

1 H.915

2 An act relating to establishing an extended producer responsibility program  
3 for beverage containers

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

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

6 CHAPTER 53. BEVERAGE CONTAINERS; DEPOSIT-REDEMPTION

7 SYSTEM

8 § 1521. DEFINITIONS

9 As used in this chapter:

10 (1) "Beverage" means beer or other malt beverages and mineral waters,  
11 mixed wine drink, soda water and carbonated soft drinks in liquid form and  
12 intended for human consumption. "Beverage" also means liquor and ready-to-  
13 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 [Repealed.]~~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~~ polyethylene  
18 terephthalate, high density polyethylene, or any combination of those  
19 materials, and containing a ~~consumer product~~ beverage. This definition ~~shall~~  
20 does not include containers made of biodegradable material beverage  
21 containers with a volume greater than three liters.

1           (4) “Dealer” means any person, including any operator of a vending  
2           machine or retailer, who engages in the sale of beverages in beverage  
3           containers to consumers in the State.

4           (5) “Deposit initiator” means the first distributor or manufacturer to  
5           collect the deposit on a beverage container sold to any person within the State.  
6           If no person initiates a deposit, the first distributor in the State shall be the  
7           deposit initiator.

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

13          (7) “Fair compensation” means the compensation from the producer  
14          responsibility organization to the point of redemption in the amount that covers  
15          the point of redemption’s reasonable costs of operating redemption services  
16          and a reasonable rate of return.

17          ~~(5)~~(8) “Manufacturer” means every person bottling, canning, packing, or  
18          otherwise filling containers for sale to distributors or dealers.

19          (9) “Mixed wine drink” means a beverage containing wine and more  
20          than 15 percent added plain, carbonated, or sparkling water and that contains  
21          added natural or artificial blended material, such as fruit juices, flavors,

1 flavoring, adjuncts, coloring, or preservatives; a beverage that contains not  
2 more than 16 percent alcohol by volume; or another similar product marketed  
3 as a wine cooler.

4 (10) “Point of redemption” means a location included in the plan  
5 adopted under section 1532 of this title that redeems beverage containers under  
6 this chapter. A point of redemption includes manually sorting containers,  
7 mechanically sorting containers, and bag drops.

8 (11) “Point of redemption with immediate return of deposit” means a  
9 point of redemption that immediately provides a person with a deposit when a  
10 beverage container is presented for redemption.

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

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

18 (14) “Redemption rate” means the number of beverage containers  
19 redeemed for the deposit divided by the number of beverage containers sold  
20 and may not include in its calculation any unredeemed beverage containers  
21 collected or processed by municipal or other recycling programs.

1           (15) “Retailer” means a store or other licensed entity, including vending  
2           machines, where containers are sold at the retail level for off-premise  
3           consumption.

4           ~~(8)~~(16) “Secretary” means the Secretary of Natural Resources.

5           ~~(9) “Mixed wine drink” means a beverage containing wine and more~~  
6           ~~than 15 percent added plain, carbonated, or sparkling water and that contains~~  
7           ~~added natural or artificial blended material, such as fruit juices, flavors,~~  
8           ~~flavoring, adjuncts, coloring, or preservatives; that contains not more than~~  
9           ~~16 percent alcohol by volume; or other similar product marketed as a wine~~  
10           ~~cooler.~~

11           ~~(40)~~(17) “Liquor” means spirits as defined in 7 V.S.A. § 2.

12           § 1522. BEVERAGE CONTAINERS; DEPOSIT

13           (a) Except with respect to beverage containers that contain liquor, a deposit  
14           of ~~not less than~~ five cents shall be paid by the consumer on each beverage  
15           container sold at the retail level and refunded to the consumer upon return of  
16           the empty beverage container. With respect to beverage containers of volume  
17           greater than 50 ml- that contain liquor, a deposit of 15 cents shall be paid by  
18           the consumer on each beverage container sold at the retail level and refunded  
19           to the consumer upon return of the empty beverage container. The difference  
20           between liquor bottle deposits collected and refunds made is hereby retained  
21           by the Liquor Control Enterprise Fund for administration of this subsection.

1 (b) A retailer or a person operating a redemption center who redeems  
2 beverage containers shall be reimbursed by the ~~manufacturer or distributor of~~  
3 ~~such~~ deposit initiator of the beverage containers in an amount that is ~~three and~~  
4 ~~one-half~~ four and one-half cents per container for containers of beverage  
5 brands that are part of a commingling program and ~~four~~ five cents per  
6 container for containers of beverage brands that are not part of a commingling  
7 program. Beginning on March 1, 2029, a retailer or a person operating a  
8 redemption center shall be reimbursed for beverage containers that are covered  
9 by a stewardship plan approved by the Secretary under this chapter according  
10 to the fair compensation requirements of the plan.

11 \* \* \*

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

14 § 1522a. RULES

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

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

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

1           ~~(3) Administrative penalties for the failure by a redemption center or~~  
2           ~~retailer to remove beverage containers that are not labeled prior to pickup by a~~  
3           ~~distributor or manufacturer. Penalties may include nonpayment of the deposit~~  
4           ~~and handling fee established under section 1522 of this title for a reasonable~~  
5           ~~period of time and for the number of beverage containers that were not labeled.~~

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

8           § 1523. ACCEPTANCE OF BEVERAGE CONTAINERS

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

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

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

1 (b) A retailer, with the prior approval of the Secretary, may refuse to  
2 redeem beverage containers if a redemption center or centers are established  
3 that serve the public need.

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

8 \* \* \*

9 § 1524. LABELING

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

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

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

9 (c) ~~This section shall not apply to permanently labeled beverage containers~~  
10 Every beverage container sold or offered for sale in the State shall contain a  
11 Universal Product Code and a barcode displayed on the container.

12 \* \* \*

13 § 1527. ~~PENALTY~~ REDEMPTION OF LIQUOR BOTTLES

14 ~~A person who violates a provision of this chapter shall be fined not more~~  
15 ~~than \$1,000.00 for each violation~~ Notwithstanding any other provision of this  
16 chapter to the contrary, redemption of beverage containers of volume greater  
17 than 50 ml that contain liquor shall be subject to the following requirements:

18 (1) Deposit. Beverage containers subject to this section shall have a  
19 deposit of 15 cents on each container sold at the retail level and returned to the  
20 consumer upon return of the empty beverage container.

1           (2) Handling fee. Distributors of beverage containers subject to this  
2           section shall pay a point of redemption that redeems a beverage container four  
3           and one-half cents per container.

4           (3) Redemption. A retailer shall not refuse to accept beverage  
5           containers subject to this section or refuse to pay a person the refund value  
6           established by subdivision (1) of this section for any container unless the  
7           container is not clean, broken, or has an exemption issued by the Secretary.  
8           The Department of Liquor and Lottery shall not refuse to pick up empty  
9           beverage containers subject to this section, pay the refund value, or pay the  
10           handling fee to a retailer or redemption center subject to this section.

11           (4) Coordination with producer responsibility organization. The  
12           Department of Liquor and Lottery may coordinate with and compensate the  
13           producer responsibility organization to collect beverages containers subject to  
14           this section at points of redemption that are a part of the collection plan  
15           developed by the producer responsibility organization. Containers collected at  
16           these points of redemption shall not be subject to the handling fee established  
17           by subdivision (2) of this section.

18           (5) Performance goals and reporting. The Department of Liquor and  
19           Lottery shall be subject to the redemption rate goals established in section  
20           1534 of this title for beverage containers containing liquor. Beginning on

1 January 15, 2027, and annually thereafter, the Commissioner of Liquor and  
2 Liquor and Lottery shall report to the Secretary of Natural Resources:

3 (A) the amount and tonnage of liquor bottles that the Department of  
4 Liquor and Lottery collected in the previous calendar year; and

5 (B) the redemption rate for liquor bottles in the previous calendar  
6 year.

7 \* \* \*

8 § 1529. REDEMPTION CENTER CERTIFICATION

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

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

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

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

1 § 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS

2 (a) ~~As used in this section, “deposit initiator” means the first distributor or~~  
3 ~~manufacturer to collect the deposit on a beverage container sold to any person~~  
4 ~~within the State.~~

5 (b) Beginning on January 1, 2020, and quarterly thereafter, every deposit  
6 initiator shall report to the Secretary of Natural Resources and the  
7 Commissioner of Taxes. The report shall be submitted on or before the 25th  
8 day of the calendar month succeeding the quarter ending on the last day of  
9 March, June, September, and December each year. The deposit initiator shall  
10 submit the report on a form provided by the Commissioner of Taxes. The  
11 report shall include:

12 (1) the number of beverage containers sold in the preceding quarter and  
13 the number of beverage containers returned in the preceding quarter;

14 (2) the amount of beverage container deposits received by the deposit  
15 initiator;

16 (3) the amount of refund payments made in the preceding quarter; and

17 (4) any additional information required by the Commissioner of Taxes.

18 (e)(b)(1) On or before January 1, 2020, and quarterly thereafter, at the time  
19 a report is filed pursuant to subsection (d) of this section, each deposit initiator  
20 shall remit to the Commissioner of Taxes any abandoned beverage container  
21 deposits from the preceding quarter. The amount of abandoned beverage

1 container deposits for a quarter is the amount equal to the amount of deposits  
2 that the deposit initiator collected in the quarter less the amount of the total  
3 refund value paid out by the deposit initiator for beverage containers during the  
4 quarter.

5 (2) In any calendar quarter, the deposit initiator may submit to the  
6 Commissioner of Taxes a request for reimbursement of refunds paid under this  
7 chapter that exceed the amount of deposits collected in the quarter. The  
8 Commissioner of Taxes shall pay a request for reimbursement under this  
9 subdivision from the funds remitted to the Commissioner under subdivision (1)  
10 of this subsection, provided that:

11 (A) the Commissioner determines that the deposits collected by the  
12 deposit initiator are insufficient to pay the refunds on returned beverage  
13 containers; and

14 (B) a reimbursement paid by the Commissioner to the deposit  
15 initiator shall not exceed the amount paid by the deposit initiator under  
16 subdivision (1) of this subsection ~~(e)~~(b) less amounts paid to the initiator  
17 pursuant to this subdivision (2) in the previous four quarterly filings.

18 (3) Except as expressly provided otherwise in this chapter, all the  
19 administrative provisions of 32 V.S.A. chapter 151, including those relating to  
20 collection, enforcement, interest, and penalty charges, shall apply to the  
21 remittance of abandoned beverage container deposits.

1           (4) A deposit initiator may within 60 days after the date of mailing of a  
2 notice of deficiency, the date of a full or partial denial of a request for  
3 reimbursement, or the date of an assessment petition the Commissioner of  
4 Taxes in writing for a hearing and determination on the matter. The hearing  
5 shall be subject to and governed by 3 V.S.A. chapter 25. Within 30 days after  
6 a determination, an aggrieved deposit initiator may appeal a determination by  
7 the Commissioner of Taxes to the Washington Superior Court or the Superior  
8 Court of the county in which the deposit initiator resides or has a place of  
9 business.

10           (5) Notwithstanding any appeal, upon finding that a deposit initiator has  
11 failed to remit the full amount required by this chapter, the Commissioner of  
12 Taxes may treat any refund payment owed by the Commissioner to a deposit  
13 initiator as if it were a payment received and may apply the payment in  
14 accordance with 32 V.S.A. § 3112.

15           ~~(d)~~(c) The Secretary of Natural Resources may prohibit the sale of a  
16 beverage that is sold or distributed in the State by a deposit initiator who fails  
17 to comply with the requirements of this chapter. The Secretary may allow the  
18 sale of a beverage upon the deposit initiator's coming into compliance with the  
19 requirements of this chapter.

20           ~~(e)~~(d) Data reported to the Secretary of Natural Resources and the  
21 Commissioner of Taxes by a deposit initiator under this section shall be

1 confidential business information exempt from public inspection and copying  
2 under 1 V.S.A. § 317(c)(9) but shall not be confidential return information  
3 under 32 V.S.A. § 3102, provided that the Commissioner of Taxes may use  
4 and disclose such information in summary or aggregated form that does not  
5 directly or indirectly identify individual deposit initiators except to the  
6 Secretary of Natural Resources in relation to the administration of this chapter.

7 § 1531. MANUFACTURER AND DISTRIBUTOR PARTICIPATION IN  
8 PRODUCER RESPONSIBILITY ORGANIZATION

9 (a) No deposit initiator shall sell or distribute a beverage container in this  
10 State without participating in a Secretary-approved producer responsibility  
11 organization.

12 (b) On or before January 1, 2027, the deposit initiator of beverage  
13 containers sold or distributed within the State shall apply to the Secretary to  
14 form a producer responsibility organization to fulfill the requirements of  
15 deposit initiators under this chapter.

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

18 (1) the producer responsibility organization or its subsidiary is registered  
19 under 26 U.S.C. § 501(c)(3) as a nonprofit entity;

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

4           (3) the producer responsibility organization does not create any  
5           unreasonable barriers to joining the producer responsibility organization and  
6           shall take into the consideration the needs of small manufacturers that do not  
7           generate a significant volume of containers.

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

10           (1) the name and principal business address of each manufacturer or  
11           distributor participating in the producer responsibility organization;

12           (2) the name of each beverage and the container size covered by the  
13           stewardship plan; and

14           (3) for each beverage container subject to the plan, a Universal Product  
15           Code and a barcode shall be displayed on the container.

16           (e) The producer responsibility organization may charge fees to deposit  
17           initiators to cover the costs of administration and implementation of this  
18           chapter. Deposit initiators shall pay all fees required by the producer  
19           responsibility organization and provide any data required by the producer  
20           responsibility organization. If a deposit initiator fails to meet these

1 requirements, the producer responsibility organization may remove it from the  
2 producer responsibility organization.

3 (f) 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 (g) 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 of this  
11 title, the Secretary shall charge each deposit initiator the costs of plan  
12 administration, the Agency's oversight costs, and a recycling market  
13 development assessment of 25 percent of the plan's total cost to be deposited  
14 in the Solid Waste Management Assistance Account of the Waste Management  
15 Assistance Fund, for the purpose of providing grants to develop markets to  
16 recycle materials.

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

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

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

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

14           (i) Manufacturers and distributors of liquor are exempt from the  
15           requirements of this section and the requirement to implement a stewardship  
16           plan under section 1532 of this title.

17           § 1532. STEWARDSHIP PLAN; MINIMUM REQUIREMENTS

18           (a) Plan elements. On or before April 1, 2028, an approved producer  
19           responsibility organization shall submit a stewardship plan to the Secretary. A  
20           stewardship plan shall, at a minimum, meet all of the following requirements  
21           of this section:

1           (1) Convenience of collection.

2           (A) A plan shall ensure that consumers have convenient opportunities  
3 to redeem beverage containers. The plan shall take reasonable efforts to site  
4 points of redemption equitably across all regions of the State to allow for  
5 convenient and reasonable access of all Vermonters to redemption  
6 opportunities. A plan shall document how redemption services will be  
7 available to consumers as follows:

8                   (i) at least three points of redemption per county, at least one of  
9 which provides an immediate return of a deposit to a consumer;

10                   (ii) at least one point of redemption per municipality with a  
11 population of 7,000 or more persons that provides an immediate return of a  
12 deposit to a consumer unless the Secretary determines that requiring an  
13 immediate return of deposit would create an impediment to effective  
14 redemption under the plan; and

15                   (iii) how sites of redemption are or will be sited in areas with high  
16 population density or located in centers designated under 24 V.S.A. chapter  
17 76A.

18           (B) The producer responsibility organization may propose in its plan  
19 to remove retail redemption locations required by subdivision 1523(a)(2) of  
20 this title. When proposing to remove these retail locations, the producer  
21 responsibility organization shall document how the location is adequately

1 served by other points of redemption. The Secretary shall not approve any  
2 reduction that reduces the points of redemption below the levels required under  
3 subdivisions (1)(A)(i) and (ii) of this subsection (a). The Secretary may  
4 require additional points of redemption based on the location of proposed or  
5 existing points of redemption, shopping patterns, and the convenience of  
6 redeeming beverage containers.

7 (C) The producer responsibility organization may not use only  
8 single-feed reverse vending machines or only mobile points of redemption as  
9 the point of redemption to satisfy the requirement under subdivision (1)(A)(i)  
10 of this subsection (a) except where the producer responsibility organization  
11 documents that the population and retail density of the county is adequately  
12 served by the use of these forms of collection.

13 (D) The producer responsibility organization shall ensure that points  
14 of redemption have the operational capacity to redeem beverage containers.  
15 This includes training on the use of equipment, providing service of equipment  
16 in a reasonable time if there are issues, and providing pick-up of collected  
17 containers from the point of redemption in a reasonable period from receiving  
18 a request.

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

1           (A) The plan shall describe how all locations that redeem beverage  
2           containers are fairly compensated for their participation in the collection  
3           program provided that the producer responsibility organization shall pay each  
4           location that redeems beverage containers:

5                   (i) four and one-half cents per container for all other means of  
6                   redemption at a location; or

7                   (ii) according to a separate compensation agreement negotiated  
8                   between a redemption location or a group of redemption locations that redeems  
9                   beverage containers and the producer responsibility organization.

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

13           (C) The plan shall describe how management and sorting of  
14           containers at points of redemption is minimized. The plan shall document how  
15           brand sorting will be eliminated at points of redemption.

16           (D) The plan shall describe how materials will be picked up from  
17           points of redemption on a timely basis.

18           (E) The plan shall maximize the use of existing infrastructure, when  
19           establishing points of redemption under subdivision (1) of this subsection (a).

20           (F) Consistent with guidelines developed by the Secretary, the  
21           producer responsibility organization shall use binding dispute resolution to

1 resolve any disputes that arise surrounding negotiation of separate  
2 compensation agreements between the producer responsibility organization  
3 and points of redemption. This process shall be implemented using a neutral  
4 third-party decision maker agreed to by all parties.

5 (G) After the plan is effective for two years and six months, the  
6 producer responsibility organization shall submit a report on fair compensation  
7 to the Secretary. The report shall either describe how the producer  
8 responsibility organization has adjusted compensation for points of redemption  
9 or document why such an adjustment is not necessary.

10 (3) Redemption amount. The producer responsibility organization or a  
11 point of redemption operating under the plan shall pay a person presenting a  
12 beverage container for redemption the refund value of the beverage container  
13 as established by section 1522 of this title.

14 (4) Collection location standards. All locations that provide for  
15 redemption of beverage containers shall:

16 (A) provide timely redemption services that limit the need for  
17 persons redeeming containers to wait for redemption services;

18 (B) be at sites that are secure, sufficiently lighted, and managed to  
19 ensure the safety of persons redeeming containers at a location;

20 (C) be open and accepting beverage containers:

1                   (i) in the case of a fixed point of redemption, at least 35 hours per  
2 week, including six consecutive hours on Saturday; or

3                   (ii) in the case of a mobile point of redemption, at least 15 hours  
4 per week, including at least four consecutive hours on Saturday; and

5                   (D) comply with all applicable laws related to the collection,  
6 transportation, and disposition of mandated recyclables.

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

10                  (6) Consultation with stakeholders. The producer responsibility  
11 organization shall consult with stakeholders on the development of the plan.  
12 The plan shall include processes for regular consultation, which shall take  
13 place not less than annually, with stakeholders, including the Agency,  
14 redemption centers, municipal and private recycling organizations, bag drop  
15 and reverse vending technology providers, and other stakeholders. Prior to  
16 submitting a proposed plan to the Agency, the producer responsibility  
17 organization shall allow the public to comment on the proposed plan. The  
18 producer responsibility organization shall either make changes in response to  
19 those comments or provide a written response on why the change was not  
20 made to the stakeholders and the Agency.

1           (7) The Agency shall publish the proposed and final approved plan on  
2           the Agency's website.

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

6           (1) the name, address, and business hours of each redemption center  
7           participating in the approved stewardship plan and the number of redemption  
8           centers added or removed from the plan over the preceding year;

9           (2) the amount, in containers and tons, and material type of beverage  
10           containers redeemed under the plan and the redemption rate of beverage  
11           containers;

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

14           (4) the carbon impacts associated with the administration of the  
15           stewardship plan;

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

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

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

4           (8) efforts taken by or on behalf of the producer responsibility  
5           organization to improve the environmental outcomes of the program by  
6           improving operational efficiency, such as reduction of truck trips through  
7           improved material handling or compaction or the increased use of refillable  
8           containers in a local refilling system;

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

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

13          (c) Review of stewardship plan.

14           (1) Within 90 days after receipt of a plan submitted under this section,  
15           the Secretary shall review the plan and determine whether to approve the plan,  
16           deny the plan, or require an amendment to the plan. The Secretary may amend  
17           or add conditions to the plan as a part of the approval. The plan shall be  
18           approved after concluding that the plan meets the criteria established in this  
19           section and the elements of the plan will maximize diversion of recyclable  
20           materials, provide convenience to users, and create a more circular economy.  
21           If the plan is denied, the Secretary shall provide a basis for that denial and the

1 producer responsibility organization shall submit a revised plan addressing  
2 these issues within 60 days following the notice of denial.

3 (2) At least six months prior to the expiration of the plan, the producer  
4 responsibility organization shall submit a renewal to the stewardship plan.  
5 Renewals shall address all elements considered in the original plan and shall be  
6 considered in the same manner as an original plan. The Secretary shall issue a  
7 final determination on an application for renewal not later than 90 days before  
8 the expiration of the plan.

9 (3) The Secretary's approval pursuant to this subsection shall be for a  
10 period not greater than five years.

11 (d) Plan implementation. The producer responsibility organization shall  
12 implement the approved plan on March 1, 2029.

13 (e) Revision of stewardship goals. If the producer responsibility  
14 organization fails to meet the beverage container redemption rate in section  
15 1534 of this title for all other beverage containers, the Secretary may require  
16 the producer responsibility organization to implement activities to enhance the  
17 rate of redemption, including additional public education and outreach,  
18 additional redemption sites, or additional redemption opportunities.

19 § 1533. PROGRAM AND FISCAL AUDIT

20 (a) Program audit. Beginning on October 1, 2033, and every five years  
21 thereafter, the producer responsibility organization shall conduct an

1 independent third-party program audit of the operation of the stewardship plan.  
2 The program audit shall examine how the product stewardship organization  
3 compensates redemption centers as a part of its report. The audit shall make  
4 recommendations to improve the operation of the collection program  
5 established by this chapter, including any recommendation to the  
6 compensation structure for redemption centers.

7 (b) Fiscal audit. Beginning on October 1, 2030, and annually thereafter,  
8 the producer responsibility organization shall conduct an independent third-  
9 party fiscal audit of the program. The fiscal audit shall provide a transparent  
10 fiscal analysis of the producer responsibility organization, its expenditures, the  
11 number of beverage containers collected, and the amount of unclaimed  
12 deposits. The audit shall also provide the redemption rate of beverage  
13 containers redeemed in the State. The Secretary shall approve the audit results  
14 and the redemption rate of beverage containers included in the audit.

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

19 § 1534. BEVERAGE CONTAINER REDEMPTION RATE GOAL;

20 REPORT

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

3           (1) Beginning on July 1, 2030: 75 percent.

4           (2) Beginning on July 1, 2033: 80 percent.

5       (b)(1) Beginning on December 1, 2030, and annually thereafter, the  
6       Secretary of Natural Resources shall submit to the House Committees on  
7       Environment and on Ways and Means and the Senate Committees on Natural  
8       Resources and Energy and on Finance a written report containing the current  
9       beverage container redemption rate in the State for the following two  
10       categories of beverage containers:

11           (A) liquor bottles; and

12           (B) all other beverage containers.

13       (2) Each annual report submitted under subdivision (1) of this  
14       subsection shall include a recommendation of whether the beverage container  
15       deposit for either of the beverage container categories should be increased to  
16       improve redemption of that category of 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, distributor, group of  
3     manufacturers or distributors, or producer responsibility organization  
4     implementing or participating in an approved collection plan under this chapter  
5     for the collection, transport, processing, and management of beverage  
6     containers is individually or jointly immune from liability for conduct under  
7     State laws relating to antitrust, restraint of trade, unfair trade practices, and  
8     other regulation of trade or commerce under 9 V.S.A. chapter 63, subchapter 1  
9     to the extent that the conduct is reasonably necessary to plan, implement, and  
10    comply with the producer responsibility organization's chosen system for  
11    beverage containers.

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

18    Sec. 2. 10 V.S.A. § 1523 is amended to read:

19    § 1523. ACCEPTANCE OF BEVERAGE CONTAINERS

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

1           (1) A retailer shall not refuse to accept from any person any empty  
2 beverage containers, labeled in accordance with section 1524 of this title, ~~of~~  
3 ~~the kind, size, and brand sold by the retailer,~~ and a retailer or a redemption  
4 center shall not refuse to pay to that person the refund value of a beverage  
5 container as established by section 1522 of this title, except as provided in  
6 subsections (b) or (c) of this section.

7           (2) ~~A manufacturer or distributor may~~ The producer responsibility  
8 organization shall not refuse to pick up from a ~~retailer that sells its product or a~~  
9 ~~person operating a certified redemption center any~~ point of redemption  
10 included in the stewardship plan empty beverage containers, labeled in  
11 accordance with section 1524 of this title, ~~of the kind, size, and brand sold by~~  
12 ~~the manufacturer or distributor,~~ or refuse to pay the ~~retailer or a person~~  
13 ~~operating a redemption center~~ point of redemption the refund value of a  
14 beverage container as established by section 1522 of this title.

15           (b)(1) A retailer, ~~with the prior approval of the Secretary,~~ may refuse to  
16 redeem beverage containers if a ~~redemption center or centers are established~~  
17 ~~that serve the public need~~ stewardship plan that meets the requirements of  
18 section 1532 of this title has been implemented by the producer responsibility  
19 organization in the State and the retailer's building is less than 5,000 square  
20 feet.



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

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

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

8               (i) an aquatic nuisance control permit under chapter 50 of this  
9 title;

10               (ii) a change in treatment for a public water supply under chapter  
11 56 of this title;

12               (iii) a collection plan for mercury-containing lamps under section  
13 7156 of this title;

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

16               (v) a primary battery stewardship plan under section 7586 of this  
17 title;

18               (vi) a covered household products collection plan under section  
19 7813 of this title; and

20               (vii) a stewardship plan required under chapter 53 of this title.

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

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

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

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

14 Sec. 4. 10 V.S.A. § 1388 is amended to read:

15 § 1388. CLEAN WATER FUND

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

18 (1) revenues from the Property Transfer Tax surcharge established under  
19 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 under chapter 53 of this title, except as follows:

6                   (A) in State fiscal year 2030, the Secretary may transfer up to  
7 \$1,000,000.00 to the Solid Waste Management Assistance Account of the fund  
8 created pursuant to section 6618 of this title for grants pursuant to subdivision  
9 6618(b)(11) of this title;

10                   (B) in State fiscal year 2031, the Secretary may transfer up to  
11 \$1,000,000.00 to the Solid Waste Management Assistance Account of the fund  
12 created pursuant to section 6618 of this title for grants pursuant to subdivision  
13 6618(b)(11) of this title;

14                   (C) in State fiscal year 2032, the Secretary may transfer up to  
15 \$750,000.00 to the Solid Waste Management Assistance Account of the fund  
16 created pursuant to section 6618 of this title for grants pursuant to subdivision  
17 6618(b)(11) of this title; and

18                   (D) in State fiscal year 2033, the Secretary may transfer up to  
19 \$750,000.00 to the Solid Waste Management Assistance Account of the fund  
20 created pursuant to section 6618 of this title for grants pursuant to subdivision  
21 6618(b)(11) of this title;

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

3           (5) other revenues dedicated for deposit into the Fund by the General  
4           Assembly.

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

8           Sec. 5. 10 V.S.A. § 6618 is amended to read:

9           § 6618. WASTE MANAGEMENT ASSISTANCE FUND

10          (a) There is hereby created in the State Treasury a fund to be known as the  
11          Waste Management Assistance Fund to be expended by the Secretary of  
12          Natural Resources. The Fund shall have three accounts: one for Solid Waste  
13          Management Assistance, one for Hazardous Waste Management Assistance,  
14          and one for Electronic Waste Collection and Recycling Assistance. The  
15          Hazardous Waste Management Assistance Account shall consist of a  
16          percentage of the tax on hazardous waste under the provisions of 32 V.S.A.  
17          chapter 237, as established by the Secretary; the toxics use reduction fees  
18          under subsection 6628(j) of this title; and appropriations of the General  
19          Assembly. In no event shall the amount of the hazardous waste tax that is  
20          deposited to the Hazardous Waste Management Assistance Account exceed  
21          40 percent of the annual tax receipts. The Solid Waste Management

1 Assistance Account shall consist of the franchise tax on waste facilities  
2 assessed under the provisions of 32 V.S.A. chapter 151, subchapter 13;  
3 transfers from the Clean Water Fund; and appropriations of the General  
4 Assembly. The Electronic Waste Collection and Recycling Account shall  
5 consist of the program and implementation fees required under section 7553 of  
6 this title. All balances in the Fund accounts at the end of any fiscal year shall  
7 be carried forward and remain a part of the Fund accounts, except as provided  
8 in subsection (e) of this section. Interest earned by the Fund shall be deposited  
9 into the appropriate Fund account. Disbursements from the Fund accounts  
10 shall be made by the State Treasurer on warrants drawn by the Commissioner  
11 of Finance and Management.

12 (b) The Secretary may authorize disbursements from the Solid Waste  
13 Management Assistance Account for the purpose of enhancing solid waste  
14 management in the State in accordance with the adopted waste management  
15 plan. This includes:

16 \* \* \*

17 (11) The Secretary shall enter a grant agreement with the producer  
18 responsibility organization approved under chapter 53 of this title for bottle bill  
19 implementation. The grant shall be for four years and reimburse the cost of  
20 equipment and improvements to infrastructure documented by the producer  
21 responsibility organization in its approved stewardship plan. Grants shall be

1 limited as follows: in fiscal year 2030, not more than \$1,000,000.00; in fiscal  
2 year 2031, not more than \$1,000,000.00; in fiscal year 2032, not more than  
3 \$750,000.00; and in fiscal year 2033, not more than \$750,000.00.

4 \* \* \*

5 Sec. 6. AGENCY OF NATURAL RESOURCES REPORT;

6 STATUS OF IMPLEMENTATION OF STEWARDSHIP PLAN FOR  
7 REDEMPTION OF BEVERAGE CONTAINERS

8 On or before January 1, 2030, the Secretary of Natural Resources shall  
9 submit to the House Committee on Environment and the Senate Committee on  
10 Natural Resources and Energy a report on the status of the implementation of a  
11 stewardship plan for the redemption of beverage containers by the producer  
12 responsibility organization required under 10 V.S.A. chapter 53. The report  
13 shall:

14 (1) summarize the approved stewardship plan for redemption of  
15 beverage containers, including how the plan complied with the statutory  
16 requirements for convenience of collection for consumers and fair  
17 compensation for points of redemption;

18 (2) describe how the producer responsibility organization has updated or  
19 plans to implement redemption technologies to modernize redemption services  
20 and improve the convenience and efficiency of redemption services in the  
21 State; and







1 Sec. 10. 10 V.S.A. § 7183 is amended to read:

2 § 7183. COLLECTION PLANS

3 (a) Collection plan required. On or before July 1, 2026, any stewardship  
4 organization registered with the Secretary as representing manufacturers of  
5 covered household hazardous products shall coordinate and submit to the  
6 Secretary for review ~~one collection plan for all manufacturers~~ a collection plan  
7 that addresses how covered household hazardous products enrolled in that plan  
8 meet the requirements of this chapter.

9 \* \* \*

10 Sec. 11. 10 V.S.A. § 7187 is amended to read:

11 § 7187. AGENCY RESPONSIBILITIES

12 (a) Review and approve collection plans. The Secretary shall review and  
13 approve or deny collection plans submitted under section 7183 of this title  
14 according to the public notice and comment requirements of section 7714 of  
15 this title.

16 \* \* \*

17 (h) Reimbursement of Agency oversight costs. The stewardship  
18 organization shall reimburse the Secretary for the costs of overseeing the  
19 administration of the program under this chapter as follows:

20 (1) The Secretary shall annually provide an estimate of the costs of  
21 overseeing the administration of the household hazardous products collection

1 program to the stewardship organization, including staff costs, compliance, and  
2 oversight of the system.

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

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

13 Sec. 12. TRANSITION

14 (a) Beginning on July 1, 2027, a group of manufacturers may register a  
15 new stewardship organization covering a class of household hazardous  
16 products and their packages when collected together. There shall be only one  
17 stewardship organization per class of products; however, there may be more  
18 than one stewardship program administering the requirements of 10 V.S.A.  
19 chapter 164B.

20 (b) Beginning on July 1, 2027, an approved stewardship organization  
21 covering a class of household hazardous products may submit a plan for the

1 products covered by that approved stewardship organization. In addition to the  
2 elements covered by 10 V.S.A. § 7183, the plan shall describe any transition  
3 from the previously approved plan. The Secretary shall have 120 days to  
4 review and approve or reject any plan submitted under this section. That plan  
5 shall take effect on or before July 1, 2030.

6 Sec. 13. EFFECTIVE DATES

7 This act shall take effect on July 1, 2026, except that:

8 (1) in Sec. 1, 10 V.S.A. § 1524(c) (requiring a UPC label on containers)  
9 shall take effect on July 1, 2027;

10 (2) in Sec. 1, 10 V.S.A. § 1531(a) (prohibiting sale or distribution  
11 without participating in the producer responsibility organization) shall take  
12 effect on July 1, 2027;

13 (3) Sec. 2 (acceptance of beverage containers after plan implementation)  
14 shall take effect on March 1, 2029;

15 (4) in Sec. 5, 10 V.S.A. § 6618(b)(11) (capital implementation grants)  
16 shall take effect on July 1, 2029; and

17 (5) Sec. 7 (repeal of handling fees under the beverage container  
18 stewardship plan) shall take effect on July 1, 2030.