



Council of the District of Columbia
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, DC 20004

Brianne K. Nadeau
Councilmember, Ward 1

Statement of Introduction
Recycling Refund and Litter Reduction Amendment Act of 2025

January 15, 2025

Nyasha Howard, Secretary
Council of the District of Columbia
1350 Pennsylvania Avenue, N.W.
Washington, DC 20004

Dear Secretary Howard,

The District of Columbia has a significant litter issue. Of particular concern are beverage containers, which end up on the ground and in our waterways by the ton. Plastic bottles alone account for 60 percent of the weight of all trash retrieved from the Anacostia River. Many of these containers end up going to landfill rather than getting recycled.

However, even when bottles and cans make it into the recycling stream, they are often contaminated, as a result of the District relying on a single stream recycling system. When that occurs, these containers are ultimately rejected by recycling facilities and end up at an incinerator or landfill, where they contribute to toxic greenhouse gases.

Today, I am introducing the “Recycling Refund and Litter Reduction Amendment Act of 2025”, along with Council Chairman Phil Mendelson and Councilmembers Charles Allen, Brooke Pinto, Matthew Frumin, Janeese Lewis George, Anita Bonds, Christina Henderson, Robert C. White, Jr., Zachary Parker, and Wendell Felder.

This bill establishes a beverage container deposit program in the District, whereby consumers pay a ten-cent deposit on applicable beverages, and are refunded that deposit when they return the empty beverage containers to be recycled. The program, which would be managed by a nonprofit funded by beverage distributors, would be overseen and enforced by the Department of Energy and the Environment.

Beverage container deposit programs have been shown to have a significant impact on increasing recycling rates and reducing overall litter. They have been operating in ten other states for decades and the facts are clear and overwhelming.



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The ten states that have passed and implemented similar legislation witnessed immediate and significant increases in removing bottles and cans from the waste stream, because residents, visitors, and collectors alike are incentivized to redeem their containers. In Michigan, the return rate for bottles is 73 percent. In Maine, it's 77 percent. In five of the six states with at least a 10-cent deposit, the redemption rate is over 50 percent. These programs have also reduced other litter.

A bottle deposit program will have a profound impact on the environment and on the quality of life in our city, and will get us one giant step closer to meeting our zero waste goals.


Sincerely,


A handwritten signature in black ink that reads "Brianne K. Nadeau".


Brianne K. Nadeau
Councilmember, Ward 1
Chairperson, Committee on Public Works & Operations



Chairman Phil Mendelson



Councilmember Brianne K. Nadeau



Councilmember Brooke Pinto



Councilmember Charles Allen



Councilmember Janeese Lewis George

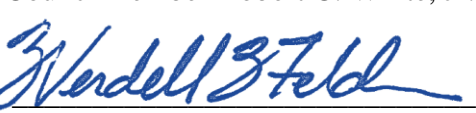

Councilmember Matthew Frumin


Councilmember Christina Henderson


Councilmember Anita Bonds


Councilmember Zachary Parker


Councilmember Robert C. White, Jr.


Councilmember Wendell Felder

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A BILL

IN THE COUNCIL OF THE DISTRICT OF COLUMBIA

To amend the Sustainable Solid Waste Management Amendment Act of 2014 to establish an extended producer responsibility collection and recycling program for beverage containers to be overseen by the Department of Energy and the Environment.

BE IT ENACTED BY THE COUNCIL OF THE DISTRICT OF COLUMBIA, That this act may be cited as the “Recycling Refund and Litter Reduction Amendment Act of 2025”.

19 Sec. 2. Title I of the Sustainable Solid Waste Management Amendment Act of 2014,
20 effective March 16, 2021 (D.C. Law 20-154; D.C. Official Code § 8-1031.01 *et seq.*), is
21 amended as follows:

22 (a) A new Subtitle E is added to read as follows:

23 “SUBTITLE E. EXTENDED PRODUCER RESPONSIBILITY FOR BEVERAGE
24 CONTAINERS.

25 “Sec. 139. Definitions.

26 “For the purposes of this subtitle, the term:

27 “(1) “Account-based bulk payment program” means a program that:

28 “(A) Utilizes a system of customer accounts and a mechanism to associate
29 redeemed redeemable beverage containers with the appropriate customer account;

30 “(B) Consolidates the redeemed redeemable beverage containers for bulk
31 sorting while collecting data about the containers;

32 “(C) Fully prepares redeemed redeemable beverage containers for sale to
33 recyclers; and

34 “(D) Collects data to support an accounting of the redeemable beverage
35 containers, including the deposits, fees, and pounds of material produced that are associated with
36 the redeemable beverage containers.

37 “(2) “Bag drop program” means a program that allows a customer to:

38 “(A) Drop off empty redeemable beverage containers in a bag or other
39 receptacle at one or more locations for a refund; and

40 “(B) Have the corresponding refund placed into an account held for the
41 benefit of the customer in a manner that allows the customer to obtain the refund or refund
42 receipt within a specific number of days after dropping off redeemable beverage containers.

43 “(3) “Beverage” means any drinkable liquid intended for human oral
44 consumption, except that it does not include:

- 45 “(A) Drugs regulated under the Federal Food, Drug, and Cosmetic Act;
- 46 “(B) Infant formula;
- 47 “(C) Meal replacement liquids;
- 48 “(D) Pedialyte; or
- 49 “(E) Dairy products derived from animal milk.

50 “(4) “Beverage container” means a bottle, can, or other container that:

- 51 “(A) Has been sealed by a manufacturer;
- 52 “(B) Is made of glass, metal, or plastic; and
- 53 “(C) At the time of sale, contains between 50 milliliters and 3 liters of a
54 beverage.
- 55 “(D) “Beverage container” does not include cartons, pouches, or aseptic
56 packaging, such as a drink box.

57 “(5) “Beverage container recycling rate” means the number of nonrefillable
58 redeemable beverage containers sold in the District that are redeemed and recycled shown as a
59 percentage of all nonrefillable redeemable beverage containers sold in the District.

60 “(6) “Beverage container redemption and processing method” means a manual or
61 technological method for properly collecting, identifying, counting, or processing empty
62 redeemable beverage containers for redemption.

63 “(7) “Beverage container stewardship organization” means a nonprofit
64 organization that is:

- 65 “(A) Exempt from taxation under section 501(c)(3) of the Internal Revenue
66 Code; and

67 “(B) Created by distributors to implement a beverage container
68 stewardship plan.

69 “(8) “Beverage container stewardship plan” means a plan submitted to DOEE
70 under section 142.

71 “(9) “Collection agent” means a person who enters into an agreement with a
72 stewardship organization to collect empty beverage containers from retailers and redemption
73 centers.

74 “(8) “Deposit initiator” means the first distributor to collect a deposit on a
75 beverage container sold in the District.

76 “(9) “Distributor” means a person that sells beverages in redeemable beverage
77 containers to a retailer in the District, including a person that manufactures and sells beverages in
78 redeemable beverage containers to a retailer in the District.

79 “(10) “Line breakage” means a beverage container that:

80 “(A) Becomes defective or damaged during manufacturing;

81 “(B) Is not intended to be sold; and

82 “(C) Is not eligible for redemption.

83 “(11) “Processing payment” means the amount of money that a distributor shall
84 pay a curbside recycling entity, as determined by the DOEE, pursuant to section 147 of this
85 subtitle.

86 “(12) “Redeem” means to return an empty redeemable beverage container in
87 exchange for a refund, a voucher for a refund, or a credit to an account for not less than the
88 refund value.

89 “(13) “Redeemable beverage container” means a beverage container upon which a
90 deposit of at least \$.01 has been paid, or is required to be paid upon the purchase of the beverage

91 container, and for which a refund of at least \$.01 is payable by every distributor in the District of
92 that beverage container.

93 “(14) “Redemption facility” means a facility that:

94 “(A) Accepts empty beverage containers from an individual or retailer;

95 “(B) Collects, sorts, and counts empty beverage containers;

96 “(C) Refunds the deposit value of empty redeemable beverage containers
97 in cash, with a voucher, or as a credit to an account for not less than the deposit value of the
98 redeemable beverage container; and

99 “(D) Is licensed by the Department of Licensing and Consumer Protection.

100 “(15) “Redemption rate” means the percentage of redeemable beverage containers
101 sold in the state that are redeemed for the deposit value.

102 “(16) “Retailer” means a person that engages in the sale of redeemable beverage
103 containers to a consumer in the District. Retailer does not include:

104 “(A) Hotels and other lodging establishments, restaurants, and bars that
105 provide on premises consumption of beverages in beverage containers; or

106 “(B) Retail establishments with less than 2,000 square feet devoted to the
107 display of merchandise for sale to the public.

108 “(17) “Reverse vending machine” means an automated device that:

109 “(A) Accepts one or more types of empty redeemable beverage containers;

110 “(B) Uses a laser scanner, an optical sensor, a microprocessor, or other
111 technology to accurately recognize a beverage container’s universal product code to determine
112 whether the container is a redeemable beverage container;

113 “(C) Issues a redeemable credit slip for the redeemable beverage
114 container’s value:

115 “(D) Separates redeemable beverage containers from containers that are
116 not redeemable;

117 “(E) Uses mechanical compaction to cancel redeemable beverage
118 containers that have been redeemed;

119 “(F) Compiles information regarding the redeemable beverage containers
120 that have been redeemed, including the number of redeemable beverage containers redeemed.

121 “(18) “UPC” means universal product code, which is a standard barcode that
122 encodes a number uniquely assigned to a product for identification of the product. It includes any
123 industry-accepted barcode used for product identification purposes and a European article
124 number.

125 “Sec. 140. Beverage container deposit program.

126 “(a) Beginning January 1, 2028, a distributor may not sell, offer for sale, or distribute in
127 or import in the District a redeemable beverage container unless the distributor:

128 “(1) Is registered with DOEE in accordance with this section;

129 “(2) Has paid the registration fee required under subsection (e) of this section; and

130 “(3) Is a member of a beverage container stewardship organization that:

131 “(A) Has been approved by DOEE under section 141; and

132 “(B) Has a beverage container stewardship plan approved by DOEE
133 under section 142 of this subtitle.

134 “(b) On or before March 1 each year, beginning in 2027, a beverage container
135 stewardship organization shall provide to DOEE:

136 “(1) A list of each distributor participating in the beverage container stewardship
137 organization; and

138 “(2) For each distributor, the registration form required under subsection (c) of

139 this section.

140 “(c)(1) DOEE shall create a registration form that requires each distributor participating
141 in the beverage container stewardship organization to provide the following information:

142 “(A) The name, primary business address, and contact information of the
143 person responsible for ensuring distributor compliance with this section;

144 “(B) A list of each brand of redeemable beverage containers that the
145 distributor intends to sell, offer for sale, or distribute in the state, including the size and material
146 of the redeemable beverage containers for each brand;

147 “(C) For each redeemable beverage container specified in the registration,
148 whether the redeemable beverage container:

149 “(i) Is refillable; and

150 “(ii) Depicts a District-specific barcode or symbol;

151 “(D) How each distributor will prevent the fraudulent sale and redemption
152 of redeemable beverage containers that were not sold in the District;

153 “(E) The number of redeemable beverage containers each producer sold in
154 the state in the immediately preceding calendar year; and

155 “(F) Any other information required by DOEE.

156 “(2) A distributor shall submit a completed registration form to the beverage
157 container stewardship organization that represents the distributor.

158 “(d) On or before March 1, 2027, and with a frequency determined by DOEE
159 thereafter, each distributor shall pay a registration fee established by DOEE under subsection (e)
160 of this section.

161 “(e)(1) DOEE shall establish and annual registration fee for distributors that sell
162 redeemable beverage containers in the District.

163 “(2) The registration fee shall be set in a manner that:

164 “(A) When taken in combination with anticipated revenues from
165 penalties collected under section 154, will produce funds sufficient to cover DOEE’s anticipated
166 costs of planning, implementing, administering, monitoring, enforcing, and evaluating the
167 program for the upcoming year;

168 “(B) For the first year of the program during which registration
169 fees are collected, shall cover the start-up costs of the program that were incurred by DOEE and
170 financed from the general fund; and

171 “(C) Is proportional to a distributor’s share of the total number of
172 redeemable beverage containers sold in the District for the immediately preceding calendar year.

173 “(f) DOEE shall:

174 “(1) If the revenues from the registration fees in the immediately
175 preceding calendar year exceed the costs specified in paragraph (2)(A) of this subsection, carry
176 the excess revenues forward to reduce registration fees the following year; and

177 “(2) If the revenues from the registration fees in the immediately
178 preceding year do not cover the costs specified in paragraph (2)(A) of this subsection, adjust
179 registration fees for the following year to an amount that will cover DOEE’s actual costs from
180 the immediately preceding year.

181 “(g)(1) Except as provided in paragraph (2) of this subsection, registration fees
182 collected under this subsection shall be:

183 “(A) Deposited in the District Recycling Fund, established under section;
184 and

185 “(B) Used only to cover DOEE’s costs of planning, implanting,
186 administering, monitoring, enforcing, and evaluating the program.

187 “(2) The portion of the registration fees that covered the start-up costs of the
188 program and were financed from the General Fund during the first year of the program for which
189 registration fees are collected in accordance with paragraph (1) of this subsection shall be
190 deposited into the General Fund.

191 “(h) All distributors shall place a deposit on any beverage containers sold, offered for
192 sale, or distributed into the District. The value of the deposit shall be as follows:

193 “(1) Beginning January 1, 2028, a deposit of not less \$0.10 shall be placed on any
194 beverage container sold, offered for sale, or distributed in the District.

195 “(2) Beginning January 1, 2033, a deposit of no less than \$0.15 shall be placed by
196 the distributor on any beverage containers sold, offered for sale, or distributed into the District if
197 the redemption targets established in section 152 of this subtitle are not met for 2 consecutive
198 years.

199 “(3) 5 years after the effective date of any deposit increase established pursuant to
200 this section, the deposit placed on each beverage container sold by a distributor shall increase by
201 \$0.05 if the redemption targets established in section 152 of this subtitle were not met for the 2
202 previous consecutive years.

203 “(i) DOEE may:

204 “(1) Set standards for the number of reverse vending machines required for
205 retailers located in underserved communities; and

206 “(2) Establish a cap for the number of empty redeemable beverage containers that
207 can be redeemed per visit at small retailers.

208 “Sec. 141. Beverage container stewardship organization.

209 “(a) On or before January 1, 2027, DOEE shall accept applications from beverage
210 container stewardship organizations to represent distributors in fulfilling the requirements of this

211 subtitle.

212 “(b) On or before March 1, 2027, DOEE may approve, for a period not to exceed 5 years,
213 a single beverage container stewardship organization as a system operator for the program if the
214 beverage containers stewardship organization demonstrates that it has:

215 “(1) The ability, as determined by DOEE, to administer the requirements of a
216 beverage container stewardship plan under section 142;

217 “(2) A governing board consisting of distributors that represent the diversity of
218 applicable redeemable beverage containers in the market;

219 “(3) Set no unreasonable barriers to joining the beverage container stewardship
220 organization and will take into consideration the needs of small distributors that do not generate
221 a high volume of containers;

222 “(4) Adequate financial responsibility and safeguards, including fraud prevention
223 and an audit schedule;

224 “(5) The ability to secure the capital necessary for the initial investment in
225 infrastructure, sorting equipment, software, transportation, and other start-up expenses; and

226 “(6) Met any other requirements set by DOEE.

227 “(c) DOEE may renew the approval of a beverage container stewardship organization as
228 a system operator under subsection (b) of this section if the beverage container stewardship
229 organization continues to meet the requirements of this section and any other requirements set by
230 DOEE.

231 “(d)(1) DOEE shall revoke the approval of a beverage container stewardship organization
232 as a system operator if DOEE determines that the beverage container stewardship organization:

233 “(A) Failed to meet the requirements of this section; or

234 “(B) Failed to implement and administer an approved beverage container

235 stewardship plan in accordance with section 142 of this subtitle.

236 “(2) If DOEE revokes the approval of a beverage container stewardship
237 organization as a system operator under paragraph (1) of this subsection:

238 “(A) DOEE may approve one or more additional beverage container
239 stewardship organizations to carry out the responsibilities of the previous system operator,
240 subject to one or more of the additional beverage container stewardship organizations meeting
241 the requirements specified in subsection (b) of this section; and

242 “(B) The trustee or escrow agent of the trust fund or escrow account
243 established in the beverage container stewardship plan under section 142 of this subtitle shall:

244 “(i) Receive all payments directly from distributors that would
245 have been paid to the beverage container stewardship organization;

246 “(ii) Deposit the payments received from distributors into the trust
247 fund or escrow account; and

248 “(iii) Make payments from the trust fund or escrow account as
249 directed by DOEE to implement the requirements of this part.

250 “Sec. 142. Beverage container stewardship plan.

251 “(a) On or before March 1, 2027, each beverage container stewardship organization that
252 represents at least one distributor in the District shall submit a beverage container stewardship
253 plan to DOEE. The plan shall:

254 “(1) Identify and include the contact information for each distributor intended to
255 be covered under the plan;

256 “(2) Identify each brand of redeemable beverage container intended to be sold
257 under the plan, including the size and material of the redeemable beverage containers for each
258 brand and whether the redeemable beverage containers are refillable;

259 “(3) Describe:

260 “(A) The financing specified in paragraph (3) of this subsection;

261 “(B) How the performance targets will be met or exceeded for the 5-year

262 period following the year in which the plan is approved;

263 “(C) How stakeholder comments were considered and reflected in the

264 development of the plan, including the role of retailers and distributors in plan implementation;

265 “(D) The administration and implementation of the plan, including any

266 staffing that will be necessary for these purposes;

267 “(E) The actions that have been taken and that will be taken for public

268 outreach, education, and communication, including messaging and identification of target

269 audiences; and

270 “(F) The anticipated investments that will be made to improve the reuse of

271 beverage containers, including the source of funding for these investments;

272 “(4) List the stakeholders consulted in developing the plan;

273 “(5) Provide the anticipated costs of implementing the plan for 5 years, broken

274 down by year;

275 “(6) Include a closure and transfer plan for handling the affairs of the beverage

276 container stewardship organization that ensures that each distributor intended to be covered

277 under the beverage container stewardship plan can fulfill the distributor’s obligations in the event

278 that the beverage container stewardship organization dissolves or has its approval as a system

279 operator revoked under section 141 of this subtitle; and

280 “(7) Include any other information requested by DOEE.

281 “(b) The financing information included in a beverage container stewardship plan shall:

282 “(1) Explain the financing for direct investments or reimbursements that will

283 improve infrastructure in a manner that supports redemption services and technologies;

284 “(2) Reflect a fee structure established in accordance with subsection (c) of this
285 section for distributors participating in a beverage container stewardship organization;

286 “(3) Describe the costs of meeting the performance targets;

287 “(4) Describe the incentives used to encourage distributors to:

288 “(A) Invest in reusable and refillable beverage container systems; and

289 “(B) Redesign beverage containers to be easier and less costly to recycle;

290 “(5) Create incentives for distributors to use a District-specific UPC barcode to
291 reduce fraudulent redemption;

292 “(6) Establish a trust fund or an escrow account in the District into which a
293 beverage container stewardship organization shall deposit all unexpended funds for use in
294 accordance with this section in the event that the beverage container stewardship organization
295 dissolves or has its approval as a system operator revoked by DOEE under Section 141 of this
296 subtitle; and

297 “(7) Meet any other requirements established by DOEE.

298 “(c)(1) A beverage container stewardship organization must establish a fee structure for
299 distributors participating in their organization. The fee structure shall be set in a manner that
300 covers the costs of administering a beverage container stewardship organization and
301 implementing the beverage container stewardship plan and based on:

302 “(A) The costs associated with transporting, collecting, and processing
303 each type of redeemable beverage container material;

304 “(B) Whether a distributor’s redeemable beverage containers are refillable;

305 “(C) Whether a distributor’s redeemable beverage containers are easy to
306 recycle;

307 “(D) Whether a distributor’s redeemable beverage containers have a
308 District-specific UPC barcode or symbol;

309 “(E) A distributor’s portion, by material type, of redeemable beverage
310 containers sold in the District during the previous calendar year; and

311 “(F) Any other factor DOEE determines is necessary to support the
312 program.

313 “(2) A distributor selling fewer than 3.5 million redeemable beverage containers
314 in the District in the previous calendar year shall not pay more in membership fees than its
315 proportional share of all redeemable beverage containers sold in the District in the previous
316 calendar year, nor shall handling fees be factored into its membership fees.

317 “(3)(A) Except as provided in section 141(d)(2) of this subtitle, a distributor
318 participating in a beverage container stewardship organization shall pay the fee established under
319 subsection (c) of this section to the beverage container stewardship organization.

320 “(B) A beverage container stewardship organization shall deposit fees
321 received under this subparagraph to an account held by the beverage container stewardship
322 organization.

323 “(C) A beverage container stewardship organization may use the fees
324 received under this subparagraph only for implementing the beverage container stewardship plan
325 that DOEE approves.

326 “(d) DOEE shall submit a beverage container stewardship plan to an independent
327 financial auditor to ensure that the financing proposed in the plan will cover the costs of
328 implementing the plan.

329 “(e)(1) Within 120 days after receipt of a beverage container stewardship plan submitted
330 to DOEE under this section, DOEE shall approve, approve with conditions, or deny the plan.

331 “(2) In determining whether to approve, approve with conditions, or deny a
332 beverage container stewardship plan, DOEE shall consider whether:

333 “(A) The plan complies with the requirements of this section; and

334 “(B) There was sufficient engagement with stakeholders, including
335 retailers and distributors, in developing the plan.

336 “(3)(A) DOEE may rescind approval of a beverage container stewardship plan for
337 good cause.

338 “(B) A beverage container stewardship organization may amend a
339 beverage container stewardship plan whose approval was rescinded and submit the amended plan
340 to DOEE for approval.

341 “(4)(A) A beverage container stewardship plan approved by DOEE may be
342 amended with approval of DOEE.

343 “(B) DOEE may require that an approved beverage container stewardship
344 plan be amended if the report submitted under this subtitle reflects that the performance targets
345 have not been met.

346 “(d) An approved beverage container stewardship plan expires at the end of 5 years.

347 “(e)(1) A beverage container stewardship organization shall implement and administer a
348 beverage container stewardship plan within 6 months after the plan is approved.

349 “(2) In implementing and administering a beverage container stewardship plan, a
350 beverage container stewardship organization shall:

351 “(A) Facilitate logistics, the initiation of deposits, and the issuance of
352 refunds to retailers under the plan;

353 “(B) Coordinate the logistics for collecting redeemable beverage
354 containers from retailers;

355 “(C) Establish procedures for tracking redeemable beverage containers
356 sold in the District;

357 “(D) Design and operate services for the transportation and processing of
358 redeemable beverage containers;

359 “(E) Develop and implement a plan for establishing, operating, and
360 managing redemption facilities that will offer a wide range of convenient redemption locations
361 and technologies that are easy to use, accessible, and meet or exceed any convenience standards
362 established by DOEE under section 140 of this subtitle.

363 “(F) Develop and implement a plan for the distribution, operation, and
364 maintenance of beverage container redemption and processing methods, including reverse
365 vending machines, bag drop programs, and account-based bulk processing programs;

366 “(G) Develop accounting and control standards;

367 “(H) Implement accounting, audit, payment, and reporting procedures;

368 “(I) Market redeemable beverage container materials for reuse in the
369 manufacturing of similar products;

370 “(J) Fund a marketing program to educate the public about the program,
371 including at least one outreach event annually in each ward of the District;

372 “(K) Establish a system for reporting key information gathered by the
373 program to DOEE on a quarterly basis; and

374 “(L) Create incentives for the development of refillable and reusable
375 beverage container systems.

376 “(3) Upon request by DOEE, a beverage container stewardship organization shall
377 submit a copy of its financial records to the agency for a financial audit.

378 “Sec. 143. Annual reporting.

379 “(a) A beverage container stewardship organization in the District with an approved
380 beverage container stewardship plan shall annually report to DOEE:

381 “(1) The total number of beverage containers sold, offered for sale, and
382 distributed into the District during the prior calendar year;

383 “(2) The number of single-use beverage containers sold, offered for sale, and
384 distributed into the District during the prior calendar year;

385 “(3) The number of reusable beverage containers sold, offered for sale, and
386 distributed into the District during the prior calendar year;

387 “(4) A breakdown of the material type of all beverage containers sold, offered for
388 sale, and distributed into the District during the prior calendar year;

389 “(5) Information regarding the quantity and final destination of redeemed
390 beverage containers sold, offered for sale, and distributed into the District during the prior
391 calendar year;

392 “(6) The number of empty redeemable beverage containers redeemed;

393 “(7) The number of empty redeemable beverage containers redeemed at each
394 redemption facility, reverse vending machine, bag drop program, account-based bulk processing
395 program, or other beverage container redemption and processing method sorted by material type,
396 refund value, and whether the empty redeemable beverage container can be refilled or reused;

397 “(8) The progress made toward meeting the performance targets during the prior
398 calendar year;

399 “(9) If the performance targets were not met, a description of the actions proposed
400 to meet the performance targets;

401 “(10) The amount of each type of:

402 “(A) Redeemable beverage container material sold in the District; and

403 “(B) Scrap material sold by a beverage container stewardship
404 organization;

405 “(11) The location of each redemption facility in the District and the redemption
406 methods used at each redemption facility;

407 “(12) A description of any improvements made to make returning redeemable
408 beverage containers easier and more convenient;

409 “(13) The identification and description of areas that do not have readily available
410 options for redeeming an empty redeemable beverage container and actions the beverage
411 container stewardship organization will take to improve redemption options in these areas;

412 “(14) The number of consumer complaints per month, sorted by redemption
413 facility;

414 “(15) The number of individuals and organizations with accounts established for
415 the receipt of electronic deposits or refunds;

416 “(16) The total cost of implementing the beverage container stewardship plan, as
417 determined by an independent financial auditor under section 142 of this subtitle;

418 “(17) A copy of the audit conducted under section 142 of this subtitle;

419 “(18) The average cost of processing an empty redeemed redeemable beverage
420 container;

421 “(19) Financial statements detailing all deposits received and refunds issued by
422 each distributor covered under the beverage container stewardship plan;

423 “(20) The total amount of deposits initiated, refunds issued, and unclaimed
424 deposits collected under the beverage container stewardship plan;

425 “(21) An accounting of all activities and investments financed by unclaimed
426 deposits;

427 “(22) Expenditures and revenues sorted by source, including fees paid under
428 Section 142 of this subtitle, revenue from the sale of scrap materials, and unclaimed deposits;

429 “(23) Samples of all educational materials provided to consumers, retailers, and
430 other entities;

431 “(24) A detailed description of investments made in new redemption facilities and
432 redemption methods;

433 “(25) The locations of any new redemption facilities and redemption methods;

434 “(26) A detailed description of changes made by distributors to increase the
435 recyclability of redeemable beverage containers;

436 “(27) A detailed description of any incidents of fraud and efforts taken to prevent
437 fraud;

438 “(28) Any other information required by DOEE.

439 “(b) The financial, production, and sales data of individual distributors reported to DOEE
440 under this section shall be kept confidential by DOEE.

441 “(c) DOEE shall post the report submitted under this section on DOEE’s website in a
442 manner that protects the confidentiality of the data specified under subsection (b) of this section.

443 “Sec. 143. Handling fee.

444 “(a) A retailer, redemption facility, or other person that accepts beverage containers for
445 redemption shall be reimbursed by the beverage container stewardship organization for the
446 handling of each empty beverage container redeemed.

447 “(b) The handling fee shall be set at \$.04.

448 “(c) Beginning 5 years after the effective date of this act, DOEE shall increase the
449 handling fee by \$0.01 each year that the agency determines an increase is necessary to encourage
450 the establishment of more redemption facilities or other redemption options.

451 “Sec. 144. Deposit refunds.

452 “(a)(1) A redemption facility established pursuant to this subtitle shall accept all types of
453 beverage containers sold in the District for redemption.

454 “(2) A person shall apply to the Department of Licensing and Consumer
455 Protection for a license to operate a redemption facility in the District.

456 “(3) The Department of Licensing and Consumer Protection shall develop
457 standards and a licensing process for the establishment and operation of redemption facilities.

458 “(b) A retailer shall accept from a person seeking to redeem beverage containers at their
459 place of business any empty beverage container during any period that they are open for
460 business, regardless of whether the specific beverage container was sold by the retailer, provided
461 that the beverage container is made of the same types of material as beverage containers sold by
462 the dealer.

463 “(c) A retailer or redemption facility may accept beverage containers for redemption
464 through direct take-back, reverse vending machines, a bag drop program, an account-based bulk
465 processing program, or other redemption methods as approved by DOEE. Retailers shall
466 establish and maintain a dedicated area within their place of business to accept beverage
467 containers for redemption. Retailers and redemption facilities shall provide to a redeemer with
468 redeemable beverage containers the full deposit value of the redeemed beverage container.

469 “(d) A retailer or redemption facility may refuse to redeem a beverage container provided
470 that:

471 “(1) The beverage container is not clean;

472 “(2) The beverage container is broken;

473 “(3) The beverage container contains material foreign to the normal contents of
474 the container; or

475 “(4) The retailer or redemption facility believes the beverage container was not
476 sold in the District.

477 “(e) Refunds provided for an empty redeemed beverage container shall be:

478 “(1) In cash;

479 “(2) In the form of a receipt from a reverse vending machine provided that:

480 “(A) The receipt can be exchanged for cash within 60 days after the
481 receipt is issued; and

482 “(B) There is no requirement that other goods be purchased to receive the
483 cash refund; or

484 “(3) Credited to an account by the receiver of the empty redeemable beverage
485 container so that the redeemer can receive the refund or a refund receipt within a specified
486 number of days, as determined by DOEE, after redeeming the beverage container.

487 “Sec. 145. Collection of beverage containers.

488 “(a) A beverage stewardship organization shall accept from a retailer or redemption
489 center any empty beverage containers of the design, shape, size, color, composition, and brand
490 sold, distributed, or offered for sale by a distributor in the District and shall pay the retailer or
491 redemption center the handling fee established pursuant to section 143 of this subtitle for each
492 such beverage container.

493 “(b) A beverage container stewardship organization shall accept and redeem all such
494 empty beverage containers from a retailer or redemption center without limitation on quantity.

495 “(c) A beverage container stewardship organization’s failure to accept empty beverage
496 containers from a retailer or redemption center shall constitute a violation of this subtitle.

497 “Sec. 146. Collection agents.

498 “(a) All collection agents operating in the District shall be licensed in the District and

499 registered with DOEE prior to commencing operation, and annually thereafter.

500 “(b) A collection agent is required to perform all the collection functions of the beverage
501 stewardship organization with whom they contract unless expressly exempted in the contractual
502 agreement between the parties.

503 “(c) Collection agents shall annually provide to DOEE up-to-date lists of beverage
504 container stewardship organizations with whom they have entered into contracts.

505 “(d) Each collection agent shall notify DOEE when:

506 “(1) It enters into a new contract with a distributor or deposit initiator; and

507 “(2) A collection contract expires without being renewed.

508 “Sec. 147. Curbside collection of beverage containers.

509 “(a) The Mayor may approve procedures allowing curbside recycling collectors to be
510 paid a processing payment for beverage containers collected, processed, sorted, and delivered to
511 distributors for recycling, so long as the beverage containers collected are clean, sorted, and
512 baled. The processing payment shall not exceed the value of the handling fee set by DOEE
513 pursuant to section 143 of this subtitle. Processing payments to collectors shall not continue past
514 January 1, 2030.

515 “(b) Beverage containers collected, processed, sorted, and delivered to distributors by
516 recycling collectors shall not be included in the calculations of the performance targets set in
517 section 152 of this subtitle.

518 “Sec. 148. Labeling of beverage containers.

519 “(a) Any manufacturer of a beverage container to be sold in the District shall include on
520 the label of each beverage sold in the District:

521 “(1) A clearly visible standardized description of the applicable refund value of
522 the container; and

523 “(2) A Universal Product Code.

524 “Sec. 149. Fraudulent redemption.

525 “(a) No person shall pay, claim, or receive any deposit value, processing payment, or
526 handling fee for any of the following:

527 “(1) A beverage container that the person knew, or should have known, was
528 brought into the District solely for the purpose of being redeemed; and

529 “(2) A previously redeemed beverage container, rejected container, line breakage,
530 or other ineligible material.

531 “(b) No person, with intent to defraud, shall redeem or attempt to redeem an out-of-state
532 container, a rejected container, a previously redeemed container, line breakage, or other
533 ineligible material.

534 “Sec. 150. Management of deposits.

535 “(a) A deposit initiator shall deposit any deposits collected under section 140 of this
536 subtitle into a deposit collection account that is maintained separately from all other revenues.

537 “(b) A deposit initiator shall transfer 100% of all deposits to the beverage container
538 stewardship organization of which they are a member by the tenth day of each month.

539 “(c) A beverage container stewardship organization shall deposit any deposits transferred
540 to the organization under this Section into a deposit collection account that is maintained
541 separately from all other revenues.

542 “(d) The funds in the deposit collection account may be used only to pay the refund value
543 of an empty redeemable beverage container being redeemed.

544 “(e) A deposit initiator shall report to the beverage container stewardship organization by
545 the tenth day of each month, the following information:

546 “(1) The number of beverage containers sold, and empty redeemable beverage

547 containers redeemed in the previous month;

548 “(2) The funds deposited into the deposit collection account in the previous
549 month;

550 “(3) Any income earned on the funds in the deposit collection account in the
551 previous month;

552 “(4) The balance of the deposit collection account; and

553 “(5) Any other information required by DOEE.

554 “(f) DOEE shall determine the point at which a deposit becomes an unclaimed deposit.

555 “(g) Unclaimed deposits are calculated as the amount of funds transferred to a deposit
556 collection account that are in excess of the sum of:

557 “(1) Any interest earnings on the deposit collection account during the time for
558 which unclaimed deposits are being calculated; and

559 “(2) The total amount of the refund value received for the empty redeemable
560 beverage containers redeemed during the time for which the unclaimed deposits are being
561 calculated.

562 “(h) A beverage container stewardship organization shall transfer 75% of all unclaimed
563 deposits to DOEE by the 20th day of each month. The beverage container stewardship
564 organization shall use the remaining funds in the reserve account to:

565 “(1) Achieve the objectives of the beverage container stewardship organization’s
566 plan, as outlined in section 142 of this subtitle.

567 “(i) Amounts collected by DOEE pursuant to this section shall be retained by the agency
568 to cover any outstanding costs of overseeing and administering the program. All remaining funds
569 shall be:

570 “(1) Returned to approved beverage container stewardship organizations, if the

571 redemption rate for the previous year was at least 95%; or

572 “(2) Transferred to the District Recycling Fund, as established by section 151 of
573 this subtitle, if the redemption rate for the previous year was less than 95%.

574 “Sec. 151. Establishment of the District Recycling Fund.

575 “(a) There is established as a nonlapsing fund the District Recycling Fund “Fund”. The
576 unclaimed deposits transferred to DOEE as required by section 144 of this subtitle shall be
577 deposited in the fund. The Fund shall be used solely for the purposes set forth in subsection (b)
578 of the section and shall be administered by the Director of the Department of Energy and
579 Environment.

580 “(b) The Fund shall be used solely for the following purposes:

581 “(1) To cover the costs to the District of implementation and oversight as required
582 by this subtitle;

583 “(2) To provide NSF/ANSI 53 water filters to low-income residents whose lead
584 service lines have not been replaced;

585 “(3) The installation of reverse vending machines;

586 “(4) The installation of water bottle refill stations in public spaces in the District;

587 and

588 “(5) Other programs to increase beverage container reuse and refill in the District.

589 “(c) Revenue from the following sources shall be deposited in the Fund:

590 “(1) Unclaimed deposits transferred to DOEE pursuant to section 144.

591 “(2) Civil fines and penalties collected pursuant to section 154; and

592 “(3) Registration fees from distributors collected pursuant to section 140.

593 “(d)(1) The money deposited into the Fund shall not revert to unrestricted fund balance of
594 the General Fund of the District of Columbia at the end of a fiscal year, or any other time.

595 “(2) Subject to authorization in an approved budget and financial plan, any funds
596 appropriated in the Fund shall be continually available without regard to fiscal year limitation.

597 “Sec. 152. Performance targets.

598 “(a) Redemption rate performance targets for the program are as follows:

599 “(1) A 75% redemption rate by December 31, 2028;

600 “(2) A 90% redemption rate by December 31, 2031;

601 “(3) A 95% redemption rate by December 31, 2034;

602 “(b) Recycling rate performance targets for the program are as follows:

603 “(4) A 70% recycling rate by December 31, 2028;

604 “(5) A 80% recycling rate by December 31, 2031; and

605 “(6) A 85% recycling rate by December 31, 2034.

606 “Sec. 153. Disposal ban.

607 “(a) Beginning January 1, 2027, no distributor shall dispose of beverage containers in the
608 District by methods other than beverage container recycling, or other methods approved by the
609 Mayor.

610 “Sec. 154. Rules, enforcement, and fees.

611 “(a) The Mayor, pursuant to Title I of the District of Columbia Administrative Procedure
612 Act, approved October 21, 1968 (82 St. 1204; D.C. Official Code Sec. 2-501 *et seq.*), may issue
613 rules to implement the provisions of this subtitle.

614 “(b)(1) The Mayor may impose civil fines and penalties for violations of the provisions of
615 this subtitle or any rules issued pursuant to this subtitle, pursuant to section 3201 of Title 16 of
616 the District of Columbia Municipal Regulations (16 DCMR § 3201).

617 “(3) Fees, penalties, and fines collected under this subtitle shall be deposited in
618 the District Recycling Fund established by section 151 of this Act.

619 “(c)(1) For the purpose of enforcing the provisions of this subtitle, or any rule issued
620 pursuant to this subtitle, the Mayor may, upon 48 hours’ written notice and the presentation of
621 appropriate credentials to the owner, operator, or agent in charge, enter upon any public or
622 private property in a reasonable and lawful manner during normal business hours for the purpose
623 of inspection and observation.

624 “(2) If denied access to any place or any information while carrying out the
625 activities described in paragraph (1) of this subsection, the Mayor may apply to a court of
626 competent jurisdiction for a search warrant.

627 “(d)(1) Beginning January 1, 2033, a beverage container stewardship organization that
628 has not reached the redemption rates established in section 152 of this subtitle for the
629 immediately preceding two years is subject to an administrative penalty.

630 “(2) Each year that a beverage container stewardship organization does not meet
631 the redemption rates established in Section 152 of this subtitle is a separate violation under this
632 subsection.

633 Sec. 3. Fiscal impact statement.

634 The Council adopts the fiscal impact statement in the committee report as the fiscal
635 impact statement required by section 4a of the General Legislative Procedures Act of 1975,
636 approved October 16, 2006 (120 Stat. 2038; D.C. Official Code § 1-301.47a).

637 Sec. 4. Effective date.

638 This act shall take effect after approval by the Mayor (or in the event of veto by the
639 Mayor, action by the Council to override the veto), a 30-day period of congressional review as
640 provided in section 602(c)(1) of the District of Columbia Home Rule Act, approved December
641 24, 1973 (87 Stat. 813; D.C. Official Code § 1-206.02(c)(1)), and publication in the District of
642 Columbia Register.