

1 S.65

2 Introduced by Senators Pollina, Doyle, and Zuckerman

3 Referred to Committee on

4 Date:

5 Subject: Conservation and development; solid waste; beverage redemption

6 Statement of purpose of bill as introduced: This bill proposes to expand the
7 scope of the beverage container redemption system to include wine and all
8 noncarbonated drinks, except rice milk, soy milk, and milk. The bill would
9 require beverage manufacturers and distributors to remit abandoned beverage
10 container deposits to the state for deposit in a Clean Environment Jobs Fund
11 established to provide grants to business engaged in solid waste management
12 and recycling.

13 An act relating to the beverage container redemption system

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

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

16 § 1521. DEFINITIONS

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

18 (1) "Beverage" means beer or other malt beverages and mineral waters,
19 mixed wine drink, soda water ~~and~~, carbonated soft drinks, noncarbonated
20 water, and all nonalcoholic carbonated or noncarbonated drinks in liquid form

1 and intended for human consumption, except for rice milk, soymilk, milk, and
2 dairy. As of January 1, 1990, “beverage” also shall mean liquor. As of
3 January 1, 2014, “beverage” also shall mean wine.

4 (2) “Biodegradable material” means material which is capable of being
5 broken down by bacteria into basic elements.

6 (3) “Container” means the individual, separate, bottle, can, jar, or carton
7 composed of glass, metal, paper, plastic, or any combination of those materials
8 containing a consumer product. This definition shall not include containers
9 made of biodegradable material.

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

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

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

20 (7) “Redemption center” means a store or other location where any
21 person may, during normal business hours, redeem the amount of the deposit

1 for any empty beverage container labeled or certified pursuant to section 1524
2 of this title.

3 (8) "Secretary" means the ~~secretary of the agency of natural resources~~
4 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 which
7 contains added natural or artificial blended material, such as fruit juices,
8 flavors, flavoring, adjuncts, coloring, or preservatives; and which contains not
9 more than 16 percent alcohol by volume; or other similar product marketed as
10 a wine cooler.

11 (10) "Liquor" means spirits as defined in 7 V.S.A. § 2.

12 (11) "Deposit initiator" means the first distributor or manufacturer to
13 collect the deposit on a beverage container sold to any person within the state.

14 Sec. 2. 10 V.S.A. § 1522 is amended to read:

15 § 1522. BEVERAGE CONTAINERS; DEPOSIT

16 (a) Except with respect to beverage containers which contain liquor, a
17 deposit of not less than ~~five cents~~ \$0.05 shall be paid by the consumer on each
18 beverage container sold at the retail level and refunded to the consumer upon
19 return of the empty beverage container. With respect to beverage containers of
20 volume greater than 50 ml. which contain liquor or wine, a deposit of ~~15 cents~~
21 \$0.15 shall be paid by the consumer on each beverage container sold at the

1 retail level and refunded to the consumer upon return of the empty beverage
2 container. The difference between liquor bottle deposits collected and refunds
3 made is hereby retained by the ~~liquor control fund~~ Liquor Control Fund for
4 administration of this subsection.

5 (b) A retailer or a person operating a redemption center who redeems
6 beverage containers shall be reimbursed by the manufacturer or distributor of
7 such beverage containers in an amount which is ~~three and one-half cents~~
8 \$0.035 per container for containers of beverage brands that are part of a
9 commingling program and ~~four cents~~ \$0.04 per container for containers of
10 beverage brands that are not part of a commingling program.

11 (c) [Deleted.]

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

14 Sec. 3. 10 V.S.A. § 1524 is amended to read:

15 § 1524. LABELING

16 (a) Every beverage container sold or offered for sale at retail in this state
17 shall clearly indicate by embossing or imprinting on the normal product label,
18 or, in the case of a metal beverage container, on the top of the container, the
19 word "Vermont" or the letters "VT" and the refund value of the container in
20 not less than one-eighth inch type size or such other alternate indications as
21 may be approved by the ~~secretary~~ Secretary. This subsection does not prohibit

1 including names or abbreviations of other states with deposit legislation
2 comparable to this chapter.

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

11 (c) This section shall not apply to permanently labeled beverage containers.

12 (d) [Repealed.]

13 (e) The Secretary of Natural Resources, after consultation with the
14 Commissioner of Liquor Control, may allow, in the case of wine bottles, a
15 conspicuous, adhesive sticker to be attached to indicate the deposit information
16 required in subsection (a) of this section, provided that the size, placement, and
17 adhesive qualities of the sticker are as approved by the Secretary. Stickers
18 shall be affixed to bottles by the manufacturer.

1 Sec. 4. 10 V.S.A. § 1530 is added to read:

2 § 1530. ABANDONED DEPOSITS; DEPOSIT TRANSACTION

3 ACCOUNT; BEVERAGE REDEMPTION FUND

4 (a) A deposit initiator shall open a separate interest-bearing account in a
5 Vermont branch of a financial institution to be known as the deposit
6 transaction account. The deposit initiator shall keep the deposit transaction
7 account separate from all other revenues and accounts. Each deposit initiator
8 shall deposit in the deposit transaction account the refund value established by
9 section 1522 of this title for all beverage containers sold by the deposit
10 initiator. The deposit initiator shall deposit the refund value for each beverage
11 container in the account not more than three business days after the date the
12 beverage container is sold. All interest, dividends, and returns earned on the
13 deposit transaction account shall be paid directly to the account and may be
14 transferred from the deposit transaction account for use by the deposit initiator.

15 (b) Beginning July 10, 2014 and by the tenth day of each month thereafter,
16 every deposit initiator shall report to the Secretary of Natural Resources and
17 the Commissioner of Taxes concerning transactions affecting the deposit
18 initiator's deposit transaction account in the preceding month. The report shall
19 be submitted on a form provided by the Commissioner of Taxes and shall
20 include:

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

1 (2) the number of nonreusable beverage containers sold in the preceding
2 month and the number of nonreusable beverage containers returned in the
3 preceding month;

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

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

8 (5) any income earned on the deposit transaction account in the
9 preceding month;

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

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

13 (c) On or before July 10, 2014 and on the tenth day of each month
14 thereafter, each deposit initiator shall remit from its deposit transaction account
15 to the Commissioner of Taxes any abandoned beverage container deposits
16 from the preceding month. The amount of abandoned beverage container
17 deposits for a month is the amount equal to the amount of deposits that should
18 be in the fund less the sum of:

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

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

1 (d) The Secretary of Natural Resources may prohibit the sale of a beverage
2 that is sold or distributed in the State by a deposit initiator who fails to comply
3 with the requirements of this chapter. The Secretary may allow the sale of a
4 beverage upon the deposit initiator's coming into compliance with the
5 requirements of this chapter.

6 (e) The abandoned beverage container deposits remitted to the
7 Commissioner of Taxes under subsection (c) of this section shall be deposited
8 in the Clean Environment Jobs Fund established under section 1531 of
9 this title.

10 Sec. 5. 10 V.S.A. § 1531 is added to read:

11 § 1531. CLEAN ENVIRONMENT JOBS FUND

12 (a) There is hereby established in the state treasury a special fund to be
13 known as the Clean Environment Jobs Fund, to be administered and expended
14 by the Secretary of Natural Resources to fund programs or projects that
15 promote or support the growth of jobs or businesses in the state that are related
16 to or engaged in recycling and solid waste management, provided that
17 expenditures from the Fund shall not be used to fund programs or projects
18 associated with the incineration of solid waste.

1 (b) The Secretary may authorize disbursement or expenditures from the
2 Fund for:

3 (1) loans or grants to Vermont citizens or businesses initiating or
4 expanding a business engaged in recycling or solid waste management,
5 including: collection, transport, and recycling of electronic waste; salvage,
6 recovery, and recycling of building materials; and the collection and disposal
7 of mercury-added products; and

8 (2) the costs to the Agency of Natural Resources in implementing the
9 program for the collection and recycling of electronic waste under chapter 166
10 of this title.

11 (c) There shall be deposited into the Fund:

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

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

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

18 (d) Interest earned by the Fund shall be credited and deposited to the Fund.
19 All balances in the Fund at the end of the fiscal year shall be carried forward
20 and remain a part of the Fund.

1 Sec. 6. EFFECTIVE DATES

2 (a) This section and Secs. 1 (definitions), 3 (labeling), 4 (abandoned
3 deposits), and 5 (Clean Environment Jobs Fund) of this act shall take effect on
4 passage, except that 10 V.S.A. § 1521(1) shall take effect January 1, 2014.

5 (b) Sec. 2 (beverage container deposit) of this act shall take effect on
6 January 1, 2014.