STATE OF NEW YORK

5684

2025-2026 Regular Sessions

IN SENATE

February 27, 2025

Introduced by Sens. MAY, BRISPORT, CLEARE, FAHY, GONZALEZ, HINCHEY, HOYLMAN-SIGAL, JACKSON, KAVANAGH, KRUEGER, RAMOS, RIVERA, SALAZAR, SEPULVEDA, WEBB -- read twice and ordered printed, and when printed to be committed to the Committee on Environmental Conservation

AN ACT to amend the environmental conservation law, in relation to returnable bottles; to direct the multi-agency bottle bill fraud investigation team to submit a report on findings of pervasive bottle redemption fraud in New York state; and to repeal section 27-1018 of such law relating to the beverage container assistance program

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

Section 1. Subdivision 1 of section 27-1003 of the environmental conservation law, as amended by section 2 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

1. "Beverage" means carbonated soft drinks, **noncarbonated soft drinks, noncarbonated fruit or vegetable juices containing less than one hundred percent fruit or vegetable juice, coffee and tea beverages, carbonated fruit beverages,** water, beer, other malt beverages**, cider as defined in section three of the alcoholic beverage control law,** and [~~a~~] wine [~~product~~] **products** as defined in [~~subdivision thirty-six-a of~~] section three of the alcoholic beverage control law. "Malt beverages" means any beverage obtained by the alcoholic fermentation or infusion or decoction of barley, malt, hops, or other wholesome grain or cereal and water including, but not limited to ale, stout or malt liquor. "Water" means any beverage identified through the use of letters, words or symbols on its product label as a type of water, including any flavored water or nutritionally enhanced water[~~, provided, however, that "water" does not include any beverage identified as a type of water to which a sugar has been added~~].

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

LBD05023-04-5

§ 2. Subdivision 1 of section 27-1003 of the environmental conservation law, as amended by section one of this act, is amended to read as follows:

1. "Beverage" means [~~carbonated soft drinks, noncarbonated soft drinks, noncarbonated fruit or vegetable juices containing less than one hundred percent fruit or vegetable juice, coffee and tea beverages, carbonated fruit beverages, water, beer, other malt beverages, cider as defined in section three of the alcoholic beverage control law, and a wine product as defined in section three of the alcoholic beverage control law. "Malt beverages" means any beverage obtained by the alcoholic fermentation or infusion or decoction of barley, malt, hops, or other wholesome grain or cereal and water including, but not limited to ale, stout or malt liquor. "Water" means any beverage identified through the use of letters, words or symbols on its product label as a type of water, including any flavored water or nutritionally enhanced water~~] any drinkable liquid intended for human oral consumption. The term beverage does not include: a drug regulated under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 301 et seq.; infant formula; a meal replacement liquid; dairy products derived from animal milk; plant-based dairy alternatives; and noncarbonated fruit or vegetable juices containing one hundred percent fruit or vegetable juice.

§ 3. Subdivisions 8 and 12 of section 27-1003 of the environmental conservation law, subdivision 8 as added by chapter 200 of the laws of 1982 and subdivision 12 as added by section 3 of part SS of chapter 59 of the laws of 2009, are amended and five new subdivisions 14, 15, 16, 17 and 18 are added to read as follows:

8. "Redeemer" means every person who demands the refund value provided for herein in exchange for the empty beverage container, regardless of personal purchase of the beverage container, but shall not include a dealer as defined in subdivision four of this section.

12. "Reverse vending machine" means an automated device that uses a laser scanner, microprocessor, or other technology to accurately recognize the universal product code (UPC) on containers to determine if the container is redeemable and accumulates information regarding containers redeemed, including the number of such containers redeemed, thereby enabling the reverse vending machine to accept containers from redeemers and to issue legal tender or a scrip [~~or~~], receipt, or other form of credit for their refund value. Such definition shall also apply to alternative technology approved by the commissioner pursuant to subparagraph (iii) of paragraph (b) of subdivision one of section 27-1007 of this title. Nothing in this definition shall be construed to relieve a dealer specified in subparagraph (iii) of paragraph (b) of subdivision one of section 27-1007 of this title of the requirement to provide an immediate form of deposit repayment if the reverse vending machine or alternative technology does not provide such.

14. "Refillable beverage container" means any beverage container which is so constructed and designed that it is structurally capable of being refilled and resold at least fifty times by a beverage manufacturer, and which the beverage manufacturer requires to be returned for the purpose of refilling and resale.

15. "Return and reusable system" means a refillable beverage container reuse system that features an operational and financial arrangement in which refillable beverage containers are collected for washing and reusing. The distances between each point of the system shall be no greater than two hundred miles.

16. "Redemption rate" means the percentage of beverage containers sold that are redeemed for deposit value.

17. "Recycling" means to separate, dismantle or process the materials, components or commodities contained in discards for the purpose of preparing the materials, components, or commodities for use or reuse in new products or components. "Recycling" shall not include:

(a) energy recovery or energy generation by any means, including but not limited to, combustion, incineration, pyrolysis, gasification, solvolysis, or waste-to-fuel;

(b) any chemical conversion process; or

(c) landfill disposal.

18. "Recycling rate" means the percentage of redeemed beverage containers that are ultimately recycled. The recycling rate shall be calculated as the total weight of beverage containers that are recycled in a given year divided by the total weight of beverage containers generated by a distributor in that year.

§ 4. Section 27-1007 of the environmental conservation law, as added by section 4 of part SS of chapter 59 of the laws of 2009, paragraph (b) of subdivision 1 as amended by chapter 459 of the laws of 2011, and subdivision 12 as added by section 3 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

§ 27-1007. Mandatory acceptance.

Except as provided in section 27-1009 of this title:

1. (a) A dealer shall accept at [~~his or her~~] **such dealer's** place of business from a redeemer any empty beverage containers of the design, shape, size, color, composition and brand sold or offered for sale by the dealer, and shall pay to the redeemer the refund value of each such beverage container as established in section 27-1005 of this title. Redemptions of refund value must be in legal tender, or a scrip or receipt from a reverse vending machine, provided that the scrip or receipt can be exchanged for legal tender for a period of not less than sixty days without requiring the purchase of other goods. **In the event such scrip or receipt expires, such scrip or receipt must indicate any expiration date and the dealer must post a conspicuous sign indicating how many days a redeemer has to exchange the scrip or receipt for legal tender. If such notification is not provided, a dealer must redeem the full refund value indicated on any legible scrip or receipt.** The use or presence of a reverse vending machine shall not relieve a dealer of any obligations imposed pursuant to this section. If a dealer utilizes a reverse vending machine to redeem containers, the dealer shall provide redemption of beverage containers when the reverse vending machine is full, broken, under repair or does not accept a type of beverage container sold or offered for sale by such dealer and may not limit the hours or days of redemption except as provided by subdivision three of this section. **All dealers and redemption centers shall provide consumers the ability to recycle any containers deemed unredeemable.**

(b) Beginning March first, two thousand ten, a dealer whose place of business is part of a chain engaged in the same general field of business which operates ten or more units in this state under common ownership and whose business has at least: (i) forty thousand but less than sixty thousand square feet devoted to the display of merchandise for sale to the public shall install and maintain at least two reverse vending machines at the dealer's place of business; (ii) sixty thousand but less than eighty-five thousand square feet devoted to the display of merchandise for sale to the public shall install and maintain at least three reverse vending machines at the dealer's place of business; or

(iii) eighty-five thousand square feet devoted to the display of merchandise for sale to the public shall install and maintain at least four reverse vending machines at the dealer's place of business. The requirements of [~~paragraph (b) of~~] this subdivision to install and maintain reverse vending machines shall not apply to a dealer that: (i) sells only beverage containers of twenty ounces or less where such beverage containers are packaged in quantities fewer than six; (ii) sells beverage containers and devotes no more than five percent of its floor space to the display and sale of consumer commodities, as defined in section two hundred fourteen-h of the agriculture and markets law; or (iii) obtains a waiver from the commissioner authorizing dealers to provide consumers with an alternative technology that: (A) determines if the container is redeemable, (B) provides protections against fraud through a system that validates each container redeemed by reading the universal product code and, except with respect to refillable containers, renders the container unredeemable, (C) accumulates information regarding containers redeemed, and (D) issues legal tender, or a scrip, receipt, or other form of credit for the refund value, that can be exchanged for legal tender for a period of not less than sixty days without requiring the purchase of other goods **and includes any expiration date on the scrip, receipt, or other form of credit**. Notwithstanding the foregoing, if the alternative technology does not allow consumers to immediately obtain the refund value of the redeemed container, a dealer shall be permitted to deploy such alternative technology only if it also offers an alternative that allows consumers to conveniently and immediately obtain such refund value through a reverse vending machine or other alternative method.

(c) A dealer to which paragraph (b) of this subdivision does not apply and whose place of business is at least forty thousand square feet which does not utilize reverse vending machines to process empty beverage containers for redemption shall: (i) establish and maintain a dedicated area within such business to accept beverage containers for redemption; (ii) adequately staff such area to facilitate efficient acceptance and processing of such containers during business hours; and (iii) post one or more conspicuous signs conforming to the size and color requirements described in subdivision two of this section at each public entrance to the business which describes where in the business the redemption area is located. The commissioner may establish in rules and regulations additional standards for the efficient processing of beverage containers by such dealers.

(d) For the purposes of this subdivision on any day that a dealer is open for less than twenty-four hours, the dealer may restrict or refuse the payment of refund values during the first and last hour the dealer is open for business.

2. A dealer shall post a conspicuous sign, at the point of sale, that states:

"NEW YORK BOTTLE BILL OF RIGHTS

STATE LAW REQUIRES US TO REDEEM EMPTY RETURNABLE BEVERAGE CONTAINERS OF THE SAME TYPE AND BRAND THAT WE SELL OR OFFER FOR SALE

YOU HAVE CERTAIN RIGHTS UNDER THE NEW YORK STATE RETURNABLE CONTAINER ACT:

THE RIGHT to return your empties for refund to any dealer who sells the same brand, type and size, whether you bought the beverage from the

dealer or not. It is illegal to return containers for refund that you did not pay a deposit on in New York state.

THE RIGHT to get your deposit refund in cash, without proof of purchase.

THE RIGHT to return your empties any day, any hour, except for the first and last hour of the dealer's business day (empty containers may be redeemed at any time in 24-hour stores).

THE RIGHT to return your containers if they are empty and intact. Washing containers is not required by law, but is strongly recommended to maintain sanitary conditions.

The New York state returnable container act can be enforced by the New York state department of environmental conservation, the New York state department of agriculture and markets, the New York state department of taxation and finance, the New York state attorney general and/or by your local government."

Such sign must be no less than eight inches by ten inches in size and have lettering a minimum of one quarter inch high, and of a color which contrasts with the background. The department shall maintain a toll free telephone number for a "bottle bill complaint line" that shall be available from 9:00 a.m. to 5:00 p.m. each business day to receive reports of violations of this title. The telephone number shall be listed on any sign required by this section.

3. On or after June first, two thousand nine, a dealer may limit the number of empty beverage containers to be accepted for redemption at the dealer's place of business to no less than seventy-two containers per visit, per redeemer, per day, provided that:

(a) The dealer has a written agreement with a redemption center, be it either at a fixed physical location within the same county and within [~~one-half~~] **one** mile of the dealer's place of business, or a mobile redemption center, operated by a redemption center, that is located within one-quarter mile of the dealer's place of business. The redemption center must have a written agreement with the dealer to accept containers on behalf of the dealer; and the redemption center's hours of operation must cover at least [~~9:00 a.m. through 7:00 p.m.~~] **eight hours** daily or in the case of a mobile redemption center, the hours of operation must cover at least four consecutive hours between 8:00 a.m. and 8:00 p.m. daily. The dealer must post a conspicuous, permanent sign, meeting the size and color specifications set forth in subdivision two of this section, open to public view, identifying the location and hours of operation of the affiliated redemption center or mobile redemption center; and

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

(c) The dealer's primary business is the sale of food or beverages for consumption off-premises, and the dealer's place of business is less than ten thousand square feet in size.

4. A deposit initiator shall accept from a dealer or operator of a redemption center any empty beverage container of the design, shape, size, color, composition and brand sold or offered for sale by the deposit initiator, and shall pay the dealer or operator of a redemption center the refund value of each such beverage container as established

by section 27-1005 of this title. A deposit initiator shall accept and redeem all such empty beverage containers from a dealer or redemption center without limitation on quantity.

5. A deposit initiator's or distributor's failure to pick up empty beverage containers, including containers processed in a reverse vending machine, from a redemption center, dealer or the operator of a reverse vending machine, **in a timely manner and at reasonable times as provided by the department pursuant to the regulations promulgated pursuant to paragraph (c) of subdivision eight of this section** shall be a violation of this title.

6. In addition to the refund value of a beverage container as established by section 27-1005 of this title, a deposit initiator shall pay to any dealer or operator of a redemption center a handling fee of [~~three and one-half~~] **five** cents for each beverage container accepted by the deposit initiator from such dealer or operator of a redemption center. **Beginning April first, two thousand twenty-seven, the handling fee shall be six cents. Beginning April first, two thousand thirty-two, the handling fee shall be six and one-half cents.** Payment of the handling fee shall be as compensation for collecting, sorting and packaging of empty beverage containers for transport back to the deposit initiator or its designee. Payment of the handling fee may not be conditioned on the purchase of any goods or services, nor may such payment be made out of the refund value account established pursuant to section 27-1012 of this title. A distributor who does not initiate deposits on a type of beverage container is considered a dealer only for the purpose of receiving a handling fee from a deposit initiator.

7. A deposit initiator on a brand shall accept from a distributor who does not initiate deposits on that brand any empty beverage containers of that brand accepted by the distributor from a dealer or operator of a redemption center and shall reimburse the distributor the refund value of each such beverage container, as established by section 27-1005 of this title. In addition, the deposit initiator shall reimburse such distributor for each such beverage container the handling fee established under subdivision six of this section. Without limiting the rights of the department or any person, firm or corporation under this subdivision or any other provision of this section, a distributor shall have a civil right of action to enforce this subdivision, including, upon three days notice, the right to apply for temporary and preliminary injunctive relief against continuing violations, and until arrangements for collection and return of empty containers or reimbursement of such distributor for such deposits and handling fees are made.

8. It shall be the responsibility of the deposit initiator or distributor to provide to a dealer or redemption center a sufficient number of bags, cartons, or other suitable containers, at no cost, for the packaging, handling and pickup of empty beverage containers that are not redeemed through a reverse vending machine. The bags, cartons, or containers must be provided by the deposit initiator or distributor on a schedule that allows the dealer or redemption center sufficient time to sort the empty beverage containers prior to pick up by the deposit initiator or distributor. In addition:

(a) When picking up empty beverage containers, a deposit initiator or distributor shall not require a dealer or redemption center to load their own bags, cartons or containers onto or into the deposit initiator's or distributor's vehicle or vehicles or provide the staff or equipment needed to do so. **However, where pallets or skids, bags, cartons or containers are readily movable only by means of a forklift or**

similar equipment, a deposit initiator or distributor may require a dealer or redemption center to move or load such items at no cost using a forklift or similar equipment belonging to the dealer or redemption center provided that such equipment and appropriate staff are readily available.

(b) A deposit initiator or distributor shall not require empty containers to be counted at a location other than the redemption center or dealer's place of business. The dealer or redemption center shall have the right to be present at the count. In the event of a discrepancy between the count of the dealer or redemption center and the count of the deposit initiator or distributor for containers not processed through a reverse vending machine all such empty containers shall be retained and a re-count may be requested. The re-count may be held at a location other than the redemption center or dealer's place of business only if the dealer or redemption center agrees and is present.

(c) A deposit initiator or distributor shall pick up empty beverage containers from the dealer or redemption center in a timely manner and at reasonable times [~~and intervals~~] as determined in rules or regulations promulgated by the department no later than April first, two thousand twenty-seven.

9. No person shall return or assist another to return to a dealer or redemption center an empty beverage container for its refund value if such container had previously been accepted for redemption by a dealer, redemption center, or deposit initiator who initiates deposits on beverage containers of the same brand.

10. A redeemer, dealer, distributor or redemption center shall not knowingly redeem an empty beverage container on which a deposit was never paid in New York state.

11. Notwithstanding the provisions of subdivision two of section 27-1009 of this title, a deposit initiator or distributor shall accept and redeem beverage containers as provided in this title, if the dealer or operator of a redemption center shall have accepted and paid the refund value of such beverage containers.

12. No person shall intentionally program, tamper with, render inaccurate, or circumvent the proper operation of a reverse vending machine to wrongfully elicit deposit monies when no valid, redeemable beverage container has been placed in and properly processed by the reverse vending machine.

13. The department and the department of taxation and finance are authorized to audit any reverse vending machine.

14. Notwithstanding any provision of this section to the contrary, a dealer shall not be required to accept from a redeemer any empty beverage container at a farmers' market as such term is defined by the department of agriculture and markets.

§ 5. Subdivision 1 of section 27-1011 of the environmental conservation law is amended by adding a new paragraph c to read as follows:

c. Each beverage container sold or offered for sale in this state that has a refund value pursuant to paragraph a of this subdivision, shall include a universal product code and barcode printed on the label that is readable by reverse vending machine or alternative technology. Each deposit initiator shall provide such universal product code and barcode and ownership and packaging information of any such beverage container, to the department not less than forty-five days prior to such product being offered for sale in the state. The department shall, not more than thirty days after receipt of such information, make this information readily available to any redemption center, reverse vending machine

system operator, deposit initiator-authorized contracted agents, or any other appropriate stakeholder approved by the department.

§ 6. Paragraph (b) of subdivision 3 of section 27-1011 of the environmental conservation law, as added by section 1 of part PP of chapter 58 of the laws of 2018, is amended and two new subdivisions 4 and 5 are added to read as follows:

(b) comply with [~~minimum post-consumer recycled material content and~~] hole diameter limitations as defined in rules and regulations promulgated by the department no later than April first, two thousand twenty-six, and is recyclable and indicates a resin identification code.

4. Each distributor shall develop and implement a policy with the goal of achieving the following performance requirement: Beginning April first, two thousand thirty-one, it shall be the goal of each distributor that at least twenty-five percent of all beverage containers sold by each distributor in the state shall be refillable containers that are part of a return and reusable system. Each distributor shall work with dealers, reverse vending machine owners, and redemption centers to ensure that refillable beverage containers sold by the distributor achieve at least an eighty percent return rate.

5. Each distributor is required to meet the following performance requirements: a. Beginning April first, two thousand twenty-six, all distributors of non-refillable beverage containers shall report the recycling rate, by material type, of redeemed containers to the department.

b. Beginning April first, two thousand twenty-seven, at least seventy percent of the redeemed beverage container material shall be recycled.

c. Beginning April first, two thousand twenty-nine, at least eighty percent of the redeemed beverage container material shall be recycled.

d. Beginning April first, two thousand thirty-one, at least ninety percent of the redeemed beverage container material, including beverage container caps, lids, and other rigid sealers, shall be recycled.

§ 7. 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. Of the revenue remaining following payments of any refunds, the comptroller shall retain an amount equal to five percent of the total for the beverage container assistance program established pursuant to section 27-1018 of this title. 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 April first, two thousand thirteen, nineteen million dollars, and all fiscal years thereafter, twenty-three 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 the credit of the environmental protection fund established pursuant to section ninety-two-s of the state finance law.

§ 8. Paragraph c of subdivision 3 of section 27-1012 of the environmental conservation law, as added by section 8 of part SS of chapter 59 of the laws of 2009, is amended and a new subdivision 13 is added to read as follows:

c. all withdrawals from the refund value account during such quarter, including all reimbursements paid pursuant to subdivision two of this section, all service charges on the account, **provided that such service charges do not exceed the maximum amount authorized by the commissioner,** and all payments made pursuant to subdivision four of this section; and

13. Annually the department, in consultation with the department of taxation and finance, shall use available information to produce an annual report at a minimum containing information on redemption rates, container material types by percent usage, refillable container usage, fraud and enforcement actions, an analysis of the handling fee and consumer price index, and information on how this program helps to achieve the targets of chapter one hundred six of the laws of two thousand nineteen. Such report shall be shared with the legislature and posted publicly on the department's website.

§ 9. Paragraph a of subdivision 4 of section 27-1012 of the environmental conservation law, as added by section 8 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

a. Quarterly payments. An amount equal to eighty percent of the balance outstanding in the refund value account at the close of each quarter shall be paid to the commissioner of taxation and finance at the time the report provided for in subdivision three of this section is required to be filed. The commissioner of taxation and finance may require that the payments be made electronically. The remaining twenty percent of the balance outstanding at the close of each quarter shall be the monies of the deposit initiator and may be withdrawn from such account by the deposit initiator. **However, a deposit initiator who initiates deposits on refillable beverage containers which are part of a return and reusable system may be entitled to pay an amount equal to seventy-five percent of the balance outstanding in the refund value account specifically attributable to refillable beverage containers at the close of each quarter to the commissioner of taxation and finance at the time the report provided for in subdivision three of this section is required to be filed. The department shall promulgate rules on the eligibility of deposit initiators for such refillable beverage container bonus.** If the provisions of this section with respect to such account have not been fully complied with, each deposit initiator shall pay to such commissioner at such time, in lieu of the amount described in the preceding sentence, an amount equal to the balance which would have been outstanding on such date had such provisions been fully complied with. The commissioner of taxation and finance may require that the payments be made electronically.

§ 10. Paragraph a of subdivision 7 of section 27-1012 of the environmental conservation law, as amended by section 8 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

a. Any person who is a deposit initiator under this title before April first, two thousand nine, must apply by June first, two thousand nine to the commissioner of taxation and finance for registration as a deposit

initiator. Any person who becomes a deposit initiator on or after April first, two thousand nine shall apply for registration prior to collecting any deposits as such a deposit initiator. Such application shall be in a form prescribed by the commissioner of taxation and finance and shall require such information deemed to be necessary for proper administration of this title. The commissioner of taxation and finance may require that applications for registration must be submitted electronically. The commissioner of taxation and finance shall electronically issue a deposit initiator registration certificate in a form prescribed by the commissioner of taxation and finance within fifteen days of receipt of such application or may take an additional ten days if the commissioner of taxation and finance deems it necessary to consult with the commissioner before issuing such registration certificate. A registration certificate issued pursuant to this subdivision may be issued for a specified term of not less than three years and shall be subject to renewal in accordance with procedures specified by the commissioner of taxation and finance. The commissioner of taxation and finance shall furnish to the commissioner a complete list of registered deposit initiators and shall continually update such list as warranted. The commissioner shall share any information with the commissioner of taxation and finance that is necessary for the administration of this subdivision. **The commissioner shall publish the list of registered deposit initiators and their covered products, and a list of registered redemption centers on the department's website.**

§ 11. Section 27-1014 of the environmental conservation law, as amended by section 10 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

§ 27-1014. Authority to promulgate rules and regulations.

In addition to the authority of the commissioner, under sections **27-1007,** 27-1009 [~~and~~]**, 27-1011, 27-1012,** 27-1013**, and 27-1018** of this title, the commissioner shall have the power to promulgate rules and regulations necessary and appropriate for the administration of this title.

§ 12. Section 27-1018 of the environmental conservation law, as added by section 13 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

§ 27-1018. Beverage container assistance program.

Notwithstanding any other provision of law to the contrary, **within the amounts retained by the comptroller for use under the beverage container assistance program pursuant to subdivision five of section 27-1012 of this title, and** within the limits of appropriations therefor, the commissioner shall make state assistance payments to municipalities, **qualifying small** businesses**,** and not-for-profit organizations located in the state**, upon application,** for the cost **and installation** of reverse vending machines located or to be located in the state. Such state assistance payments shall not exceed fifty percent of the costs of equipment, [~~and/or the acquisition~~] **installation** and/or rehabilitation of real property or structures located or to be located in the state related to the collecting, sorting, and packaging of empty beverage containers subject to the provisions of this title. [~~Such payments may include costs related to the establishment of redemption centers, including mobile redemption centers.~~] For the purposes of this section, municipalities and not-for-profit organizations shall have the meaning as defined in section 54-0101 of this chapter and **qualified small** businesses shall mean a dealer[~~, distributor~~] or redemption center as defined in this title that employs less than fifty employees. **Preference**

for these funds shall be given to registered redemption centers that do not utilize any reverse vending machines. Preference for these funds shall also be given to municipalities, not-for-profit organizations, or qualified small businesses that do not have a registered redemption center within one mile.

§ 13. Subdivision 1 of section 27-1013 of the environmental conservation law, as amended by section 7 of part F of chapter 58 of the laws of 2013, is amended to read as follows:

1. The commissioner is hereby empowered to promulgate rules and regulations governing (a) the circumstances in which deposit initiators, dealers and distributors, individually or collectively, are required to accept the return of empty beverage containers, including beverage containers processed through reverse vending machines and make payment therefor; (b) the sorting of the containers which a deposit initiator or distributor may require of dealers and redemption centers; (c) the collection of returned beverage containers by deposit initiators or distributors, including the party to whom such expense is to be charged, the frequency of such pick ups, a process for safe pick ups, and the payment for refunds and handling fees thereon; (d) the right of dealers to restrict or limit the number of containers redeemed, the rules for redemption at the dealers' place of business, and the redemption of containers from a beverage for which sales have been discontinued; (e) [~~to~~] the right of redemption centers to have timely, transparent, and safe pick ups and transparent verification of container counts; (f) the department shall issue registrations to persons, firms or corporations which establish redemption centers, subject to applicable provisions of local and state laws, at which redeemers and dealers may return empty beverage containers and receive payment of the refund value of such beverage containers[~~. Such~~], subject to a review that considers safety and accessibility, and shall be renewed every ten years. As of April first, two thousand twenty-seven, such registrations shall be issued at [~~no cost~~] the cost of one hundred fifty dollars. Should the department require [~~by~~] any additional regulations adopted pursuant to this paragraph [~~that redemption centers must obtain a registration as a condition of operation,~~] any redemption center in business as of [~~March first, two thousand thirteen~~] April first, two thousand twenty-six that previously provided the department with the notification information required by regulations in effect as of such date may continue to operate as if the department had issued such redemption center a registration required by regulations adopted under this paragraph; provided, however, that such redemption center shall provide the department with any other information required by regulations adopted pursuant to this paragraph. The department may, after due notice and opportunity of hearing, pursuant to the provisions of section 71-1709 of this chapter, deny an application or revoke a registration. In determining whether or not to revoke a registration the commissioner shall at a minimum, take into consideration the compliance history of a violator, good faith efforts of a violator to comply, any economic benefit from noncompliance and whether the violation was procedural in nature. The commissioner's determination to revoke a registration is subject to review under article seventy-eight of the civil practice law and rules; [~~and (f)~~] (g) the operation of mobile redemption centers in order to ensure that to the best extent practicable containers are not proffered for redemption to a deposit initiator or distributor outside of the geographic area where such deposit initiator sells containers and initiates deposits; (h) yearly information provided to the department from dealers and redemption

centers including number of containers redeemed and any other information required by the department; and (i) climate mitigation including targets within chapter one hundred six of the laws of two thousand nineteen and recommendations on improving redeemed container recycling rates.

§ 14. Section 27-1005 of the environmental conservation law, as added by section 4 of part SS of chapter 59 of the laws of 2009, is amended to read as follows:

§ 27-1005. Refund value.

No person shall sell or offer for sale a beverage container in this state unless the deposit on such beverage container is or has been collected by a registered deposit initiator and unless such container has a refund value of not less than five cents, and beginning April first, two thousand twenty-seven, a refund value of not less than ten cents, which is clearly indicated thereon as provided in section 27-1011 of this title.

§ 15. Section 27-1018 of the environmental conservation law is REPEALED.

§ 16. The multi-agency bottle bill fraud investigation team, led by the department of environmental conservation and first announced on October 23, 2023, shall submit a report to the governor, the temporary president of the senate, and the speaker of the assembly no later than one year after the effective date of this act. Such report shall include, but not be limited to, any findings of pervasive beverage container redemption fraud in New York state, and any recommendations for legislative action in response to such fraud.

§ 17. This act shall take effect April 1, 2026; provided, however, that section one of this act shall take effect April 1, 2027; provided, further, that section two of this act shall take effect April 1, 2030; provided, further, that the amendments to subdivision 6 of section 27-1007 of the environmental conservation law made by section four of this act shall take effect immediately; and provided, further, that section fifteen of this act shall take effect January 1, 2039, with any proceeds transferred to the environmental protection fund established pursuant to section 92-s of the state finance law. Effective immediately, the addition, amendment and/or repeal of any rule or regulation necessary for the implementation of this act on its effective date are authorized to be made and completed on or before such effective date.