

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill No.  
3 158 entitled “An act relating to the beverage container redemption system”  
4 respectfully reports that it has considered the same and recommends that the  
5 bill be amended as follows:

6 **Rep. Taylor: First:** In Sec. 1, 10 V.S.A. chapter 53B, in section 1522, in  
7 subsection (a), after “a deposit of” and before “five cents shall be paid”, by  
8 striking out the “not less than” and inserting in lieu thereof “~~not less than~~”

9 **Direct to Consumer: Second:** In Sec. 1, 10 V.S.A. chapter 53B, in section  
10 1522, by inserting a new subsection (c) to read:

11 (c) Alcoholic beverages permitted to be shipped directly to a consumer  
12 under 7 V.S.A. § 277 shall be exempt from:

13 (1) the beverage container deposit requirement of subsection (a) of this  
14 section;

15 (2) the labeling requirements of section 1524 of this title; and

16 (3) the abandoned beverage container deposit requirements of section  
17 1530 of this title.

18 **Rep. Taylor: Third:** In Sec. 1, 10 V.S.A. chapter 53B, in section 1524, in  
19 subdivision (a)(1), by striking out “by embossing ~~or~~ imprinting on the normal  
20 product label, or” and inserting in lieu thereof “by embossing ~~or~~ on the normal  
21 product label, imprinting on the normal product label in subdivision (b)(3), or”

1       **Rep. Taylor:** Fourth: In Sec. 1, 10 V.S.A. chapter 53B, in section 1529, in  
2       the first sentence of the section, after “a redemption center” and before “obtain  
3       a certification” by striking out the word “may” and inserting in lieu thereof  
4       “~~may~~ shall”

5       and in subdivision (2), in the second sentence, after “This” and before  
6       “include requirements” by striking out “may” and inserting in lieu thereof  
7       “~~may~~ shall”

8       **ANR Bill Back:** Fifth: In Sec. 1, 10 V.S.A. chapter 53B, in section 1531,  
9       by striking out subsection (g) in its entirety and inserting in lieu thereof a new  
10      subsection (g) to read:

11      (g) Agency of Natural Resources costs. The producer responsibility  
12      organization shall reimburse the Secretary for the costs of overseeing the  
13      administration of the program under this chapter as follows:

14      (1) The Secretary shall annually provide an estimate of the costs of  
15      overseeing the administration of the program to the producer responsibility  
16      program, including staff costs, compliance, and oversight of the system.

17      (2) The producer responsibility organization shall provide any  
18      comments to the Secretary’s budget within 30 days of receipt. The Agency of  
19      Natural Resource shall respond to all comments provided by the producer  
20      responsibility organization and may make changes to its budget in response to

1 those comments. These comments and the responses shall be provided to the  
2 General Assembly as a part of the Secretary’s budget.

3 (3) Reimbursement of Agency of Natural Resources costs under this  
4 subsection shall be subject to the State budgeting process and the producer  
5 responsibility organization shall not be required to reimburse any Agency cost  
6 unless that cost is approved as a part of the Agency’s budget.

7 **Rep. Taylor:** Sixth: In Sec. 1, 10 V.S.A. chapter 53B, in section 1532, in  
8 subdivision (b)(9), after “and educational strategies the” and before “uses for  
9 the purposes of” by striking out “producer” and inserting in lieu thereof  
10 “producer responsibility organization”

11 **Rep. Taylor:** Seventh: In Sec. 1, 10 V.S.A. chapter 53B, in section 1533,  
12 in subsection (b), in the last sentence, after “redeemed in the State” and before  
13 the period by striking out “after approval by the Secretary”

14 and in section 1533, subsection (b), by adding a new last sentence to read:

15 The Secretary shall approve the audit results and the redemption rate of  
16 beverage containers included in the audit.

17 **Legislative approval of escalator:** Eighth: In Sec. 1, 10 V.S.A. chapter  
18 53B, in section 1534, by striking out subsection (c) in its entirety and inserting  
19 in lieu thereof new subsection (c) to read as follows:

20 (c) Beginning on July 1, 2025 and every five years thereafter, the Secretary  
21 of Natural Resources shall submit to the Senate Committees on Natural

1 Resources and Energy and on Finance and the House Committees on  
2 Environment and Energy and on Ways and Means a written report containing:

3 (1) the current beverage container redemption rate in the State; and

4 (2) a recommendation of whether the General Assembly should enact  
5 legislation to increase the beverage container deposit in order to improve  
6 redemption of beverage containers.

7 **Rep. Anthony:** Ninth: In Sec. 1, 10 V.S.A. chapter 53B, by adding a new  
8 section 1534 to read:

9 § 1536. ANTITRUST; CONDUCT AUTHORIZED

10 (a) Activity authorized. A manufacturer, group of manufacturers, or  
11 producer responsibility organization implementing or participating in an  
12 approved collection plan under this chapter for the collection, transport,  
13 processing, and management of beverage container is individually or jointly  
14 immune from liability for conduct under State laws relating to antitrust,  
15 restraint of trade, unfair trade practices, and other regulation of trade or  
16 commerce under 9 V.S.A. chapter 63, subchapter 1 to the extent that the  
17 conduct is reasonably necessary to plan, implement, and comply with the  
18 producer responsibility organization’s chosen system for beverage containers.

19 (b) Limitations on antitrust activity. Subsection (a) of this section shall not  
20 apply to an agreement among producers, groups of manufacturers, retailers,  
21 wholesalers, or the producer responsibility organization affecting the price of

1 beverage containers or any agreement restricting the geographic area in which  
2 or customers to whom beverage containers shall be sold.

3 **Escheats Waterfall: Tenth:** By striking out Secs. 2 and 3, 10 V.S.A.  
4 § 1530(c)(1), in their entirety and inserting in lieu thereof the following new  
5 Secs. 2 and 3:

6 Sec. 2. 10 V.S.A. § 1530(c)(1) is amended to read:

7 (c)(1) ~~On or before January 1, 2020, and quarterly thereafter,~~ Every quarter,  
8 at the time a report is filed pursuant to subsection (d) of this section, each  
9 deposit initiator shall remit to the Commissioner of Taxes any abandoned  
10 beverage container deposits from the preceding quarter. The Commissioner of  
11 Taxes shall deposit the first \$?,000,000.00 of the abandoned beverage  
12 container deposits into the Clean Water Fund under 10 V.S.A. § 1388. The  
13 Commissioner shall return to the producer responsibility organization  
14 implementing the requirements of this chapter any abandoned beverage  
15 container deposits in excess of the amount deposited into the Clean Water  
16 Fund. The amount of abandoned beverage container deposits for a quarter is  
17 the amount equal to the amount of deposits that the deposit initiator collected  
18 in the quarter less the amount of the total refund value paid out by the deposit  
19 initiator for beverage containers during the quarter.

20 Sec. 3. 10 V.S.A. § 1530(c)(1) is amended to read:

1 (c)(1) Every quarter, at the time a report is filed pursuant to subsection (d)  
2 of this section, each deposit initiator shall remit to the Commissioner of Taxes  
3 any abandoned beverage container deposits from the preceding quarter. ~~The~~  
4 ~~Commissioner of Taxes shall deposit the first \$2,000,000.00 of the abandoned~~  
5 ~~beverage container deposits into the Clean Water Fund under 10 V.S.A.~~  
6 ~~§ 1388. The Commissioner shall return to the producer responsibility~~  
7 ~~organization implementing the requirements of this chapter any abandoned~~  
8 ~~beverage container deposits in excess of the amount deposited into the Clean~~  
9 ~~Water Fund.~~ The amount of abandoned beverage container deposits for a  
10 quarter is the amount equal to the amount of deposits that the deposit initiator  
11 collected in the quarter less the amount of the total refund value paid out by the  
12 deposit initiator for beverage containers during the quarter.

13 **Escheats Waterfall and Future Allocation:** Eleventh: By striking out  
14 Sec. 5 in its entirety and inserting in lieu thereof new Secs. 5 and 5a to read:

15 Sec. 5. 10 V.S.A. § 1388 is amended to read:

16 § 1388. CLEAN WATER FUND

17 (a) There is created a special fund to be known as the Clean Water Fund to  
18 be administered by the Secretary of Administration. The Fund shall consist of:

19 (1) revenues from the Property Transfer Tax surcharge established under  
20 32 V.S.A. § 9602a;

1           (2) other gifts, donations, and impact fees received from any source,  
2 public or private, dedicated for deposit into the Fund and approved by the  
3 Secretary of Administration;

4           (3) the unclaimed beverage container deposits (escheats) ~~remitted to the~~  
5 ~~State~~ required to be deposited to the Fund under chapter 53 of this title;

6           (4) six percent of the revenues from the meals and rooms taxes imposed  
7 under 32 V.S.A. chapter 225; and

8           (5) other revenues dedicated for deposit into the Fund by the General  
9 Assembly.

10          (b) Notwithstanding any contrary provisions of 32 V.S.A. chapter 7,  
11 subchapter 5, unexpended balances and any earnings shall remain in the Fund  
12 from year to year.

13          Sec. 5a. 10 V.S.A. § 1388 is amended to read:

14          § 1388. CLEAN WATER FUND

15          (a) There is created a special fund to be known as the Clean Water Fund to  
16 be administered by the Secretary of Administration. The Fund shall consist of:

17               (1) revenues from the Property Transfer Tax surcharge established under  
18 32 V.S.A. § 9602a;

19               (2) other gifts, donations, and impact fees received from any source,  
20 public or private, dedicated for deposit into the Fund and approved by the  
21 Secretary of Administration;

1           (3) 50 percent of the unclaimed beverage container deposits (escheats)  
2 ~~required to be deposited to the Fund~~ remitted to the State under chapter 53 of  
3 this title;

4           (4) six percent of the revenues from the meals and rooms taxes imposed  
5 under 32 V.S.A. chapter 225; and

6           (5) other revenues dedicated for deposit into the Fund by the General  
7 Assembly.

8           (b) Notwithstanding any contrary provisions of 32 V.S.A. chapter 7,  
9 subchapter 5, unexpended balances and any earnings shall remain in the Fund  
10 from year to year.

11           **Rep. Taylor: Twelfth:** In Sec. 7 (Systems Analysis) in subdivision (2),  
12 after “will be collected by the expansion of the” and before the semi-colon, by  
13 striking out “bottle bill” and inserting in lieu thereof “beverage container  
14 redemption system”

15           and in subdivision (2) “the loss to material recovery facilities from the  
16 removal of” and before “from the recycling system;” by striking out “bottle bill  
17 material” and inserting in lieu thereof “material collected under the beverage  
18 container redemption system”

19           **Effective Dates: Thirteenth:** In Sec. 11 (effective dates), by striking out  
20 subdivisions (4) – (7) in their entirety and inserting in lieu thereof the  
21 following new subdivisions (4) – (8) to read:



1           (4) Sec. 2 (remittance of abandoned beverage container deposits) shall  
2 take effect on January 1, 2026;

3           (5) Sec. 3. (repeal of remittance of beverage container deposit) shall take  
4 effect on July 1, 2031;

5           (6) Sec. 5 (deposits to Clean Water Fund) shall take effect January 1,  
6 2026.

7           (7) Sec. 5a (50 percent of abandoned beverage container deposits to  
8 Clean Water Fund) shall take effect on July 1, 2031;

9           (8) Sec. 6 (Waste Management Assistance Fund) shall take effect on  
10 July 1, 2031.

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14           (Committee vote: \_\_\_\_\_)

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Representative \_\_\_\_\_

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FOR THE COMMITTEE