

1 HB474
2 215674-3
3 By Representative Robbins
4 RFD: Ways and Means General Fund
5 First Read: 08-MAR-22

8 SYNOPSIS: Under existing law there is no provision for
9 the issuance of credits for sale or transfer among
10 persons who use recyclable materials to produce a
11 product or an energy source, and persons seeking to
12 redeem credits in order to offset their solid waste
13 disposal costs.

14 This bill would authorize the Alabama
15 Department of Environmental Management to issue
16 recycle credits to persons using recyclable
17 materials diverted from the solid waste stream in
18 order to produce a new product or an energy source,
19 and allow the credits to be sold and traded to
20 persons seeking to offset the cost of solid waste
21 disposal at public or private landfills in the
22 state.

23 This bill would provide the department with
24 the authority to establish rules and distribute
25 funds collected from certain fees and penalties,
26 and to provide oversight of the program.

1 This bill would also establish a civil
2 penalty for fraud related to the transfer of
3 recycle credits and for falsifying recycle credit
4 certificates.

5
6 A BILL
7 TO BE ENTITLED
8 AN ACT

9
10 Relating to recyclable materials; to authorize the
11 Alabama Department of Environmental Management to establish a
12 recycle credit program for the issuance, sale, or transfer of
13 recycle credits; and to establish civil penalties for
14 violation of certain provisions of this act.

15 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

16 Section 1. (a) As used in this act, the following
17 words shall have the following meanings:

18 (1) DEPARTMENT. The Alabama Department of
19 Environmental Management.

20 (2) RECYCLABLE MATERIALS. Recyclable materials, as
21 defined in Section 22-27-2, Code of Alabama 1975.

22 (3) RECYCLE CREDIT. A transferable credit initially
23 issued by the department to a recycler for every ton of
24 recyclable materials used by a recycler to produce a new
25 product or an energy source.

1 (4) RECYCLE CREDIT CERTIFICATE. A certificate
2 evidencing the owner, quantity, and acquisition date of a
3 specified number of recycle credits.

4 (5) RECYCLE CREDIT MARKET. An open market for the
5 transfer of recycle credits.

6 (6) RECYCLER. The initial owner of a recycle credit
7 issued by the department.

8 (7) TRANSFER. The change of ownership of a recycle
9 credit from one person to another, whether in exchange for
10 money or otherwise.

11 (b) The department shall issue recycle credits
12 following receipt of an application on a form established by
13 the department evidencing that an applicant used at least one
14 ton of recyclable materials to create a new product or an
15 energy source.

16 (c) A recycle credit expires on either the third
17 anniversary of the date it was issued or the date it is
18 transferred to the department by the operator of a public or
19 private solid waste disposal facility in the state, whichever
20 occurs first.

21 (d) (1) The price of a recycle credit shall be
22 determined by a written agreement between the transferor and
23 transferee. The department shall establish the form of
24 agreement.

25 (2) A recycle credit may be transferred to any
26 person who desires to acquire the credit.

1 (3) The owner of a recycle credit may transfer a
2 recycle credit on the recycle credit market, or use the
3 recycle credit as payment to an operator of a public or
4 private solid waste disposal facility located in the state to
5 offset its solid waste disposal fees.

6 (e) (1) The department shall adopt rules and
7 administer all recycle credit transactions.

8 (2) The department may not issue recycle credits and
9 corresponding recycle credit certificates of more than 50
10 million credits or certificates per calendar year.

11 (3) A transfer of a recycle credit is not valid
12 unless, within 30 days following the transaction, the
13 transferee has registered the transaction with the department
14 by filing a registration form accompanied by a registration
15 fee. The registration form and the registration fee shall be
16 established by the department.

17 (f) A person may not falsify a recycle credit
18 certificate or fraudulently transfer a recycle credit or a
19 recycle credit certificate. The department may impose a civil
20 penalty not to exceed one thousand dollars (\$1,000) for each
21 violation of this subsection.

22 (g) The department shall transfer all funds
23 collected from registration fees and civil penalties under
24 this section each month as follows:

25 (1) Forty percent shall be paid to the Solid Waste
26 Program.

1 (2) Forty percent shall be paid to the Recycle
2 Credits Program.

3 (3) Twenty percent shall be paid to the Recycling
4 Fund.

5 Section 2. This act shall become effective on
6 January 1, 2023, following its passage and approval by the
7 Governor, or its otherwise becoming law.