

# SENATE BILL 641

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By: **Senators Frosh, Ferguson, Madaleno, Manno, Montgomery, Pinsky, and Raskin**

Introduced and read first time: February 1, 2013

Assigned to: Education, Health, and Environmental Affairs and Finance

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## A BILL ENTITLED

1 AN ACT concerning

2 **Statewide Container Recycling Incentive Program**

3 FOR the purpose of requiring certain beverage distributors to register with the  
4 Department of the Environment in a certain manner on or before a certain date;  
5 requiring certain beverage distributors to maintain certain records; requiring a  
6 redeemable beverage container sold in the State to bear certain information  
7 beginning on a certain date; requiring each county, in consultation with the  
8 Department, to designate certain convenience zones on or before a certain date;  
9 requiring certain beverage distributors to pay a certain deposit to the  
10 Comptroller of the State beginning on a certain date; establishing procedures  
11 for the payment of certain deposits by certain beverage distributors to the  
12 Comptroller; requiring the Comptroller to deposit certain payments to the  
13 Container Recycling Incentive Fund; requiring certain beverage distributors to  
14 collect a certain deposit on redeemable beverage containers from certain  
15 retailers and on-premise sellers beginning on a certain date; requiring certain  
16 retailers to charge a consumer a redeemable beverage container deposit at the  
17 point of sale of a beverage; requiring that certain deposit charges appear as a  
18 separate line item on bills and invoices and prohibiting certain deposit charges  
19 from being included in the calculation of the sales tax on a beverage; requiring  
20 at least one licensed redemption center to be located within each convenience  
21 zone beginning on a certain date; establishing certain requirements for  
22 redemption centers; requiring each county, in consultation with the  
23 Department, to adopt certain rules and procedures for the licensing of  
24 redemption centers and to establish certain verification procedures for certain  
25 redemption centers; requiring the Comptroller to pay to a redemption center the  
26 full refund value of the redeemable beverage containers the redemption center  
27 accepts under certain circumstances; requiring the Comptroller to pay certain  
28 handling fees to privately operated redemption centers and to redemption  
29 centers operated by a county; establishing certain requirements for requests for  
30 payment submitted by redemption centers to the Comptroller; authorizing the

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Comptroller to refuse payment to a redemption center under certain  
2 circumstances; establishing the Container Recycling Incentive Fund as a  
3 special, nonlapsing fund; specifying the purpose of the Fund; requiring the  
4 Comptroller to administer the Fund; requiring the State Treasurer to hold the  
5 Fund and the Comptroller to account for the Fund; specifying the purposes for  
6 which the Fund may be used; providing for the investment of money in and  
7 expenditures from the Fund; authorizing the Secretary to adopt certain  
8 regulations; requiring the Office of Recycling to work with the counties on  
9 certain activities; defining certain terms; and generally relating to the  
10 establishment of a Statewide Container Recycling Incentive Program.

11 BY adding to  
12 Article – Environment  
13 Section 9–1733 through 9–1741 to be under the new part “Part V. Statewide  
14 Container Recycling Incentive Program”  
15 Annotated Code of Maryland  
16 (2007 Replacement Volume and 2012 Supplement)

17 Preamble

18 WHEREAS, Four billion beverage containers are sold in Maryland each year,  
19 and fewer than 25% are reused or repurposed – the remainder end up in our landfills  
20 and litter our environment; and

21 WHEREAS, Research indicates that litter impacts public health and decreases  
22 property values, harming vulnerable communities and ecosystems; and

23 WHEREAS, Balancing environmental priorities with market incentives is  
24 crucial to growing American manufacturing in an age of globalization and climate  
25 change; and

26 WHEREAS, More than 2 decades of data from deposit states point to the  
27 economic and environmental benefits of integrating beverage container deposit  
28 incentive programs with curbside recycling; and

29 WHEREAS, Deposit systems are a proven policy tool for increasing beverage  
30 container recycling rates and protecting the environment – the 10 deposit states  
31 currently recycle more than 50% of all beverage containers in the United States,  
32 leading to reductions in greenhouse gas emissions and litter pollution; and

33 WHEREAS, The purpose of this Act is to incentivize the reuse and repurpose of  
34 beverage containers to encourage recycling, prevent litter, and reduce greenhouse gas  
35 emissions affecting Maryland and the Chesapeake Bay watershed; now, therefore,

36 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
37 MARYLAND, That the Laws of Maryland read as follows:

1 Article – Environment

2 9–1731. RESERVED.

3 9–1732. RESERVED.

4 PART V. STATEWIDE CONTAINER RECYCLING INCENTIVE PROGRAM.

5 9–1733.

6 (A) IN THIS PART THE FOLLOWING WORDS HAVE THE MEANINGS  
7 INDICATED.

8 (B) (1) “BEVERAGE” MEANS AN ALCOHOLIC OR A NONALCOHOLIC  
9 DRINK INTENDED FOR HUMAN CONSUMPTION AND PACKAGED FOR SALE IN A  
10 REDEEMABLE BEVERAGE CONTAINER.

11 (2) “BEVERAGE” INCLUDES BEER AND OTHER MALT BEVERAGES,  
12 WINE, DISTILLED SPIRITS REGARDLESS OF DAIRY–DERIVED CONTENT,  
13 CARBONATED AND NONCARBONATED SOFT DRINKS, FLAVORED AND  
14 UNFLAVORED BOTTLED WATER, FRUIT JUICE, AND TEA AND COFFEE DRINKS  
15 REGARDLESS OF DAIRY–DERIVED CONTENT.

16 (3) “BEVERAGE” DOES NOT INCLUDE:

17 (I) A SYRUP, A LIQUID CONCENTRATE, A CONDIMENT, OR  
18 ANY OTHER ADDITIVE INTENDED PRIMARILY AS A FLAVORING INGREDIENT IN  
19 FOOD OR DRINK;

20 (II) A LIQUID THAT IS A DRUG, A MEDICAL FOOD, OR AN  
21 INFANT FORMULA AS DEFINED BY THE FEDERAL FOOD, DRUG, AND COSMETIC  
22 ACT;

23 (III) A LIQUID THAT IS A DIETARY SUPPLEMENT AS DEFINED  
24 IN THE DIETARY SUPPLEMENT HEALTH AND EDUCATION ACT OF 1994;

25 (IV) MILK AND OTHER DAIRY–DERIVED PRODUCTS; OR

26 (V) A PRODUCT FROZEN AT THE TIME OF SALE TO THE  
27 CONSUMER.

28 (C) “COMPTROLLER” MEANS THE COMPTROLLER OF THE STATE.

1           (D) “CONSUMER” MEANS A PERSON WHO BUYS A REDEEMABLE  
2 BEVERAGE CONTAINER IN THE STATE FOR USE OR CONSUMPTION  
3 OFF-PREMISES.

4           (E) (1) “DISTRIBUTOR” MEANS A PERSON THAT MANUFACTURES  
5 BEVERAGES IN REDEEMABLE BEVERAGE CONTAINERS, OR THAT IMPORTS  
6 BEVERAGES IN REDEEMABLE BEVERAGE CONTAINERS TO SELL WITHIN THE  
7 STATE.

8           (2) “DISTRIBUTOR” DOES NOT INCLUDE AIRLINES AND SHIPPING  
9 COMPANIES THAT TRANSPORT REDEEMABLE BEVERAGE CONTAINERS.

10          (F) “PROGRAM” MEANS THE STATEWIDE CONTAINER RECYCLING  
11 INCENTIVE PROGRAM.

12          (G) “REDEEMABLE BEVERAGE CONTAINER” MEANS AN INDIVIDUAL,  
13 SEPARATE, AND SEALED GLASS, METAL, ALUMINUM, STEEL, OR PLASTIC JAR,  
14 CAN, OR BOTTLE THAT, AT ITS TIME OF SALE, CONTAINS NOT MORE THAN 33.8  
15 FLUID OUNCES AND NOT LESS THAN 6 FLUID OUNCES OF A BEVERAGE  
16 INTENDED FOR CONSUMPTION WITHIN THE STATE.

17          (H) “REDEEMER” MEANS A PERSON, OTHER THAN A RETAILER OR  
18 DISTRIBUTOR, WHO DEMANDS THE REFUND VALUE IN EXCHANGE FOR AN EMPTY  
19 REDEEMABLE BEVERAGE CONTAINER.

20          (I) “REDEMPTION CENTER” MEANS A FACILITY LICENSED OR  
21 OPERATED BY A COUNTY TO ACCEPT EMPTY REDEEMABLE BEVERAGE  
22 CONTAINERS FROM CONSUMERS IN EXCHANGE FOR THE CONTAINERS’ REFUND  
23 VALUE.

24          (J) “REDEMPTION RATE” MEANS THE PERCENTAGE OF REDEEMABLE  
25 BEVERAGE CONTAINERS REDEEMED IN THE STATE OVER A REPORTING PERIOD,  
26 WHICH IS CALCULATED BY DIVIDING THE NUMBER OF REDEEMABLE BEVERAGE  
27 CONTAINERS REDEEMED BY THE NUMBER OF REDEEMABLE BEVERAGE  
28 CONTAINERS SOLD, THEN MULTIPLYING THAT NUMBER BY 100.

29          (K) “RETAILER” MEANS A PERSON WHO SELLS A BEVERAGE IN A  
30 REDEEMABLE BEVERAGE CONTAINER TO A CONSUMER FOR OFF-PREMISES  
31 CONSUMPTION.

32          (L) (1) “ON-PREMISE SELLER” MEANS A PERSON WHO SELLS A  
33 BEVERAGE IN A REDEEMABLE BEVERAGE CONTAINER FOR ON-PREMISE  
34 CONSUMPTION.

1           **(2) “ON-PREMISE SELLER INCLUDES A BAR, RESTAURANT,**  
2 **HOTEL, SPORTING VENUE, ENTERTAINMENT VENUE, AND GAMING VENUE.**

3           **(M) “REVERSE VENDING MACHINE” MEANS A MECHANICAL DEVICE**  
4 **THAT ACCEPTS ONE OR MORE TYPES OF EMPTY REDEEMABLE BEVERAGE**  
5 **CONTAINERS AND ISSUES A REDEEMABLE CREDIT SLIP FOR A VALUE NOT LESS**  
6 **THAN THE CONTAINERS’ REFUND VALUE.**

7 **9-1734.**

8           **(A) (1) ON OR BEFORE APRIL 1, 2014, EVERY DISTRIBUTOR**  
9 **OPERATING WITHIN THE STATE SHALL REGISTER WITH THE DEPARTMENT.**

10           **(2) AFTER APRIL 1, 2014, ANY PERSON WHO DESIRES TO**  
11 **CONDUCT BUSINESS IN THE STATE AS A DISTRIBUTOR SHALL REGISTER WITH**  
12 **THE DEPARTMENT NO LATER THAN 1 MONTH BEFORE COMMENCING BUSINESS.**

13           **(B) (1) A DISTRIBUTOR REGISTERED UNDER THIS SECTION SHALL**  
14 **MAINTAIN RECORDS OF:**

15                   **(I) THE QUANTITY OF ANY BEVERAGE IN A REDEEMABLE**  
16 **BEVERAGE CONTAINER THAT THE DISTRIBUTOR MANUFACTURES, SELLS, OR**  
17 **TRANSFERS; AND**

18                   **(II) THE IMPORTATION AND EXPORTATION OF ANY**  
19 **REDEEMABLE BEVERAGE CONTAINER.**

20           **(2) RECORDS KEPT IN ACCORDANCE WITH THIS SUBSECTION**  
21 **SHALL BE MADE AVAILABLE FOR INSPECTION AT THE REQUEST OF THE**  
22 **DEPARTMENT.**

23 **9-1735.**

24           **(A) BEGINNING OCTOBER 1, 2014, EXCEPT AS PROVIDED IN**  
25 **SUBSECTION (C) OF THIS SECTION, EVERY REDEEMABLE BEVERAGE CONTAINER**  
26 **SOLD IN THE STATE SHALL CLEARLY INDICATE A REFUND VALUE OF 5 CENTS**  
27 **AND THE WORD “MARYLAND” OR THE LETTERS “MD” ON THE REDEEMABLE**  
28 **BEVERAGE CONTAINER.**

29           **(B) THE REFUND VALUE SHALL BE CLEARLY, PROMINENTLY, AND**  
30 **INDELIBLY MARKED BY PAINTING, PRINTING, SCRATCH EMBOSSING, OR**  
31 **RAISED-LETTER EMBOSSING, OR BY SECURELY AFFIXED STICKERS, AND SHALL**

1 APPEAR ON THE TOP OR SIDE OF THE REDEEMABLE BEVERAGE CONTAINER IN  
2 LETTERS AT LEAST ONE-EIGHTH INCH IN SIZE.

3 (C) THIS SECTION DOES NOT APPLY TO A REFILLABLE BEVERAGE  
4 CONTAINER THAT HAS:

5 (1) A BRAND NAME PERMANENTLY MARKED ON THE CONTAINER;  
6 AND

7 (2) THE EQUIVALENT OF A REFUND VALUE OF AT LEAST 5 CENTS  
8 THAT IS PAID ON RECEIPT OF THE CONTAINER BY A RETAILER OR DISTRIBUTOR.

9 (D) NO CONTAINER MARKED IN ACCORDANCE WITH THIS SECTION MAY  
10 BE SOLD TO A CONSUMER BEFORE OCTOBER 1, 2014.

11 9-1736.

12 (A) ON OR BEFORE APRIL 1, 2014, EACH COUNTY IN CONSULTATION  
13 WITH THE DEPARTMENT SHALL DESIGNATE CONVENIENCE ZONES BASED ON  
14 POPULATION DENSITY FOR THE PURPOSE OF ESTABLISHING REDEMPTION  
15 CENTERS.

16 (B) ON OR BEFORE APRIL 1 OF EACH YEAR, EACH COUNTY SHALL  
17 PREPARE AND MAKE AVAILABLE TO THE PUBLIC AN UPDATED MAP SHOWING  
18 THE CONVENIENCE ZONES WITHIN ITS JURISDICTION.

19 9-1737.

20 (A) (1) BEGINNING OCTOBER 1, 2014, EVERY DISTRIBUTOR SHALL  
21 PAY TO THE COMPTROLLER A DEPOSIT OF 5 CENTS FOR EVERY REDEEMABLE  
22 BEVERAGE CONTAINER THAT THE DISTRIBUTOR SELLS, DONATES, OR  
23 TRANSFERS WITHIN THE STATE.

24 (2) PAYMENT OF DEPOSITS SHALL BE MADE ON THE FIFTEENTH  
25 BUSINESS DAY OF EACH MONTH FOR ALL SALES, DONATIONS, AND TRANSFERS  
26 OCCURRING DURING THE PRECEDING MONTH.

27 (3) THE COMPTROLLER SHALL DEPOSIT THE PAYMENTS  
28 COLLECTED UNDER THIS SUBSECTION IN THE CONTAINER RECYCLING  
29 INCENTIVE FUND, IN ACCORDANCE WITH § 9-1740 OF THIS PART.

30 (B) (1) BEGINNING OCTOBER 1, 2014, EVERY DISTRIBUTOR THAT  
31 PAYS A DEPOSIT TO THE COMPTROLLER UNDER THIS SECTION SHALL COLLECT

1 FROM A RETAILER OR AN ON-PREMISE SELLER A DEPOSIT OF 5 CENTS ON EACH  
2 REDEEMABLE BEVERAGE CONTAINER THE DISTRIBUTOR SELLS WITHIN THE  
3 STATE.

4 (2) A RETAILER SHALL CHARGE A CONSUMER THE 5-CENT  
5 REDEEMABLE BEVERAGE CONTAINER DEPOSIT AT THE POINT OF SALE OF THE  
6 BEVERAGE.

7 (3) A DEPOSIT CHARGE MADE IN ACCORDANCE WITH THIS  
8 SUBSECTION SHALL APPEAR AS A SEPARATE LINE ITEM ON A BILL OR INVOICE  
9 AND MAY NOT BE INCLUDED IN THE CALCULATION OF ANY SALES TAX ON THE  
10 BEVERAGE.

11 (C) BEGINNING OCTOBER 1, 2014, A REDEEMER MAY RETURN AN  
12 EMPTY REDEEMABLE BEVERAGE CONTAINER TO A REDEMPTION CENTER  
13 ESTABLISHED UNDER § 9-1738 OF THIS PART FOR A FULL REFUND OF THE  
14 5-CENT DEPOSIT PAID ON THE CONTAINER.

15 9-1738.

16 (A) (1) BEGINNING OCTOBER 1, 2014, AT LEAST ONE LICENSED  
17 REDEMPTION CENTER SHALL BE LOCATED WITHIN EVERY CONVENIENCE ZONE  
18 DESIGNATED UNDER § 9-1736 OF THIS PART.

19 (2) A REDEMPTION CENTER MAY BE OPERATED BY:

20 (I) A COUNTY;

21 (II) A MUNICIPALITY; OR

22 (III) A PRIVATE BUSINESS OR NONPROFIT ORGANIZATION  
23 LICENSED BY A COUNTY.

24 (3) A REDEMPTION CENTER SHALL:

25 (I) ACCEPT ALL TYPES OF EMPTY REDEEMABLE BEVERAGE  
26 CONTAINERS FOR WHICH A DEPOSIT HAS BEEN PAID;

27 (II) VERIFY THAT ALL CONTAINERS TO BE REDEEMED BEAR  
28 A VALID MARYLAND REFUND VALUE;

29 (III) PAY TO THE REDEEMER THE FULL REFUND VALUE IN  
30 EITHER CASH OR A REDEEMABLE VOUCHER;

1                   (IV) ENSURE EACH REDEEMABLE BEVERAGE CONTAINER  
2 THE REDEMPTION CENTER ACCEPTS IS RECYCLED THROUGH A CONTRACTUAL  
3 AGREEMENT WITH AN IN-STATE RECYCLING FACILITY, OR ON-PREMISES IF THE  
4 REDEMPTION CENTER IS A RECYCLING FACILITY;

5                   (V) REMAIN OPEN AT LEAST 40 HOURS PER WEEK, OF  
6 WHICH AT LEAST 5 HOURS SHALL BE ON SATURDAY OR SUNDAY; AND

7                   (VI) FORWARD TO THE COMPTROLLER ALL  
8 DOCUMENTATION NECESSARY TO SUPPORT CLAIMS FOR PAYMENT, IN  
9 ACCORDANCE WITH § 9-1739 OF THIS PART.

10                  (4) A REDEMPTION CENTER SHALL REFUSE TO PAY THE REFUND  
11 VALUE ON ANY REDEEMABLE BEVERAGE CONTAINER THAT:

12                   (I) IS BROKEN OR CORRODED;

13                   (II) CONTAINS A FREE-FLOWING LIQUID;

14                   (III) DOES NOT PROPERLY INDICATE A MARYLAND REFUND  
15 VALUE; OR

16                   (IV) EXHIBITS CHARACTERISTICS OF HAVING BEEN  
17 PROCESSED AND BALED PREVIOUSLY.

18                  (5) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS  
19 PARAGRAPH, A REDEMPTION CENTER SHALL ACCEPT FROM A SINGLE  
20 REDEEMER NO MORE THAN 450 REDEEMABLE BEVERAGE CONTAINERS AT ONE  
21 TIME.

22                   (II) 1. A REDEMPTION CENTER MAY ACCEPT MORE THAN  
23 450 REDEEMABLE BEVERAGE CONTAINERS FROM A REDEEMER THAT IS A  
24 CURBSIDE RECYCLING SERVICE PROVIDER OR AN ON-PREMISE SELLER.

25                                 2. A REDEMPTION CENTER MAY ESTIMATE THE  
26 QUANTITY OF REDEEMABLE BEVERAGE CONTAINERS ACCEPTED FROM A  
27 CURBSIDE RECYCLING PROVIDER OR AN ON-PREMISE SELLER USING  
28 VOLUME-TO-WEIGHT CONVERSION TABLES PUBLISHED BY THE UNITED STATES  
29 ENVIRONMENTAL PROTECTION AGENCY.

30                  (6) (I) A REDEMPTION CENTER MAY USE A REVERSE VENDING  
31 MACHINE TO SATISFY THE REQUIREMENTS OF THIS SUBSECTION.



1 (II) A REVERSE VENDING MACHINE SHALL:

2 1. ACCEPT ANY TYPE OF EMPTY REDEEMABLE  
3 BEVERAGE CONTAINER AND PAY OUT THE FULL REFUND VALUE IN EITHER CASH  
4 OR A REDEEMABLE VOUCHER FOR ANY CONTAINER THAT BEARS A VALID  
5 MARYLAND REFUND VALUE;

6 2. REJECT A CONTAINER IF THE REVERSE VENDING  
7 MACHINE IS UNABLE TO READ THE BARCODE ON THE CONTAINER; AND

8 3. BE ROUTINELY SERVICED TO ENSURE PROPER  
9 OPERATION AND CONTINUOUS ACCEPTANCE OF EMPTY REDEEMABLE  
10 BEVERAGE CONTAINERS AND PAYMENT OF REFUND VALUES.

11 (B) EACH COUNTY, IN CONSULTATION WITH THE DEPARTMENT, SHALL  
12 ADOPT RULES AND PROCEDURES FOR THE LICENSING OF REDEMPTION  
13 CENTERS.

14 (C) TO PROTECT AGAINST FRAUD, EACH COUNTY, IN CONSULTATION  
15 WITH THE DEPARTMENT, SHALL ESTABLISH RANDOM THIRD-PARTY  
16 VERIFICATION PROCEDURES FOR REDEMPTION CENTERS THAT COUNT  
17 REDEEMABLE BEVERAGE CONTAINERS MANUALLY.

18 (D) EACH COUNTY SHALL BE GIVEN CREDIT FOR THE REDEEMABLE  
19 BEVERAGE CONTAINERS COLLECTED FROM CURBSIDE AND DIVERTED FROM  
20 MUNICIPAL SOLID WASTE STREAMS UNDER THIS PROGRAM TOWARDS THE  
21 RECYCLING REDUCTION RATE GOALS ESTABLISHED BY § 9-505 OF THIS TITLE.

22 9-1739.

23 (A) THE COMPTROLLER SHALL REMIT TO A REDEMPTION CENTER THE  
24 FULL REFUND VALUE OF EACH REDEEMABLE BEVERAGE CONTAINER THE  
25 REDEMPTION CENTER ACCEPTS.

26 (B) IN ADDITION TO THE REFUND VALUE, THE COMPTROLLER SHALL  
27 PAY TO A REDEMPTION CENTER OPERATED BY A PRIVATE ENTITY A HANDLING  
28 FEE OF 0.025 CENTS FOR EACH REDEEMABLE BEVERAGE CONTAINER THE  
29 REDEMPTION CENTER COLLECTS.

30 (C) IN ADDITION TO THE REFUND VALUE, THE COMPTROLLER SHALL  
31 PAY TO A REDEMPTION CENTER OPERATED BY A COUNTY OR A MUNICIPALITY A  
32 HANDLING FEE OF:

1           **(1) 3 CENTS FOR EACH REDEEMABLE BEVERAGE CONTAINER THE**  
2 **REDEMPTION CENTER ACCEPTS DURING ITS FIRST 3 YEARS OF OPERATION; AND**

3           **(2) 2.5 CENTS FOR EACH REDEEMABLE BEVERAGE CONTAINER**  
4 **THE REDEMPTION CENTER ACCEPTS AFTER ITS FIRST 3 YEARS OF OPERATION.**

5           **(D) PAYMENTS TO REDEMPTION CENTERS SHALL BE MADE ON A**  
6 **PER-UNIT BASIS AND NOT ON THE BASIS OF WEIGHT, EXCEPT AS AUTHORIZED IN**  
7 **§ 9-1738(A)(5)(II) OF THIS PART.**

8           **(E) (1) A REDEMPTION CENTER SHALL SUBMIT REQUESTS TO THE**  
9 **COMPTROLLER FOR PAYMENT NO MORE THAN TWO TIMES PER MONTH.**

10           **(2) (I) A REDEMPTION CENTER SHALL SUBMIT REQUESTS FOR**  
11 **PAYMENT ALONG WITH SUPPORTING DOCUMENTATION ON FORMS REQUIRED BY**  
12 **THE COMPTROLLER.**

13                   **(II) REQUESTS SHALL INCLUDE, AT A MINIMUM:**

14                           **1. THE NUMBER OF REDEEMABLE BEVERAGE**  
15 **CONTAINERS OF EACH MATERIAL TYPE ACCEPTED AT THE REDEMPTION**  
16 **CENTER DURING THE REPORTING PERIOD;**

17                           **2. THE AMOUNT OF REFUNDS PAID OUT BY**  
18 **MATERIAL TYPE; AND**

19                           **3. THE NUMBER OF REDEEMABLE BEVERAGE**  
20 **CONTAINERS OF EACH MATERIAL TYPE TRANSPORTED TO AN IN-STATE**  
21 **RECYCLING FACILITY.**

22           **(3) THE COMPTROLLER MAY REFUSE PAYMENT ON ANY REQUEST**  
23 **THAT CONTAINS SIGNIFICANT DISCREPANCIES OR THAT DOES NOT INCLUDE**  
24 **SUFFICIENT SUPPORTING DOCUMENTATION.**

25 **9-1740.**

26           **(A) IN THIS SECTION, “FUND” MEANS THE CONTAINER RECYCLING**  
27 **INCENTIVE FUND.**

28           **(B) THERE IS A CONTAINER RECYCLING INCENTIVE FUND.**

1           **(C) THE PURPOSE OF THE FUND IS TO PROVIDE FINANCIAL ASSISTANCE**  
2 **FOR THE PROGRAM IN ACCORDANCE WITH THIS PART.**

3           **(D) THE COMPTROLLER SHALL ADMINISTER THE FUND.**

4           **(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**  
5 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

6                   **(2) THE STATE TREASURER SHALL HOLD THE FUND**  
7 **SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

8           **(F) THE FUND CONSISTS OF:**

9                   **(1) REDEEMABLE BEVERAGE CONTAINER DEPOSITS COLLECTED**  
10 **UNDER § 9-1737 OF THIS PART;**

11                   **(2) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**

12                   **(3) ANY INVESTMENT EARNINGS OF THE FUND; AND**

13                   **(4) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED**  
14 **FOR THE BENEFIT OF THE FUND.**

15           **(G) THE FUND SHALL BE USED ONLY:**

16                   **(1) TO PAY HANDLING FEES AND REFUNDS ON REDEEMABLE**  
17 **BEVERAGE CONTAINERS TO REDEMPTION CENTERS, IN ACCORDANCE WITH §**  
18 **9-1739 OF THIS PART;**

19                   **(2) TO IMPLEMENT AND ADMINISTER THE PROGRAM; AND**

20                   **(3) TO PROVIDE FUNDING FOR STATE AND LOCAL RECYCLING**  
21 **CENTERS, RECYCLING EQUIPMENT, RECYCLING EDUCATION, AND MARKETING;**  
22 **AND**

23                   **(4) TO PROVIDE FUNDING FOR STATE AND LOCAL**  
24 **ENVIRONMENTAL PROGRAMS.**

25           **(H) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE**  
26 **FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

1           **(2) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID**  
2 **INTO THE SPECIAL FUND AND MAY NOT BE TRANSFERRED TO THE GENERAL**  
3 **FUND OF THE STATE.**

4           **(I) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN**  
5 **ACCORDANCE WITH THE STATE BUDGET.**

6           **(J) MONEY EXPENDED FROM THE FUND FOR THE PROGRAM IS**  
7 **SUPPLEMENTAL TO AND IS NOT INTENDED TO TAKE THE PLACE OF FUNDING**  
8 **THAT OTHERWISE WOULD BE APPROPRIATED FOR THE PROGRAM.**

9 **9-1741.**

10           **(A) THE SECRETARY MAY ADOPT REGULATIONS TO CARRY OUT THE**  
11 **PROVISIONS OF THIS PART.**

12           **(B) THE OFFICE OF RECYCLING SHALL WORK WITH THE COUNTIES TO:**

13                   **(1) ASSIST WITH THE IMPLEMENTATION OF THE PROGRAM;**

14                   **(2) ACHIEVE A STATEWIDE REDEEMABLE BEVERAGE CONTAINER**  
15 **REDEMPTION RATE OF 75% BY DECEMBER 31, 2019;**

16                   **(3) DEVELOP STRATEGIES FOR PROTECTING AGAINST FRAUD IN**  
17 **THE PAYMENT OF HANDLING FEES AND REFUNDS; AND**

18                   **(4) FACILITATE THE EXCHANGE OF INFORMATION BETWEEN**  
19 **REDEEMABLE BEVERAGE CONTAINER MANUFACTURERS, DISTRIBUTORS,**  
20 **RETAILERS, AND LICENSED REDEMPTION CENTERS, INCLUDING UNIVERSAL**  
21 **PRODUCT CODE INFORMATION FOR REVERSE VENDING MACHINE PURPOSES.**

22           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
23 October 1, 2013.