

1 H.104

2 Introduced by Representatives Yantachka of Charlotte, Berry of Manchester,  
3 Chesnut-Tangerman of Middletown Springs, Christie of  
4 Hartford, Clarkson of Woodstock, Cole of Burlington, French  
5 of Randolph, Lenex of Shelburne, Martin of Wolcott,  
6 McCormack of Burlington, McCullough of Williston, Nuovo of  
7 Middlebury, Patt of Worcester, Pearson of Burlington,  
8 Rachelson of Burlington, Russell of Rutland City, Sullivan of  
9 Burlington, Townsend of South Burlington, Troiano of  
10 Stannard, and Walz of Barre City

11 Referred to Committee on

12 Date:

13 Subject: Conservation and development; beverage redemption; abandoned  
14 beverage container deposits

15 Statement of purpose of bill as introduced: This bill proposes to require  
16 beverage manufacturers and distributors to remit abandoned beverage  
17 container deposits to the State for deposit in a Waste Hauler Assistance Fund  
18 established to provide grants to businesses engaged in solid waste management  
19 and recycling.

20 An act relating to the beverage container redemption system

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

2 Sec. 1. 10 V.S.A. § 1521 is amended to read:

3 § 1521. DEFINITIONS

4 ~~For the purpose of~~ As used in this chapter:

5 (1) "Beverage" means beer or other malt beverages and mineral waters,  
6 mixed wine drink, soda water, and carbonated soft drinks in liquid form and  
7 intended for human consumption. As of January 1, 1990, "beverage" also shall  
8 mean liquor.

9 \* \* \*

10 (3) "Container" means the individual, separate, bottle, can, jar, or carton  
11 composed of glass, metal, paper, plastic, or any combination of those materials  
12 containing a consumer product. This definition shall not include containers  
13 made of biodegradable material.

14 (4) "Distributor" means every person who engages in the sale of  
15 consumer products in containers to a dealer in this ~~state~~ State, including any  
16 manufacturer who engages in such sales. Any dealer or retailer who sells, at  
17 the retail level, beverages in containers without having purchased them from a  
18 person otherwise classified as a distributor, shall be a distributor.

19 (5) "Manufacturer" means every person bottling, canning, packing, or  
20 otherwise filling containers for sale to distributors or dealers.

21 \* \* \*

1           (8) “Secretary” means the ~~secretary of the agency of natural resources~~  
2           Secretary of Natural Resources.

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

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

10           (11) “Deposit initiator” means the first distributor or manufacturer to  
11           collect the deposit on a beverage container sold to any person within the State.

12           Sec. 2. 10 V.S.A. §§ 1530 and 1531 are added to read:

13           § 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT  
14           TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

15           (a) A deposit initiator shall open a separate interest-bearing account in a  
16           Vermont branch of a financial institution to be known as the deposit  
17           transaction account. The deposit initiator shall keep the deposit transaction  
18           account separate from all other revenues and accounts.

19           (b) Beginning on July 1, 2015, each deposit initiator shall deposit in its  
20           deposit transaction account the refund value established by section 1522 of this  
21           title for all beverage containers sold by the deposit initiator. The deposit

1 initiator shall deposit the refund value for each beverage container in the  
2 account not more than three business days after the date on which the beverage  
3 container is sold. All interest, dividends, and returns earned on the deposit  
4 transaction account shall be paid directly to the account. The deposit initiator  
5 shall pay all refunds on returned beverage containers from the deposit  
6 transaction account.

7 (c) Beginning on August 10, 2015, and by the tenth day of each month  
8 thereafter, every deposit initiator shall report to the Secretary of Natural  
9 Resources and the Commissioner of Taxes concerning transactions affecting  
10 the deposit initiator's deposit transaction account in the preceding month. The  
11 deposit initiator shall submit the report on a form provided by the  
12 Commissioner of Taxes. The report shall include:

13 (1) the balance of the account at the beginning of the preceding month;

14 (2) the number of nonreusable beverage containers sold in the preceding  
15 month and the number of nonreusable beverage containers returned in the  
16 preceding month;

17 (3) the amount of beverage container deposits received by the deposit  
18 initiator and deposited into the deposit transaction account;

19 (4) the amount of refund payments made from the deposit transaction  
20 account in the preceding month;

1           (5) any income earned on the deposit transaction account in the  
2           preceding month;

3           (6) any other transactions, withdrawals, or service charges on the  
4           deposit transaction account from the preceding month; and

5           (7) any additional information required by the Commissioner of Taxes.

6           (d) On or before August 10, 2015, and on the tenth day of each month  
7           thereafter, each deposit initiator shall remit from its deposit transaction account  
8           to the Commissioner of Taxes 80 percent of the abandoned beverage container  
9           deposits collected from the preceding month. The amount of abandoned  
10           beverage container deposits for a month is the amount equal to the amount of  
11           deposits that should be in the fund less the sum of:

12           (1) income earned on amounts on the account during that month; and

13           (2) the total amount of refund value received by the deposit initiator for  
14           nonrefillable containers during that month.

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

1        (f) The Commissioner of Taxes shall deposit in the Waste Hauler  
2        Assistance Fund established under section 1531 of this title all abandoned  
3        beverage container deposits remitted under subsection (d) of this section.

4        § 1531. WASTE HAULER ASSISTANCE FUND

5        (a) There is hereby established in the State Treasury a special fund to be  
6        known as the Waste Hauler Assistance Fund, to be administered and expended  
7        by the Secretary of Natural Resources to provide loans or grants to provide to  
8        solid waste haulers in the State for the purpose of compliance with the  
9        requirements of 2012 Acts and Resolves No. 148.

10       (b) There shall be deposited into the Fund:

11       (1) all abandoned beverage container deposits remitted to the State  
12       under section 1530 of this title;

13       (2) private gifts, bequests, grants, or donations made to the State from  
14       any public or private source for the purposes for which the Fund was  
15       established; and

16       (3) any sums as may be appropriated by the General Assembly.

17       (c) Interest earned by the Fund shall be credited and deposited to the Fund.

18       All balances in the Fund at the end of the fiscal year shall be carried forward  
19       and remain a part of the Fund.

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

2 (f) The Commissioner of Taxes shall deposit ~~in the Waste Hauler~~  
3 ~~Assistance Fund established under section 1531 of this title~~ into the General  
4 Fund all abandoned beverage container deposits remitted under subsection (d)  
5 of this section.

6 Sec. 4. REPEAL OF WASTE HAULER ASSISTANCE FUND

7 10 V.S.A. § 1531 (waste hauler assistance fund) shall be repealed on  
8 January 1, 2021. The Secretary of Natural Resources shall deposit into the  
9 General Fund all remaining monies in the Waste Hauler Assistance Fund on  
10 January 1, 2021.

11 Sec. 5. EFFECTIVE DATES

12 (a) This section and Secs. 1 (definitions), 2 (remission of unclaimed  
13 beverage container deposits), and 4 (repeal of Waste Hauler Assistance Fund)  
14 shall take effect on passage.

15 (b) Sec. 3 (unclaimed deposits; General Fund) shall take effect on  
16 January 1, 2021.