
This summary is of a bill that was vetoed by the Governor and may be reconsidered by the General Assembly prior to final adjournment of the 2023–2024 legislative session. This summary is provided for the convenience of the public and members of the General Assembly; it provides a general summary of the bill and may not be exhaustive. This summary has been prepared by the staff of the Office of Legislative Counsel without input from members of the General Assembly and is not intended to aid in the interpretation of legislation or to serve as a source of legislative intent.

H.158 (Vetoed). Conservation and development; beverage container redemption; extended producer responsibility

This bill would have amended the requirements for beverage container redemption in the State. The bill would have expanded the scope of beverage containers subject to redemption, beginning on January 1, 2027, by amending the definitions of “beverage” and “container.” A “beverage” would have been defined to mean drinks in liquid form and intended for human consumption, except for milk, dairy products, plant-based beverages, infant formula, meal replacement drinks, or nonalcoholic cider. A “container” subject to redemption would have been defined to mean the individual and separate bottle, can, or jar composed of glass, aluminum or other metal, polyethylene terephthalate, high density polyethylene, or any combination of those materials, and containing a beverage. Noncarbonated beverage containers with a volume greater than 2.5 liters and carbonated beverage containers with a volume greater than three liters would have been exempt.

The bill would have established the container deposit amount for vinous beverages at 15 cents per container. The bill would have increased from four to five cents per container the handling fee manufacturers and distributors pay retailers and redemption centers for containers that are not in a commingling program. The bill would have authorized a retailer to refuse to redeem beverage containers if a stewardship plan has been implemented by a producer responsibility organization (PRO) in the State and the retailer’s building is less than 5,000 square feet. The bill would have allowed a manufacturer or distributor that sells directly to a consumer to refuse to redeem beverage containers if the retail location where the beverage containers are sold is less than 5,000 square feet.

The bill would have repealed the requirement that metal beverage containers be labeled on their top and instead would have allowed for any container to be labeled with an Agency of Natural Resources (ANR)-approved method that secures the information to the container. The bill also would have authorized alternatives for listing the refund value on a container. The bill would have required each beverage container sold or offered for sale in the State that has a deposit to include a Universal Product Code and barcode. The bill would have authorized ANR to allow a manufacturer, distributor, or retailer of vinous beverages to attach a sticker to the container to meet label requirements.

The bill would have provided that beginning on March 1, 2025, no manufacturer or distributor may sell or distribute a beverage container in the State without participating in

an ANR-approved producer responsibility organization. ANR would have been required to approve a PRO to operate a stewardship plan for the collection and disposition of beverage containers. The PRO would have been required to maintain a website that identifies each manufacturer participating in the PRO and the name of each beverage and the container size covered by the stewardship plan.

The stewardship plan implemented by the PRO would have been required to meet specified minimum requirements. The plan would have been required to ensure that consumers have convenient redemption opportunities and would have been required to take reasonable efforts to site points of redemption equitably across the State. A plan would have been required to document how redemption services will be available to consumers as follows: at least three points of redemption per county that provides an immediate return of a deposit to a consumer unless a waiver is granted by the Secretary, at least one point of redemption per municipality with a population of 7,000 or more that provides immediate return of a deposit to a consumer unless a waiver is granted by ANR, and by taking reasonable efforts to site points of collection in areas with high population density or located in designated centers.

The plan would have been required to describe how all locations that redeem beverage containers are fairly compensated for their participation in the collection program. The plan would have described how management and sorting of containers at redemption centers is minimized. The plan would have described how materials will be timely picked up from redemption centers. The plan would have been required to maximize use of existing infrastructure when establishing collection points. The plan would have described the education efforts to be undertaken to increase redemption. The PRO would have been required to report annually to ANR regarding participants in the stewardship plan and the implementation of the plan. The bill would have required an independent third-party program audit of a PRO stewardship plan every five years. The bill also would have required the PRO to conduct a fiscal audit annually to analyze the PRO, its expenditures, the number of beverage containers collected, and the amount of unclaimed deposits. The results of each audit would have been submitted to ANR.

The bill would have set the State goals for minimum beverage container redemption rates. The goals would have been the following: beginning on July 1, 2026: 75 percent; beginning on July 1, 2030: 80 percent; beginning on July 1, 2035: 85 percent; and beginning on July 1, 2040: 90 percent. ANR would have been required to annually report to the General Assembly the beverage container redemption rate for each category of beverage containers. ANR would have been required to recommend whether the beverage container deposit for a category of containers should increase.

After the first \$3,000,000.00 in unclaimed beverage container deposits would have deposited into the Clean Water Fund, the bill would have authorized the PRO to retain the remaining abandoned beverage container deposits to aid in funding implementation of the stewardship plan. When the scope of the beverage container redemption system would have expanded on January 1, 2027, the PRO would have retained the remaining abandoned container deposits after the first \$4,000,000.00 is deposited in the Clean

Water Fund. In 2031, the PRO would no longer be authorized to retain abandoned container deposits, and 50 percent of the abandoned deposits or \$4,000,000.00, whichever is greater, would have been deposited in the Clean Water Fund. The remainder would have been deposited into the Solid Waste Management Assistance Account.

Vetoed by the Governor: June 29, 2023

Effective Date: Not applicable