

HOUSE BILL NO. 2496

AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources
on February 1, 2023)

(Patron Prior to Substitute--Delegate Runion)

A BILL to amend the Code of Virginia by adding in Chapter 14 of Title 10.1 an article numbered 3.8,
consisting of sections numbered 10.1-1425.40 through 10.1-1425.43, relating to Virginia
Recycling Development Center; established; report.

Be it enacted by the General Assembly of Virginia:

**1. That the Code of Virginia is amended by adding in Chapter 14 of Title 10.1 an article numbered
3.8, consisting of sections numbered 10.1-1425.40 through 10.1-1425.43, as follows:**

Article 3.8.

Virginia Recycling Development Center.

§ 10.1-1425.40. Definitions.

As used in this article, unless the context requires a different meaning:

"Advisory Committee" means the Virginia Recycling Development Center Advisory Committee
established in § 10.1-1425.43.

"Center" means the Virginia Recycling Development Center established in § 10.1-1425.41.

"Director" means the Director of the Center established in § 10.1-1425.41.

"Fund" means the Recycling Market Development Fund established in § 10.1-1425.42.

"Recyclable material" means any material that is able to be separated from the waste stream and
processed so that it may be used again as a raw material for a product which may or may not be similar to
the original product.

"Secretary" means the Secretary of Natural and Historic Resources.

§ 10.1-1425.41. Virginia Recycling Development Center; established; duties; report.

26 A. There is hereby established within the Department the Virginia Recycling Development Center,
27 which shall provide or facilitate applied research and development, marketing assistance, and policy
28 analysis in furthering the development of markets and processing for recycled commodities and products.

29 B. The Secretary shall appoint a Director of the Center to serve as the principal administrative
30 officer of the Center. The Director shall be under the supervision of the Secretary or his designee.

31 C. The Center and the Director shall have the following duties:

32 1. Adopt an annual plan for developing recycling markets that includes actions and
33 recommendations for commodities that make up a significant portion of the waste stream and can be used
34 as industrial or commercial feedstocks;

35 2. Analyze, evaluate, and make recommendations to the General Assembly, the Department, and
36 the Secretary regarding current and proposed state policies that may affect the markets for recyclable
37 materials. Recommendations shall include anticipated solid waste rate changes, consumer goods costs,
38 recycling rates, and use of recycled materials rates;

39 3. Collaborate as necessary with (i) producers of potentially recyclable materials to increase the
40 potential for their products to be recycled or reduced, (ii) material recovery facility operators, (iii) public
41 and private sector recycling and solid waste industries, (iv) packaging manufacturers and retailers, (v)
42 local governments, (vi) environmental organizations, (vii) institutions of higher education in the
43 Commonwealth, and (viii) agencies of the Commonwealth;

44 4. Conduct or contract for studies related to the development of the recyclables market, which
45 include applied research, technology transfer, life cycle analysis, and pilot demonstration projects;

46 5. Disseminate recyclable materials market development information;

47 6. Subject to available funds, issue grants for further development of recycling markets;

48 7. Provide business and marketing assistance to the public and private sectors;

49 8. Represent the Commonwealth in regional, national, and global market development efforts;

50 9. In even numbered years, submit an annual report to the Department, Governor, and General
51 Assembly that includes (i) progress toward achievement of the goals of the annual plan and the overall
52 Center's purpose and (ii) updates on recycling rates and recycled content use in the Commonwealth;

53 10. Enter into an intergovernmental agreement with the Virginia Economic Development
54 Partnership Authority to perform or contract to perform:

55 a. Targeted business assistance to recycling businesses, including business plan development,
56 market research and planning, market conditions, and emerging technology and product development;

57 b. Outreach to facilitate voluntary agreements with manufacturers to increase the use of recycled
58 materials in products and product development that state government entities procure;

59 c. Support, promotion, and identification of research and development to stimulate new
60 technologies and products using recycled materials;

61 d. Active promotion of manufacturing with recycled commodities, as well as the purchase of
62 recycled products by agencies of the Commonwealth consistent with the provisions of § 2.2-4323, local
63 governments, and the private sector;

64 e. Studies on the unmet capital and other needs of recycling centers, beneficiation facilities, and
65 manufacturing firms using recycled materials; and

66 f. Research to understand the waste stream supply chain and incentive strategies for retention,
67 expansion, and attraction of innovative recycling technology businesses;

68 11. Assess the public education needs in support of this article and support acts to (i) minimize
69 inbound contamination delivered by collection services to material recovery facilities, (ii) achieve
70 consistently high levels of public participation and use of collection services, and (iii) engage and educate
71 citizens on proper recycling behaviors;

72 12. Assess public recycling infrastructure needs and financially support, subject to available funds,
73 recycling infrastructure improvement efforts; and

74 13. Recommend to the Department rules and regulations as necessary to implement and enforce
75 the provisions of this article.

76 D. The Center shall recommend for adoption by the Virginia Waste Management Board standards
77 that shall include a robust stakeholder engagement process to enter into an agreement for recycling
78 services pursuant to the operations of this article; however, (i) no such agreement shall be approved except
79 in compliance with the provisions of this article; (ii) no funds may be granted without an agreement in

80 force; and (iii) in addition to a party to an agreement, an agreement may be enforced by the Attorney
81 General or an attorney for the Commonwealth for the locality in which a party or operations are located.

82 E. Every agency of the Commonwealth shall cooperate and assist the Center with the execution of
83 its duties, as requested.

84 **§ 10.1-1425.42. Recycling Market Development Fund.**

85 There is hereby created in the state treasury a special nonreverting fund to be known as the
86 Recycling Market Development Fund. The Fund shall be established on the books of the Comptroller. All
87 funds appropriated for such purpose, any gifts, donations, grants, bequests, and other funds received on
88 its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the
89 Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest
90 thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund.
91 Moneys in the Fund shall be used solely for the purposes of this article. Expenditures and disbursements
92 from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written
93 request signed by the Secretary.

94 **§ 10.1-1425.43. Virginia Recycling Development Center Advisory Committee; membership;**
95 **terms.**

96 A. Actions of the Center shall be guided by the Virginia Recycling Development Center Advisory
97 Committee, which shall consist of the following nonlegislative citizen members:

98 1. One member appointed by the Secretary of Commerce and Trade to represent the economic
99 development community;

100 2. One member appointed by the Virginia Recycling Association to represent recyclers;

101 3. One member appointed by the Virginia Manufacturers Association to represent manufacturers
102 and processors of recycled material and products;

103 4. One member of the State Council of Higher Education for Virginia and, when possible, is from
104 the faculty of a business school or economics department; and

105 5. One member appointed by the Secretary to represent a national or statewide nonprofit
106 organization whose mission is litter reduction.

107 B. Members of the Advisory Committee shall be appointed to serve for a term of four years.
108 Vacancies occurring other than by expiration of a term shall be filled by appointment of the Secretary for
109 the remainder of the unexpired term. Members shall continue to hold office until their successors have
110 been appointed and qualified.

111 C. The Advisory Committee shall elect a chairman and vice-chairman from among its membership.
112 A majority of the members shall constitute a quorum. The meetings of the Advisory Committee shall be
113 held at the call of the chairman or whenever the majority of the members so request.

114 D. All members of the Advisory Committee shall serve without compensation but shall receive
115 reasonable and necessary expenses incurred in the performance of their duties as provided in §§ 2.2-2813
116 and 2.2-2825.

117 **2. That the provisions of this act shall expire on July 1, 2038.**

118 **3. That the Virginia Recycling Development Center Advisory Committee established by this act**
119 **shall convene to make recommendations on the sources of potential funding for and detailed**
120 **qualifying uses of the Recycling Market Development Fund established by this act and shall report**
121 **its recommendations to the Secretary of Natural and Historic Resources no later than October 1,**
122 **2023.**

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