

STATE OF NEW YORK

7722--A

2025-2026 Regular Sessions

IN SENATE

May 1, 2025

Introduced by Sen. C. RYAN -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the environmental conservation law, in relation to returnable beverage containers; and repealing certain provisions of such law relating thereto

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Subdivision 9 of section 27-1003 of the environmental
2 conservation law, as amended by section 3 of part SS of chapter 59 of
3 the laws of 2009, is amended and a new subdivision 14 is added to read
4 as follows:

5 9. "Redemption center" means any person [~~offering~~] in compliance with
6 section 27-1013 of this title who is not a dealer and offers to pay the
7 refund value of an empty beverage container to a redeemer, or [~~any~~
8 ~~person~~] who contracts with one or more dealers or distributors to
9 collect, sort and obtain the refund value and handling fee of empty
10 beverage containers for, or on behalf of, such dealer or distributor
11 [~~under the provisions of section 27-1013 of this title~~].

12 14. "Commingling" means the sorting of beverage containers at a
13 redemption center by size and material type rather than by deposit
14 initiator in accordance with the requirements of an approved commingling
15 agreement.

16 § 2. Subdivisions 1 and 2 of section 27-1003 of the environmental
17 conservation law, as amended by section 2 of part SS of chapter 59 of
18 the laws of 2009, are amended to read as follows:

19 1. "Beverage" means carbonated soft drinks, [~~water~~] noncarbonated
20 drinks, beer, other malt beverages and a wine product as defined in
21 subdivision thirty-six-a of section three of the alcoholic beverage
22 control law. "Noncarbonated drinks" means any noncarbonated liquid

EXPLANATION--Matter in italics (underscored) is new; matter in brackets
[-] is old law to be omitted.

LBD11876-02-5

1 intended for human consumption excluding "spirits" and "wine" as defined
2 in subdivisions twenty-nine and thirty-six of section three of the alco-
3 holic beverage control law, beverages with dairy milk as the primary
4 (first) ingredient, drugs regulated under the federal food, drug and
5 cosmetic act, infant formula, or meal replacement liquids. "Malt bever-
6 ages" means any beverage obtained by the alcoholic fermentation or
7 infusion or decoction of barley, malt, hops, or other wholesome grain or
8 cereal and water including, but not limited to ale, stout or malt
9 liquor. [~~"Water" means any beverage identified through the use of~~
10 ~~letters, words or symbols on its product label as a type of water,~~
11 ~~including any flavored water or nutritionally enhanced water, provided,~~
12 ~~however, that "water" does not include any beverage identified as a type~~
13 ~~of water to which a sugar has been added.~~]

14 2. "Beverage container" means the individual, separate, sealed glass,
15 metal, aluminum, steel or [~~plastic~~] polyethylene terephthalate (PET)
16 bottle, can or jar used for containing three liters or less [~~than one~~
17 ~~gallon or 3.78 liters~~] at the time of sale or offer for sale of a bever-
18 age intended for use or consumption in this state. Beverage containers
19 sold or offered for sale or distributed aboard aircraft or ships shall
20 be considered as intended for use or consumption outside this state.

21 § 3. Subdivisions 3, 6 and 8 of section 27-1007 of the environmental
22 conservation law, as added by section 4 of part SS of chapter 59 of the
23 laws of 2009, are amended to read as follows:

24 3. [~~On or~~] One year after [~~June first, two thousand nine~~] the effec-
25 tive date of the chapter of the laws of two thousand twenty-five which
26 amended this subdivision, a dealer [~~may limit the number of empty bever-~~
27 ~~age containers to be accepted for redemption at the dealer's~~] whose
28 place of business [~~to no~~] is less than [~~seventy two containers per~~
29 ~~visit, per redeemer, per day~~] ten thousand square feet in size and whose
30 primary business is the sale of food or beverages for consumption off-
31 premises may obtain an exemption from the obligation to accept empty
32 beverage containers for redemption at such dealer's place of business
33 through an application process developed by the department, provided
34 that:

35 (a) The dealer has a written agreement with a redemption center, be it
36 either at a fixed physical location [~~within the same county and within~~
37 ~~one half mile of the dealer's place of business,~~] or a mobile redemption
38 center, [~~operated by a redemption center,~~] that is [~~located within one~~
39 ~~quarter mile of the dealer's place of business. The redemption center~~
40 ~~must have a written agreement with the dealer to accept containers on~~
41 ~~behalf of the dealer; and the redemption center's hours of operation~~
42 ~~must cover at least 9:00 a.m. through 7:00 p.m. daily or in the case of~~
43 ~~a mobile redemption center, the hours of operation must cover at least~~
44 ~~four consecutive hours between 8:00 a.m. and 8:00 p.m. daily.~~]:

45 (i) within five miles of the dealer's place of business for dealers in
46 a rural area as defined by subdivision seven of section four hundred
47 eighty-one of the executive law; or

48 (ii) within two miles of the dealer's place of business for dealers
49 elsewhere in the state;

50 (b) The affiliated redemption center operates:

51 (i) in a fixed location at least thirty-five hours per week including
52 at least six consecutive hours on Saturdays and operates until 7:00 p.m.
53 at least one day per week; or

54 (ii) as a mobile redemption center in the designated area at least
55 fifteen hours per week including at least four consecutive hours on
56 Saturdays; and

1 (c) The dealer must post a conspicuous, permanent sign, meeting the
2 size and color specifications set forth in subdivision two of this
3 section, open to public view, identifying the location and hours of
4 operation of the affiliated redemption center or mobile redemption
5 center[; and

6 ~~(b) The dealer provides, at a minimum, a consecutive two hour period~~
7 ~~between 7:00 a.m. and 7:00 p.m. daily whereby the dealer will accept up~~
8 ~~to two hundred forty containers, per redeemer, per day, and posts a~~
9 ~~conspicuous, permanent sign, meeting the size and color specifications~~
10 ~~set forth in subdivision two of this section, open to public view, iden-~~
11 ~~tifying those hours. The dealer may not change the hours of redemption~~
12 ~~without first posting a thirty day notice; and~~

13 ~~(c) The dealer's primary business is the sale of food or beverages for~~
14 ~~consumption off premises, and the dealer's place of business is less~~
15 ~~than ten thousand square foot in size].~~

16 6. In addition to the refund value of a beverage container as estab-
17 lished by section 27-1005 of this title, a deposit initiator shall pay
18 to any dealer or operator of a redemption center a handling fee [~~of~~
19 ~~three and one-half cents~~] for each beverage container accepted by the
20 deposit initiator from such dealer or operator of a redemption center.
21 Payment of the handling fee shall be as compensation for collecting,
22 sorting and packaging of empty beverage containers for transport back to
23 the deposit initiator or its designee. Payment of the handling fee may
24 not be conditioned on the purchase of any goods or services, nor may
25 such payment be made out of the refund value account established pursu-
26 ant to section 27-1012 of this title. A distributor who does not initi-
27 ate deposits on a type of beverage container is considered a dealer only
28 for the purpose of receiving a handling fee from a deposit initiator.
29 The amount of the handling fee shall be as follows:

30 (a) Three cents for each redeemed container subject to an approved
31 commingling agreement;

32 (b) Three and one-half cents for each container redeemed through a
33 reverse vending machine or other process utilizing technology that
34 recognizes the universal product code to determine if the container is
35 redeemable and accumulates information regarding the number of contain-
36 ers redeemed for the purpose of invoicing deposit initiators; and

37 (c) Four and one-half cents for all other redeemed containers.

38 8. It shall be the responsibility of the deposit initiator or distrib-
39 utor to provide to a dealer or redemption center a sufficient number of
40 bags, cartons, or other suitable containers, at no cost, for the packag-
41 ing, handling and pickup of empty beverage containers that are not
42 redeemed through a reverse vending machine. The bags, cartons, or
43 containers must be provided by the deposit initiator or distributor on a
44 schedule that allows the dealer or redemption center sufficient time to
45 sort the empty beverage containers prior to pick up by the deposit
46 initiator or distributor. In addition:

47 (a) When picking up empty beverage containers, a deposit initiator or
48 distributor shall not require a dealer or redemption center to load
49 their own bags, cartons or containers onto or into the deposit initi-
50 ator's or distributor's vehicle or vehicles or provide the staff or
51 equipment needed to do so.

52 ~~(b) [A deposit initiator or distributor shall not require empty~~
53 ~~containers to be counted at a location other than the redemption center~~
54 ~~or dealer's place of business. The dealer or redemption center shall~~
55 ~~have the right to be present at the count.~~

1 ~~(e)]~~ A deposit initiator or distributor shall pick up empty beverage
2 containers from the dealer or redemption center at reasonable times and
3 intervals as determined in rules or regulations promulgated by the
4 department.

5 (c) Independent of procedures adopted under an approved commingling
6 agreement under section 27-1008 of this title, a deposit initiator or
7 distributor shall have the right to conduct audits of containers
8 presented for redemption by redemption centers or dealers subject to the
9 following:

10 (i) Audits may be conducted on bags, gaylords, shells, or other recep-
11 tacles used to hold empty containers as well as the contents of a
12 reverse vending machine;

13 (ii) The deposit initiator, distributor, or their agent shall notify
14 the redemption center or dealer of the audit in writing upon completion
15 of a pickup of empty containers from the site, describing the time and
16 place of the audit and allowing the redemption center or dealer to be
17 present;

18 (iii) Bags or other receptacles to be audited shall be tagged at the
19 time of pickup and include at least ten percent of containers of a
20 particular container type and size (e.g., twelve ounce aluminum cans) to
21 be audited but in no case shall fewer than one thousand containers be
22 audited;

23 (iv) Appropriate chain of custody procedures shall be implemented;

24 (v) The audit shall separate containers eligible for refund under this
25 title from containers and materials that are ineligible as specified in
26 section 27-1009 of this title, and the number of eligible containers
27 shall be compared to the number of containers represented by the redemp-
28 tion center or dealer at the time of pickup; and

29 (vi) Results of the audit shall be retained by the distributor, depos-
30 it initiator, or agent with a copy provided to the redemption center or
31 dealer.

32 (d) It shall be a violation of this title to have more than two
33 percent ineligible containers within the audited bags, gaylords, shells
34 or other receptacles used to hold empty containers, or in the audited
35 contents of a reverse vending machine. A shortfall of greater than ten
36 percent between the number of eligible containers represented by the
37 dealer or redemption center and the actual amount determined by audit
38 shall be a violation of this title. Either violation is subject to
39 adjustment as follows: for a first violation, the distributor, deposit
40 initiator, or agent shall provide a written notice warning the dealer or
41 redemption center of the nature of the violation; for a second
42 violation, a distributor, deposit initiator, or their agent, may with-
43 hold the refund and handling fee for the fraction of the ineligible
44 containers and/or shortfall in the audited bags applied to the day's
45 pickup and provide notice to the department of a second violation; for a
46 third violation, the distributor, deposit initiator, or their agent may
47 withhold the refund and handling fee for the fraction of the ineligible
48 containers and/or shortfall in the audited bags applied to one week's
49 pickups and provide notice to the department; and for any subsequent
50 violation, the adjustment shall apply to all pickups for the month and
51 the department shall be appropriately notified. The department shall
52 consider violation records when renewing or, in the case of multiple
53 violations, withdrawing registration from a redemption center.

54 § 4. Subdivision 11 of section 27-1007 of the environmental conserva-
55 tion law is REPEALED and subdivision 12 is renumbered subdivision 11.

§ 5. Subdivision 5 of section 27-1015 of the environmental conservation law, as amended by section 8 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

5. The department, the department of agriculture and markets, the department of taxation and finance and the attorney general are hereby authorized to enforce the provisions of this title and all monies collected shall be deposited to the credit of the environmental protection fund established pursuant to section ninety-two-s of the state finance law. In addition, the provisions of section 27-1005 of this title and subdivisions one, two, three, four, five[~~7~~] ~~and~~ ~~eleven~~ and ten [and] of section 27-1007 of this title may be enforced by a county, city, town or village and the local legislative body thereof may adopt local laws, ordinances or regulations consistent with this title providing for the enforcement of such provisions.

§ 6. The environmental conservation law is amended by adding a new section 27-1008 to read as follows:

§ 27-1008. Commingling.

1. Groups of deposit initiators and brands that wish to form a commingling group shall meet the following criteria:

(a) An agreement shall include brands that represent at least thirty-five percent of sales of all beverage containers in a commingling territory.

(b) One commingling territory shall include all counties in the department's regions three through nine; commingling territories may be established separately in department regions one and two or they may be combined.

(c) An agreement shall clearly define criteria for deposit initiators' brands to enter into or exit an approved commingling agreement and there shall not be unreasonable barriers put into place on any beverage brand entering or exiting the commingling agreement.

(d) The agreement shall specify the manufacturers, distributors, and/or third party pick-up agents acting on behalf of the parties to the agreement, the brands to be included, and the sorting requirements which shall not include parameters other than container material type and size.

(e) The agreement shall specify a method for determining the number of containers redeemed. Such method shall be one of the following:

(i) The number of containers redeemed shall be based upon a count of at least ten percent of the containers presented for redemption by the redemption center;

(ii) The number of containers redeemed shall be the number of containers the redemption center certifies as being presented for redemption; or

(iii) Another method approved by the commissioner as a part of the commingling agreement.

(f) The agreement, or a cover letter to the agreement, shall identify a name, address, and telephone number for a point of contact for questions on this agreement and to respond to complaints that the terms of the agreement are not being conformed to.

2. A commingling agreement shall be submitted to the commissioner prior to its implementation for review and approval.

3. If the department believes that the parties to an approved commingling agreement are not in conformance with the minimum criteria contained in this section, the commissioner shall notify the group's point of contact of the alleged non-compliance. The parties shall have thirty days to correct the noncompliance or provide information demon-

strating that the allegation of noncompliance was in error. Continued noncompliance shall be grounds to revoke the approval of a commingling agreement.

§ 7. Section 27-1009 of the environmental conservation law, as amended by section 4 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

§ 27-1009. Refusal of acceptance.

1. A dealer or operator of a redemption center ~~[may]~~ shall refuse to accept from a redeemer, and a deposit initiator or distributor ~~[may]~~ shall refuse to accept from a dealer or operator of a redemption center any empty beverage container which does not state thereon a refund value as established by section 27-1005 and provided by section 27-1011 of this title.

2. A dealer or operator of a redemption center ~~[may]~~ shall also refuse to accept any broken bottle, corroded, crushed or dismembered container, or any beverage container which contains a significant amount of foreign material, as determined in rules and regulations to be promulgated by the commissioner.

3. A dealer or operator of a redemption center and a deposit initiator or distributor shall also refuse to accept for refund an empty beverage container that the dealer, redemption center, deposit initiator, or distributor knows or has reasonable grounds to know was purchased outside of New York.

§ 8. Paragraph a of subdivision 1 of section 27-1011 of the environmental conservation law, as amended by section 5 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

a. Every beverage container sold or offered for sale in this state shall clearly indicate by permanently marking or embossing the container or by printing as part of the product label the refund value of the container or the letters "RV" and the words "New York" or the letters "NY".

§ 9. Subdivision 5 of section 27-1012 of the environmental conservation law, as amended by section 2 of part JJ of chapter 58 of the laws of 2017, is amended to read as follows:

5. All moneys collected or received by the department of taxation and finance pursuant to this title shall be deposited to the credit of the comptroller with such responsible banks, banking houses or trust companies as may be designated by the comptroller. Such deposits shall be kept separate and apart from all other moneys in the possession of the comptroller. The comptroller shall require adequate security from all such depositories. Of the total revenue collected, the comptroller shall retain the amount determined by the commissioner of taxation and finance to be necessary for refunds out of which the comptroller must pay any refunds to which a deposit initiator may be entitled. After reserving the amount to pay refunds, the comptroller must, by the tenth day of each month, pay into the state treasury to the credit of the general fund the revenue deposited under this subdivision during the preceding calendar month and remaining to the comptroller's credit on the last day of that preceding month; provided, however, ~~[that, beginning]:~~

(a) Beginning April first, two thousand thirteen, ~~[nineteen million dollars,]~~ and all fiscal years thereafter, ~~[twenty-three]~~ fifteen million dollars plus all funds received from the payments due each fiscal year pursuant to subdivision four of this section in excess of ~~[the greater of]~~ the amount received from April first, two thousand twelve through March thirty-first, two thousand thirteen ~~[or one hundred twenty-two million two hundred thousand dollars]~~, shall be deposited to

1 the credit of the environmental protection fund established pursuant to
2 section ninety-two-s of the state finance law[-]; and

3 (b) Beginning on the effective date of the chapter of the laws of two
4 thousand twenty-five which amended this subdivision and for each of the
5 next three years, twelve million dollars of the payments to the state
6 treasury to the credit of the general fund shall instead be transferred
7 to the department. Such funds shall be used solely to establish and fund
8 support to redemption centers that operate independently from dealers in
9 rural areas as defined in subdivision seven of section four hundred
10 eighty-one of the executive law or in environmental justice communities
11 and that redeem fewer than two million beverage containers per year.
12 Such support may take the form of a supplemental handling fee, capped at
13 an additional one cent per container redeemed, or the equivalent in
14 grants as determined by the department. The department may develop poli-
15 cies and procedures for the evaluation of redemption center eligibility
16 and support. The commissioner may retain up to five percent of funds
17 transferred to cover the administrative costs of such temporary support.
18 Any unused funds at the end of each year shall be returned to the gener-
19 al fund.

20 § 10. Section 27-1013 of the environmental conservation law, as
21 amended by section 7 of part F of chapter 58 of the laws of 2013, is
22 amended to read as follows:

23 § 27-1013. Redemption centers.

24 1. The commissioner is hereby empowered to promulgate rules and regu-
25 lations governing (a) the circumstances in which deposit initiators,
26 dealers and distributors, individually or collectively, are required to
27 accept the return of empty beverage containers, including beverage
28 containers processed through reverse vending machines and make payment
29 therefor; (b) the sorting of the containers which a deposit initiator or
30 distributor may require of dealers and redemption centers; (c) the
31 collection of returned beverage containers by deposit initiators or
32 distributors, including the party to whom such expense is to be charged,
33 the frequency of such pick ups and the payment for refunds and handling
34 fees thereon; (d) the right of dealers to restrict or limit the number
35 of containers redeemed, the rules for redemption at the dealers' place
36 of business, and the redemption of containers from a beverage for which
37 sales have been discontinued; (e) ~~[to issue]~~ the issuance of registra-
38 tions to persons, firms or corporations which establish redemption
39 centers, subject to applicable provisions of local and state laws, at
40 which redeemers and dealers may return empty beverage containers and
41 receive payment of the refund value of such beverage containers. Such
42 registrations shall be issued at no cost. ~~[Should the department require~~
43 ~~by regulations adopted pursuant to this paragraph that redemption~~
44 ~~centers must obtain a registration as a condition of operation, any~~
45 ~~redemption center in business as of March first, two thousand thirteen~~
46 ~~that previously provided the department with the notification informa-~~
47 ~~tion required by regulations in effect as of such date may continue to~~
48 ~~operate as if the department had issued such redemption center a regis-~~
49 ~~tration required by regulations adopted under this paragraph; provided,~~
50 ~~however, that such redemption center shall provide the department with~~
51 ~~any other information required by regulations adopted pursuant to this~~
52 ~~paragraph.]~~ All redemption centers in operation on January first, two
53 thousand twenty-five shall be considered to have registered, and the
54 department shall develop a process for obtaining registration informa-
55 tion from such pre-existing centers within one year of the effective
56 date of the chapter of the laws of two thousand twenty-five which

1 amended this section. Redemption centers shall allow the department to
2 conduct facility inspections and shall meet all applicable requirements
3 prior to registration. The registration application shall include the
4 name, address, and contact information for the redemption center, its
5 hours of operation, the types of beverage containers to be accepted, the
6 name and address of any dealer with which it has a written agreement to
7 provide redemption services under subdivision three of section 27-1007
8 of this title, for pre-existing centers the number of beverage contain-
9 ers accepted for refund in the most recently completed fiscal year, and
10 any additional information required by the commissioner. The commission-
11 er shall approve registration applications if the commissioner finds
12 that the facility will provide a convenient service for the return of
13 empty beverage containers and meets all registration and operating
14 requirements enumerated in this title. Registrations shall be renewed no
15 less frequently than every three years. The commissioner shall annually
16 publish and post on the department's website a list of registered
17 redemption centers and the total aggregate number of redeemed containers
18 handled by such centers in the prior year. All registrations are subject
19 to suspension or non-renewal for good cause shown, including but not
20 limited to unsafe practices, falsification of reports, or serious or
21 continued violation of this title. The department may, after due notice
22 and opportunity of hearing, pursuant to the provisions of section
23 71-1709 of this chapter, deny an application or revoke a registration.
24 In determining whether or not to revoke a registration the commissioner
25 shall at a minimum, take into consideration the compliance history of a
26 violator, good faith efforts of a violator to comply, any economic bene-
27 fit from noncompliance and whether the violation was procedural in
28 nature. The commissioner's determination to revoke a registration is
29 subject to review under article seventy-eight of the civil practice law
30 and rules; and (f) the operation of mobile redemption centers in order
31 to ensure that to the best extent practicable containers are not prof-
32 fered for redemption to a deposit initiator or distributor outside of
33 the geographic area where such deposit initiator sells containers and
34 initiates deposits.

35 2. The department may require a redemption center to obtain a permit,
36 ~~[as an alternative]~~ in addition to registration if such center is
37 located at the same facility or site as another solid waste management
38 facility otherwise subject to the requirements of title seven of this
39 article or the regulations promulgated pursuant thereto.

40 3. No dealer or distributor, as defined in section 27-1003 of this
41 title, shall be required to obtain a permit to operate a redemption
42 center at the same location as the dealer's or distributor's place of
43 business. Operators of such redemption centers shall receive payment of
44 the refund value of each beverage container from the appropriate deposit
45 initiator or distributor as provided under section 27-1007 of this
46 title.

47 4. Each dealer and redemption center shall require any person tender-
48 ing for redemption more than two thousand five hundred containers at one
49 time to such dealer or redemption center to provide such person's name
50 and address ~~[and]~~, the license plate of the vehicle used to transport
51 the containers, or, in the case of an agent or employee of a not-for-
52 profit corporation, a sales tax exemption certificate, and a certifi-
53 ication that to the best of such person's knowledge the containers were
54 originally sold as filled beverage containers in this state and were not
55 previously redeemed. After complying with at least one of these
56 requirements, a person need not comply each subsequent time such person

1 tenders to a dealer or redemption center for redemption more than two
2 thousand five hundred beverage containers if all of the containers were
3 collected at one location in this state, all proceeds of the refund
4 value benefit a nonprofit organization that has been determined by the
5 United States internal revenue service to be exempt from taxation under
6 section 501 (c) (3) of the United States internal revenue code of 1986,
7 and the person tendering the containers for redemption signs a declara-
8 tion indicating such person's name, the address of the collection point
9 and the name of the organization or organizations that will receive the
10 refund value. The dealer or redemption center redeeming the beverage
11 containers shall keep the information on file for a minimum of twelve
12 months and provide [~~same~~] the information to the department upon
13 request.

14 § 11. This act shall take effect immediately; provided, however, that
15 section two of this act shall take effect July 1, 2029.