
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 579 Session of
2021

INTRODUCED BY SHUSTERMAN, HOWARD, HANBIDGE, SCHLOSSBERG, HILL-
EVANS, MADDEN, CIRESI, SIMS, N. NELSON, STAMBAUGH,
PISCIOTTANO, LEE, SAPPEY, INNAMORATO, FREEMAN AND ROZZI,
FEBRUARY 22, 2021

REFERRED TO COMMITTEE ON ENVIRONMENTAL RESOURCES AND ENERGY,
FEBRUARY 22, 2021

AN ACT

1 Providing for the return of beverage containers and for the
2 powers and duties of the Department of Environmental
3 Protection; imposing a returnable beverage container
4 assessment on distributors; providing for duties of
5 returnable beverage distributors; establishing the Returnable
6 Beverage Container Fund; and providing for a returnable
7 deposit value on returnable beverage containers, for
8 redemption of empty returnable beverage containers, for
9 redemption centers, for payment of claims from the fund and
10 for annual report to General Assembly.

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15 The General Assembly of the Commonwealth of Pennsylvania
16 hereby enacts as follows:

17 Section 1. Short title.

18 This act shall be known and may be cited as the Returnable
19 Beverage Container Act.

20 Section 2. Definitions.

21 The following words and phrases when used in this act shall
22 have the meanings given to them in this section unless the
23 context clearly indicates otherwise:

24 "Beverage." Any of the following:

- 25 (1) Soda water or similar carbonated soft drink.
- 26 (2) Noncarbonated drink, including, but not limited to,
27 mineral water, flavored and unflavored water, spring water,
28 vitamin water and any other water beverage, tea, sports
29 drink, isotonic drink, beer and other malt beverages.
- 30 (3) Any other nonalcoholic carbonated and noncarbonated

1 drink in liquid form that is intended for human consumption.
2 The term does not include milk or a beverage that is primarily
3 derived from a dairy product, infant formula and medicine
4 approved by the Food and Drug Administration.

5 "Consumer." A person who buys a beverage in a returnable
6 beverage container for use or consumption and pays the deposit.

7 "Dealer." A person who engages in the sale of beverages in
8 returnable beverage containers to a consumer for off-premises
9 consumption in this Commonwealth.

10 "Department." The Department of Environmental Protection of
11 the Commonwealth.

12 "Fund." The Returnable Beverage Container Fund established
13 under this act.

14 "On-premises consumption." The consumption of returnable
15 beverages by a patron immediately and within the area under
16 control of an establishment, including, but not limited to, a
17 bar, restaurant, passenger ship or airplane.

18 "Patron." A person who buys a beverage in a returnable
19 beverage container for use or consumption and does not pay the
20 deposit.

21 "Person." An individual, partnership, firm, association,
22 public or private corporation, Federal agency, the Commonwealth
23 or any of its political subdivisions, trust or any other legal
24 entity.

25 "Recycling facility." The contiguous land and structures and
26 other appurtenances and improvements on the land used for the
27 collection, separation, recovery and sale or reuse of secondary
28 resources that would otherwise be disposed of as solid waste and
29 are an integral part of a manufacturing process aimed at
30 producing a marketable product made of postconsumer material.

1 "Redeemer." A person, other than a dealer or distributor,
2 that demands the refund value in exchange for an empty
3 returnable beverage container.

4 "Redemption center." An operation that accepts from
5 consumers and provides the refund value for empty returnable
6 beverage containers intended to be recycled and ensures that the
7 empty returnable beverage containers are properly recycled.

8 "Redemption rate." The percentage of returnable beverage
9 containers redeemed over a reporting period, which percentage is
10 calculated by dividing the number of returnable beverage
11 containers redeemed by the number of returnable beverage
12 containers sold and multiplying the quotient by 100.

13 "Refillable beverage container." A returnable beverage
14 container that ordinarily is returned to the manufacturer to be
15 refilled and resold.

16 "Returnable beverage container." A sealable bottle, can, jar
17 or carton primarily composed of glass, metal or plastic, or a
18 combination of those materials, and produced for the purposes of
19 containing a beverage which, at the time of sale, contains 28
20 ounces or less of a beverage. The term does not include a
21 sealable bottle, can, jar or carton composed of paper-based
22 biodegradable material and aseptic multimaterial packaging.

23 "Returnable beverage distributor" or "distributor." A person
24 that:

25 (1) is a manufacturer of beverages in returnable
26 beverage containers in this Commonwealth; or

27 (2) imports and engages in the sale of filled returnable
28 beverage containers to a dealer or consumer in this
29 Commonwealth.

30 The term includes a Federal agency and military distributor but

1 does not include an airline or shipping company that merely
2 transports returnable beverage containers.

3 Section 3. Returnable beverage container assessment on
4 distributors.

5 (a) General rule.--Beginning January 1, 2022, a returnable
6 beverage distributor shall pay to the department, on a monthly
7 basis, a returnable beverage container assessment on each
8 returnable beverage container manufactured in or imported into
9 this Commonwealth. The returnable beverage container assessment
10 shall not apply to returnable beverage containers exported for
11 sale outside of this Commonwealth.

12 (b) Amount of assessment.--The returnable beverage container
13 assessment shall be 5¢ per returnable beverage container and may
14 be imposed only once on the same returnable beverage container.

15 (c) State preemption.--No municipality may impose or collect
16 an assessment or fee on returnable beverage containers for the
17 same or similar purpose as provided under this act.

18 Section 4. Returnable beverage distributors.

19 (a) Duty to register.--

20 (1) On or before September 1, 2021, a returnable
21 beverage distributor shall register with the department,
22 using forms prescribed by the department, and shall notify
23 the department of any change in address or other information
24 previously submitted.

25 (2) After September 1, 2021, a person who desires to
26 conduct business in this Commonwealth as a returnable
27 beverage distributor shall register with the department no
28 later than one month prior to the commencement of the
29 business.

30 (b) Maintenance of records.--

1 (1) A returnable beverage distributor shall maintain
2 records reflecting the manufacture of beverages in returnable
3 beverage containers or the importation and the sale of filled
4 returnable beverage containers, as applicable.

5 (2) The records shall be made available, upon request,
6 for inspection by the department; provided that any
7 proprietary information obtained by the department shall be
8 kept confidential and shall not be disclosed to any other
9 person, except:

10 (i) as may be reasonably required in an
11 administrative or judicial proceeding to enforce a
12 provision of this act or rule adopted pursuant to this
13 act; or

14 (ii) under an order issued by a court.

15 Section 5. Returnable Beverage Container Fund.

16 (a) Establishment.--The Returnable Beverage Container Fund
17 is established in the State Treasury. The money in the fund is
18 appropriated on a continuing basis to the department for the
19 purposes specified in this act. All revenue generated from the
20 returnable beverage container assessment shall be deposited into
21 the fund.

22 (b) Use of fund.--

23 (1) The money in the fund shall be used to pay valid
24 returnable deposit claims submitted by returnable beverage
25 distributors and redemption centers under section 14.

26 (2) After the payment of claims under paragraph (1), 75%
27 of the fund shall be transferred on a monthly basis to the
28 Hazardous Sites Cleanup Fund established under section 901 of
29 the act of October 18, 1988 (P.L.756, No.108), known as the
30 Hazardous Sites Cleanup Act.

1 Section 6. Inventory report.

2 (a) General rule.--Except as otherwise provided under
3 subsection (f), beginning February 1, 2022, and continuing each
4 month thereafter, a returnable beverage distributor shall file
5 an inventory report with the department.

6 (b) Content.--The inventory report required under subsection
7 (a) shall include documentation in sufficient detail to
8 identify:

9 (1) The number of beverages in returnable beverage
10 containers, by container size and type, manufactured in or
11 imported into this Commonwealth during the reporting period.

12 (2) The number of these returnable beverage containers,
13 by container size and type, exported and intended for
14 consumption outside this Commonwealth during the reporting
15 period.

16 (c) Confidentiality of information.--All information
17 contained in an inventory report, including confidential
18 commercial and financial information, shall be deemed
19 confidential and protected from public disclosure to the extent
20 allowed by law.

21 (d) Calculation of payment.--The payment due from a
22 returnable beverage distributor for the assessment imposed under
23 section 3 shall be equal to the net number of returnable
24 beverage containers imported or manufactured into this
25 Commonwealth, the total number of containers imported or
26 manufactured less the total number of containers exported for
27 consumption outside this Commonwealth, multiplied by 5¢.

28 (e) Filing deadline.--The inventory report and payment shall
29 be filed with the department no later than the 15th day of the
30 month following the end of the payment period of the previous

1 month.

2 (f) Semiannual reporting.--A returnable beverage distributor
3 that annually imports or manufactures in this Commonwealth less
4 than 100,000 returnable beverage containers may submit reports
5 and payments required under this act on a semiannual basis;
6 provided that the semiannual report and payment period shall end
7 on June 30 and December 31 of each year.

8 Section 7. Returnable deposit value of returnable beverage
9 containers.

10 Beginning January 1, 2022, a returnable beverage container
11 sold in this Commonwealth shall have a returnable deposit value
12 of 5¢, and the returnable deposit value shall be clearly
13 indicated on the returnable beverage container as provided under
14 section 9.

15 Section 8. Sales of beverages in returnable beverage
16 containers.

17 (a) Pass-through from distributors.--Beginning January 1,
18 2022, a returnable beverage distributor that pays the returnable
19 beverage container assessment to the department may add the
20 amount of the assessment to the cost of each returnable beverage
21 container paid by the dealer or consumer. The addition of the
22 amount of the assessment may appear as a separate line item on
23 the invoice prepared by the distributor.

24 (b) Pass-through from dealers.--Beginning January 1, 2022, a
25 dealer who purchased a returnable beverage container from a
26 distributor who added the amount of the returnable beverage
27 container assessment to the cost of the returnable beverage
28 container paid by the dealer and which dealer sells the
29 returnable beverage container to a consumer may indicate the
30 cost of the assessment as a separate line item on the invoice

1 prepared by the dealer.

2 Section 9. Returnable beverage container requirements.

3 (a) General rule.--Except as provided in subsection (b),
4 each returnable beverage container sold in this Commonwealth
5 shall clearly indicate the returnable deposit value of the
6 container and the word "Pennsylvania" or the letters "PA." The
7 names or letters representing the names of other states with
8 comparable deposit laws may also be included in the indication
9 of the returnable deposit value. The returnable deposit value on
10 the returnable beverage container shall be clearly, prominently
11 and indelibly marked by painting, printing, scratch embossing,
12 raised letter embossing or securely affixed stickers and shall
13 appear on the top or side of the container in letters at least
14 one-eighth inch in size.

15 (b) Nonapplicability.--Subsection (a) shall not apply to a
16 refillable glass returnable beverage container that has a brand
17 name permanently marked on it and the equivalent of a refund
18 value of at least 5¢ paid upon receipt of the container by a
19 dealer or returnable beverage distributor.

20 Section 10. Redemption of empty returnable beverage containers.

21 (a) General rule.--Except as provided in subsection (b), a
22 dealer shall:

23 (1) Operate a redemption center by July 1, 2022, and
24 shall accept all types of empty returnable beverage
25 containers that bear a valid returnable deposit value for
26 this Commonwealth under this act.

27 (2) Pay to a person who presents an empty returnable
28 beverage container, except as otherwise provided under
29 section 13, the amount of the returnable deposit value for
30 the returnable beverage container, if the returnable beverage

1 container bears a valid returnable deposit value for this
2 Commonwealth under this act.

3 (3) Ensure each returnable beverage container collected
4 is recycled and forward documentation necessary to support
5 claims for payment from the fund as provided in section 14 or
6 the regulations adopted under this act.

7 (b) Nonapplicability.--Subsection (a) shall not apply to a
8 dealer:

9 (1) located in a high density population area as defined
10 by regulation of the department and within two miles of a
11 certified redemption center that is operated independently of
12 a dealer;

13 (2) located in a rural area as defined by regulation of
14 the department;

15 (3) that subcontracts with a certified redemption center
16 to be operated on the dealer's premises;

17 (4) whose sales of returnable beverage containers are
18 only via vending machines;

19 (5) whose place of business is less than 5,000 square
20 feet of interior space;

21 (6) that demonstrates physical or financial hardship, or
22 both, based on specific criteria established by regulation of
23 the department; or

24 (7) that meets other criteria established by the
25 department.

26 (c) Distances between redemption centers.--The department
27 may allow the placement of redemption centers at greater than
28 the distances prescribed in subsection (b) (1) and (2) to
29 accommodate geographical features while ensuing adequate
30 consumer convenience.

1 (d) Signs of closest redemption center.--Regardless of the
2 square footage of a dealer's place of business, a dealer that is
3 not a redemption center or has not subcontracted with a
4 redemption center shall post a clear and conspicuous sign at the
5 primary public entrance of the dealer's place of business that
6 specifies the name, address and hours of operation of the
7 closest redemption center location.

8 (e) On-premise consumption.--A person engaged in the
9 business of selling beverages in returnable beverage containers
10 for on-premises consumption shall collect the used returnable
11 beverage containers from its patrons and either use a certified
12 redemption center for the collection of containers or become a
13 certified redemption center.

14 Section 11. Redemption centers.

15 (a) Certification required.--Prior to operation, a
16 redemption center must be certified by the department.

17 (b) Applications.--An application for certification as a
18 redemption center shall be filed with the department on forms
19 prescribed by the department.

20 (c) Discretionary review of certification.--The department,
21 at any time, may review the certification of a redemption
22 center. After written notice to the person responsible for the
23 establishment and operation of the redemption center and to the
24 dealers served by the redemption center, the department, after
25 affording the person a hearing in accordance with applicable
26 law, may withdraw the certification of the redemption center if
27 the department finds that there has not been compliance with
28 applicable laws, rules, permit conditions or certification
29 requirements.

30 (d) Duties of redemption centers.--A redemption center

1 shall:

2 (1) Accept all types of empty returnable beverage
3 containers from consumers or other persons, unless excepted
4 under section 13.

5 (2) Pay to any consumer or other person who presents an
6 empty returnable beverage container, except as otherwise
7 provided under section 13, the amount of the returnable
8 deposit value for the returnable beverage container, if the
9 returnable beverage container bears a valid returnable
10 deposit value for this Commonwealth under this act.

11 (3) Ensure each returnable beverage container collected
12 is recycled and forward documentation necessary to support
13 claims for payment from the fund as required by section 14 or
14 the regulations adopted under this act.

15 (e) Compliance with laws.--The redemption area of a
16 redemption center shall be maintained in full compliance with
17 applicable laws and with the orders and rules of the department,
18 including permitting requirements, if deemed necessary by the
19 department.

20 Section 12. Development of procedures.

21 The department shall develop procedures to facilitate the
22 exchange of information between returnable beverage container
23 manufacturers, distributors and retailers and certified
24 redemption centers. The procedures developed by the department
25 shall allow for a reasonable time period between the
26 introduction of a new returnable beverage product and the
27 deadline for submitting universal product code information to
28 certified redemption centers operating reverse vending machines.

29 Section 13. Refusal of refund value payment for a returnable
30 beverage container.

1 A retailer or redemption center may refuse to pay the
2 returnable deposit value on a broken, corroded or dismembered
3 returnable beverage container or returnable beverage container
4 that:

- 5 (1) contains a free-flowing liquid;
- 6 (2) does not properly indicate a refund value; or
- 7 (3) contains a significant amount of foreign material.

8 Section 14. Claims for reimbursement from the fund.

9 (a) General rule.--A dealer or redemption center that
10 accepts a returnable beverage container from a consumer or other
11 person and pays the returnable deposit value to the consumer or
12 other person may submit to the department a claim for
13 reimbursement from the fund.

14 (b) Amount of claim.--The department shall pay to each
15 dealer or redemption center that submits a claim under
16 subsection (a) 2¢ for each returnable beverage container that is
17 not returned.

18 (c) Alternative payment approach.--The department may choose
19 to pay the reimbursement amount on the basis of the total weight
20 of the containers received by material type and the average
21 weight of each container type, rather than on a per-returnable-
22 beverage-container basis.

23 (d) Limitation.--Reimbursement from the fund may only occur
24 once for each returnable beverage container.

25 Section 15. Redemption center reporting.

26 In order for a claim to be approved by the department, the
27 dealer or redemption center must submit to the department the
28 following information on forms prescribed by the department:

- 29 (1) The number or weight of returnable beverage
30 containers of each material type accepted at the redemption

1 center for the reporting period.

2 (2) The amount of refunds paid out by material type.

3 (3) The number or weight of returnable beverage
4 containers of each material type transported out of this
5 Commonwealth or to a permitted recycling facility.

6 (4) Copies of out-of-Commonwealth transport and weight
7 receipts or acceptance receipts from permitted recycling
8 facilities. If the redemption center and the recycling
9 facility are the same entity, copies of out-of-Commonwealth
10 transport and weight receipts, or documentation of end use
11 accepted by the department, shall also be included.

12 (5) Any other information deemed necessary by the
13 department.

14 Section 16. Departmental inspections.

15 The records of a returnable beverage distributor, dealer,
16 redemption center and recycling facility shall be made
17 available, upon request, for inspection by the department or a
18 duly authorized agent of the department. Any proprietary
19 information obtained during the inspection shall be kept
20 confidential and shall not be disclosed to any other person,
21 except:

22 (1) as may be reasonably required in an administrative
23 or judicial proceeding to enforce this act or a regulation
24 adopted pursuant to this act; or

25 (2) to comply with a court order.

26 Section 17. Annual report to General Assembly.

27 The department shall file a report with the General Assembly
28 on an annual basis. The report shall include:

29 (1) Information on the administration of this act.

30 (2) Detailed financial information on the payment of

1 claims from the fund and the monthly transfers to the
2 Hazardous Sites Cleanup Fund.

3 (3) Recommendations from the department as to whether
4 the actual claim experience of the fund necessitates
5 adjustment of the percentage of monthly transfers set forth
6 in section 5(b)(2) in order for the fund to be fiscally sound
7 for the continued payment of claims under this act.

8 Section 18. Regulations.

9 The department may promulgate rules and regulations to
10 administer and enforce this act.

11 Section 19. Effective date.

12 This act shall take effect immediately.