| 1 | HOUSE BILL NO. 316 |
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| 2 | AMENDMENT IN THE NATURE OF A SUBSTITUTE |
| 3 | (Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources |
| 4 | on) |
| 5 | (Patron Prior to SubstituteDelegate Bulova) |
| 6 | A BILL to amend the Code of Virginia by adding in Chapter 14 of Title 10.1 an article numbered 3.8, |
| 7 | consisting of sections numbered 10.1-1425.40 through 10.1-1425.43, relating to Virginia |
| 8 | Recycling Development Center established; report. |
| 9 | Be it enacted by the General Assembly of Virginia: |
| 9 10 | 1. That the Code of Virginia is amended by adding in Chapter 14 of Title 10.1 an article numbered |
| 10 | 3.8, consisting of sections numbered 10.1-1425.40 through 10.1-1425.43, as follows: |
| 12 | Article 3.8. |
| 13 | Virginia Recycling Development Center. |
| 14 | <u>§ 10.1-1425.40. Definitions.</u> |
| 15 | As used in this article, unless the context requires a different meaning: |
| 16 | "Advisory Committee" means the Virginia Recycling Development Center Advisory Committee |
| 17 | established in § 10.1-1425.43. |
| 18 | "Center" means the Virginia Recycling Development Center established in § 10.1-1425.41. |
| 19 | "Director" means the Director of the Center established in § 10.1-1425.41. |
| 20 | "Fund" means the Recycling Market Development Fund established in § 10.1-1425.42. |
| 21 | "Recyclable material" means any material that is able to be separated from the waste stream and |
| 22 | processed so that it may be used again as a raw material for a product that may or may not be similar to |
| 23 | the original product. |
| 24 | "Recycled" means a commodity or product that consists, in whole or in part, of recyclable material, |
| 25 | except that for the purposes of § 10.1-1425.42 "recycled" does not include fuel, fuel substitute, or fuel |
| 26 | additive. |

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| 27 | "Secretary" means the Secretary of Natural and Historic Resources. |
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| 28 | <u>§ 10.1-1425.41. Virginia Recycling Development Center; established; duties; report.</u> |
| 29 | A. There is hereby established within the Department the Virginia Recycling Development Center, |
| 30 | which shall provide or facilitate applied research and development, marketing assistance, and policy |
| 31 | analysis in furthering the development of markets and processing for recycled commodities and products. |
| 32 | B. The Secretary shall appoint a Director of the Center to serve as the principal administrative |
| 33 | officer of the Center. The Director shall be under the supervision of the Secretary or his designee. |
| 34 | C. The Center and the Director shall have the following duties: |
| 35 | 1. Adopt an annual plan for developing recycling markets that includes actions and |
| 36 | recommendations for commodities that make up a significant portion of the waste stream and can be used |
| 37 | as industrial or commercial feedstocks; |
| 38 | 2. Analyze, evaluate, and make recommendations to the General Assembly, the Department, and |
| 39 | the Secretary regarding current and proposed state policies that may affect the markets for recyclable |
| 40 | materials. Recommendations shall include anticipated solid waste rate changes, consumer goods costs, |
| 41 | recycling rates, and use of recycled materials rates; |
| 42 | 3. Collaborate as necessary with (i) producers of potentially recyclable materials to increase the |
| 43 | potential for their products to be recycled or reduced, (ii) material recovery facility operators, (iii) public |
| 44 | and private sector recycling and solid waste industries, (iv) packaging manufacturers and retailers, (v) |
| 45 | localities, (vi) environmental organizations, (vii) institutions of higher education in the Commonwealth, |
| 46 | (viii) the Virginia Transportation Research Council, and (ix) agencies of the Commonwealth; |
| 47 | 4. Conduct or contract for studies related to the development of the recyclables market, which |
| 48 | include applied research, technology transfer, life cycle analysis, and pilot demonstration projects; |
| 49 | 5. Disseminate recyclable materials market development information; |
| 50 | 6. Subject to available funds, issue grants for further development of recycling markets; |
| 51 | 7. Provide business and marketing assistance to the public and private sectors; |
| 52 | 8. Represent the Commonwealth in regional, national, and global market development efforts; |
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| 53 | 9. In even-numbered years, submit a report to the Department, Governor, and General Assembly |
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| 54 | that includes (i) progress toward achievement of the goals of the annual plan and the overall Center's |
| 55 | purpose and (ii) updates on recycling rates and recycled content use in the Commonwealth; |
| 56 | 10. Enter into an intergovernmental agreement with the Virginia Economic Development |
| 57 | Partnership Authority to perform or contract to perform: |
| 58 | a. Targeted business assistance to recycling businesses, including business plan development, |
| 59 | market research and planning, market conditions, and emerging technology and product development; |
| 60 | b. Outreach to facilitate voluntary agreements with manufacturers to increase the use of recycled |
| 61 | materials in products and product development that state government entities procure; |
| 62 | c. Active promotion and identification of research and development to stimulate new technologies |
| 63 | and products using recycled materials; |
| 64 | d. Active promotion of manufacturing with recycled commodities, as well as the purchase of |
| 65 | recycled products by agencies of the Commonwealth consistent with the provisions of § 2.2-4323, |
| 66 | localities, and the private sector; |
| 67 | e. Studies on the unmet capital and other needs of recycling centers, beneficiation facilities, and |
| 68 | manufacturing firms using recycled materials; and |
| 69 | f. Research to understand the waste stream supply chain and incentive strategies for retention, |
| 70 | expansion, and attraction of innovative recycling technology businesses; |
| 71 | 11. Assess the public education needs in support of this article and support acts to (i) minimize |
| 72 | inbound contamination delivered by collection services to material recovery facilities, (ii) achieve |
| 73 | consistently high levels of public participation and use of collection services, and (iii) engage and educate |
| 74 | citizens on proper recycling behaviors; |
| 75 | 12. Assess public recycling infrastructure needs and financially support, subject to available funds, |
| 76 | recycling infrastructure improvement efforts; |
| 77 | 13. Recommended incentives for the purchase of recycled products and commodities; |
| 78 | 14. Recommend the promulgation of regulations by the Department of General Services to |
| 79 | incentivize the purchase of recycled products and commodities; and |

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| 80 | 15. Recommend to the Department rules and regulations as necessary to implement and enforce |
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| 81 | the provisions of this article. |
| 82 | D. The Center shall recommend for adoption by the Virginia Waste Management Board standards |
| 83 | that shall include a robust stakeholder engagement process to enter into an agreement for recycling |
| 84 | services pursuant to the operations of this article; however, (i) no such agreement shall be approved except |
| 85 | in compliance with the provisions of this article; (ii) no funds may be granted without an agreement in |
| 86 | force; and (iii) in addition to a party to an agreement, an agreement may be enforced by the Attorney |
| 87 | General or an attorney for the Commonwealth for the locality in which a party or operations are located. |
| 88 | E. Every agency of the Commonwealth shall cooperate and assist the Center with the execution of |
| 89 | its duties, as requested. |
| 90 | <u>§ 10.1-1425.42. Recycling Market Development Fund.</u> |
| 91 | There is hereby created in the state treasury a special nonreverting fund to be known as the |
| 92 | Recycling Market Development Fund. The Fund shall be established on the books of the Comptroller. All |
| 93 | funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received |
| 94 | on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in |
| 95 | the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including |
| 96 | interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the |
| 97 | Fund. Moneys in the Fund shall be used solely for the purposes of this article. Expenditures and |
| 98 | disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller |
| 99 | upon written request signed by the Secretary. |
| 100 | § 10.1-1425.43. Virginia Recycling Development Center Advisory Committee; membership; |
| 101 | <u>terms.</u> |
| 102 | A. Actions of the Center shall be guided by the Virginia Recycling Development Center Advisory |
| 103 | Committee, which shall consist of the following nonlegislative citizen members: |
| 104 | 1. One member appointed by the Secretary of Commerce and Trade to represent the economic |
| 105 | development community; |
| 106 | 2. One member appointed by the Virginia Recycling Association to represent recyclers; |

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| 107 | 3. One member appointed by the Virginia Manufacturers Association to represent manufacturers |
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| 108 | and processors of recycled material and products; |
| 109 | 4. One member of the State Council of Higher Education for Virginia and, when possible, who is |
| 110 | from the faculty of a business school or economics department; and |
| 111 | 5. One member appointed by the Secretary to represent a national or statewide nonprofit |
| 112 | organization whose mission is litter reduction. |
| 113 | B. Members of the Advisory Committee shall be appointed to serve for a term of four years. |
| 114 | Vacancies occurring other than by expiration of a term shall be filled by appointment of the Secretary for |
| 115 | the remainder of the unexpired term. Members shall continue to hold office until their successors have |
| 116 | been appointed and qualified. |
| 117 | C. The Advisory Committee shall elect a chairman and vice-chairman from among its membership. |
| 118 | A majority of the members shall constitute a quorum. The meetings of the Advisory Committee shall be |
| 119 | held at the call of the chairman or whenever the majority of the members so request. |
| 120 | D. All members of the Advisory Committee shall serve without compensation but shall receive |
| 121 | reimbursement for all reasonable and necessary expenses incurred in the performance of their duties as |
| 122 | provided in §§ 2.2-2813 and 2.2-2825. |
| 123 | 2. That the provisions of this act shall expire on July 1, 2038. |
| 124 | 3. That the Virginia Recycling Development Center Advisory Committee established by this act |
| 125 | shall convene to make recommendations on the sources of potential funding for and detailed |
| 126 | qualifying uses of the Recycling Market Development Fund established by this act and shall report |
| 127 | its recommendations to the Secretary of Natural and Historic Resources no later than October 1, |
| 128 | 2024. |
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