

1 H.158

2 An act relating to the beverage container redemption system

3 It is hereby enacted by the General Assembly of the State of Vermont:

4 Sec. 1. 10 V.S.A. chapter 53 is amended to read:

5 CHAPTER 53. BEVERAGE CONTAINERS; DEPOSIT-REDEMPTION

6 SYSTEM

7 § 1521. DEFINITIONS

8 As used in this chapter:

9 (1) “Beverage” means ~~beer or other malt beverages and mineral waters,~~
10 ~~mixed wine drink, soda water and carbonated soft~~ all drinks in liquid form and
11 intended for human consumption, except for milk, dairy products, plant-based
12 beverages, infant formula, meal replacement drinks, or nonalcoholic cider.

13 ~~“Beverage” also means liquor and ready to drink spirits beverage.~~

14 (2) ~~“Biodegradable material” means material that is capable of being~~
15 ~~broken down by bacteria into basic elements. [Repealed.]~~

16 (3) “Container” means the individual, and separate, bottle, can, or jar, ~~or~~
17 ~~carton~~ composed of glass, aluminum or other metal, ~~paper, plastic,~~
18 polyethylene terephthalate, high density polyethylene, or any combination of
19 those materials, and containing a consumer product beverage. This definition
20 ~~shall~~ does not include ~~containers made of biodegradable material~~
21 noncarbonated beverage containers with a volume greater than two and one-

1 half liters and carbonated beverage containers with a volume greater than three
2 liters.

3 (4) “Distributor” means every person who engages in the sale of
4 consumer products in containers to a dealer in this State, including any
5 manufacturer who engages in such sales. Any dealer or retailer who sells, at
6 the retail level, beverages in containers without having purchased them from a
7 person otherwise classified as a distributor ~~shall be~~ is a distributor.

8 (5) “Manufacturer” means every person bottling, canning, packing, or
9 otherwise filling containers for sale to distributors or dealers.

10 (6) “Recycling” means the process of sorting, cleansing, treating, and
11 reconstituting waste and other discarded materials for the purpose of reusing
12 the materials in the same or altered form.

13 (7) “Redemption center” means a store or other location where any
14 person may, during normal business hours, redeem the amount of the deposit
15 for any empty beverage container labeled or certified pursuant to section 1524
16 of this title.

17 (8) “Secretary” means the Secretary of Natural Resources.

18 (9) “Mixed wine drink” means a beverage containing wine and more
19 than 15 percent added plain, carbonated, or sparkling water and that contains
20 added natural or artificial blended material, such as fruit juices, flavors,
21 flavoring, adjuncts, coloring, or preservatives; that contains not more than

1 16 percent alcohol by volume; or other similar product marketed as a wine
2 cooler.

3 (10) “Liquor” means spirits as defined in 7 V.S.A. § 2.

4 (11) “Cider” has the same meaning as in 7 V.S.A. § 2.

5 (12) “Hard kombucha” means a fermented beverage produced from a
6 mixture of steeped tea and sugar, combined with a culture of yeast strains and
7 bacteria, that has an alcohol content of 0.5 percent or more alcohol by volume.

8 (13) “Plant-based beverage” means a liquid intended for human
9 consumption that imitates dairy milk, consists of plant material suspended in
10 water, and the primary protein source in the beverage is from plant material or
11 a derivative of plant materials. Plant-based beverages include beverages made
12 from rice, soy, nuts, oats, and hemp.

13 (14) “Vinous beverages” means all fermented beverages of any name or
14 description manufactured or obtained for sale from the natural sugar content of
15 fruits or other agricultural product, containing sugar, the total alcoholic content
16 of which is not less than one percent nor more than 16 percent by volume at 60
17 degrees Fahrenheit. As used in this section, “vinous beverages” does not mean
18 cider, hard kombucha, or a mixed wine drink.

19 § 1522. BEVERAGE CONTAINERS; DEPOSIT

20 (a) Except with respect to beverage containers that contain liquor, a deposit
21 of ~~not less than~~ five cents shall be paid by the consumer on each beverage

1 container sold at the retail level and refunded to the consumer upon return of
2 the empty beverage container. With respect to beverage containers that
3 contain a vinous beverage, a deposit of 15 cents shall be paid by the consumer
4 on each beverage container sold at the retail level and refunded to the
5 consumer upon return of the empty beverage container. With respect to
6 beverage containers of volume greater than 50 ml. that contain liquor, a deposit
7 of 15 cents shall be paid by the consumer on each beverage container sold at
8 the retail level and refunded to the consumer upon return of the empty
9 beverage container. The difference between liquor bottle deposits collected
10 and refunds made is hereby retained by the Liquor Control Enterprise Fund for
11 administration of this subsection. Beginning on January 15, 2024 and annually
12 thereafter, the Commissioner of Liquor and Lottery shall report to the
13 Secretary of Natural Resources:

14 (1) the amount and tonnage of liquor bottles that the Department of
15 Liquor and Lottery collected in the previous calendar year; and

16 (2) the redemption rate for liquor bottles in the previous calendar year.

17 (b) A retailer or a person operating a redemption center who redeems
18 beverage containers shall be reimbursed by the manufacturer or distributor of
19 such beverage containers in an amount that is three and one-half cents per
20 container for containers of beverage brands that are part of a commingling

1 program and ~~four~~ five cents per container for containers of beverage brands
2 that are not part of a commingling program.

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

5 (1) the beverage container deposit requirement of subsection (a) of this
6 section;

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

8 (3) the abandoned beverage container deposit requirements of section
9 1530 of this title.

10 (d) ~~Containers shall be redeemed during no fewer than 40 hours per week~~
11 ~~during the regular operating hours of the establishment. [Repealed.]~~

12 § 1522a. RULES

13 ~~The Secretary may adopt rules, in accordance with 3 V.S.A. chapter 25,~~
14 ~~necessary for the administration of this chapter. These rules may include the~~
15 ~~following:~~

16 (1) ~~Provisions to ensure that beverage containers not labeled in~~
17 ~~accordance with section 1524 of this title are not redeemed.~~

18 (2) ~~Provisions to ensure that beverage containers are commingled.~~

19 (3) ~~Administrative penalties for the failure by a redemption center or~~
20 ~~retailer to remove beverage containers that are not labeled prior to pickup by a~~
21 ~~distributor or manufacturer. Penalties may include nonpayment of the deposit~~

1 ~~and handling fee established under section 1522 of this title for a reasonable~~
2 ~~period of time and for the number of beverage containers that were not labeled.~~

3 ~~(4) Any other provision that may be necessary for the implementation of~~
4 ~~this chapter. [Repealed.]~~

5 § 1523. ACCEPTANCE OF BEVERAGE CONTAINERS

6 (a) Except as provided in section 1522 of this title:

7 (1) A retailer shall not refuse to accept from any person any empty
8 beverage containers, labeled in accordance with section 1524 of this title, of
9 the kind, size, and brand sold by the retailer, or refuse to pay to that person the
10 refund value of a beverage container as established by section 1522 of this
11 title, except as provided in subsection (b) of this section.

12 (2) A manufacturer or distributor ~~may~~ shall not refuse to pick up from a
13 retailer that sells its product or a person operating a certified redemption center
14 any empty beverage containers, labeled in accordance with section 1524 of this
15 title, of the kind, size, and brand sold by the manufacturer or distributor, or
16 refuse to pay the retailer or a person operating a redemption center the refund
17 value of a beverage container as established by section 1522 of this title.

18 (b) A retailer, ~~with the prior approval of the Secretary,~~ may refuse to
19 redeem beverage containers if a ~~redemption center or centers are established~~
20 ~~that serve the public need~~ stewardship plan that meets the requirements of
21 section 1532 of this title has been implemented by the producer responsibility

1 organization in the State and the retailer's building is less than 5,000 square
2 feet.

3 (c) A retailer ~~or that is not exempt~~, a person operating a redemption center,
4 or any other point of redemption may only refuse to redeem beverage
5 containers that are not clean, or are broken, and shall not redeem beverage
6 containers that are not labeled in accordance with section 1524 of this title.

7 § 1524. LABELING

8 (a)(1) Every beverage container sold or offered for sale at retail in this
9 State shall clearly indicate by embossing ~~or on the normal product label~~,
10 imprinting on the normal product label, or ~~in the case of a metal beverage~~
11 ~~container on the top of the container~~, other approved method secured to the
12 container the word "Vermont" or the letters "VT" and ~~the refund value of the~~
13 ~~container~~ one of the following in not less than one-eighth inch type size or
14 such other alternate indications as may be approved by the Secretary:

15 (A) the refund value of the container;

16 (B) the words "refund value"; or

17 (C) the letters "RV".

18 (2) The label shall be on the top lid of the beverage container, the side of
19 the beverage container, or in a clearly visible location on the beverage
20 container. This subsection does not prohibit including names or abbreviations
21 of other states with deposit legislation comparable to this chapter.

1 (b) Each beverage container sold or offered for sale in the State that has a
2 deposit pursuant to section 1522 of this title shall include a Universal Product
3 Code and barcode. Each distributor shall provide the Universal Product Code
4 and barcode as part of its beverage registration or within 60 days following
5 March 1, 2025, whichever occurs first.

6 (c) The Commissioner of Liquor and Lottery may allow, in the case of
7 liquor bottles, a conspicuous, adhesive sticker to be attached to indicate the
8 deposit information required in subsection (a) of this section, provided that the
9 size, placement, and adhesive qualities of the sticker are as approved by the
10 Commissioner. The stickers shall be affixed to the bottles by the
11 manufacturer, except that liquor that is sold in the State in quantities less than
12 100 cases per year may have stickers affixed by personnel employed by the
13 Division of Liquor Control.

14 ~~(e) This section shall not apply to permanently labeled beverage containers.~~

15 (d) The Secretary may allow a manufacturer, a distributor, or a retailer of
16 vinous beverage containers to attach a conspicuous adhesive sticker to the
17 beverage containers to indicate the deposit information required in subsection
18 (a) of this section, provided that the size, placement, and adhesive qualities of
19 the sticker are as approved by the Secretary. If the Secretary allows the use of
20 an adhesive sticker under this subsection, the sticker shall be affixed by the
21 manufacturer, the distributor, or the retailer.

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§ 1527. ~~PENALTY~~

~~A person who violates a provision of this chapter shall be fined not more than \$1,000.00 for each violation. [Repealed.]~~

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§ 1529. REDEMPTION CENTER CERTIFICATION

A person operating a redemption center ~~may~~ shall obtain a certification from the Secretary. A redemption center certification shall include the following:

(1) Specification of the name and location of the facility;

~~(2) If the certified redemption center redeems more than 250,000 containers per year, a requirement that the certified redemption center shall participate in an approved commingling agreement; and~~

~~(3)~~ Additional conditions, requirements, and restrictions as the Secretary may deem necessary to implement the requirements of this chapter. This ~~may~~ shall include requirements concerning reporting, recording, and inspections of the operation of the site.

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§ 1531. MANUFACTURER PARTICIPATION IN PRODUCER

RESPONSIBILITY ORGANIZATION

1 (a) No manufacturer or distributor may sell or distribute a beverage
2 container in this State without participating in a Secretary-approved producer
3 responsibility organization.

4 (b) On or before January 1, 2024, manufacturers of beverage containers
5 sold or distributed within the State shall apply to the Secretary to form a
6 producer responsibility organization to fulfill the requirement of manufacturers
7 under this chapter.

8 (c) The Secretary may approve, for a period not longer than 10 years, the
9 producer responsibility organization, provided that:

10 (1) the producer responsibility organization has the capacity to
11 administer the requirements of a stewardship plan required by section 1532 of
12 this title; and

13 (2) the producer responsibility organization does not create any
14 unreasonable barriers to joining the producer responsibility organization and
15 shall take into the consideration the needs of small manufacturers that do not
16 generate a significant volume of containers.

17 (d) After approval, the producer responsibility organization shall maintain a
18 website that identifies:

19 (1) the name and principal business address of each manufacturer
20 participating in the producer responsibility organization; and

1 (2) the name of each beverage and the container size covered by the
2 stewardship plan.

3 (e) If the producer responsibility organization fails to implement the
4 requirements of this chapter, the rules adopted by the Secretary, or an approved
5 stewardship plan, the Secretary may dissolve the producer responsibility
6 organization.

7 (f) If no producer responsibility organization is formed, the Secretary shall
8 either require the formation of the producer responsibility organization or
9 adopt and administer a plan that meets the requirements of section 1532 of this
10 title. If the Secretary administers the plan adopted under section 1532, the
11 Secretary shall charge each manufacturer the costs of plan administration, the
12 Agency's oversight costs, and a recycling market development assessment of
13 10 percent of the plan's total cost to be deposited in the Solid Waste
14 Management Assistance Account of the Waste Management Assistance Fund,
15 for the purpose of providing grants to develop markets to recycle materials.

16 (g) The producer responsibility organization shall reimburse the Secretary
17 for the costs of overseeing the administration of the program under this chapter
18 as follows:

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

1 (2) The producer responsibility organization shall provide any
2 comments to the Secretary's budget within 30 days of receipt. The Agency of
3 Natural Resource shall respond to all comments provided by the producer
4 responsibility organization and may make changes to its budget in response to
5 those comments. These comments and the responses shall be provided to the
6 General Assembly as a part of the Secretary's budget.

7 (3) Reimbursement of Agency of Natural Resources costs under this
8 subsection shall be subject to the State budgeting process, and the producer
9 responsibility organization shall not be required to reimburse any Agency cost
10 unless that cost is approved as a part of the Agency's budget.

11 (h) Manufacturers and distributors of liquor are exempt from the
12 requirements of this section and the requirement to implement a stewardship
13 plan under section 1532 of this title.

14 § 1532. STEWARDSHIP PLAN; MINIMUM REQUIREMENTS

15 (a) Plan elements. On or before October 1, 2024, an approved producer
16 responsibility organization shall submit a stewardship plan to the Secretary. A
17 stewardship plan shall, at a minimum, meet all of the following requirements
18 of this section:

19 (1) Convenience of collection. A plan shall ensure that consumers have
20 convenient opportunities to redeem beverage containers. The plan shall take
21 reasonable efforts to site points of redemption equitably across all regions of

1 the State to allow for convenient and reasonable access of all Vermonters to
2 redemption opportunities. A plan shall document how redemption services
3 will be available to consumers as follows:

4 (A) at least three points of redemption per county that provide an
5 immediate return of a deposit to a consumer unless a waiver is granted by the
6 Secretary;

7 (B) at least one point of redemption per municipality with a
8 population of 7,000 or more persons that provides an immediate return of a
9 deposit to a consumer unless a waiver is granted by the Secretary; and

10 (C) how sites of redemption are or will be sited in areas with high
11 population density or located in centers designated under 24 V.S.A. chapter
12 76A.

13 (2) Fair operation and compensation to redemption centers. The plan
14 shall satisfy all of the following requirements.

15 (A) The plan shall describe how all locations that redeem beverage
16 containers are fairly compensated for their participation in the collection
17 program.

18 (B) There shall not be barriers to the participation in the collection
19 program for a redemption center, except for restrictions that are authorized by
20 the Secretary.

1 (C) The plan shall describe how management and sorting of
2 containers at redemption centers is minimized. The plan shall document how
3 brand sorting will be eliminated at points of redemption.

4 (D) The plan shall describe how materials will be picked up from
5 redemption centers on a timely basis.

6 (E) The plan shall maximize the use of existing infrastructure when
7 establishing points of collection under subdivision (1) of this subsection (a).

8 (3) Education to consumers. The plan shall describe what education
9 efforts will be undertaken to increase the number of beverage containers
10 redeemed in the State.

11 (4) Consultation with stakeholders. The producer responsibility
12 organization shall consult with stakeholders on the development of the plan.
13 The plan shall include processes for regular consultation, which shall not be
14 less than annually, with stakeholders including the Agency, redemption
15 centers, municipal and private recycling organizations, and other stakeholders.

16 (b) Reporting. At a frequency required by the Secretary but not less than
17 annually, the producer responsibility organization shall report the following to
18 the Secretary:

19 (1) the name, address, and business hours of each redemption center
20 participating in the approved stewardship plan;

1 (2) the amount, in containers and tons, and material type of beverage
2 containers redeemed under the plan and the redemption rate by the following
3 categories of:

4 (A) vinous beverage containers; and

5 (B) all other beverage containers;

6 (3) the location and amount of beverage container material that was
7 recycled and what products that beverage container material was recycled into;

8 (4) the carbon impacts associated with the administration of the
9 stewardship plan;

10 (5) the costs associated with administration of the stewardship plan,
11 including the costs of collection, management, and transportation of redeemed
12 containers and the amount received for commodities;

13 (6) a description of any improvements made in the reporting year to
14 increase ease and convenience for consumers to return beverage containers for
15 redemption;

16 (7) efforts taken by or on behalf of the manufacturer or distributor to
17 reduce environmental impacts throughout the product life cycle and to increase
18 reusability or recyclability at the end of the life cycle by material type;

19 (8) efforts taken by or on behalf of the producer responsibility
20 organization to improve the environmental outcomes of the program by
21 improving operational efficiency, such as reduction of truck trips through

1 improved material handling or compaction or the increased use of refillable
2 containers in a local refilling system;

3 (9) a description and copies of educational materials and educational
4 strategies the producer responsibility organization uses for the purposes of this
5 program; and

6 (10) any additional information required by the Secretary.

7 (c) Secretary of Natural Resources approval. The plan shall be submitted
8 to the Secretary, and, after concluding that the elements of the plan will
9 maximize diversion of recyclable materials, provide convenience to users, and
10 create a more circular economy, the Secretary's approval pursuant to this
11 subsection shall be for a period not greater than five years.

12 § 1533. PROGRAM AND FISCAL AUDIT

13 (a) Program audit. Beginning on March 1, 2030 and every five years
14 thereafter, the producer responsibility organization shall conduct an
15 independent third-party program audit of the operation of the stewardship plan.
16 The audit shall make recommendations to improve the operation of the
17 collection program established by this chapter.

18 (b) Fiscal audit. Beginning on March 1, 2026 and annually thereafter, the
19 producer responsibility organization shall conduct an independent third-party
20 fiscal audit of the program. The fiscal audit shall provide a transparent fiscal
21 analysis of the producer responsibility organization, its expenditures, the

1 number of beverage containers collected, and the amount of unclaimed
2 deposits. The audit shall also provide the redemption rate of beverage
3 containers redeemed in the State. The Secretary shall approve the audit results
4 and the redemption rate of beverage containers included in the audit.

5 (c) Submission to Secretary. The results of each audit required under
6 subsections (a) and (b) of this section shall be submitted to the Secretary for
7 purposes of reviewing performance of the stewardship plan and for oversight
8 of the requirements of this chapter.

9 § 1534. BEVERAGE CONTAINER REDEMPTION RATE GOAL;

10 REPORT

11 (a) It is a goal of the State that the following minimum beverage container
12 redemption rates shall be satisfied by the specified dates:

13 (1) Beginning on July 1, 2026: 75 percent.

14 (2) Beginning on July 1, 2030: 80 percent.

15 (3) Beginning on July 1, 2035: 85 percent.

16 (4) Beginning on July 1, 2040: 90 percent.

17 (b) Beginning on July 1, 2025 and annually thereafter, the Secretary of
18 Natural Resources shall submit to the Senate Committees on Natural
19 Resources and Energy and on Finance and the House Committees on
20 Environment and Energy and on Ways and Means a written report containing

1 the current beverage container redemption rate in the State for the following
2 three categories of beverage containers:

3 (1) liquor bottles;

4 (2) vinous beverage containers; and

5 (3) all other beverage containers.

6 (c) Beginning on January 1, 2028, if the Secretary determines that the
7 redemption rate goal established in subsection (a) of this section was not met
8 for one or more of the beverage container categories listed under subsection (b)
9 of this section for two consecutive years, the beverage container deposit for the
10 category shall increase by five cents, provided that the maximum deposit for
11 any beverage container category shall not exceed 20 cents for vinous beverage
12 containers and liquor bottles and shall not exceed 10 cents for every other
13 container. Within one year following the Secretary's determination under this
14 section, manufacturers and distributors shall comply with the labeling
15 requirements of section 1524 of this title before assessing the relevant deposit
16 established under this subsection for the beverage container.

17 § 1535. RULEMAKING

18 The Secretary may adopt rules, in accordance with 3 V.S.A. chapter 25,
19 necessary for the administration of this chapter.

1 § 1536. ANTITRUST; CONDUCT AUTHORIZED

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

11 (b) Limitations on antitrust activity. Subsection (a) of this section shall not
12 apply to an agreement among producers, groups of manufacturers, retailers,
13 wholesalers, or the producer responsibility organization affecting the price of
14 beverage containers or any agreement restricting the geographic area in which
15 or customers to whom beverage containers shall be sold.

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

17 (c)(1) ~~On or before January 1, 2020, and quarterly thereafter,~~ Every quarter,
18 at the time a report is filed pursuant to subsection (d) of this section, each
19 deposit initiator shall remit to the Commissioner of Taxes any abandoned
20 beverage container deposits from the preceding quarter. The Commissioner of
21 Taxes shall deposit the first \$3,000,000.00 of the abandoned beverage

1 container deposits into the Clean Water Fund under 10 V.S.A. § 1388. The
2 Commissioner shall return to the producer responsibility organization
3 implementing the requirements of this chapter any abandoned beverage
4 container deposits in excess of the amount deposited into the Clean Water
5 Fund. The amount of abandoned beverage container deposits for a quarter is
6 the amount equal to the amount of deposits that the deposit initiator collected
7 in the quarter less the amount of the total refund value paid out by the deposit
8 initiator for beverage containers during the quarter.

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

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

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

2 (c)(1) Every quarter, at the time a report is filed pursuant to subsection (d)
3 of this section, each deposit initiator shall remit to the Commissioner of Taxes
4 any abandoned beverage container deposits from the preceding quarter. The
5 Commissioner of Taxes annually shall deposit 50 percent or the first
6 \$4,000,000.00, whichever is greater, of the abandoned beverage container
7 deposits into the Clean Water Fund under 10 V.S.A. § 1388. The
8 Commissioner shall ~~return to the producer responsibility organization~~
9 ~~implementing the requirements of this chapter~~ deposit into the Solid Waste
10 Management Assistance Account of the Waste Management Assistance Fund
11 any abandoned beverage container deposits in excess of the amount deposited
12 into the Clean Water Fund. The amount of abandoned beverage container
13 deposits for a quarter is the amount equal to the amount of deposits that the
14 deposit initiator collected in the quarter less the amount of the total refund
15 value paid out by the deposit initiator for beverage containers during the
16 quarter.

17 Sec. 4. 10 V.S.A. § 7714 is amended to read:

18 § 7714. TYPE 3 PROCEDURES

19 (a) Purpose; scope.

20 (1) The purpose of this section is to establish the public notice and
21 comment requirements that the Department must follow when adopting general

1 permits, except for general permits governed by section 7712 of this chapter,
2 and when considering other permits listed in this section.

3 (2) The procedures under this section shall be known as Type 3
4 Procedures. This section governs each of the following:

5 (A) Each general permit issued pursuant to the Secretary's authority
6 under this title other than a general permit subject to section 7712 of this
7 chapter. However, this section does not apply to a notice of intent under a
8 general permit.

9 (B) Issuance of a dam safety order under chapter 43 of this title,
10 except for an unsafe dam order under section 1095 of this title.

11 (C) An application or request for approval of:

12 (i) an aquatic nuisance control permit under chapter 50 of this
13 title;

14 (ii) a change in treatment for a public water supply under chapter
15 56 of this title;

16 (iii) a collection plan for mercury-containing lamps under section
17 7156 of this title;

18 (iv) an individual plan for the collection and recycling of
19 electronic waste under section 7554 of this title; ~~and~~

20 (v) a primary battery stewardship plan under section 7586 of this
21 title; and

1 (vi) approval of a stewardship plan required under chapter 53 of
2 this title.

3 (b) Notice of application. The Secretary shall provide notice of an
4 administratively complete application through the environmental notice
5 bulletin.

6 (c) Notice of draft decision; comment period. The Secretary shall provide
7 notice of the draft decision through the environmental notice bulletin and shall
8 post the draft decision to the bulletin. The Secretary shall provide a public
9 comment period.

10 (d) Public meeting. The Secretary shall hold a public meeting whenever
11 any person files a written request for such a meeting. The Secretary otherwise
12 may hold a public meeting at ~~his or her~~ the Secretary's discretion.

13 (e) Notice of final decision. The Secretary shall provide notice of the final
14 decision through the environmental notice bulletin and shall post the final
15 decision to the bulletin. The Secretary shall provide a response to comments.

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

17 § 1388. CLEAN WATER FUND

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

20 (1) revenues from the Property Transfer Tax surcharge established under
21 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. 6. 10 V.S.A. § 6618(a) is amended to read:

14 (a) There is hereby created in the State Treasury a fund to be known as the
15 Waste Management Assistance Fund, to be expended by the Secretary of
16 Natural Resources. The Fund shall have three accounts: one for Solid Waste
17 Management Assistance, one for Hazardous Waste Management Assistance,
18 and one for Electronic Waste Collection and Recycling Assistance. The
19 Hazardous Waste Management Assistance Account shall consist of a
20 percentage of the tax on hazardous waste under the provisions of 32 V.S.A.
21 chapter 237, as established by the Secretary, the toxics use reduction fees

1 under subsection 6628(j) of this title; and appropriations of the General
2 Assembly. In no event shall the amount of the hazardous waste tax that is
3 deposited to the Hazardous Waste Management Assistance Account exceed
4 40 percent of the annual tax receipts. The Solid Waste Management
5 Assistance Account shall consist of the franchise tax on waste facilities
6 assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13; the
7 unclaimed beverage container deposits allocated to the Account under chapter
8 53 of this title; and appropriations of the General Assembly. The Electronic
9 Waste Collection and Recycling Account shall consist of the program and
10 implementation fees required under section 7553 of this title. All balances in
11 the Fund accounts at the end of any fiscal year shall be carried forward and
12 remain a part of the Fund accounts, except as provided in subsection (e) of this
13 section. Interest earned by the Fund shall be deposited into the appropriate
14 Fund account. Disbursements from the Fund accounts shall be made by the
15 State Treasurer on warrants drawn by the Commissioner of Finance and
16 Management.

17 Sec. 7. SYSTEMS ANALYSIS OF BEVERAGE CONTAINER SYSTEM

18 On or before January 15, 2025, the Agency of Natural Resources shall
19 submit to the House Committee on Environment and Energy and the Senate
20 Committee on Natural Resources and Energy a written report on:

1 (1) an estimate of the total system costs and savings associated with the
2 implementation of the expanded beverage container redemption system under
3 10 V.S.A. chapter 53, including climate impacts;

4 (2) an estimate of the impacts of an expanded beverage container
5 redemption system on the recycling system, including how much additional
6 beverage container material will be collected by the expansion of the beverage
7 container redemption system; the operational savings, if any, on material
8 recovery facilities; the loss to material recovery facilities from the removal of
9 material collected under the beverage container redemption system material
10 from the recycling system; and an estimate of the impacts on tipping fees at
11 each material recovery facility;

12 (3) an estimate of the costs of operating a redemption center and other
13 alternate points of redemption under a stewardship plan and a recommendation
14 on whether the handling fee should be altered or replaced with an alternative
15 means of compensating points of redemption;

16 (4) an estimate of the impact on overall recycling in the State and the
17 redemption rates of beverage containers under 10 V.S.A. chapter 53 if the
18 producer responsibility organization (PRO) implementing the stewardship plan
19 under that chapter were authorized to retain 100 percent, 50 percent, or none of
20 the abandoned beverage container deposits, including;

1 (A) the estimated number of beverage container redemption sites in
2 the State under the PRO's stewardship plan under each option for the PRO's
3 retention of the abandoned beverage container deposits; and

4 (B) the geographic distribution of beverage container redemption
5 sites across the State under the PRO's stewardship plan under each option for
6 the PRO's retention of the abandoned beverage container deposits.

7 (5) an estimate of the impact on the Clean Water Fund and State
8 implementation of the State's water quality programs and regulatory
9 requirements if the abandoned beverage container deposits were not deposited
10 into the Clean Water Fund under 10 V.S.A. § 1388.

11 Sec. 8. REPEAL

12 10 V.S.A. § 1528 (beverage registration with ANR) and 10 V.S.A. § 1529
13 (redemption center certification by ANR) are repealed on March 1, 2025.

14 Sec. 9. IMPLEMENTATION; TRANSITION

15 (a) In the implementation and enforcement of the requirements of this act,
16 the Secretary of Natural Resources may:

17 (1) allow beverage containers to be sold or redeemed that do not meet
18 the labeling requirements of 10 V.S.A. § 1524;

19 (2) determine whether a beverage or container is subject to the
20 requirements of 10 V.S.A. chapter 53 due to the nature of the beverage or the
21 composition or size of the container; and

1 (3) exercise discretion in the administration and enforcement of the
2 requirements of 10 V.S.A. chapter 53 for categories or types of beverages or
3 beverage containers.

4 (b) This section shall be repealed on March 1, 2028.

5 Sec. 10. BOTTLE BILL RECYCLING AND MATERIALS REPORTING

6 A manufacturer or distributor collecting beverage containers subject to 10
7 V.S.A chapter 53 shall report recycling information to the Secretary of Natural
8 Resources in the same manner as recycled materials are reported to the
9 Secretary under 10 V.S.A. chapter 159. The information shall include:

10 (1) the amount in containers and tons and material type of beverage
11 container collected; and

12 (2) the location and amount of beverage container material and what
13 products the beverage containers were recycled into.

14 Sec. 11. EFFECTIVE DATES

15 This act shall take effect on July 1, 2023, except that:

16 (1) in Sec. 1, 10 V.S.A. § 1521(1) (expansion of the definition of
17 beverage types) and 10 V.S.A. § 1522(a)(deposit for vinous beverages) shall
18 take effect on January 1, 2027;

19 (2) in Sec. 1, 10 V.S.A. § 1524(b) (requiring a UPC label on containers)
20 shall take effect on March 1, 2025;

1 (3) in Sec. 1, 10 V.S.A. § 1531(a) (prohibiting the sale or distribution
2 without participating in the producer responsibility organization) shall take
3 effect on March 1, 2025;

4 (4) Sec. 2 (abandoned beverage container deposits; initial Clean Water
5 Fund amount) shall take effect on January 1, 2026;

6 (5) Sec. 3. (abandoned beverage container deposit; Clean Water Fund
7 amount on expansion) shall take effect on January 1, 2027;

8 (6) Sec. 3a. (abandoned beverage container deposit; Solid Waste
9 Management Assistance Account) shall take effect on July 1, 2031

10 (7) Sec. 5 (deposits to Clean Water Fund) shall take effect January 1,
11 2026.

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