

1 S.32

2 Introduced by Senator Pollina

3 Referred to Committee on

4 Date:

5 Subject: Conservation and development; beverage redemption; abandoned

6 beverage container deposits

7 Statement of purpose of bill as introduced: This bill proposes to require
8 beverage manufacturers and distributors to remit abandoned beverage
9 container deposits to the State for deposit in a Clean Environment Jobs Fund
10 established to provide grants to business engaged in solid waste management
11 and recycling.

12 An act relating to the beverage container redemption system

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

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

15 § 1521. DEFINITIONS

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

17 (1) "Beverage" means beer or other malt beverages and mineral waters,
18 mixed wine drink, soda water₁ and carbonated soft drinks in liquid form and
19 intended for human consumption. As of January 1, 1990₂ "beverage" also shall
20 mean liquor.

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

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

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

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(8) "Secretary" means the ~~secretary of the agency of natural resources~~ Secretary of Natural Resources.

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

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

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

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

5 § 1530. ABANDONED BEVERAGE CONTAINER DEPOSITS; DEPOSIT
6 TRANSACTION ACCOUNT; BEVERAGE REDEMPTION FUND

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

11 (b) Beginning on July 1, 2015, each deposit initiator shall deposit in its
12 deposit transaction account the refund value established by section 1522 of this
13 title for all beverage containers sold by the deposit initiator. The deposit
14 initiator shall deposit the refund value for each beverage container in the
15 account not more than three business days after the date on which the beverage
16 container is sold. All interest, dividends, and returns earned on the deposit
17 transaction account shall be paid directly to the account. The deposit initiator
18 shall pay all refunds on returned beverage containers from the deposit
19 transaction account.

20 (c) Beginning on August 10, 2015, and by the tenth day of each month
21 thereafter, every deposit initiator shall report to the Secretary of Natural

1 Resources and the Commissioner of Taxes concerning transactions affecting
2 the deposit initiator's deposit transaction account in the preceding month.

3 The deposit initiator shall submit the report on a form provided by the
4 Commissioner of Taxes. The report shall include:

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

6 (2) the number of nonreusable beverage containers sold in the preceding
7 month and the number of nonreusable beverage containers returned in the
8 preceding month;

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

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

13 (5) any income earned on the deposit transaction account in the
14 preceding month;

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

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

18 (d) On or before August 10, 2015, and on the tenth day of each month
19 thereafter, each deposit initiator shall remit from its deposit transaction account
20 to the Commissioner of Taxes any abandoned beverage container deposits
21 from the preceding month. The amount of abandoned beverage container

1 deposits for a month is the amount equal to the amount of deposits that should
2 be in the fund less the sum of:

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

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

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

11 (f) The Commissioner of Taxes shall deposit in the Clean Environment
12 Jobs Fund established under section 1531 of this title all abandoned beverage
13 container deposits remitted under subsection (d) of this section.

14 § 1531. CLEAN ENVIRONMENT JOBS FUND

15 (a) There is hereby established in the State Treasury a special fund to be
16 known as the Clean Environment Jobs Fund, to be administered and expended
17 by the Secretary of Natural Resources to fund programs or projects that
18 promote or support the growth of jobs or businesses in the State that are related
19 to or engaged in recycling and solid waste management, provided that
20 expenditures from the Fund shall not be used to fund programs or projects
21 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: compliance with the requirements of 2012 Acts and Resolves
6 No. 148 and recycling of construction and demolition waste; and

7 (2) the costs to the Agency of Natural Resources in implementing the
8 requirements of 2012 Acts and Resolves No. 148.

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

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

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

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

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

19 Sec. 3. EFFECTIVE DATE

20 This act shall take effect on passage.