

## HOUSE BILL NO. 316

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on Agriculture, Chesapeake and Natural Resources  
on February 7, 2024)

(Patron Prior to Substitute--Delegate Bulova)

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 that may or may not be similar to  
the original product.

"Recycled" means a commodity or product that consists, in whole or in part, of recyclable material,  
except that for the purposes of § 10.1-1425.42 "recycled" does not include fuel, fuel substitute, or fuel  
additive.

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

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

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

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

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

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

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

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

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

5. Disseminate recyclable materials market development information;

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

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

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

53 9. In even-numbered years, submit a report to the Department, Governor, and General Assembly  
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

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

D. The Center shall recommend for adoption by the Virginia Waste Management Board standards that shall include a robust stakeholder engagement process to enter into an agreement for recycling services pursuant to the operations of this article; however, (i) no such agreement shall be approved except in compliance with the provisions of this article; (ii) no funds may be granted without an agreement in force; and (iii) in addition to a party to an agreement, an agreement may be enforced by the Attorney General or an attorney for the Commonwealth for the locality in which a party or operations are located.

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

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

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

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

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

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

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

**3. That the Virginia Recycling Development Center Advisory Committee established by this act shall convene to make recommendations on the sources of potential funding for and detailed qualifying uses of the Recycling Market Development Fund established by this act and shall report its recommendations to the Secretary of Natural and Historic Resources no later than October 1, 2024.**

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