

ASSEMBLY, No. 4379

STATE OF NEW JERSEY

221st LEGISLATURE

INTRODUCED MAY 16, 2024

Sponsored by:

Assemblywoman JESSICA RAMIREZ

District 32 (Hudson)

Assemblywoman GARNET R. HALL

District 28 (Essex and Union)

SYNOPSIS

“Beverage Container Deposit Act”; requires use of returnable beverage containers in NJ and establishes deposit and refund system to facilitate return of such containers to manufacturers for reuse or proper disposal.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 5/16/2024)

1 AN ACT concerning the establishment of a container deposit and
2 refund system to facilitate the reuse, recycling, and proper
3 disposal of beverage containers sold in the State, supplementing
4 Title 13 of the Revised Statutes, and repealing section 5 of
5 P.L.2007, c.311.

6
7 **BE IT ENACTED** by the Senate and General Assembly of the State
8 of New Jersey:

9
10 1. This act shall be known, and may be cited as, the “Beverage
11 Container Disposal Act.”

12
13 2. As used in this act:
14 “Account-based bulk processing program” means a beverage
15 container recycling program implemented by a redemption center or
16 pick-up agent that meets the requirements of rules adopted by the
17 department, is approved by the department, consolidates beverage
18 containers subject to the requirements of this chapter through bulk
19 sorting, collects data regarding each container sorted, provides
20 electronic data reports specifying the number of containers sorted
21 by universal product code along with information regarding the
22 container brand, redemption location and container material type to
23 support an accounting of deposits, fees, and material weight and
24 prepares the sorted containers for sale to recyclers. An account-
25 based bulk processing program may include a bag drop program as
26 a program component.

27 “Bag drop program” means a beverage container recycling
28 program implemented by a redemption center that meets the
29 requirements of rules adopted by the department and that allows a
30 person to drop off beverage containers subject to the requirements
31 of this chapter in a bag or other receptacle at one or more identified
32 locations and to have the corresponding refund placed into an
33 account to be held for the benefit of the person in a manner that
34 allows the person to obtain the refund or a refund receipt within 10
35 calendar days following the drop-off. A bag-drop program may be
36 implemented as part of, or in conjunction with an account-based
37 bulk processing program.

38 “Beverage” means any drinkable liquid intended for human oral
39 consumption. “Beverage” does not include: a drug regulated under
40 the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.);
41 infant formula; a meal replacement liquid; or dairy products derived
42 from animal milk.

43 “Beverage container” or “container” means a prepackaged
44 container, such as a bottle, can, carton, pouch, or aseptic packaging
45 which: is made of any material or combination of materials,
46 including, but not limited to, glass, plastic, paper, cardboard, or
47 metal; contains a beverage; and has a volume of not more than one

1 gallon. “Beverage container” or “container” shall not include a
2 beverage cup.

3 “Brand” means a word, name, symbol, trademark, group of
4 letters, or any combination thereof, which is adopted and used by a
5 manufacturer to identify a specific flavor or type of beverage, and
6 to distinguish that flavor or type from another beverage being
7 produced or marketed by that manufacturer or by another
8 manufacturer.

9 “Certified as reusable” means that a beverage container is
10 officially recognized, by the department, as being reusable in
11 nature.

12 “Container deposit” or “deposit” means a \$0.10 deposit
13 surcharge, equaling the refund value of a container, which
14 surcharge: is originated by a distributor on each filled beverage
15 container sold or offered for sale in this State; is paid by the dealer
16 and by the consumer of the beverage, upon sale and delivery of the
17 filled beverage container thereto; and may be refunded to the
18 consumer and the dealer, as appropriate, upon the consumer’s or
19 dealer’s return of the empty beverage container.

20 “Container refund” or “refund” means a cash reimbursement of
21 the \$0.10 container deposit that was previously paid on a filled
22 beverage container, which is granted to a consumer or dealer, as
23 appropriate, upon the consumer’s or dealer’s return of the empty
24 container.

25 “Dealer” means a person who sells, or offers for sale, one or
26 more filled beverage containers directly to consumers in this State.
27 “Dealer” includes the owner or operator of a vending machine that
28 dispenses filled beverage containers, or any other person, including
29 the owner or lessee of the property upon which a vending machine
30 is located, who accepts deliveries of filled beverage containers to
31 the vending machine.

32 “Department” means the Department of Environmental
33 Protection.

34 “Designated container” means a beverage container that has a
35 symbol, mark, label, or other distinguishing characteristic that
36 enables a reverse vending machine to determine whether the
37 container is a returnable beverage container for which a refund is
38 warranted.

39 “Distributor” means a manufacturer or other person who sells, or
40 offers for sale, one or more filled beverage containers to a dealer in
41 the State. “Distributor” includes a non-profit organization which a
42 group of distributors has elected to create or appoint, pursuant to
43 section 12 of this act, to fulfill their obligations under the “Beverage
44 Container Deposit Act.”

45 “Empty” means that a beverage container contains nothing inside
46 except the residue of its original contents.

47 “Filled” means that a beverage container is unopened and
48 contains a beverage.

1 “Manufacturer” means a person who bottles, cans, or otherwise
2 places beverages in beverage containers for sale to distributors,
3 dealers, or consumers.

4 “Metal beverage container” means a beverage container
5 composed primarily of metal.

6 “Off-site consumption” means consumption of a beverage while
7 outside of a sale and consumption area.

8 “On-site consumption” means consumption of a beverage while
9 inside of a sale and consumption area.

10 “Over-redeemer” means a distributor who, in a single year,
11 expends more money through the issuance of container refunds than
12 the distributor collects in container deposits.

13 “Over-redemption credit” means a credit offered by the
14 Department of the Treasury to a distributor who, in a single year,
15 expends more money through the issuance of container refunds than
16 the distributor collects in container deposits.

17 “Person” means an individual, partnership, corporation,
18 association, or other legal entity.

19 “Previously redeemed beverage container” or “previously
20 redeemed container” means an empty beverage container that a
21 consumer is attempting to return for redemption, but which, at the
22 time of such consumer return, is no longer eligible for a refund of
23 the container’s deposit value because the appropriate refund has
24 already been issued on the container. “Previously returned
25 container” does not include a beverage container for which a refund
26 of the deposit value has already been issued, in any case where such
27 beverage container was returned to the distributor, following the
28 prior issuance of a refund thereon, and was refilled and returned, by
29 the distributor, to the stream of commerce as a new beverage
30 container prior to the current redemption attempt.

31 “Previously rejected beverage container” or “previously rejected
32 container” means a beverage container, whether empty or filled,
33 which a consumer is attempting to return for redemption, but which
34 has previously been rejected for redemption and refused a refund of
35 the container’s deposit value, regardless of the basis for such
36 rejection.

37 “Redeem” or “redemption” means the act of returning an empty
38 returnable container to a dealer or distributor for a refund of the
39 \$0.10 container deposit previously paid on the filled container.

40 “Redeemed empty returnable container” or “redeemed container”
41 means an empty returnable container that has been returned, by both
42 a consumer and a dealer, for a refund, and which is returned to the
43 manufacturer for the purposes of reuse, recycling, or proper
44 disposal in accordance with all applicable laws and regulations.

45 “Redemption center” means a facility established pursuant to
46 section 10 of this act, which is approved by the department to
47 engage in the bulk collection of redeemable containers being
48 returned by consumers, for redemption, pursuant to this act.

1 “Redemption channel” means a dealer, a redemption center, a
2 bag drop program, or an account-based bulk processing program.

3 “Returnable beverage container” or “returnable container” means
4 a beverage container upon which a deposit of at least \$0.10 has
5 been originated by a distributor, and for which a cash refund of at
6 least \$0.10 is payable, by a dealer or distributor of the beverage in
7 the State, upon the return of the empty container thereto.

8 “Reusable beverage container” or “reusable” means that a
9 beverage container, once emptied and redeemed, is capable of being
10 sanitized and refilled by a manufacturer and reinserted into the
11 stream of commerce as a new, filled beverage container.

12 “Reuse” means the sanitizing and refilling of an empty redeemed
13 container, and the reinsertion of that sanitized and refilled container
14 back into the stream of commerce as a new, filled beverage
15 container.

16 “Reverse vending machine” means an automated device that uses
17 a laser scanner, microprocessor, or other technology to accurately
18 recognize the universal product code on containers to determine
19 whether a container is redeemable, and which accumulates
20 information regarding the containers redeemed, including the
21 number of such redeemed containers, thereby enabling the device
22 to: accept containers from redeemers; issue a receipt for the refund
23 value thereof; transmit data for reconciliation purposes; sort and
24 compact redeemed containers; and cancel a redemption transaction
25 upon request of the redeemer.

26 “Sale and consumption area” means the premises within the
27 property of a dealer, or within the property of a dealer’s lessor,
28 where the sale of a filled, returnable beverage container is made,
29 and within which, if authorized by the dealer, a consumer may drink
30 the beverage without paying a container deposit.

31 “Unclaimed container deposit” or “unclaimed deposit” means a
32 \$0.10 container deposit collected by a distributor, which deposit has
33 not yet been refunded to a dealer.

34 “Under-redeemer” means a distributor who, in a single year,
35 collects more money in container deposits than the distributor
36 expends through the issuance of container refunds.

37

38 3. a. Every filled beverage container sold or offered for sale in
39 this State:

40 (1) shall be a returnable container;

41 (2) shall have a refund value of \$0.10 when empty;

42 (3) shall be clearly identified by a stamp, label, or other mark
43 securely affixed to the beverage container, bearing the inscription
44 “New Jersey” or “N.J.,” and indicating the refund value of the
45 beverage container; and

46 (4) if a metal beverage container, shall not have any part that
47 becomes detached from the container when opened.

1 b. Commencing on the effective date of this act, a manufacturer
2 shall not manufacture for sale in this State, a distributor shall not
3 sell, offer for sale, or give to a dealer in this State, and a dealer shall
4 not sell, offer for sale, or give to a consumer in this State, any filled
5 beverage container that fails to comply with the provisions of
6 subsection a. of this section.

7 c. (1) In addition to any other penalties provided by law, a
8 person who violates the provisions of subsection b. of this section
9 shall be subject to the payment of a civil penalty of not less than
10 \$100 and not more than \$1,000 and restitution in an amount to that
11 is equal to the loss resulting from the violation, as determined and
12 ordered by the court.

13 (2) Penalties and restitution payments authorized pursuant to
14 this subsection shall be collected, by the department, in a summary
15 proceeding commenced thereby pursuant to the "Penalty
16 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
17 The Superior Court and municipal court shall have jurisdiction to
18 enforce the "Penalty Enforcement Law of 1999" for the purposes of
19 this subsection.

20 d. Any penalty amounts imposed and collected pursuant to this
21 section shall be payable to the State and credited to the Clean-Up
22 and Redevelopment Trust Fund, established pursuant to section 15
23 of this act.

24
25 4. a. A distributor who sells a filled beverage container to a
26 dealer in this State shall originate a \$0.10 refundable container
27 deposit surcharge on that container, which deposit shall be paid by
28 the dealer, upon the sale and delivery of the container thereto, and
29 collected by the distributor. The distributor shall maintain a record
30 of all container deposits collected pursuant to this paragraph.

31 b. (1) A dealer who sells a filled returnable beverage container
32 to a consumer in this State, for the purposes of off-site
33 consumption, shall require the consumer, at the time of sale, to pay
34 the dealer the \$0.10 container deposit originated on the container
35 pursuant to subsection a. of this section.

36 (2) A dealer who sells a filled returnable beverage container to a
37 consumer in this State, for the purposes of on-site consumption,
38 may either: (a) require the consumer, at the time of sale, to pay the
39 \$0.10 container deposit originated on the container pursuant to
40 subsection a. of this section; or (b) authorize the consumer to
41 consume the beverage on-site, within the sale and consumption
42 area, without paying the \$0.10 container deposit. If the dealer
43 authorizes on-site consumption of the beverage without requiring
44 payment of a deposit at the time of sale, the dealer shall require the
45 consumer of the beverage to return the empty container to the dealer
46 before leaving the sale and consumption area or, if the container is
47 not so returned, to pay the requisite \$0.10 container deposit upon
48 leaving the sale and consumption area with the container.

1 c. (1) A distributor or dealer who fails to originate or impose a
2 container deposit surcharge on a returnable container, in violation
3 of the provisions of subsection a. or b. of this section, as
4 appropriate, shall be subject to the payment of a civil penalty of not
5 less than \$100 and not more than \$1,000 and restitution in an
6 amount that is equal to the loss resulting from the violation, as
7 determined and ordered by the court. Each day on which a
8 violation continues, pursuant to this section, shall constitute a
9 separate and distinct offense.

10 (2) Penalties and restitution payments authorized pursuant to
11 this subsection shall be collected, by the department, in a summary
12 proceeding commenced thereby pursuant to the "Penalty
13 Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-10 et seq.).
14 The Superior Court and municipal court shall have jurisdiction to
15 enforce the "Penalty Enforcement Law of 1999" for the purposes of
16 this subsection.

17 d. Any penalty amounts imposed or restitution payments
18 ordered pursuant to this section shall be payable to the State and
19 credited to the Clean-Up and Redevelopment Trust Fund,
20 established pursuant to section 15 of this act.

21
22 5. a. No person shall pay, claim, or receive any container
23 deposit, processing payment, or handling fee for any of the
24 following:

25 (1) a beverage container that the person knew, or should have
26 known, was imported from out of State;

27 (2) a previously redeemed beverage container;

28 (3) a previously rejected beverage container; or

29 (4) any other vessel, cup, non-beverage container, or other
30 material that is ineligible for redemption pursuant to this act.

31 b. No person shall, within intent to defraud, do any of the
32 following:

33 (1) redeem or attempt to redeem an out-of-state container, a
34 previously redeemed container, a previously rejected container, or
35 any other ineligible container or material;

36 (2) return a previously redeemed container to the marketplace
37 for redemption purposes;

38 (3) bring an out-of-state container, a previously rejected
39 container, or any other ineligible container or material to the
40 marketplace for redemption purposes; or

41 (4) receive, store, transport, distribute, or otherwise facilitate or
42 aid in the redemption of an out-of-state container, a previously
43 redeemed container, a previously rejected container, or other
44 ineligible material.

45 c. The department, and each dealer or distributor participating
46 in the beverage container deposit system established pursuant to
47 this act, shall take all reasonable steps to exclude from the container
48 deposit system, and to prevent the redemption of, all out-of-State

1 beverage containers and all previously redeemed beverage
2 containers, previously rejected beverage containers, and other
3 ineligible containers and materials, as necessary to effectuate the
4 provisions and purposes of subsection a. of this section.

5 d. Any person who violates the provisions of this section shall
6 be subject to the payment of restitution in an amount equal to the
7 loss resulting from the violation, as determined and ordered by the
8 court in a summary proceeding pursuant to the “Penalty
9 Enforcement Law of 1999,” P.L.1999, c.274 (C.2A:58-10 et seq.).
10 The Superior Court and municipal court shall have jurisdiction to
11 enforce the “Penalty Enforcement Law of 1999” for the purposes of
12 this subsection.

13 e. Any restitution payments ordered, by the court, pursuant to
14 this section shall be payable to the State and credited to the Clean-
15 Up and Redevelopment Trust Fund, established pursuant to section
16 15 of this act.

17

18 6. a. (1) Except as otherwise provided by this section, a dealer
19 shall accept for return, from any person, an empty returnable
20 container of any kind, size, and brand that is sold or offered for sale
21 by the dealer. Upon the dealer’s receipt of such empty returnable
22 container, the dealer shall pay the full refund value of the container,
23 in cash, to the person returning the empty container, regardless of
24 whether such person is the original customer who purchased the
25 filled container or whether the filled beverage container was
26 originally sold by the dealer. A dealer shall be authorized, but shall
27 not be required, to limit, to \$25 per day, the total dollar amount of
28 refunds that may be daily issued by the dealer to a single person
29 under this paragraph.

30 (2) The use or presence of a reverse vending machine shall not
31 relieve a dealer of any obligation imposed thereon pursuant to this
32 act. If a dealer uses a reverse vending machine to redeem
33 containers for the purposes of this act, the dealer shall also provide
34 for the manual redemption of beverage containers whenever such
35 reverse vending machine is full, is broken, is under repair, or does
36 not accept a type of beverage container being sold or offered for
37 sale by such dealer, upon redemption thereof.

38 (3) A distributor shall accept for return, from any dealer, an
39 empty returnable container of any kind, size, and brand that is sold
40 or offered for sale by the distributor, and shall pay to the dealer the
41 full refund value of the container, in cash. Upon receipt of a
42 redeemed empty returnable container, pursuant to this paragraph,
43 the distributor shall return the redeemed container to the
44 manufacturer or, if the distributor is the manufacturer of the
45 container, shall retain possession of the container, for the purposes
46 specified in paragraph (4) of this subsection. The distributor shall
47 maintain a record of all container refunds that are issued pursuant to
48 this paragraph.

1 (4) Upon a manufacturer's receipt of an empty redeemed
2 container, the manufacturer shall reuse, recycle, or otherwise
3 properly dispose of the container in accordance with this act and all
4 other applicable laws and regulations.

5 b. A consumer shall be authorized to return for a refund, and a
6 distributor or dealer shall be authorized to accept for return, and to
7 issue a refund on, an empty container, in accordance with this
8 section, only if the empty container was originally sold in this State
9 as a filled returnable container, as indicated by a mark affixed to the
10 container pursuant to paragraph (3) of subsection a. of section 3 of
11 this act. A consumer or dealer shall not return or attempt to return
12 for a refund, and a distributor or dealer shall not accept for
13 redemption and issue a refund on, any beverage container that the
14 person knows, or should know, was not purchased in this State as a
15 filled returnable beverage container.

16 c. Notwithstanding the provisions of this section to the
17 contrary:

18 (1) if a dealer authorizes a consumer to engage in on-site
19 consumption of a beverage in a returnable container without paying
20 a container deposit, as provided by paragraph (2) of subsection b. of
21 section 4 of this act, and the consumer returns the container to the
22 dealer before leaving the sale and consumption area, the dealer shall
23 not be required to pay the consumer a refund upon the consumer's
24 return, and the dealer's acceptance, of the empty container; and

25 (2) a distributor or dealer shall not issue more than one refund
26 on the same empty returnable container following a single use;
27 however, nothing in this paragraph shall prohibit a distributor or
28 dealer from issuing more than one refund on the same empty
29 returnable container if the returnable container is a reusable
30 container for which a refund was previously issued and, in the time
31 since the issuance of the prior refund, the reusable container has
32 been sanitized and refilled by the manufacturer, returned to the
33 stream of commerce for sale as a new, filled beverage container,
34 and newly emptied by another consumer.

35 d. In addition to any other penalties provided by law, a
36 consumer or dealer who returns or attempts to return for a refund,
37 and a dealer or distributor who accepts for redemption, an out-of-
38 State or non-returnable container, in violation of the provisions of
39 subsection b. of this section, shall be subject to the payment of
40 restitution in an amount equal to the loss resulting from the
41 violation, as determined and ordered by the court in a summary
42 proceeding pursuant to the "Penalty Enforcement Law of 1999,"
43 P.L.1999, c.274 (C.2A:58-10 et seq.). The Superior Court and
44 municipal court shall have jurisdiction to enforce the "Penalty
45 Enforcement Law of 1999" for the purposes of this subsection.

46 e. Any restitution payments ordered, by the court, pursuant to
47 this section shall be payable to the State and credited to the Clean-

1 Up and Redevelopment Trust Fund, established pursuant to section
2 15 of this act.

3
4 7. a. (1) Each dealer who sells filled returnable beverage
5 containers for off-site consumption shall provide, on the premises
6 where such sales are made, or within 100 yards thereof, a reverse
7 vending machine or other convenient means by which empty
8 returnable containers of any kind, size, and brand sold or offered for
9 sale by the dealer may be returned by, and the refund value of the
10 container refunded in cash to, the person who is returning the empty
11 container, regardless of whether such person is the original
12 customer who purchased the filled container or whether the
13 container was originally sold by the dealer.

14 (2) A dealer shall post, in that portion of the dealer's premises
15 where returnable containers are redeemed, a written notice stating
16 the following: "A person who returns out-of-State or nonreturnable
17 beverage containers for a refund may be subject to the payment of
18 restitution."

19 b. A dealer who violates the provisions of subsection a. of this
20 section shall be subject to a civil penalty of not more than \$50 for
21 each offense, to be collected in a summary proceeding pursuant to
22 the "Penalty Enforcement Law of 1999," P.L.1999, c.274 (C.2A:58-
23 10 et seq.). Each day on which a violation continues shall
24 constitute a separate and distinct offense. The Superior Court and
25 municipal court shall have the jurisdiction to enforce the provisions
26 of the "Penalty Enforcement Law of 1999" in connection with this
27 section.

28 c. (1) In order to facilitate the consumer use of reverse vending
29 machines for the purposes of this act, each manufacturer, to the
30 greatest extent practicable, shall use returnable containers that have
31 a designated symbol, mark, or other distinguishing characteristic
32 sufficient to enable a reverse vending machine to determine whether
33 the container is a returnable container necessitating a refund.

34 (2) Any symbol, mark, or other distinguishing characteristic
35 placed on a designated container, pursuant to this subsection, shall
36 be approved by the department, and shall be unique to this State or
37 authorized for use only in this State and in one or more other states
38 having laws substantially similar to this act.

39 d. (1) Commencing 90 days after the effective date of this act,
40 a manufacturer shall not sell, offer for sale, or give to a distributor,
41 dealer, or consumer in this State, a beverage container that is not a
42 designated container, if the Department of the Treasury determines
43 that:

44 (a) at least 500,000 cases or case-equivalents of that brand of
45 beverage, in that type of container, were sold in this State in the
46 preceding calendar year; or

47 (b) less than 500,000 cases or case-equivalents of that brand of
48 beverage, in that type of container, were sold in this State in the

1 preceding calendar year, but more than 600,000 cases or case-
2 equivalents of that brand of beverage, in that type of container,
3 were redeemed for container refunds in the preceding calendar year.

4 (2) A manufacturer who violates the provisions of this
5 subsection shall be subject to a civil penalty of not more than
6 \$2,000.

7 e. Any penalty amounts imposed and collected pursuant to this
8 section shall be payable to the State and credited to the Clean-Up
9 and Redevelopment Trust Fund, established pursuant to section 15
10 of this act.

11

12 8. a. In order to promote the use, in this State, of reusable
13 beverage containers of uniform design, and in order to facilitate the
14 return of such containers to manufacturers for reuse as new, filled
15 beverage containers, the department, in consultation with the
16 Division of Alcoholic Beverage Control in the Department of Law
17 and Public Safety, shall certify beverage containers as reusable, in
18 accordance with subsection b. of this section, either upon
19 application of the manufacturer, as provided by subsection c. of this
20 section, or based upon the department's own independent
21 determinations.

22 b. (1) A beverage container of any type or composition shall
23 be certified as reusable if the department determines both that that
24 type of beverage container satisfies the requirements of section 3 of
25 this act and that more than one manufacturer has the capacity, in the
26 ordinary course of business, to accept, sanitize, and refill that type
27 of beverage container, for reinsertion into the stream of commerce
28 as a new, filled beverage container, after it has been emptied and
29 returned to the manufacturer in accordance with this act.

30 (2) A beverage container shall not be certified as reusable if the
31 department determines that:

32 (a) by reason of its shape or design, or by reason of words or
33 symbols embossed, engraved, painted, or otherwise permanently
34 inscribed thereon, the container is reusable as a beverage container
35 only by a single manufacturer of a beverage sold under a specific
36 brand name; or

37 (b) the type of beverage container is available for reuse by
38 multiple manufacturers, but the reuse of that type of beverage
39 container by more than one manufacturer will not occur at sufficient
40 volume to fully effectuate the purposes set forth in subsection a. of
41 this section.

42 c. A manufacturer may submit a written application to the
43 department seeking to have a specific beverage container, used by
44 the manufacturer, certified as reusable. Unless such application is
45 rejected by the department within 60 days after the date on which it
46 is filed, the application shall be deemed approved, and the beverage
47 container identified in the application shall be deemed to have been
48 certified as reusable.

1 d. (1) Each beverage container certified as reusable, pursuant
2 to this section, shall be capable of holding a minimum of three
3 liquid ounces. The department shall establish, by rule or regulation,
4 appropriate size classifications for the beverage containers being
5 certified under this section, and shall not certify more than one
6 beverage container of any one particular manufacturer in each size
7 classification.

8 (2) The department may require that any beverage container
9 certified as reusable, pursuant to this section, be clearly identified
10 as such by a stamp, label, or other mark securely affixed to the
11 beverage container. The department may require that such
12 demarcation be separate from, or included as a part of, the label or
13 other mark that is required to be affixed to the container pursuant to
14 paragraph (3) of subsection a. of section 3 of this act.

15 e. The department may, at any time, review a certification
16 previously granted pursuant to this section. If, upon review, and
17 after providing written notice and affording a hearing to the person,
18 if any, who filed the original application for certification, the
19 department determines that the beverage container is no longer
20 qualified for certification, it shall withdraw the certification.
21 Withdrawal of certification shall become effective on the date
22 specified by the department, but not less than 30 days after written
23 notice of the decertification has been provided both to the person
24 who filed the original application for certification, if any, and to any
25 other manufacturer who accepts the beverage container for refilling
26 and reuse in the ordinary course of business.

27 f. The department shall publish and regularly update, on its
28 Internet website, a list of the types of containers that are certified as
29 reusable pursuant to this section.

30
31 9. a. A distributor who, in a single year, collects more money
32 in container deposits than the distributor expends in container
33 refunds shall pay to the Department of the Treasury, in accordance
34 with a schedule adopted by the State Treasurer, the value of the
35 unclaimed deposits, less the value of any over-redemption credit
36 authorized pursuant to subsection b. of this section.

37 b. (1) An under-redeemer who makes a payment pursuant to
38 subsection a. of this section, and who becomes an over-redeemer in
39 a subsequent year, may obtain a credit for the value of the over-
40 redemption occurring in that year in order to reduce the amount of
41 money owed to the Department of the Treasury, pursuant to this
42 section, in one or more subsequent years as a result of that person
43 again becoming an under-redeemer. Any such over-redemption
44 credit, once obtained and until depleted, may be carried forward for
45 a period of not more than three years.

46 (2) Notwithstanding the provisions of this subsection to the
47 contrary, an over-redeemer who is not planning to continue to
48 originate container deposits in subsequent years, pursuant to

1 subsection a. of section 4 of this act, shall be authorized by the
2 Department of the Treasury, on a one-time basis, to carry the value
3 of an over-redemption credit back into prior years in order to realize
4 the value of the credit.

5 c. The Department of the Treasury shall be authorized to audit,
6 assess, and collect the amount of money reflecting unclaimed
7 container deposits, as provided by this section, and to take any other
8 appropriate action to enforce the requirements of this section.

9 d. (1) In order to reduce the costs that are owed by an under-
10 redeemer under subsection a. of this section, and in order to reduce
11 the total amount of funds expended by an over-redeemer for excess
12 refunds issued under this act, an under-redeemer shall be authorized
13 to purchase empty redeemed containers from another distributor
14 who is an over-redeemer in the same year. The consideration paid
15 by an under-redeemer to an over-redeemer for each empty
16 redeemed container shall equal the refund value of the container.

17 (2) For the purposes of reporting pursuant to subsection e. of
18 this section, purchases made by an under-redeemer pursuant to this
19 subsection shall be reported as container refunds, and sales made by
20 an over-redeemer pursuant to this subsection shall be reported as
21 container deposits.

22 e. Not later than one year after the effective date of this act,
23 and annually thereafter, a distributor who originates container
24 deposits pursuant to subsection a. of section 4 of this act shall
25 submit, to the Department of the Treasury, a written report
26 identifying:

27 (1) the total value of container deposits that were collected by
28 the distributor during the year, including, as appropriate, the value
29 of container deposits collected through the sale of unredeemed
30 containers to an under-redeemer, pursuant to subsection d. of this
31 section, and the name and address of each under-redeemer to whom
32 such sales were made;

33 (2) the total value of container refunds that were issued by the
34 distributor during the year, including, as appropriate, the value of
35 container refunds made through the purchase of unredeemed
36 containers from an over-redeemer, pursuant to subsection d. of this
37 section, and the name and address of each over-redeemer from
38 whom such purchases were made;

39 (3) the difference between the total value of container deposits
40 collected, as reported under paragraph (1) of this subsection, and
41 the total value of container refunds issued, as reported under
42 paragraph (2) of this subsection;

43 (4) the value of any over-redemption credit previously granted
44 to the distributor pursuant to subsection b. of this section, and the
45 date on which the over-redemption credit was granted; and

46 (5) the total amount owed to the Department of the Treasury,
47 pursuant to subsection a. of this section.

1 f. Notwithstanding the payments required and credits
2 authorized pursuant to this section, an unclaimed deposit on a
3 returnable container shall be deemed to be the property of the
4 person who returns the empty container for redemption. Unclaimed
5 deposits shall not be deemed to be the property of the distributor or
6 the manufacturer, and a distributor shall continue to refund
7 unclaimed deposit amounts to each person who redeems an empty
8 returnable container, regardless of any under-redemption payments
9 that are made by the distributor, or any over-redemption credits that
10 are provided to the distributor, pursuant to this section.

11

12 10. a. The Department shall authorize and provide for the
13 establishment, licensure, and operation of beverage container
14 redemption centers in the State, for the purposes of this act.

15 b. A beverage container redemption center shall be authorized
16 to collect redeemable containers via an account-based bulk
17 processing program, a bag-drop program, or both.

18 c. Each redemption center established and licensed pursuant to
19 this section shall:

20 (1) accept all redeemable containers for redemption;

21 (2) ensure that reusable containers are handled, at the
22 redemption center, in a manner that allows for their reuse;

23 (3) be clean, safe, and well lit;

24 (4) be stationed inside of a building or other closed shelter,
25 including a stand, but not including a tent or other type of shelter
26 made of textile material;

27 (5) contain sufficient space, in an area not visible to redeemers
28 or other clientele, for the storage of redeemed containers; and
29 provide for and ensure the prompt and continued storage of
30 redeemed containers collected by the redemption center, pending
31 their transport to another facility in accordance with the provisions
32 of this act;

33 (6) be accessible, by road, on a year-round basis;

34 (7) be accessible to persons with reduced mobility;

35 (8) be clearly marked with signage bearing the redemption
36 center's name or logo, which signage shall be installed in a
37 prominent position on the facade of, or near to, the site at which
38 redeemable containers may be deposited, by redeemers, for a
39 refund;

40 (9) be clearly marked and readily identifiable as a licensed
41 partner in the State's container deposit and refund system, operated
42 pursuant to this act;

43 (10) if the redemption center is associated with more than one
44 retail establishment, be clearly marked, and readily identifiable, as
45 being associated with each such establishment; and

46 (11) accept redeemable containers for redemption, pursuant to
47 this act, on the days, and during the hours, required by subsection d.
48 of this section, and display the redemption center's days and hours

1 of operation in a location that is clearly visible from the outside of
2 the redemption center;

3 (12) refund the deposit value of redeemable containers returned
4 to the redemption center, either by providing the redeemer with
5 legal tender or by providing the redeemer with a receipt or script
6 dispensed from a reverse vending machine, which receipt or script
7 may then be exchanged, by the redeemer, for legal tender, over a
8 period of not less than 60 days following the date of the issuance of
9 the receipt or script thereto; and

10 (13) in any case where the redemption center uses an electronic
11 process to facilitate the refund of deposit values on redeemed
12 containers, ensure that such electronic process is secure and is
13 completed not more than seven days after the redemption center
14 receives the redeemable containers for which a refund is authorized.

15 d. (1) Except as otherwise provided by paragraph (2) of this
16 subsection, a redemption center established and operating in this
17 State shall remain open and available to accept redeemable
18 containers, for redemption purposes, on a daily basis, seven days a
19 week, for at least 10 hours a day from Monday through Saturday,
20 and for at least six hours a day on Sunday.

21 (2) Notwithstanding the provisions of paragraph (1) of this
22 subsection to the contrary:

23 (a) Whenever a redemption center is established and operated,
24 by a single retailer, either inside or outside of a retail establishment
25 operated thereby, the redemption center shall remain open and
26 available to accept redeemable containers, for the purposes of this
27 act, during the same business hours as are applicable to the retail
28 establishment with which it is associated; and

29 (b) Whenever a redemption center is collectively established and
30 operated, by a group of retailers, outside of more than one retail
31 establishment operated thereby, and all of such retail establishments
32 have business hours shorter than the hours of operation required by
33 paragraph (1) of this subsection, the redemption center shall remain
34 open and available to accept redeemable containers, for the
35 purposes of this act, during the same business hours as are
36 applicable to the retail establishment, associated therewith, which
37 has the longest hours of operation.

38 e. The network of redemption centers established and operated,
39 pursuant to this section, shall supplement, but shall not supplant, the
40 return of beverage containers to dealers as authorized by section 6
41 of this act.

42 f. A redemption center may refuse to accept, from a redeemer,
43 any empty beverage container that is broken, is not clean, or
44 contains material that is foreign to the normal contents of the
45 container.

46
47 11. a. A distributor, unless otherwise specified in a contract
48 executed with a dealer, shall offer to provide, to each dealer or

1 other establishment that allows for the on-site consumption of
2 beverages, a collection service for redeemable containers. Such
3 collection service shall provide for the distributor to facilitate the
4 regular collection of all redeemable containers stored by such
5 dealers and other establishments, in accordance with the following
6 collection schedule:

7 (1) if the dealer or other establishment has an on-site
8 consumption capacity of 50 or more persons at a time, the
9 collection system shall provide for all redeemable containers stored
10 by such dealer or other establishment to be collected, by the
11 distributor, at least once per week; and

12 (2) if the dealer or other establishment has an on-site
13 consumption capacity of fewer than 50 persons at a time, the
14 collection system shall provide for all redeemable containers stored
15 by such dealer or other establishment to be collected, by the
16 distributor, at least twice per month.

17 b. A distributor operating a collection system, pursuant to this
18 section, shall provide all of the equipment and accessories,
19 including, but not limited to, compactors, bins, crates, or other types
20 of receptacles, which are needed to facilitate the collection of
21 redeemable containers under the system, and shall take appropriate
22 and necessary steps to ensure that redeemable beverage containers
23 are fully emptied and sorted on site, if possible.

24 c. (1) Not more than seven consecutive business days after a
25 distributor collects redeemable containers from a dealer or other
26 establishment, pursuant to this section, the distributor shall refund,
27 to such dealer or other establishment, the deposit value of those
28 redeemed containers.

29 (2) In any case where a distributor requires the use of a digital
30 application to facilitate the issuance of a refund pursuant to this
31 subsection, the distributor shall assign a unique identification code
32 to each dealer or other establishment from which redeemable
33 containers are collected under the distributor's collection system,
34 and shall require each such dealer or other establishment to attach,
35 to each redeemable container received and stored thereby, a label
36 containing that identification code. The distributor shall provide
37 each such dealer or other establishment with a sufficient quantity of
38 pre-coded labels, or with a device that can be used by the dealer or
39 other establishment to print its own labels, for the purposes of this
40 paragraph.

41 d. A distributor shall provide, to each dealer or other
42 establishment in the State which allows for the on-site consumption
43 of beverages, a fact sheet or other guidance document describing
44 the parameters of the distributor's collection service, including, but
45 not limited to:

46 (1) the frequency at which redeemed containers are, or will be,
47 collected from relevant dealers and other establishments electing to
48 participate in the collection service;

1 (2) the types of redeemable beverage containers targeted for
2 collection by the distributor; and

3 (3) any rules that are to be observed or requirements that are to
4 be satisfied, by dealers and other relevant establishments, as a
5 condition of their participation in the collection service.

6

7 12. a. A group of distributors may elect to create or appoint a
8 nonprofit organization to fulfill the distributors' duties and
9 responsibilities under this act.

10 b. A consumer shall be authorized to return a redeemable
11 container, for the purposes of redemption pursuant to this act,
12 through the use of any authorized redemption channel.

13

14 13. a. The Beverage Container Deposit Fund is established as a
15 non-lapsing revolving fund within the Department of the Treasury.
16 The State Treasurer shall credit, to the fund, any amounts that are
17 paid by under-redeemers, pursuant to section 9 of this act; any other
18 money or assets that are made available, by any State, federal, or
19 private source, for the fund's purposes; and any interest or earnings
20 achieved from the investment of existing moneys in the fund.

21 b. Moneys in the Beverage Container Deposit Fund shall be
22 annually disbursed as follows:

23 (1) except as otherwise provided by subsection c. of section 14
24 of this act, the first \$1,000,000 in the fund shall be disbursed to the
25 Beverage Container Deposit Enforcement Fund established
26 pursuant to section 14 of this act; and

27 (2) of the amounts remaining in the fund: (a) 75 percent shall
28 be disbursed to the Clean-Up and Redevelopment Trust Fund
29 established pursuant to section 15 of this act; and (b) 25 percent
30 shall be apportioned to each dealer in the State, as determined by
31 the Department of the Treasury, based on the number of empty
32 returnable containers handled annually by each dealer.

33

34 14. a. The Beverage Container Deposit Enforcement Fund is
35 established as a non-lapsing revolving fund in the Department of
36 the Treasury. The State Treasurer shall credit, to the fund, any
37 amounts that are disbursed thereto, pursuant to paragraph (1) of
38 subsection b. of section 13 of this act; any other money or assets
39 that are made available, by any State, federal, or private source, for
40 the fund's purposes; and any interest or earnings achieved from the
41 investment of existing moneys in the fund.

42 b. Moneys in the Beverage Container Deposit Enforcement
43 Fund shall be annually disbursed to the Division of State Police in
44 the Department of Law and Public Safety, for use in enforcing the
45 provisions of this act and investigating violations thereof.

46 c. If the balance remaining in the Beverage Container Deposit
47 Enforcement Fund, at the end of a fiscal year, is greater than
48 \$3,000,000, disbursements to the fund, as required by paragraph (1)

1 of subsection b. of section 13 of this act, shall be suspended until
2 the balance in the fund falls below \$2,000,000.

3 d. Three years after the effective date of this act, and triennially
4 thereafter, the Division of State Police in the Department of Law
5 and Public Safety shall submit a written report to the Legislature,
6 pursuant to section 2 of P.L.1991, c.164 (C.52:14-19.1), evaluating
7 the efficacy of law enforcement efforts that have been undertaken
8 pursuant to this act. Each such report shall:

9 (1) identify the number of beverage containers seized in the
10 State in each year, pursuant to this act, and the total refund value of
11 those containers;

12 (2) identify any significant problems in law enforcement efforts
13 undertaken pursuant to this act, describe the efforts that have been
14 undertaken by the division to address those problems, and provide
15 recommendations for legislative or other actions that may be
16 necessary to facilitate ongoing, effective law enforcement in this
17 area; and

18 (3) include any other information that is deemed, by the
19 Superintendent of State Police, to be relevant to the evaluation of
20 law enforcement efficacy in the implementation of this act.

21

22 15. a. The Clean-Up and Redevelopment Trust Fund is
23 established in the Department of the Treasury. The State Treasurer
24 shall credit, to the fund, any amounts that are disbursed thereto,
25 pursuant to paragraph (2) of subsection b. of section 13 of this act;
26 any penalty or restitution amounts that are collected for violations
27 of this act; any other money or assets that are made available, by
28 any State, federal, or private source, for the trust fund's purposes;
29 and any interest or earnings achieved from the investment of
30 existing moneys in the trust fund.

31 b. Moneys in the trust fund shall be annually disbursed as
32 follows:

33 (1) for each of the first three fiscal years next following the
34 effective date of this act: (a) the first \$15,000,000 in the fund shall
35 be annually disbursed, in equal amounts, to the New Jersey
36 Redevelopment Investment Fund established pursuant to section 27
37 of P.L.1996, c.62 (C.55:19-46), the Hazardous Discharge Site
38 Remediation Fund established pursuant to section 26 of P.L.1993,
39 c.139 (C.58:10B-4), the Brownfield Site Reimbursement Fund
40 established pursuant to section 38 of P.L.1997, c.278 (C.58:10B-
41 30), the Municipal Landfill Closure and Remediation Fund
42 established by section 6 of P.L.1996, c.124 (C.13:1E-116.6), the
43 New Jersey Spill Compensation Fund established pursuant to
44 section 10 of P.L.1976, c.141 (C.58:10-23.11i), the Clean Water
45 Enforcement Fund established pursuant to section 12 of P.L.1990,
46 c.28 (C.58:10A-14.4); the Pollution Prevention Fund established
47 pursuant to section 16 of P.L.1991, c.235 (C.13:1D-50), and the
48 "Clean Stormwater and Flood Reduction Fund" established by

1 section 17 of P.L.2019, c.42 (C.40A:26B-17); (b) 80 percent of the
2 moneys annually remaining in the fund, following the
3 disbursements made pursuant to subparagraph (a) of this paragraph,
4 shall be disbursed, in equal amounts, to each of the funds identified
5 in subparagraph (a) of this paragraph; and (c) 10 percent of the
6 moneys annually remaining in the fund, following the
7 disbursements made pursuant to subparagraph (a) of this paragraph,
8 shall be disbursed to the Community Pollution Prevention Grant
9 Fund established pursuant to section 16 of this act; and

10 (2) for the fourth, and each subsequent, fiscal year following the
11 effective date of this act: (a) 80 percent of the moneys in the fund
12 shall be disbursed, in equal amounts, to each of the funds identified
13 in subparagraph (a) of paragraph (1) of this subsection; and (b) 10
14 percent of the moneys in the fund shall be disbursed to the
15 Community Pollution Prevention Grant Fund established pursuant
16 to section 16 of this act.

17 c. Any moneys remaining in the trust fund at the close of a
18 fiscal year shall remain in the trust fund and shall not lapse into the
19 General Fund unless the trust fund reaches a total accumulated
20 principal of \$200,000,000. At such time, moneys in excess of
21 \$200,000,000 in the trust fund, including any new interest and
22 earnings on moneys in the trust fund, shall lapse into the General
23 Fund.

24

25 16. a. The Community Pollution Prevention Grant Fund is
26 established as a non-lapsing, revolving fund within the Department
27 of Environmental Protection. The fund shall be credited with any
28 amounts that are disbursed thereto, pursuant to subsection b. of
29 section 15 of this act; any other money or assets that are made
30 available, by any State, federal, or private source, for the fund's
31 purposes; and any interest or earnings achieved from the investment
32 of existing moneys in the fund.

33 b. Moneys in the Community Pollution Prevention Grant Fund
34 shall be used by the department only for the purposes of providing
35 grants to eligible entities for the pollution prevention programs and
36 activities identified in subsection c. of this section. Not more than
37 \$100,000 in grants shall be awarded from the fund, in any year, to a
38 single recipient.

39 c. Municipal and county governments, local health
40 departments, regional planning agencies, and other similar entities
41 shall be eligible to receive a grant from the Community Pollution
42 Prevention Grant Fund in order to finance the following programs
43 and activities:

44 (1) programs and activities related to the protection of
45 groundwater or drinking water supplies, including activities related
46 to the delineation of drinking water wellhead protection areas and
47 the implementation of drinking water protection plans;

1 (2) the inspection of facilities that engage in the storage or
2 handling of hazardous waste or other substances that may pose a
3 risk to groundwater or drinking water supplies, or the review of
4 pollution prevention plans prepared by such facilities;

5 (3) programs and activities related to the identification and
6 plugging of abandoned wells other than oil and gas wells;

7 (4) programs and activities that are designed to prevent or clean-
8 up litter; or

9 (5) programs and activities that are designed to educate the
10 general public or businesses, including businesses that use, store, or
11 handle hazardous waste or materials, about various pollution
12 prevention methods, technologies, and processes, and about the
13 importance of directly reducing toxic material discharges and
14 ensuring the use of proper waste disposal methods.

15 d. Each recipient of a grant under this subsection shall provide
16 a financial match that equals not less than 25 percent nor more than
17 50 percent of the total grant amount awarded pursuant to this
18 subsection.

19 e. The department shall enter into a written contract with each
20 recipient of a grant under this section, which contract shall identify
21 the programs or activities to be conducted by the grant recipient, the
22 objectives of those programs or activities, the financial match being
23 provided by the grant recipient pursuant to subsection d. of this
24 section, and any deliverables or reports required by the department
25 as a condition of the grant award.

26 f. One year following the commencement of the grant program
27 under this section, and annually thereafter, the department shall
28 prepare and submit, to the Governor and, pursuant to section 2 of
29 P.L.1991, c.164 (C.52:14-19.1), to the Legislature, a written report
30 that:

31 (1) identifies the amount of each grant award made pursuant to
32 this section and the name of each grant award recipient;

33 (2) summarizes the contractual commitments made pursuant to
34 this section and the extent to which those commitments have been
35 satisfied; and

36 (3) evaluates the effectiveness of the grant program established
37 pursuant to this section and provides recommendations for the
38 program's improvement and expansion.

39

40 17. The Commissioner of Environmental Protection and the
41 State Treasurer shall each adopt rules and regulations, pursuant to
42 the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1
43 et seq.), as may be necessary to implement the provisions of this
44 act.

45

46 18. Section 5 of P.L.2007, c.311 (C.13:1E-96.6) is repealed.

1 The bill would require a dealer to accept for return, from any
2 person, an empty returnable container of any kind, size, and brand
3 that is sold or offered for sale by the dealer, and to pay the
4 container's refund value, in cash, to the person returning the
5 container, regardless of whether that person is the original customer
6 who purchased the filled container or whether the filled container
7 was originally sold by the dealer. A dealer may limit, to \$25, the
8 total dollar amount of container refunds that may be daily issued to
9 a single person.

10 A distributor would similarly be required to accept for return,
11 from any dealer, an empty returnable container of any kind, size,
12 and brand that is sold or offered for sale by the distributor, and to
13 pay the dealer the full refund value of the container, in cash. The
14 distributor would then be required to either return the redeemed
15 empty container to the manufacturer or, if the distributor is the
16 manufacturer, to retain possession of the redeemed container, for
17 reuse, recycling, or proper disposal in accordance with all
18 applicable laws and regulations.

19 The bill would prohibit any person from paying, claiming, or
20 receiving any container deposit, refund, processing payment, or
21 handling fee for any of the following: (1) a beverage container that
22 the person knows, or should know, was imported from out of State;
23 (2) a previously redeemed beverage container; (3) a previously
24 rejected beverage container; or (4) any other vessel, cup, non-
25 beverage container, or other material that is ineligible for
26 redemption pursuant to this act. The bill would further prohibit any
27 person from fraudulently: (1) redeeming or attempting to redeem
28 an out-of-state container, a previously redeemed container, a
29 previously rejected container, or any other ineligible container or
30 material; (2) returning a previously redeemed container to the
31 marketplace for redemption purposes; (3) bringing an out-of-state
32 container, a previously rejected container, or any other ineligible
33 container or material to the marketplace for redemption purposes; or
34 (4) receiving, storing, transporting, distributing, or otherwise
35 facilitating or aiding in the redemption of any such ineligible
36 container or material. Any person who violates these provisions
37 would be subject to the payment of restitution in an amount equal to
38 the loss resulting from the violation.

39 In order to facilitate the return of beverage containers under the
40 bill, the bill would require each dealer who sells filled returnable
41 beverage containers for off-site consumption to provide, either on
42 the premises where sales are made or within 100 yards thereof, a
43 reverse vending machine or other convenient means by which
44 empty returnable containers may be returned and a cash refund
45 issued to the person who is returning them. The bill would
46 additionally require a dealer to post written notice, in the area
47 where returnable containers are redeemed, notifying consumers that
48 they may be liable for the payment of restitution in association with

1 any improper container returns made thereby. Any dealer who fails
2 to comply with either of these requirements would be subject to a
3 civil penalty of \$50 per day of violation. Certain manufacturers of
4 large quantities of beverages would also be required to use
5 returnable containers that have a designated symbol, mark, or other
6 distinguishing characteristic, approved by the Department of
7 Environmental Protection (DEP), which is sufficient to enable a
8 reverse vending machine to determine whether the container is
9 returnable and is eligible for a refund. A manufacturer who does
10 not use designated containers when required by the Department of
11 the Treasury would be subject to a civil penalty of up to \$2,000.

12 Under the bill's provisions, if a distributor, in a single year, is an
13 under-redeemer of beverage containers, meaning that the distributor
14 has collected more money in container deposits than the distributor
15 has expended in container refunds, the distributor will be required
16 to pay, to the Department of the Treasury, the value of the
17 unclaimed deposits, less the value of any over-redemption credit
18 authorized under the bill. An over-redemption credit may be
19 issued, by the Department of the Treasury, to any distributor who,
20 in a single year, expends more money in container refunds than the
21 distributor collects through deposits, and this credit may be carried
22 forward for the next three years to offset any payments owed by the
23 distributor upon becoming an under-redeemer. However, if an
24 over-redeemer is not planning to continue making container
25 deposits in subsequent years, the Department of the Treasury may
26 allow the over-redeemer, on a one-time basis, to carry the value of
27 the credit back into prior years in order to realize its value. In order
28 to reduce the costs owed by an under-redeemer and reduce the
29 amounts expended by an over-redeemer, the bill would authorize an
30 under-redeemer to purchase empty redeemed containers from
31 another distributor who is an over-redeemer in the same year.

32 The bill would require the DEP to authorize and provide for the
33 establishment, licensure, and operation of beverage container
34 redemption centers, throughout the State, for the bill's purposes.
35 Each such redemption center would be authorized to engage in the
36 bulk collection of redeemable containers, in accordance with
37 various requirements established in the bill, through the use of
38 either or both an account-based bulk processing program or a bag-
39 drop program, as such programs are defined in the bill. Except as
40 otherwise provided by the bill, each such redemption center would
41 be required to remain open and available to accept redeemable
42 containers on a daily basis, seven days a week, for at least 10 hours
43 a day from Monday through Saturday, and for at least six hours a
44 day on Sunday. The redemption centers established and operated,
45 pursuant to the bill, are to supplement, but not supplant, the
46 consumer return of redeemable containers to dealers under the bill.

47 The bill would further require each distributor of beverages,
48 unless otherwise specified in a contract executed with a dealer, to

1 offer to provide a collection service, for redeemable containers, to
2 each dealer or other establishment that allows for the on-site
3 consumption of beverages in the State. Such collection service is to
4 provide for the regular collection of all redeemable containers
5 stored by such dealers and other establishments, in accordance with
6 the following collection schedule:

7 (1) if the dealer or other establishment has an on-site
8 consumption capacity of 50 or more persons at a time, the
9 collection system is to provide for all redeemable containers stored
10 thereby, at least once per week; and

11 (2) if the dealer or other establishment has an on-site
12 consumption capacity of fewer than 50 persons at a time, the
13 collection system is to provide for all redeemable containers stored
14 thereby to be collected, by the distributor, at least twice per month.

15 A distributor operating a collection system, pursuant to the bill,
16 would be required to: (1) provide all of equipment and accessories
17 necessary to facilitate the collection of redeemable containers under
18 the system; (2) take appropriate and necessary steps to ensure that
19 redeemable beverage containers are emptied and sorted on site, if
20 possible; (3) issue appropriate refunds, for all redeemable
21 containers collected under the system, not more than seven
22 consecutive business days after such containers are collected; and
23 (4) if the distributor requires the use of a digital application to
24 facilitate the issuance of requisite refunds, assign a unique
25 identification code to each participating dealer or other
26 establishment and require each such dealer or other establishment to
27 attach, to each container stored thereby, a label containing that
28 identification code.

29 The bill would establish four new funds for the moneys that will
30 be obtained through the implementation of the bill's provisions: (1)
31 the Beverage Container Deposit Fund; (2) the Beverage Container
32 Deposit Enforcement Fund; (3) the Clean-Up and Redevelopment
33 Trust Fund; and (4) the Community Pollution Prevention Grant
34 Fund.

35 Moneys that are paid by under-redeemers, pursuant to the bill,
36 are to be deposited into the Beverage Container Deposit Fund. The
37 first \$1 million in the BCD Fund is to be annually disbursed to the
38 Beverage Container Deposit Enforcement Fund for use by the State
39 Police in enforcing, and investigating violations of, the bill's
40 provisions. However, if the balance in the Enforcement Fund
41 exceeds \$3 million, disbursements to that fund will be suspended
42 until the balance falls below \$2 million. Of the amounts remaining
43 in the Deposit Fund following the requisite disbursement to the
44 Enforcement Fund, 75 percent is to be disbursed to the Clean-Up
45 and Redevelopment Trust Fund, and 25 percent is to be apportioned
46 to each dealer in the State, based on the number of empty returnable
47 containers handled by each dealer.

1 In addition to the moneys disbursed thereto from the Beverage
2 Container Deposit Fund, the Clean-Up and Redevelopment Trust
3 Fund would also be credited with all penalty and restitution
4 amounts that are imposed and collected by a court for violations of
5 the bill's provisions. For each of the three fiscal years next
6 following the bill's effective date, the first \$15 million annually
7 deposited in the trust fund is to be disbursed, in equal amounts, to
8 eight different clean-up and redevelopment funds currently existing
9 in the State and identified in the bill. Of the moneys remaining in
10 the trust fund in those first three fiscal years, and of the total sum of
11 moneys deposited in the trust fund in the fourth and each
12 subsequent fiscal year following the bill's effective date, 80 percent
13 of such moneys are to be equally disbursed, on an annual basis, to
14 the eight different clean-up and redevelopment funds identified in
15 the bill, and 10 percent of such moneys are to be disbursed to the
16 Community Pollution Prevention Grant Fund, newly established
17 pursuant to the bill.

18 Moneys in the Community Pollution Prevention Grant Fund are
19 to be used, by the DEP, to provide grants to local governments,
20 local health departments, regional planning agencies, and similar
21 entities (in amounts of up to \$100,000 per year for each recipient)
22 to finance various programs and activities related to water pollution
23 prevention and litter clean-up, as specified in the bill. Each grant
24 recipient would be required to provide a financial match equaling
25 25 to 50 percent of the grant award.

26 Finally, this bill would repeal section 5 of P.L.2007, c.311
27 (C.13:1E-96.6), which currently provides for the State's existing
28 recycling tax to become inoperable if State or federal law requires a
29 deposit on, or establishes a refund value, for a beverage container,
30 as this bill would do. This repeal will ensure that the State's
31 existing recycling tax continues to remain in effect, notwithstanding
32 this bill's enactment.