

JOINT COMMITTEE ON TELECOMMUNICATIONS, UTILITIES, AND ENERGY

BILL SUMMARY

BILL NO. H.3474

TITLE: An Act to expand the bottle bill

SPONSOR: Representative Marjorie C. Decker

COMMITTEE: Telecommunications, Utilities, and Energy

HEARING DATE: June 18, 2025

PRIOR HISTORY: 2023-2024: H.3690; accompanied a study order, H.4778
2020-2021: H.3289 heard by TUE, no further action taken.

CURRENT LAW:

The Massachusetts bottle bill requires retailers in Massachusetts to pay distributors/bottlers 5 cents for each beer or carbonated soft drink container that the distributors deliver. When buying a beverage, the consumer pays a 5-cent deposit to the retailer. The five-cent deposit is refunded when the consumer returns the empty beverage container to the retail store, a redemption center or a reverse vending machine. The distributor reimburses the dealer or redemption center 5 cents for each bottle returned, plus an additional handling fee of at least 1 cent for handling the empty bottles and cans (the handling fee was set at 2.25 cents in 1990 in EOEAA regulations, 301 CMR 4.05(2)). Distributors and bottlers are required to maintain a Deposit Transaction Fund, containing the refund value for all non-reusable beverage containers sold by that distributor or bottler, and kept separate from other revenues. Unclaimed deposits must be turned over to the state monthly.

SUMMARY:

Section 2 of the Act inserts a new definition of Bag-drop program into Section 321 of Chapter 94 of the General Laws and amends and expands the definitions of Beverage and Beverage container. Exempted from the definition of beverage include:

- A drug regulated under the Federal Food, Drug, and Cosmetic Act of 1938, 21 U.S.C. 301 et seq
- Infant formula
- A meal replacement liquid
- Products for which the first ingredient is derived from animal milk

The definition of beverage container is expanded to include more materials and containers of certain sizes. The following are exempted from this new definition:

- Containers of not more than 150 milliliters that contains no alcohol content
- Containers that are not a carton or pouch
- A container that is aseptic

This Act also inserts a variety of new definitions into Section 321 of Chapter 94 of the General Laws:

- Section 3 inserts a definition of Contracted Agent
- Section 4 inserts definitions for Department (DEP) and Deposit Initiator
- Section 5 inserts a definition for recycling, an updated definition of reuseable beverage container, and a definition of reverse vending machine

Section 6 of the Act increases the refund value for beverage containers sold or offered for sale in the Commonwealth from 5 cents to 10 cents.

Section 7 of the Act amends Section 323 of Chapter 94 by exempting dealers whose place of business is not more than 2,000 square feet; from accepting, during their business hours, any empty beverage container of the type, size, and brand sold by the dealer within the past 60 days and pay that person the refund value of each container returned. provided further, that a redemption center or dealer shall pay the refund value at the time the beverage container is returned unless the consumer returns the beverage container through a bag-drop program.

Section 8 of the Act increases the handling fee of a beverage container from at least one cent to not less than 3.25 cents that the distributor has to pay the dealer if the empty beverage container is presented at the time of and at the location at which the dealer obtains filled beverage containers from the distributor.

Section 9 of the Act increases the handling fee of a beverage container the distributor has to pay the redemption center from at least one cent per container to not less than 4 cents per container.

Section 10 amends the requirement that amounts collected by the commissioner of revenue pursuant to this section shall be deposited into the Clean Environment Fund, and replaces it with requiring the first \$70 million of such amounts collected by the Commissioner to be deposited in the General Fund, and additional amounts will be deposited into the Clean Environment Fund.

Section 11 amends Chapter 94 by inserting a new Section 323F that establishes a Clean Environment Fund which the amounts deposited in said fund shall be used for the management of solid waste and for environmental protection, but not limited to:

- Reimbursing the department for all costs incurred in administering, monitoring, and enforcing the beverage container deposit system
- Grants or loans to redemption centers, dealers, or distributors for infrastructure improvements related to the beverage container deposit return program
- Infrastructure related to reusable beverage container return and refill systems
- Improvements to drinking water, stormwater, and wastewater systems, provided no funds are used for incineration

Section 12 inserts new language regarding a universal product code barcode to identify and validate participation in the redemption program for beverage containers.

Section 13 requires every operator of a vending machine which sells beverage containers to post a conspicuous notice on each vending machine indicating that a refund of not less than 10 cents is available on each beverage container and where/whom the refund may be obtained, up from five cents.

Section 14 adds a new subsection to Section 325 of Chapter 94 that requires each deposit initiator to provide the universal barcode, with packaging information, to reverse vending machines system administrators and contracted agents no less than 30 days prior to the placement of any such beverage container on the market.

Section 15 amends Section 326 of Chapter 94 by inserting language that requires the EEA secretary to review handling fees not less frequently than every 3 years and consider whether there are enough points of redemption across the Commonwealth and whether a high handling fee would increase the amount of points of redemption. The Secretary is also directed to review the refund value of beverage containers not less frequently than every 3 years, and in their review consider whether a higher refund value would increase redemption rates and whether the following targets have been met:

- By December 31, 2027, 65% of beverage containers are redeemed
- By December 31, 2028, 75% of beverage containers are redeemed
- By December 31, 2030, 85% of beverage containers are redeemed
- By December 31, 2033, 95% of beverage containers are redeemed

The redemption rates of subcategories of beverage containers should also be considered.

Section 16 inserts a new Section 327A in Chapter 94 of the General Laws that requires DEP to publish a report annually that includes, but not limited to, the statewide redemption rate for the preceding calendar year. The redemption rate is to be calculated as the number of beverage containers redeemed for deposit divided by the number of beverage containers sold.

Section 16 also requires each deposit initiator to provide DEP a report that includes the:

- Locations where its redeemed containers were delivered for processing and recycling
- Number of its redeemed containers processed and recycled at each location
- Number of beverage containers it sold

DEP is required to report this information to TUE.

This section also requires dealers to post a conspicuous sign at the point of sale that states the redemption requirement and contact information for DEP and other specifics.

Section 17 of the Act requires DEP to conduct a study of the opportunities for an expanded reusable beverage container return and refill system in the commonwealth. By no later than December 31, 2026, DEP shall publish for public comments a draft of this study and submit a final report by May 1, 2027.