates of beverage containers under 10 V.S.A. chapter 53 if the producer responsibility organization (PRO) implementing the stewardship plan under that chapter were authorized to retain 100 percent, 50 percent, or none of the abandoned beverage container deposits, including:
- (A) the estimated number of beverage container redemption sites in the State under the PRO's stewardship plan under each option for the PRO's retention of the abandoned beverage container deposits; and

- (B) the geographic distribution of beverage container redemption sites across the State under the PRO's stewardship plan under each option for the PRO's retention of the abandoned beverage container deposits; and
- (6) the impact on the Clean Water Fund and State implementation of the State's water quality programs and regulatory requirements if the abandoned beverage container deposits were not deposited into the Clean Water Fund under 10 V.S.A. § 1388.
- (b) On or before January 15, 2025, the Agency of Natural Resources shall submit to the House Committee on Environment and Energy and the Senate Committee on Natural Resources and Energy a written report containing the results of the systems analysis required under subsection (a) of this section.

Fifth: By adding a Sec. 7a to read as follows:

## Sec. 7a. ANR REPORT ON STATUS REPORT OF RECYCLING SYSTEM

On or before January 15, 2026, the Secretary of Natural Resources shall submit to the Senate Committees on Natural Resources and Energy and on Finance and the House Committees on Environment and Energy and on Ways and Means a report on the status of the State's recycling system prior to the expansion of the beverage container redemption system required under this act. The report shall include:

- (1) a summary of the operation of the Agency of Natural Resources' approved stewardship plan since March 1, 2025 by the producer responsibility organization registered with the Agency;
- (2) identification of the points of redemption under the existing stewardship plan, including:
- (A) an assessment of whether the existing points of redemption allow for convenient and reasonable access of all Vermonters to redemption opportunities;
- (B) an assessment of whether the existing points of redemption are suitable for redemption by all Vermonters under the planned expansion of the beverage container system; and
- (C) any recommendations to improve the convenience of redemption prior to the expansion of the beverage container redemption system; and
- (3) a summary of the infrastructure in the State, other than points of redemption, available for the management and processing of beverage containers and an assessment of whether additional infrastructure is needed prior to the expansion of the beverage container redemption system.