

1 S. 285

2 Introduced by Senator Rodgers

3 Referred to Committee on Natural Resources and Energy

4 Date: January 3, 2018

5 Subject: Conservation and development; solid waste; universal recycling

6 Statement of purpose of bill as introduced: This bill proposes to amend
7 requirements related to the management of solid waste, mandated recyclables,
8 leaf and yard residuals, and food residuals. The bill would eliminate the
9 requirement that solid waste facilities may be certified only if included in a
10 solid waste implementation plan. The bill would require solid waste facilities
11 to accept leaf and yard residuals only between April 1 and November 15 and
12 would require solid waste facility to collect food residuals if the facility is
13 located within 20 miles of a certified organics management facility that
14 manages food residuals. The bill also would eliminate the requirement that by
15 2020 all persons shall separate food residuals from other solid waste and
16 manage the food residuals on site or arrange for transport off site. In addition,
17 the bill would eliminate the requirement that commercial haulers must offer
18 collection services for leaf and yard residuals and food residuals, and the bill
19 would authorize commercial haulers to charge a separate fee for the collection
20 of mandated recyclables. Lastly, the bill would eliminate the requirement for
21 municipalities to implement a variable rate pricing system that charges for the

1 collection of municipal solid waste from a residential customer.

2 An act relating to universal recycling requirements

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

4 ~~*** Solid Waste Management Facility Requirements ***~~

5 Sec. 1. 10 V.S.A. § 6605 is amended to read:

6 § 6605. SOLID WASTE MANAGEMENT FACILITY CERTIFICATION

7 (a)(1) No person shall construct, substantially alter, or operate any solid
8 waste management facility without first obtaining certification from the
9 Secretary for such facility, site, or activity, except for sludge or septage
10 treatment or storage facilities located within the fenced area of a domestic
11 wastewater treatment plant permitted under chapter 47 of this title. This
12 exemption for sludge or septage treatment or storage facilities shall exist
13 only if:

14 (A) the treatment facility does not utilize a process to further reduce
15 pathogens in order to qualify for marketing and distribution; and

16 (B) the facility is not a drying bed, lagoon, or nonconcrete
17 bunker; and

18 (C) the owner of the facility has submitted a sludge and septage

19 ~~management plan to the Secretary and the Secretary has approved the plan.~~

1 ~~Noncompliance with an approved sludge and septage management plan shall~~
2 constitute a violation of the terms of this chapter, as well as a violation under
3 chapter 201 and 211 of this title.

4 (2) Certification shall be valid for a period not to exceed 10 years.

5 * * *

6 (c) ~~The Secretary shall not issue a certification for a new facility or~~
7 ~~renewal for an existing facility, except for a sludge or septage land application~~
8 ~~project, unless it is included in an implementation plan adopted pursuant to 24~~
9 ~~V.S.A. § 2202a, for the area in which the facility is located. [Repealed.]~~

10 * * *

11 (j) A facility certified under this section that offers the collection of
12 municipal solid waste shall:

13 (1) Beginning on July 1, 2014, collect mandated recyclables separate
14 from other solid waste and deliver mandated recyclables to a facility
15 maintained and operated for the management and recycling of mandated
16 recyclables. A facility shall not be required to accept mandated recyclables
17 from a commercial hauler.

18 (2) Beginning on July 1, 2015, collect leaf and yard residuals between
19 April 1 and November 15 separate from other solid waste and deliver leaf and
20 yard residuals to a location that manages leaf and yard residuals in a manner

21 ~~consistent with the priority uses established under subdivisions 6605k(a)(3)-(5)~~

1 of this title

2 (3) Beginning on July 1, 2017, if located within 20 miles of a certified
3 organics management facility that manages food residuals, collect food
4 residuals separate from other solid waste and deliver food residuals to a
5 location that manages food residuals in a manner consistent with the priority
6 uses established under subdivisions 6605k(a)(2)-(5) of this title.

7 * * * Food Residuals Management * * *

8 Sec. 2. 10 V.S.A. § 6605k is amended to read

9 § 6605k. FOOD RESIDUALS: MANAGEMENT HIERARCHY

10 (a) It is the policy of the State that food residuals collected under the
11 requirements of this chapter shall be managed according to the following order
12 of priority uses:

- 13 (1) reduction of the amount generated at the source;
- 14 (2) diversion for food consumption by humans;
- 15 (3) diversion for agricultural use, including consumption by animals;
- 16 (4) composting, land application, and digestion; and
- 17 (5) energy recovery.

18 (b) A person who produces more than an amount identified under
19 subsection (c) of this section in food residuals and is located within 20 miles of
20 a certified organics management facility that has available capacity and that is
21 willing to accept the food residuals shall:

22 ~~(1) Separate separate food residuals from other solid waste, provided~~

1 ~~that a de minimis amount of food residuals may be disposed of in solid waste~~

2 when a person has established a program to separate food residuals and the
3 program includes a component for the education of program users regarding
4 the need to separate food residuals; and

5 (2) ~~Arrange~~ arrange for the transfer of food residuals to a location that
6 manages food residuals in a manner consistent with the priority uses
7 established under subdivisions (a)(2)-(5) of this section or shall manage food
8 residuals on site.

9 (c) The following persons shall be subject to the requirements of
10 subsection (b) of this section:

11 (1) beginning on July 1, 2014, a person whose acts or processes produce
12 more than 104 tons per year of food residuals; and

13 (2) beginning on July 1, 2015, a person whose acts or processes
14 produce more than 52 tons per year of food residuals;

15 (3) ~~beginning July 1, 2016, a person whose acts or processes produce~~
16 ~~more than 26 tons per year of food residuals;~~

17 (4) ~~beginning July 1, 2017, a person whose acts or processes produce~~
18 ~~more than 18 tons per year of food residuals; and~~

19 (5) ~~beginning July 1, 2020, any person who generates any amount of~~
20 ~~food residuals.~~

21 ~~Commercial Hauler Requirements~~

1 Sec. 3. 10 V.S.A. § 6607a is amended to read:

2 § 6607a. WASTE TRANSPORTATION

3 (a) A commercial hauler desiring to transport waste within the State shall
4 apply to the Secretary for a permit to do so, by submitting an application on a
5 form prepared for this purpose by the Secretary and by submitting the
6 disclosure statement described in section 6605f of this title. These permits
7 shall have a duration of five years and shall be renewed annually. The
8 application shall indicate the nature of the waste to be hauled. The Secretary
9 may specify conditions that the Secretary deems necessary to assure
10 compliance with State law.

11 (b) As used in this section:

12 (1) "Commercial hauler" means:

13 (A) any person that transports regulated quantities of hazardous
14 waste; and

15 (B) any person that transports solid waste for compensation in a
16 vehicle.

17 (2) The commercial hauler required to obtain a permit under this section
18 is the legal or commercial entity that is transporting the waste, rather than the
19 individual employees and subcontractors of the legal or commercial entity. In
20 the case of a sole proprietorship, the sole proprietor is the commercial entity.

21 (3) The Secretary shall not require a commercial hauler to obtain a

1 ~~permit under this section, comply with the disclosure requirements of this~~

2 section, comply with the reporting and registration requirements of section

3 6608 of this title, or pay the fee specified in 3 V.S.A. § 2822, if:

4 (A) the commercial hauler does not transport more than four cubic
5 yards of solid waste at any time; and

6 (B) the solid waste transportation services performed are incidental
7 to other nonwaste transportation-related services performed by the commercial
8 hauler.

9 * * *

10 (g)(1) Except as set forth in subdivisions (2), (3), ~~and (4), and (5)~~ of this
11 subsection, a commercial hauler that offers the collection of municipal solid
12 waste shall:

13 (A) Beginning on July 1, 2015, shall offer to collect mandated
14 recyclables ~~separated~~ separate from other solid waste and deliver mandated
15 recyclables to a facility maintained and operated for the management and
16 recycling of mandated recyclables.

17 (B) Beginning on July 1, 2016, may offer to collect leaf and yard
18 residuals separate from other solid waste and deliver leaf and yard residuals to
19 a location that manages leaf and yard residuals in a manner consistent with the
20 priority uses established under subdivisions 6605k(a)(3)-(5) of this title.

21 ~~(C) Beginning on July 1, 2018, may offer collection of food residuals~~

1 ~~separate from other solid waste and deliver to a location that manages food~~
2 residuals in a manner consistent with the priority uses established under
3 subdivisions 6605k(a)(2)-(5) of this title.

4 (2) In a municipality that has adopted a solid waste management
5 ordinance addressing the collection of mandated recyclables, leaf and yard
6 residuals, or food residuals, a commercial hauler in that municipality is not
7 required to comply with the requirements of subdivision (1) of this subsection
8 and subsection (h) of this section for the material addressed by the ordinance if
9 the ordinance:

10 (A) is applicable to all residents of the municipality;

11 (B) prohibits a resident from opting out of municipally provided
12 solid waste services; and

13 (C) does not apply a variable rate for the collection for the material
14 addressed by the ordinance.

15 (3) A commercial hauler is not required to comply with the
16 requirements of subdivision (1)(A), (B), or (C) of this subsection in a specified
17 area within a municipality if:

18 (A) the Secretary has approved a solid waste implementation plan for
19 the municipality;

20 (B) for purposes of waiver of the requirements of subdivision (1)(A)
21 of this subsection (g), the Secretary determines that under the approved plan.

1 ~~(i) the municipality is achieving the per capita disposal rate in the~~
2 State Solid Waste Plan; and

3 (ii) the municipality demonstrates that its progress toward meeting
4 the diversion goal in the State Solid Waste Plan is substantially equivalent to
5 that of municipalities complying with the requirements of subdivision (1)(A)
6 of this subsection (g);

7 (C) the approved plan delineates an area where solid waste
8 management services required by subdivision (1)(A), (B), or (C) of this
9 subsection (g) are not required, and

10 (D) in the delineated area, alternatives to the services, including on-
11 site management, required under subdivision (1)(A), (B), or (C) of this
12 subsection (g) are offered, the alternative services have capacity to serve the
13 needs of all residents in the delineated area, and the alternative services are
14 convenient to residents of the delineated area.

15 (4) A commercial hauler is not required to comply with the
16 requirements of subdivision (1)(A), (B), or (C) of this subsection for mandated
17 recyclables, leaf and yard residuals, or food residuals collected as part of a
18 litter collection.

19 ~~(h) A commercial hauler certified under this section that offers the~~
20 ~~collection of municipal solid waste may not charge a separate line item fee on~~
21 ~~a bill to a residential customer for the collection of mandated recyclables,~~

1 ~~provided that a commercial hauler may charge a fee for all service calls,~~
2 stops, or collections at a residential property and a commercial hauler may
3 charge a tiered or variable fee based on the size of the collection container
4 provided to a residential customer or the amount of waste collected from a
5 residential customer. A commercial hauler certified under this section may
6 incorporate the cost of the collection of mandated recyclables into the cost of
7 the collection of solid waste and may adjust the charge for the collection of
8 solid waste. A commercial hauler certified under this section that offers the
9 collection of solid waste may charge a separate fee for the collection of
10 mandated recyclables, leaf and yard residuals, or food residuals from a
11 residential customer.

12 * * * Landfill Disposal * * *

13 Sec. 4. 10 V.S.A. § 6621a is amended to read:

14 § 6621a. LANDFILL DISPOSAL REQUIREMENTS

15 (a) In accordance with the following schedule, no person shall knowingly
16 dispose of the following materials in solid waste or in landfills:

17 * * *

18 (9) Mandated recyclable materials after July 1, 2015.

19 (10) Leaf Source-separated leaf and yard residuals and wood waste after
20 July 1, 2016.

21 (11) Food residuals after July 1, 2020. [Repealed.]

1 ~~(e) The Secretary of Natural Resources shall enforce violations of~~
2 ~~subsection (a) of this section against the generator of the prohibited material~~
3 ~~and not against the commercial hauler transporting the prohibited material to~~
4 ~~the landfill.~~

5 * * * Municipal Solid Waste Pricing * * *

6 Sec. 5. 24 V.S.A. § 2202a(d) is amended to read:

7 (d) ~~By no later than July 1, 2015, a municipality shall implement a variable~~
8 ~~rate pricing system that charges for the collection of municipal solid waste~~
9 ~~from a residential customer for disposal based on the volume or weight of the~~
10 ~~waste collected. [Repealed.]~~

11 * * * Effective Date * * *

12 Sec. 6. EFFECTIVE DATE

13 ~~This act shall take effect on passage.~~

~~* * * Solid Waste Management Facility Requirements * * *~~

~~Sec. 1. 10 V.S.A. § 6605 is amended to read:~~

~~§ 6605. SOLID WASTE MANAGEMENT FACILITY CERTIFICATION~~

~~(a)(1) No person shall construct, substantially alter, or operate any solid waste management facility without first obtaining certification from the Secretary for such facility, site, or activity, except for sludge or septage treatment or storage facilities located within the fenced area of a domestic wastewater treatment plant permitted under chapter 47 of this title. This exemption for sludge or septage treatment or storage facilities shall exist only if:~~

~~(A) the treatment facility does not utilize use a process to further reduce pathogens further in order to qualify for marketing and distribution; and~~

~~(B) the facility is not a drying bed, lagoon, or nonconcrete~~

~~hauled, and~~

~~(C) the owner of the facility has submitted a sludge and septage management plan to the Secretary and the Secretary has approved the plan. Noncompliance with an approved sludge and septage management plan shall constitute a violation of the terms of this chapter, as well as a violation under chapters 201 and 211 of this title.~~

~~(2) Certification shall be valid for a period not to exceed 10 years.~~

~~***~~

~~(j) A facility certified under this section that offers the collection of municipal solid waste shall:~~

~~(1) Beginning on July 1, 2014, collect mandated recyclables separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables. A facility shall not be required to accept mandated recyclables from a commercial hauler.~~

~~(2) Beginning on July 1, 2015, collect leaf and yard residuals between April 1 and December 15 separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)-(5) of this title.~~

~~(3) Beginning on July 1, 2017, collect food residuals separate from other solid waste and deliver food residuals to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title.~~

~~***~~

~~*** Commercial Hauler Requirements ***~~

~~Sec. 2. 10 V.S.A. § 6607a is amended to read:~~

~~§ 6607a. WASTE TRANSPORTATION~~

~~(a) A commercial hauler desiring to transport waste within the State shall apply to the Secretary for a permit to do so, by submitting an application on a form prepared for this purpose by the Secretary and by submitting the disclosure statement described in section 6605f of this title. These permits shall have a duration of five years and shall be renewed annually. The application shall indicate the nature of the waste to be hauled. The Secretary may specify conditions that the Secretary deems necessary to assure compliance with State law.~~

~~(h) As used in this section:~~

~~(1) "Commercial hauler" means:~~

~~(A) any person that transports regulated quantities of hazardous waste; and~~

~~(B) any person that transports solid waste for compensation in a vehicle.~~

~~(2) The commercial hauler required to obtain a permit under this section is the legal or commercial entity that is transporting the waste, rather than the individual employees and subcontractors of the legal or commercial entity. In the case of a sole proprietorship, the sole proprietor is the commercial entity.~~

~~(3) The Secretary shall not require a commercial hauler to obtain a permit under this section, comply with the disclosure requirements of this section, comply with the reporting and registration requirements of section 6608 of this title, or pay the fee specified in 3 V.S.A. § 2822, if:~~

~~(A) the commercial hauler does not transport more than four cubic yards of solid waste at any time; and~~

~~(B) the solid waste transportation services performed are incidental to other nonwaste transportation-related services performed by the commercial hauler.~~

~~* * *~~

~~(g)(1) Except as set forth in subdivisions (2), (3), and (4) of this subsection, a commercial hauler that offers the collection of municipal solid waste shall:~~

~~(A) Beginning on July 1, 2015, shall offer to collect mandated recyclables ~~separated~~ separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.~~

~~(B) Beginning on July 1, 2016, may offer to collect leaf and yard residuals separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)-(5) of this title.~~

~~(C) Beginning on July 1, 2018, offer collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title. [Repealed.]~~

~~(2) In a municipality that has adopted a solid waste management~~

~~ordinance addressing the collection of mandated recyclables, leaf and yard residuals, or food residuals, a commercial hauler in that municipality is not required to comply with the requirements of subdivision (1) of this subsection and subsection (h) of this section for the material addressed by the ordinance if the ordinance:~~

~~(A) is applicable to all residents of the municipality;~~

~~(B) prohibits a resident from opting out of municipally provided solid waste services, and~~

~~(C) does not apply a variable rate for the collection for the material addressed by the ordinance.~~

~~(3) A commercial hauler is not required to comply with the requirements of subdivision (1)(A), (B), or (C) of this subsection in a specified area within a municipality if:~~

~~(A) the Secretary has approved a solid waste implementation plan for the municipality;~~

~~(B) for purposes of waiver of the requirements of subdivision (1)(A) of this subsection (g), the Secretary determines that under the approved plan:~~

~~(i) the municipality is achieving the per capita disposal rate in the State Solid Waste Plan; and~~

~~(ii) the municipality demonstrates that its progress toward meeting the diversion goal in the State Solid Waste Plan is substantially equivalent to that of municipalities complying with the requirements of subdivision (1)(A) of this subsection (g);~~

~~(C) the approved plan delineates an area where solid waste management services required by subdivision (1)(A), (B), or (C) of this subsection (g) are not required; and~~

~~(D) in the delineated area, alternatives to the services, including on-site management, required under subdivision (1)(A), (B), or (C) of this subsection (g) are offered, the alternative services have capacity to serve the needs of all residents in the delineated area, and the alternative services are convenient to residents of the delineated area.~~

~~(4) A commercial hauler is not required to comply with the requirements of subdivision (1)(A), (B), or (C) of this subsection for mandated recyclables, or leaf and yard residuals, or food residuals collected as part of a litter collection.~~

~~(i) A commercial hauler that operates a bag drop or fast trash site at a fixed location to collect municipal solid waste shall offer at the site all collection services required under 10 V.S.A. § 6605(j).~~

~~*** Landfill Disposal ***~~

~~Sec. 3. 10 V.S.A. § 6621a is amended to read:~~

~~§ 6621a. LANDFILL DISPOSAL REQUIREMENTS~~

~~(a) In accordance with the following schedule, no person shall knowingly dispose of the following materials in solid waste or in landfills:~~

~~***~~

~~(10) Leaf Source: separated leaf and yard residuals and wood waste after July 1, 2016.~~

~~***~~

~~*** Unclaimed Beverage Container Deposits ***~~

~~Sec. 3a. 10 V.S.A. § 1530 is added to read:~~

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

~~(a) As used in this section, "deposit initiator" means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.~~

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

~~(c) Beginning on July 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.~~

~~(d) Beginning on October 10, 2019, and quarterly thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator's deposit transaction account in the preceding quarter. The deposit initiator~~

~~shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:~~

~~(1) the balance of the account at the beginning of the preceding quarter;~~

~~(2) the number of beverage containers sold in the preceding quarter and the number of beverage containers returned in the preceding quarter;~~

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

~~(4) the amount of refund payments made from the deposit transaction account in the preceding quarter;~~

~~(5) any income earned on the deposit transaction account in the preceding quarter;~~

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

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

~~(e)(1) On or before October 10, 2019, and quarterly thereafter, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding quarter. The amount of abandoned beverage container deposits for a quarter is the amount equal to the amount of deposits that should be in the deposit transaction account less the sum of:~~

~~(A) income earned on amounts on the account during that quarter; and~~

~~(B) the total amount of refund value paid out by the deposit initiator for beverage containers during that quarter.~~

~~(2) In any calendar quarter, the deposit initiator may submit to the Commissioner of Taxes a request for reimbursement of refunds paid under this chapter that exceed the funds that are or should be in the deposit initiator's deposit transaction account. The Commissioner of Taxes shall pay a request for reimbursement under this subdivision from the funds remitted to the Commissioner under subdivision (1) of this subsection, provided that:~~

~~(A) the Commissioner determines that the funds in the deposit initiator's deposit transaction action are insufficient to pay the refunds on returned beverage containers; and~~

~~(B) a reimbursement paid by the Commissioner to the deposit initiator shall not exceed the amount paid by the deposit initiator under subdivision (1) of this subsection (C) in the preceding 12 months less amounts~~

~~paid to the initiator pursuant to this subdivision (2) during that same 12-month period.~~

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

~~*** Effective Date ***~~

~~Sec. 4. EFFECTIVE DATE~~

~~This act shall take effect on passage.~~

~~*** Solid Waste Management Facility Requirements ***~~

~~Sec. 1. 10 V.S.A. § 6605 is amended to read:~~

~~§ 6605. SOLID WASTE MANAGEMENT FACILITY CERTIFICATION~~

~~(a)(1) No person shall construct, substantially alter, or operate any solid waste management facility without first obtaining certification from the Secretary for such facility, site, or activity, except for sludge or septage treatment or storage facilities located within the fenced area of a domestic wastewater treatment plant permitted under chapter 47 of this title. This exemption for sludge or septage treatment or storage facilities shall exist only if:~~

~~(A) the treatment facility does not ~~utilize~~ use a process to further reduce pathogens further in order to qualify for marketing and distribution; and~~

~~(B) the facility is not a drying bed, lagoon, or nonconcrete bunker; and~~

~~(C) the owner of the facility has submitted a sludge and septage management plan to the Secretary and the Secretary has approved the plan. Noncompliance with an approved sludge and septage management plan shall constitute a violation of the terms of this chapter, as well as a violation under chapters 201 and 211 of this title.~~

~~(2) Certification shall be valid for a period not to exceed 10 years.~~

~~(b) Certification for a solid waste management facility, where appropriate, shall:~~

~~***~~

~~(3)(A) Specify the projected amount and types of waste material to be disposed of at the facility, which, in case of landfills and incinerators, shall~~

include the following:

~~(A)(i) if the waste is being delivered from a municipality that has an approved implementation plan, hazardous materials and recyclables shall be removed from the waste according to the terms of that implementation plan;~~

~~(B)(ii) except as provided in subdivision (B) of this subdivision (3), if the waste is being delivered from a municipality that does not have an approved implementation plan, leaf and yard residuals shall be removed from the waste stream, and 100 percent of each of the following shall be removed from the waste stream: mandated recyclables, hazardous waste from households, and hazardous waste from small quantity generators.~~

~~(B) If waste delivered to the facility is process residuals from a material recovery facility, the facility receiving the waste shall not be required to remove 100 percent of mandated recyclables from the process residuals if the facility receiving the waste has a plan approved by the Secretary to remove mandated recyclables from the process residuals to the maximum extent practicable.~~

* * *

~~(j) A facility certified under this section that offers the collection of municipal solid waste shall:~~

~~(1) Beginning on July 1, 2014, collect mandated recyclables separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables. A facility shall not be required to accept mandated recyclables from a commercial hauler.~~

~~(2) Beginning on July 1, 2015, collect leaf and yard residuals between April 1 and December 15 separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)-(5) of this title.~~

~~(3) Beginning on July 1, 2017, collect food residuals separate from other solid waste and deliver food residuals to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title.~~

* * *

~~(l) A facility certified under this section that offers the collection of municipal solid waste shall not charge a separate fee for the collection of mandated recyclables. A facility certified under this section may incorporate the cost of the collection of mandated recyclables into the cost of the collection~~

of municipal solid waste and may adjust the charge for the collection of municipal solid waste. A facility certified under this section may charge a separate fee for the collection of mandated recyclables, leaf and yard residuals, or food residuals. ~~If a facility collects mandated recyclables from a commercial hauler, the facility may charge a fee for the collection of those mandated recyclables.~~

* * *

** * * Commercial Hauler Requirements * * **

Sec. 2. 10 V.S.A. § 6607a is amended to read:

§ 6607a. WASTE TRANSPORTATION

(a) A commercial hauler desiring to transport waste within the State shall apply to the Secretary for a permit to do so, by submitting an application on a form prepared for this purpose by the Secretary and by submitting the disclosure statement described in section 6605f of this title. These permits shall have a duration of five years and shall be renewed annually. The application shall indicate the nature of the waste to be hauled. The Secretary may specify conditions that the Secretary deems necessary to assure compliance with State law.

(b) As used in this section:

(1) "Commercial hauler" means:

(A) any person that transports regulated quantities of hazardous waste; and

(B) any person that transports solid waste for compensation in a vehicle.

(2) The commercial hauler required to obtain a permit under this section is the legal or commercial entity that is transporting the waste, rather than the individual employees and subcontractors of the legal or commercial entity. In the case of a sole proprietorship, the sole proprietor is the commercial entity.

(3) The Secretary shall not require a commercial hauler to obtain a permit under this section, comply with the disclosure requirements of this section, comply with the reporting and registration requirements of section 6608 of this title, or pay the fee specified in 3 V.S.A. § 2822, if:

(A) the commercial hauler does not transport more than four cubic yards of solid waste at any time; and

(B) the solid waste transportation services performed are incidental

to other nonwaste transportation-related services performed by the commercial hauler.

** * **

(g)(1) Except as set forth in subdivisions (2), (3), and (4) of this subsection, a commercial hauler that offers the collection of municipal solid waste shall:

(A) Beginning on July 1, 2015, shall offer to collect mandated recyclables ~~separated~~ separate from other solid waste and deliver mandated recyclables to a facility maintained and operated for the management and recycling of mandated recyclables.

~~(B) Beginning on July 1, 2016, offer to collect leaf and yard residuals separate from other solid waste and deliver leaf and yard residuals to a location that manages leaf and yard residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(3)-(5) of this title.~~

~~(C) Beginning on July 1, 2018, 2020, shall offer collection of food residuals separate from other solid waste and deliver to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions 6605k(a)(2)-(5) of this title.~~

(2) In a municipality that has adopted a solid waste management ordinance addressing the collection of mandated recyclables, ~~leaf and yard residuals~~, or food residuals, a commercial hauler in that municipality is not required to comply with the requirements of subdivision (1) of this subsection and subsection (h) of this section for the material addressed by the ordinance if the ordinance:

(A) is applicable to all residents of the municipality;

(B) prohibits a resident from opting out of municipally provided solid waste services; and

(C) does not apply a variable rate for the collection for the material addressed by the ordinance.

(3) A commercial hauler is not required to comply with the requirements of subdivision (1)(A), ~~(B)~~, ~~or (C)~~ or (B) of this subsection in a specified area within a municipality if:

(A) the Secretary has approved a solid waste implementation plan for the municipality;

(B) for purposes of waiver of the requirements of subdivision (1)(A) of this subsection (g), the Secretary determines that under the approved plan:

(i) the municipality is achieving the per capita disposal rate in the

State Solid Waste Plan; and

(ii) the municipality demonstrates that its progress toward meeting the diversion goal in the State Solid Waste Plan is substantially equivalent to that of municipalities complying with the requirements of subdivision (1)(A) of this subsection (g);

(C) the approved plan delineates an area where solid waste management services required by subdivision (1)(A), ~~(B)~~, or ~~(C)~~ or (B) of this subsection (g) are not required; and

(D) in the delineated area, alternatives to the services, including on-site management, required under subdivision (1)(A), ~~(B)~~, or ~~(C)~~ or (B) of this subsection (g) are offered, the alternative services have capacity to serve the needs of all residents in the delineated area, and the alternative services are convenient to residents of the delineated area.

(4) A commercial hauler is not required to comply with the requirements of subdivision (1)(A), ~~(B)~~, or ~~(C)~~ or (B) of this subsection for mandated recyclables, ~~leaf and yard residuals~~, or food residuals collected as part of a litter collection.

(h) A commercial hauler certified under this section that offers the collection of municipal solid waste may not charge a separate line item fee on a bill to a residential customer for the collection of mandated recyclables, provided that a commercial hauler may charge a fee for all service calls, stops, or collections at a residential property and a commercial hauler may charge a tiered or variable fee based on the size of the collection container provided to a residential customer or the amount of waste collected from a residential customer. A commercial hauler certified under this section may incorporate the cost of the collection of mandated recyclables into the cost of the collection of solid waste and may adjust the charge for the collection of solid waste. A commercial hauler certified under this section that offers the collection of solid waste may charge a separate fee for the collection of ~~leaf and yard residuals~~ or food residuals from a residential customer.

(i) A commercial hauler that operates a bag-drop or fast-trash site at a fixed location to collect municipal solid waste shall offer at the site all collection services required under 10 V.S.A. § 6605(j).

*Sec. 3. UNIVERSAL RECYCLING STAKEHOLDER GROUP;
COMMERCIAL HAULER SERVICES; FOOD RESIDUAL
COLLECTION SERVICES*

(a) The Agency of Natural Resources has convened a Universal Recycling Stakeholder Group to provide valuable input, advice, and assistance to the Agency and the State in the implementation of 2012 Acts and Resolves No. 148

(Act 148). The work of the Stakeholder Group has been integral to the successful implementation of Act 148 and the work of the Stakeholder Group is commended by the General Assembly.

(b) As part of the ongoing Agency of Natural Resources' Universal Recycling Stakeholder Group, the Secretary of Natural Resources shall seek the input of the Stakeholder Group regarding the requirement under 10 V.S.A. § 6607a(g) that commercial solid waste haulers offer the service of collection of food residuals separate from other solid waste beginning on July 1, 2020. The Secretary shall request that the Stakeholder Group review whether:

(1) the requirements under 10 V.S.A. § 6607a(g) should be amended so that commercial haulers are only required to offer collection of food residuals:

(A) in municipalities, solid waste management districts, or other areas based on population, housing, or route density; or

(B) based on other appropriate criteria specified by the Stakeholder Group.

(2) sufficient regional capacity to process food residuals is available to allow for the collection of food residuals by all commercial solid waste haulers beginning on July 1, 2020.

(b) The Secretary of Natural Resources, after consultation with the Universal Recycling Stakeholder Group, shall include in the report the Agency shall submit under 10 V.S.A. § 6604(b) recommendations addressing subdivisions (a)(1) and (2) of this section.

* * * Food Residual Management * * *

Sec. 4. 10 V.S.A. § 6605k(b) is amended to read:

(b) A person who produces more than an amount identified under subsection (c) of this section in food residuals ~~and is located within 20 miles of a certified organics management facility that has available capacity and that is willing to accept the food residuals~~ shall:

(1) ~~Separate~~ separate food residuals from other solid waste, provided that a de minimis amount of food residuals may be disposed of in solid waste when a person has established a program to separate food residuals and the program includes a component for the education of program users regarding the need to separate food residuals; and

(2) ~~Arrange~~ arrange for the transfer of food residuals to a location that manages food residuals in a manner consistent with the priority uses established under subdivisions (a)(2)-(5) of this section or shall manage food residuals on site.

** * * Unclaimed Beverage Container Deposits * * **

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

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

(a) As used in this section, “deposit initiator” means the first distributor or manufacturer to collect the deposit on a beverage container sold to any person within the State.

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

(c) Beginning on October 1, 2019, each deposit initiator shall deposit in its deposit transaction account the refund value established by section 1522 of this title for all beverage containers sold by the deposit initiator. The deposit initiator shall deposit the refund value for each beverage container in the deposit transaction account not more than three business days after the date on which the beverage container is sold. All interest, dividends, and returns earned on the deposit transaction account shall be paid directly to the account. The deposit initiator shall pay all refunds on returned beverage containers from the deposit transaction account.

(d) Beginning on January 1, 2020, and quarterly thereafter, every deposit initiator shall report to the Secretary of Natural Resources and the Commissioner of Taxes concerning transactions affecting the deposit initiator’s deposit transaction account in the preceding quarter. The deposit initiator shall submit the report on a form provided by the Commissioner of Taxes. The report shall include:

(1) the balance of the deposit transaction account at the beginning of the preceding quarter;

(2) the number of beverage containers sold in the preceding quarter and the number of beverage containers returned in the preceding quarter;

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

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

(5) any income earned on the deposit transaction account in the preceding quarter;

(6) any other transactions, withdrawals, or service charges on the

deposit transaction account from the preceding quarter; and

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

(e)(1) On or before January 1, 2020, and quarterly thereafter, each deposit initiator shall remit from its deposit transaction account to the Commissioner of Taxes any abandoned beverage container deposits from the preceding quarter. The amount of abandoned beverage container deposits for a quarter is the amount equal to the amount of deposits that should be in the deposit transaction account less the sum of:

(A) income earned on amounts on the deposit transaction account during that quarter; and

(B) the total amount of refund value paid out by the deposit initiator for beverage containers during that quarter.

(2) In any calendar quarter, the deposit initiator may submit to the Commissioner of Taxes a request for reimbursement of refunds paid under this chapter that exceed the funds that are or should be in the deposit initiator's deposit transaction account. The Commissioner of Taxes shall pay a request for reimbursement under this subdivision from the funds remitted to the Commissioner under subdivision (1) of this subsection, provided that:

(A) the Commissioner determines that the funds in the deposit initiator's deposit transaction account are insufficient to pay the refunds on returned beverage containers; and

(B) a reimbursement paid by the Commissioner to the deposit initiator shall not exceed the amount paid by the deposit initiator under subdivision (1) of this subsection (e) during the preceding 12 months less amounts paid to the initiator pursuant to this subdivision (2) during that same 12-month period.

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

Sec. 4b. 10 V.S.A. § 1388 is amended to read:

§ 1388. CLEAN WATER FUND

(a) There is created a special fund to be known as the "Clean Water Fund" to be administered by the Secretary of Administration. The Fund shall consist of:

(1) revenues dedicated for deposit into the Fund by the General

~~Assembly, including from the Property Transfer Tax surcharge established under 32 V.S.A. § 9602a; and~~

~~(2) other gifts, donations, and impact fees received from any source, public or private, dedicated for deposit into the Fund and approved by the Secretary of Administration;~~

~~(3) the unclaimed beverage container deposits (escheats) remitted to the State under chapter 53 of this title; and~~

~~(4) other revenues dedicated for deposit into the Fund by the General Assembly.~~

* * *

* * * *Effective Dates* * * *

Sec. 5. EFFECTIVE DATES

~~(a) This act shall take effect on passage, except that Sec. 4 (food residuals) shall take effect on July 1, 2020.~~