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To: Senate Committee on Natural Resources and Energy  
From: Matt Chapman, Director, Waste Management and Prevention, Department of Environmental Conservation  
Date: April 17, 2026  
Re: H. 915, beverage container redemption

1. Definitions. 10 V.S.A. § 1521.

- 1521(3). Remove carbonated in the definition of beverage. This was added in error.
- 1522(4). Clarify sale of beverages (not consumer products) for distributors. Delete dealers and insert retailers.
- 1521(5). Add definition of “deposit initiator.” This definition is currently used when determining who is responsible for remitting unclaimed bottle deposits to the state (10 V.S.A. 1530(a)). This definition is the best representation of who is legally responsible under the bottle bill and represents who should be performing tasks under the law. Also clarify that the first distributor in state is the deposit initiator if no deposit initiated.
- 1521(8). Add a definition of “point of redemption” for clarity.
- 1521(9). Add definition of point of redemption with immediate return of deposit
- 1521(12). Add definition of “redemption rate.” This definition clarifies the redemption rate for purposes of determining performance goals under 10 V.S.A. 1534.
- 1521(13). Add a definition of retailer (from ANR rules) also clarify that vending machines are retail for purposes of this chapter.

2. Handling Fee. 10 V.S.A. § 1522.

- 1522(b) (p.4). This makes it clear that the ability to have an alternate handling fee is effective when the stewardship plan has been implemented. It also clarifies that the deposit initiator is responsible for reimbursement of the deposit.

Vermont currently has EPR programs for seven problem materials (including the bottle bill): Paint (10 V.S.A. Chapter 159); mercury containing lamps (10 V.S.A. Chapter 164A); mercury containing thermostats (10 V.S.A. 7116); household hazardous waste (10 V.S.A. Chapter 164B); electronics waste (10 V.S.A. Chapter 168); batteries (10 V.S.A. Chapter 168).

None of these laws has a deposit on the “problem waste” that is being collected. (Mercury thermostats has a rebate for collected thermostats).

Only two, HHW and electronics waste, have a requirement to pay for collection. In e-waste, how collectors are compensated is in the plan and it requires the standard is that collectors be fairly compensated. See 10 V.S.A. 7554(a)(2)(B). In HHW, defines collection costs and requires that the plan include how municipalities will be compensated for collection costs. See 10 V.S.A. 7183(b)(1)(C) and (b)(2)(H).

The State of Oregon is often held up as the model bottle bill. The bottle bill in their state does not have a handling fee as a part of the program.

The current legislation has the following protections to ensure that points of collection are adequately compensated:

1) there is a requirement for fair compensation and the Agency needs to approve of that methodology as a part of the plan. 10 V.S.A. 1532(a)(2)(A) (See p. 18). 2) the PRO is required to maximize the use of existing infrastructure as a part of the collection network. 10 V.S.A. 1532(a)(2)(E) (See p.19).

The Agency is proposing to add three additional requirements to address the concerns raised surrounding fair compensation.

- add a requirement that any dispute surrounding fair compensation is resolved by a neutral third party. This requirement is similar to elements of the bottle bill used in the Province of Quebec. See 10 V.S.A. 1532(a)(2)(F). (See p. 19)
  - add a requirement that the PRO report on fair compensation halfway through the plan implementation. This would require the PRO to evaluate compensation every 2 ½ years and either make adjustments or document why no adjustments were being made. See 10 V.S.A. 1532(a)(2)(G). (See p. 19).
  - add a certified redemption center transition grant. The grant would be available to redemption centers certified on 1/1/26. The redemption centers who receive capital or equipment improvements from the PRO would not be eligible for the grant. The grant would be based on \$0.005 per container redeemed at the redemption center. The grant program would last four years beginning on 3/1/29 (when the plan is implemented) and end 3/1/33. The estimated annual cost of the program would be \$350,000.00. This would also allow the Secretary to transfer an additional \$350,000 from the CWF for this purpose. See 10 V.S.A. 6618(b)(12). (See p. 33)
3. Universal Redemption. 10 V.S.A. 1523. (p. 5) The proposed changes in this section and Sec. 2 implement the universal redemption elements noted in comments. The reason for moving the requirement to Sec. 2 was for effective date purposes – the requirements need to become effective on plan approval. Discussion of specific requirements below.
4. Department of Liquor and Lottery. 10 V.S.A. 1527. (p. 8) The proposed change removes retailer and adds point of redemption to be consistent with the rest of the bill.
5. Unclaimed Deposits. 10 V.S.A. 1530. (p. 10). Adds this section to delete the definition of “deposit initiator” this definition was added in the general definitions section.
6. Creation of Producer Responsibility Organization. 10 V.S.A. 1531.
- uses definition of deposit initiator throughout and not manufacturer/distributor.
  - clarifies that the PRO can charge fees and request data for the implementation of the program. (p.14)
7. Minimum Stewardship plan requirements. 10 V.S.A. 1532
- Requires that the PRO demonstrate how an area is adequately served when proposing to reduce retail locations as a part of the collection plan. Authorizes the Secretary to increase the level of collection based on the location. 10 V.S.A. 1532(a)(1)(B). (p. 17)

- Prohibits the use of single feed reverse vending machines or mobile points of collection when satisfying the three collection facilities per county unless there are very rural areas that require the use of these options. 10 V.S.A. 1532(a)(1)(C). (p. 18)
- Requires that the PRO train, service, and pick containers up from points of collection. 10 V.S.A. 1532(a)(1)(C). (p. 18).
- Requires third party review of “fair compensation” requirement (discussed in handling fee above). 10 V.S.A. 1532(a)(2)(F). (p. 19).
- Requires review of “fair compensation” halfway through the plan term (discussed in handling fee above). 10 V.S.A. 1532(a)(2)(G). (p. 19)
- Requires that fixed points of redemption operate at least 35 hours per week, at least 6 consecutive hours on Saturday, and till 7:00 pm at least one day; requires “mobile points of collection” (think fast trash operations except redemption) to operate at least 15 hours per week, and at least four consecutive hours on Saturday. This is modeled off language being considered in New York. 10 V.S.A. 1532(a)(3)(C). (p. 20).
- Makes changes to the review and approval process to clarify: 1) the Secretary can deny the plan and the PRO needs to resubmit in 60 days addressing the basis for the denial; 2) the Secretary can amend and approve the plan or put conditions on the approval; 3) requires renewal of the plan 6 months before the expiration and ANR needs to act on the plan 90 days prior to expiration. 10 V.S.A. 1532(c). (p. 22-23)
- Puts a date certain on plan implementation of March 1, 2029. This is necessary for effective dates in several areas of the law. 10 V.S.A. 1532(d). (p. 23).

8. Reporting dates. There was not a comprehensive review of implementation dates in the House. Many of the provisions were in discussions and viewed in isolation. There are several adjustments to the dates to make the flow of the law reasonable:

- Move the financial audit to 10/1/2030 (it was a few months after plan implementation). 10 V.S.A. 1533(a).
- Move the first performance goal to 7/1/30 and the second to 7/1/33. This allows some time for the plan to take effect and assess whether there is any additional changes needed based on the performance of the plan. 10 V.S.A. 1534(a)
- Move the report with recommendations from ANR to the legislature to six months after we receive the data from the PRO. The first would be on 12/1/30 and then annually thereafter. 10 V.S.A. 1534(b).

9. Universal redemption. Sec 2. 10 V.S.A. 1523. (p. 26-28)

- Removes the provision that allows retailers to only redeem what they sell. Going forward if retailers are participating in the program, they are required to accept all containers.
- Clarifies that the PRO is required to collect all labeled containers collected from a location included in the plan.
- Generally changes terms from retail redemption to points of redemption and manufacturer / distributor to PRO.
- Adds a requirement to not redeem if you know it was purchased out of state, that the container was already redeemed, or not a registered beverage.

10. Increases to CWF transfer authority. (p. 31). This increases by \$350,000 the amount that the Secretary can transfer from the CWF to the SWMAF. This is to cover the costs of the redemption center transition grant program.
11. Creation of Redemption Center Transition Grant Program. (p. 33). Discussed under handling fee.
12. Repeals. Sec. 6. (p. 34) Adds the product registration requirement to the repeal (now being done by PRO) and changes the effective date of the repeal to the date of plan implementation. Also eliminates the Capital Implementation Grants and Redemption Center Transition Grant Program on October 1, 2033
13. Effective dates. Sec. 7. (p. 35) Requires that the sales prohibition on beverages be effective three months after the establishment of the PRO. It is keyed of being a member of the PRO. Makes universal redemption effective on implementation of the plan, March 1, 2029. Makes the capital implementation grants and grants to redemption centers effective on July 1, 2029.

