
THIRD SUBSTITUTE HOUSE BILL 1607

State of Washington

69th Legislature

2026 Regular Session

By House Appropriations (originally sponsored by Representatives Stonier, Waters, Fitzgibbon, Peterson, Ramel, Parshley, Reed, Reeves, Kloba, Duerr, Zahn, and Fosse)

READ FIRST TIME 01/30/26.

1 AN ACT Relating to recycling and waste reduction; amending RCW
2 70A.208.010, 70A.208.050, 70A.208.080, 70A.208.210, 70A.208.240,
3 70A.208.270, 82.19.050, and 70A.245.100; reenacting and amending RCW
4 43.21B.110 and 43.21B.300; adding a new section to chapter 70A.208
5 RCW; adding a new section to chapter 82.04 RCW; adding a new chapter
6 to Title 70A RCW; creating a new section; repealing RCW 70A.208.250;
7 and prescribing penalties.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9 **PART I**

10 **Beverage Container Recycling Refund Program**

11 NEW SECTION. **Sec. 101.** FINDINGS—INTENT. The legislature finds
12 that Washington's current recycling system does not collect and
13 recycle the majority of the 3,800,000,000 glass, plastic, and metal
14 beverage containers put onto the market each year to their highest
15 and best use in order to optimize the economic and environmental
16 benefits of recycling for Washington residents.

17 The legislature recognizes improved recycling for beverage
18 containers will help the state to reduce greenhouse gas emissions,
19 reduce litter and specifically plastic pollution, expand
20 opportunities for reusable containers, and support state and regional

1 businesses to build a circular economy. Higher-quality materials
2 always hold greater economic value and offer more diverse end
3 markets. The recent struggles of regional end markets expose critical
4 weaknesses in Washington's fragmented recycling system and underscore
5 the urgent need for comprehensive reforms to divert recyclable
6 materials, like glass, from landfills and ensure they are transformed
7 into valuable new products. Recycling refund programs provide a
8 proven solution by delivering high quality, source separated glass,
9 plastic, and metal containers that will revitalize end markets and
10 support robust local recycling infrastructure.

11 The legislature finds that by enacting a recycling refund program
12 for glass, plastic, and metal beverage containers within an extended
13 producer responsibility framework has been shown to be the most
14 effective method for the recovery, reuse, and recycling of beverage
15 containers and all packaging waste. By increasing recovery rates for
16 beverage containers, these systems will help companies who
17 manufacture these products meet recycled content goals and reduce
18 their environmental footprint.

19 Recycling refund programs in other states have proven to drive up
20 recycling rates by providing a direct financial incentive for
21 residents to return used containers. In addition, these systems also
22 have proven to reduce litter. Packaging pollution remains a
23 significant issue in Washington, with over 2,000,000,000 pounds of
24 packaging materials being landfilled, 11,600,000 pounds of litter
25 entering public parks annually, and more than 26,000,000 pounds of
26 litter accumulating along roadsides. Despite spending \$12,000,000
27 annually on cleanup efforts, only a fraction of the problem is
28 addressed. In contrast, states with recycling refund programs have
29 reported reductions in beverage container litter by up to 84 percent,
30 while achieving recovery rates for plastic bottles that are 3.5 times
31 higher than states without such programs, an essential step in
32 preventing ocean plastics and other environmental harm.

33 The legislature intends for recycling refunds to play a pivotal
34 role in contributing to cleaner communities, a healthier recycling
35 ecosystem, and stronger domestic manufacturing and circular economy.

36 NEW SECTION. **Sec. 102.** DEFINITIONS. The definitions in this
37 section apply throughout this chapter unless the context clearly
38 requires otherwise.

1 (1) "Alternative access redemption options" means alternative
2 redemption methods included in the recycling refund producer
3 responsibility organization's approved program plan.

4 (2) "Applicable refund value" means the value established under
5 section 110 of this act.

6 (3) "Beverage" means a drinkable liquid intended for human oral
7 consumption. "Beverage" does not include: (a) A drug regulated under
8 the federal food, drug, and cosmetic act, 21 U.S.C. Sec. 301 et seq.;
9 (b) 100 percent fluid milk; or (c) infant formula.

10 (4) "Beverage container" means any prepackaged container for
11 beverages.

12 (5) "Brand" means a name, symbol, word, logo, or mark that
13 identifies an item and attributes the item and its components,
14 including packaging, to the brand owner of the item.

15 (6) "Brand owner" means a person or entity that owns or licenses
16 a brand or that otherwise has rights to market a product under the
17 brand, whether or not the brand's trademark is registered.

18 (7) "Canner" means an individual who collects and redeems covered
19 beverage containers for income.

20 (8) "Contracted redemption pick-up operators" means affiliated or
21 unaffiliated companies or organizations that provide individualized
22 valet or pick-up services of aggregated covered beverage containers
23 for single-family or multifamily households.

24 (9)(a) "Covered beverage container" means any of the following
25 beverage containers subject to a recycling refund:

26 (i) Except as provided in (a)(ii) of this subsection, any glass,
27 plastic, or metal can or bottle with a capacity of at least 40 ml and
28 no more than one gallon; and

29 (ii) Beginning no earlier than the second plan implementation
30 period, other beverage containers proposed for inclusion in the
31 program by a recycling refund producer responsibility organization
32 and approved by the department.

33 (b) "Covered beverage container" does not include a beverage
34 container filled and packaged on-site at on-site consumption
35 establishments at the time the beverage is purchased by the customer
36 including, but not limited to, to-go cocktails, wine, or beer
37 packaged for off-site consumption under RCW 66.24.710.

38 (10) "De minimis producer" means a producer that:

39 (a) In its most recent fiscal year introduced into commerce in
40 this state less than one ton of covered beverage containers; or

1 (b) Has a global gross revenue, not including on-premises alcohol
2 sales, for the prior fiscal year of:

3 (i) Until January 1, 2031, less than \$5,000,000; or

4 (ii) Beginning January 1, 2031, less than \$5,000,000, as adjusted
5 for inflation. The department must use the consumer price index for
6 urban wage earners to calculate the annual rate of inflation
7 adjustment effective January 1st of each year, beginning January 1,
8 2031.

9 (11) "Department" means the department of ecology.

10 (12) "Distributor" means any person or entity who engages in the
11 sale of beverages in covered beverage containers to a retail
12 establishment in this state, including any manufacturer or importer
13 who engages in such sales to retail establishments or directly to
14 consumers, and dealers who self-distribute their own brands.

15 (13) "Express redemption site" means a designated return location
16 that allows individuals to return covered beverage containers. These
17 locations do not provide cash handling on-site, rather, upon return,
18 if needed, containers are transported to recycling refund processing
19 facilities and refunds will be credited to the consumer's virtual
20 account held by the recycling refund producer responsibility
21 organization or their designee. This may include bag-drop systems,
22 reverse vending machines, or other redemption modalities to enhance
23 convenience and accessibility for consumers.

24 (14) "Full-service redemption site" means a return location or
25 avenue where individuals may return covered beverage containers to
26 receive immediate refunds for their returns.

27 (15) "Government entity" means any:

28 (a) County, city, town, or other local government, including any
29 municipal corporation, quasi-municipal corporation, or special
30 purpose district, or any office, department, division, bureau, board,
31 commission, or agency thereof, or other local public agency;

32 (b) State office, department, division, bureau, board,
33 commission, or other state agency;

34 (c) Federally recognized Indian tribe whose traditional lands and
35 territories include parts of Washington; or

36 (d) Federal office, department, division, bureau, board,
37 commission, or other federal agency.

38 (16) "Individual plan" means a plan submitted by a producer that
39 registers with the department as a recycling refund producer

1 responsibility organization to address the covered beverage
2 containers of the producer.

3 (17) "Introduce" means to sell, offer for sale, distribute, or
4 ship a product within or into this state.

5 (18) "Material recovery facility" means a facility that collects,
6 compacts, repackages, sorts, or processes for transport source
7 separated material for the primary purpose of recycling.

8 (19) "Online food delivery network company" means a corporation,
9 partnership, sole proprietorship, or other entity that operates in
10 this state and uses a digital network to connect consumers with on-
11 site consumption establishments or delivery drivers to facilitate the
12 purchase and delivery of prepared food or beverage containers.

13 (20) "Off-site consumption" means consumption of a beverage in a
14 covered beverage container that is sold by an establishment and is
15 intended to be consumed off the premises, and with the beverage
16 container not retained at the same establishment after consumption.

17 (21) "On-site consumption" means consumption of a beverage in a
18 covered beverage container that is sold by an establishment and is
19 intended to be consumed on the premises, and with the beverage
20 container retained at the same establishment after consumption.

21 (22) "On-site consumption establishment" means any person,
22 corporation, partnership, business, dealer, hotel, facility, vendor,
23 organization, caterer, or individual that sells beverages in covered
24 beverage containers that are intended for immediate on-site
25 consumption. An establishment that sells beverages in covered
26 beverage containers for off-site consumption is an "on-site
27 consumption establishment" as long as the establishment also sells
28 beverages in covered beverage containers intended for immediate on-
29 site consumption.

30 (23) "Overburdened communities" means the overburdened
31 communities identified and prioritized by the department under RCW
32 70A.02.050(1)(a).

33 (24) "Packaging manufacturer" means any person, firm,
34 association, partnership, or corporation that produces packaging or a
35 packaging component of covered beverage containers.

36 (25) "Paper and packaging producer responsibility organization"
37 means a producer responsibility organization established under
38 chapter 70A.208 RCW.

39 (26)(a) "Producer" means:

1 (i) The brand owner responsible for the brand visible on a
2 covered beverage container and who is responsible for compliance with
3 the requirements of this chapter for a covered beverage container
4 that is introduced, either physically or via e-commerce, in this
5 state;

6 (ii) If there is no person to which (a)(i) of this subsection
7 applies, the producer is the person who is the importer of record for
8 the covered beverage container into the United States for use in a
9 commercial enterprise that sells, offers for sale, or distributes the
10 item in this state; or

11 (iii) If there is no person to which (a)(i) or (ii) of this
12 subsection applies, the producer is the person that first distributes
13 the covered beverage container in or into this state.

14 (b) "Producer" does not include:

15 (i) Government entities; or

16 (ii) Registered 501(c)(3) charitable organizations and 501(c)(4)
17 social welfare organizations.

18 (27) "Recycling refund program" or "program" means the activities
19 to implement the requirements of this chapter carried out by the
20 recycling refund producer responsibility organization under an
21 approved plan including the remittance and payment of a per-unit
22 refund value to consumers for covered beverage containers and the
23 collection and processing of covered beverage containers as described
24 in this chapter.

25 (28) "Recycling refund advisory council" or "advisory council"
26 means the council established in section 109 of this act.

27 (29) "Recycling refund processing facility" means a location that
28 is designated by the recycling refund producer responsibility
29 organization to receive, sort, and prepare beverage containers
30 collected through the system for recycling or reuse.

31 (30) "Recycling refund producer responsibility organization" or
32 "organization" means:

33 (a) A nonprofit corporation that is tax exempt under chapter
34 501(c)(3) of the federal internal revenue code created by a group of
35 covered beverage container producers to carry out the obligations of
36 producers under this chapter; or

37 (b) A producer that registers with the department as a recycling
38 refund producer responsibility organization and implements an
39 individual plan addressing the covered beverage containers of the
40 producer.

1 (31) "Redemption rate" means the number of covered beverage
2 containers redeemed for the refund value divided by the number of
3 covered beverage containers introduced in the state in a calendar
4 year.

5 (32) "Redemption site" means a public or private place that
6 provides the ability to redeem a covered beverage container for which
7 a recycling refund value was paid.

8 (33) "Responsible end market" means an entity that:

9 (a) First produces and sells, transfers, or uses recycled content
10 feedstock that meets the quality standards necessary to be used in
11 the creation of new or reconstituted products;

12 (b) Complies with all applicable federal, state, and local
13 statutes, rules, ordinances, and other laws governing environmental,
14 health, safety, and financial responsibility;

15 (c) If the market operates in the state, manages waste according
16 to the state's solid waste management hierarchy established in RCW
17 70A.205.005; and

18 (d) Meets the minimum operational standards adopted under a
19 recycling refund producer responsibility organization plan to protect
20 the environment, public health, worker health and safety, and
21 minimize adverse impacts to socially vulnerable populations.

22 (34) "Retail establishment" means any person, corporation,
23 partnership, business, dealer, facility, vendor, organization, or
24 individual that sells or provides merchandise, goods, or materials
25 directly to a consumer that engages in the sale of beverages that are
26 covered beverage containers intended for consumption off-site.

27 (35) "Reuse" means the redemption and return of a covered
28 beverage container to the marketplace where the continued use of the
29 covered beverage container is:

30 (a) Intentionally designed and marketed to be used multiple times
31 for its original intended purpose without a change in form;

32 (b) Designed for durability and maintenance to extend its useful
33 life and reduce demand for new production of the covered beverage
34 container;

35 (c) Supported by adequate logistics and infrastructure at a
36 retail location, by a service provider, or on behalf of or by a
37 producer, that provides convenient access for consumers; and

38 (d) Compliant with all applicable federal, state, and local
39 statutes, rules, ordinances, and other laws governing health and
40 safety.

1 (36) "Reuse rate" means the percentage result obtained by
2 dividing the number of reusable covered beverage containers
3 introduced into the state by the total number of covered beverage
4 containers introduced into the state during a calendar year. In
5 calculating the reuse rate, the following covered beverage containers
6 must be excluded from both the numerator and the denominator:

7 (a) Covered beverage containers for products protected by a
8 recognized geographic indication, appellation of origin, or
9 certification mark that legally requires the product to originate
10 from a specific geographic region located more than 150 miles from
11 Washington state, when such requirement is imposed by federal, state,
12 or international law or treaty and therefore cannot be practicably
13 sold in a reusable container; and

14 (b) Covered beverage containers for products that, under federal
15 or state law, must be produced in a jurisdiction located more than
16 150 miles from Washington state and therefore cannot be practicably
17 sold in a reusable container.

18 (37) "Reuseable container redemption rate" means the number of
19 reusable covered beverage containers redeemed for the refund value
20 divided by the number of reusable covered beverage containers
21 introduced in the state in a calendar year.

22 (38) "Service provider" means an entity that provides recycling
23 collection or recycling processing services for covered beverage
24 containers. A government entity that provides, contracts for, or
25 otherwise arranges for another party to provide recycling collection
26 or recycling processing services for covered beverage container
27 materials within its jurisdiction is a service provider regardless of
28 whether it provided, contracted, or otherwise arranged for similar
29 services before the approval of the applicable plan.

30 (39) "Socially vulnerable populations" has the same meaning as in
31 RCW 70A.208.020.

32 NEW SECTION. **Sec. 103.** PRODUCER RESPONSIBILITIES. (1) A
33 producer must:

34 (a) Beginning April 15, 2027, be a member of a recycling refund
35 producer responsibility organization registered in this state;

36 (b) Through a recycling refund producer responsibility
37 organization, implement and finance a statewide program for covered
38 beverage containers that encourages waste reduction, recycling,
39 refill, and reuse;

1 (c) Maintain membership with and pay fees to a recycling refund
2 producer responsibility organization under which they are registered.
3 De minimis producers are not required to pay fees to a recycling
4 refund producer responsibility organization; and

5 (d) Comply with all other applicable requirements under this
6 chapter.

7 (2) (a) Upon registration with a recycling refund producer
8 responsibility organization under subsection (1) (a) of this section,
9 the producer must pay the required initial producer fees as
10 determined by the recycling refund producer responsibility
11 organization.

12 (b) Upon request, the recycling refund producer responsibility
13 organization must provide to the department a list of producers and
14 beverage brands that the recycling refund producer responsibility
15 organization has determined to be out of compliance with the
16 requirement of (a) of this subsection. The department must post this
17 list on its website.

18 (c) The fees required in (a) of this subsection must be paid
19 before the beverage brand is introduced, either physically or via e-
20 commerce into Washington.

21 (3) A producer must provide the following to the appropriate
22 recycling refund producer responsibility organization using a
23 standardized method provided by the recycling refund producer
24 responsibility organization:

25 (a) The name of the beverage as identified through the use of
26 letters, words, or symbols on the product label affixed to, or a part
27 of, the covered beverage container;

28 (b) The type of beverage contained in the covered beverage
29 container using an appropriate categorization method for beverages as
30 determined by a recycling refund producer responsibility
31 organization;

32 (c) The size or fluid volume of the covered beverage container;

33 (d) The material type of the covered beverage container;

34 (e) The universal product code or European article number
35 associated with the covered beverage container; and

36 (f) If the covered beverage container is single use or reusable.

37 (4) A producer must provide necessary information regarding
38 quantities of covered beverage containers sold, to the recycling
39 refund producer responsibility organization under which they are

1 registered at a frequency to be determined by the recycling refund
2 producer responsibility organization.

3 (5) Beginning March 1, 2029, a producer that is not a member of a
4 registered recycling refund producer responsibility organization
5 under this chapter or has not registered with the department as an
6 individual recycling refund producer responsibility organization may
7 not introduce covered materials.

8 NEW SECTION. **Sec. 104.** RECYCLING REFUND PRODUCER RESPONSIBILITY
9 ORGANIZATION RESPONSIBILITIES. Each recycling refund producer
10 responsibility organization must:

11 (1) By March 1, 2027, be registered with the department;

12 (2) By April 1, 2027, establish an initial producer fee structure
13 to fund the initial implementation of the program, to be used until a
14 recycling refund producer responsibility organization has an approved
15 program plan as required under section 107 of this act, and collect
16 fees from registered producers that are not de minimis producers;

17 (3) By May 1, 2027, submit a one-time payment to the department,
18 in an amount determined by the department, to cover future estimated
19 costs of the department under this chapter from the effective date of
20 this section through June 30, 2028. A portion of the one-time payment
21 must be deposited in the state account that was used to fund the
22 department's costs prior to receipt of the one-time payment;

23 (4) By May 1, 2027, submit a one-time payment to the paper and
24 packaging producer responsibility organization to reimburse them for
25 the payment made to the Department of Ecology for the recycling
26 refund program start-up costs.

27 (5) By June 30, 2028, and each June 30th thereafter, submit an
28 annual registration fee to the department to fund the estimated costs
29 of the department to implement, administer, and enforce this chapter
30 in the coming fiscal year;

31 (6) By January 30, 2028, and every year thereafter, until the
32 program has begun, submit the following to the department:

33 (a) A list of its registered producers and their brands of
34 beverages in covered beverage containers; and

35 (b) The total gross unit sales volume of beverages in covered
36 beverage containers introduced by its registered producers in
37 Washington during the preceding year;

38 (7) By October 1, 2028, or six months after rule adoption,
39 whichever is later, and every five years thereafter, submit a program

1 plan that meets the requirements of this chapter to the department
2 for approval;

3 (8) By October 1, 2028, or six months after rule adoption,
4 whichever is later, and every five years thereafter, for paper and
5 packaging producer responsibility organizations registered with the
6 department under chapter 70A.208 RCW and each recycling refund
7 producer responsibility organization, submit a coordination plan that
8 meets the requirements of this chapter and chapter 70A.208 RCW to the
9 department for approval;

10 (9) Once the recycling refund program plan is approved by the
11 department under this section, implement a recycling refund program
12 as described in its approved program plan by January 1, 2030, or six
13 months after plan approval, whichever is later. The recycling refund
14 program must begin paying the refund value for covered beverage
15 containers on the same day that the program begins collecting the
16 refund value for covered beverage containers;

17 (10) By July 1, 2031, and each July 1st thereafter, submit an
18 annual report to the department that demonstrates compliance with the
19 approved program plan and meets the criteria outlined in section 120
20 of this act;

21 (11)(a) By April 1, 2032, arrange for the completion of an
22 analysis by an independent third party of the feasibility, including
23 system processing and technological limitations, and associated costs
24 of adding additional types of beverage containers to the program; and

25 (b) At the time of submission of the program plan for the second
26 plan implementation period to the department consistent with
27 subsection (7) of this section, a recycling refund producer
28 responsibility organization may propose the inclusion of additional
29 types of beverage containers based on the analysis in (a) of this
30 subsection. A recycling refund producer responsibility organization
31 must, in its plan, explain the rationale if it elects not to include
32 any types of additional beverage containers that were determined to
33 be feasible to include in the program in the analysis under (a) of
34 this subsection;

35 (12) Maintain a registry of all types of covered beverage
36 containers introduced and redeemed in this state by all registered
37 producers;

38 (13) Set and collect the annual producer fees based on the
39 criteria set forth in this chapter;

1 (14) (a) Set and collect fees on a frequency to be determined by
2 the recycling refund producer responsibility organization from each
3 member producer that must:

4 (i) Vary based on the total amount of covered beverage containers
5 each producer introduces into the state; and

6 (ii) Reflect program costs for each covered beverage container
7 type, net of commodity value for that material type when used as a
8 recycled material, as well as allocated fixed costs that do not vary
9 based on material type;

10 (b) After the first program plan, each recycling refund producer
11 responsibility organization must consider incentivizing using
12 materials and design attributes that reduce the environmental impacts
13 and human health impacts of covered beverage containers.

14 (15) Accept the refund value from retail establishments for
15 covered beverage containers sold for off-site consumption;

16 (16) Make periodic scheduled payments to each material recovery
17 facility that complies with the reporting and quality standards
18 criteria described in the program plan;

19 (17) Conduct audits, at the discretion of the recycling refund
20 producer responsibility organization or at the request of the
21 department, no more than quarterly of material recovery facilities to
22 assess data accuracy of covered beverage containers reported by
23 material recovery facilities to a recycling refund producer
24 responsibility organization. Audits must be requested by a recycling
25 refund producer responsibility organization or the department and
26 conducted at the recycling refund producer responsibility
27 organization's expense;

28 (18) Ensure that producers operating under a recycling refund
29 program plan administered by a recycling refund producer
30 responsibility organization comply with the requirements of the
31 recycling refund program plan and with this chapter;

32 (19) Consider and respond in writing to comments received from
33 the recycling refund advisory council;

34 (20) Maintain a website that includes:

35 (a) A searchable database of current redemption sites;

36 (b) A list of all covered beverage container brands participating
37 in the recycling refund producer responsibility organization program;
38 and

39 (c) Consumer education materials about the recycling refund
40 program;

1 (21) Notify the department within 30 days of a change made to the
2 contact information for a person responsible for implementing the
3 recycling refund producer program plan, to board membership, or to
4 the executive director;

5 (22) Notify the department if fraudulent redemption is
6 identified;

7 (23) Ensure timely compensation, maintenance, and operational
8 costs to entities that are leasing space for redemption sites; and

9 (24) Comply with all other applicable requirements of this
10 chapter.

11 NEW SECTION. **Sec. 105.** DEPARTMENT OF ECOLOGY RESPONSIBILITIES.

12 The department must implement, administer, and enforce this chapter
13 and may adopt rules as necessary for those purposes. In implementing
14 this chapter, the department has the following responsibilities:

15 (1) By August 1, 2026, notify the paper and packaging producer
16 responsibility organization of the one-time payment owed to reimburse
17 the department for its estimated costs to implement, administer, and
18 enforce this chapter through May 1, 2027. The paper and packaging
19 producer responsibility organization must transfer these funds to the
20 department no later than September 1, 2026.

21 (2) By March 15, 2027, accept the registration of recycling
22 refund producer responsibility organizations. If registrations for
23 more than one recycling refund producer responsibility organization,
24 other than individual producers registering as recycling refund
25 producer responsibility organizations, are submitted to the
26 department, the department must determine which proposed recycling
27 refund producer responsibility organization can most effectively
28 implement this chapter until the first approved plan period ends.
29 Until the conclusion of the initial plan implementation period,
30 producers of covered beverage containers that do not register as
31 recycling refund producer responsibility organizations must join the
32 recycling refund producer responsibility organization whose
33 registration is approved by the department. This limitation only
34 applies for the purposes of program development and the initial plan
35 implementation period. For purposes of plan implementation after the
36 first plan approved by the department expires, the department may
37 allow registration of more than one recycling refund producer
38 responsibility organization;

1 (3) Determine a registration fee to be paid by each recycling
2 refund producer responsibility organization:

3 (a) On March 31, 2027, for a one-time payment sufficient to cover
4 department costs to implement this chapter from the effective date of
5 this section until June 30, 2028; and

6 (b) On March 31, 2028, and every March 31st thereafter, an annual
7 registration fee sufficient to cover the department's estimated costs
8 to implement, administer, and enforce this chapter for the coming
9 fiscal year;

10 (4) By August 1, 2027, appoint the initial membership of the
11 recycling refund advisory council, as required under section 109 of
12 this act;

13 (5) Provide administrative and operating support to the recycling
14 refund advisory council, as required under section 109 of this act;

15 (6) Consider and respond in writing to all written comments
16 received from the recycling refund advisory council;

17 (7) Within 120 days of receipt, review and approve, deny, or
18 request additional information for draft recycling refund program
19 plans and coordination plans required under sections 107 and 108 of
20 this act respectively, and:

21 (a) The department must post the draft plans or plan amendments
22 on the department's website and allow public comment for no less than
23 45 days before approving, denying, or requesting additional
24 information on the draft plan or amendment;

25 (b) If the department denies or requests additional information
26 for a draft plan or amendment, the department must provide the
27 recycling refund producer responsibility organization with the
28 reasons, in writing, that the plan or amendment does not meet the
29 plan requirements of section 107 of this act. The recycling refund
30 producer responsibility organization has 60 days from the date that
31 the rejection or request for additional information is received to
32 submit to the department a revised plan or any additional information
33 necessary for the department's approval. Within 60 days of receipt,
34 the department must review and approve, approve with conditions,
35 deny, or request additional information for the revised draft plan or
36 revised draft amendment, including a revised draft coordination plan
37 under section 108 of this act. The department may approve the second
38 revision submitted by the recycling refund producer responsibility
39 organization with additional conditions the recycling refund producer
40 responsibility organization must implement;

1 (c) Upon recommendation of the recycling refund advisory council,
2 or upon the department's initiative, the department may require an
3 amendment to the plan if the department determines that an amendment
4 is necessary to ensure that the recycling refund producer
5 responsibility organization maintains compliance with the
6 requirements of this chapter; and

7 (d) Prior to approving the draft program plan, the department
8 must review the convenience standards and proposed network of
9 redemption sites provided in the plan;

10 (8) Review annual reports and:

11 (a) Make annual reports available for public review and comment
12 for at least 30 days;

13 (b) Review within 120 days of receipt of a complete annual
14 report; and

15 (c) Determine whether an annual report meets the requirements of
16 this chapter, considering comments received under (a) of this
17 subsection, and notify the recycling refund producer responsibility
18 organization of the approval or reasons for denial. The recycling
19 refund producer responsibility organization must submit a revised
20 annual report within 60 days after receipt of the denial letter;

21 (9) Establish a public website that includes:

22 (a) The most recent registration materials submitted by the
23 recycling refund producer responsibility organization;

24 (b) Any plan or amendment submitted by the recycling refund
25 producer responsibility organization that is in draft form during a
26 public comment period; and

27 (c) The most recent lists of covered beverage containers
28 developed by the recycling refund producer responsibility
29 organization and information about any material exclusions as
30 described in section 107(2) of this act.

31 NEW SECTION. **Sec. 106.** CONVENIENCE STANDARD FOR REDEMPTION OF
32 CONTAINERS AND EVALUATION OF NETWORK OF REDEMPTION SITES. (1) The
33 recycling refund producer responsibility organization must propose a
34 quantitative convenience standard in its program plan for department
35 approval, that is based on a combination of travel time, distance,
36 and other measurable criteria for redemption of covered beverage
37 containers in the recycling refund program plan.

38 (2) The convenience standard proposed by the organization must
39 ensure:

1 (a) Proximity to retail establishments associated with a majority
2 of recycling refund covered materials sales in an area;

3 (b) Access in rural counties does not require additional vehicle
4 miles traveled;

5 (c) Access is accessible and convenient for individuals relying
6 on public transit or nonmotorized forms of transportation; and

7 (d) Reasonable opportunities are provided for individuals to
8 receive immediate refunds for returns of covered beverage containers.

9 (3) A recycling refund producer responsibility organization must
10 demonstrate how the proposed convenience standard ensures a network
11 of redemption sites that meets or exceeds the recommendations of the
12 deposit return system study conducted under RCW 70A.208.240. If the
13 proposed convenience standard is not consistent with the
14 recommendations of the study under RCW 70A.208.240, a recycling
15 refund producer responsibility organization must justify any
16 differences and explain how the proposed convenience standard will
17 maximize equity, convenience, and accessibility for all individuals.

18 (4) In evaluating the proposed convenience standard and network
19 of redemption sites proposed in a recycling refund producer
20 responsibility organization plan, the department must consider
21 whether the proposal:

22 (a) Is consistent with the requirements of subsections (2) and
23 (3) of this section;

24 (b) Ensures all consumers who pay a refund value have convenient
25 opportunities to redeem their full refund for covered beverage
26 containers;

27 (c) Provides appropriately convenient and equitable access in
28 urban, suburban, and rural areas, and which draws upon redemption
29 modalities including, but not limited to, express redemption sites,
30 full-service redemption sites, alternative access redemption options,
31 and contracted redemption pick-up operators;

32 (d) Accounts for the total population, population density, sales
33 of covered beverage containers in regions of the state, and proximity
34 to centers of beverage sales business activity; and

35 (e) Incorporates a broad range of entities that may opt to serve
36 as a redemption location including, but not limited to, municipal
37 facilities, public spaces, institutions, schools, institutions of
38 higher education, nonprofit organizations, retailers, religious and
39 charitable organizations, sporting events, and waste management
40 facilities.

1 NEW SECTION. **Sec. 107.** RECYCLING REFUND PROGRAM PLAN. Each
2 recycling refund program plan submitted to the department must
3 contain the following:

4 (1) A proposed list of the types and sizes of covered beverage
5 containers that will be included in the recycling refund program,
6 along with justification for the exclusion of any container types or
7 sizes;

8 (2) A description of how the recycling refund producer
9 responsibility organization will prevent fraudulent redemption of
10 covered beverage containers, including proposed criteria for
11 excluding certain materials or container types from refund
12 eligibility. These criteria may include contamination, damage, or
13 indicators of out-of-state origin, and shall be subject to
14 departmental review and approval;

15 (3) A description of how the recycling refund producer
16 responsibility organization will meet performance targets described
17 in section 119 of this act. In each plan submitted by a recycling
18 refund producer responsibility organization applicable after the
19 initial five-year plan implementation period under this chapter, the
20 recycling refund producer responsibility organization must include a
21 description of the proposed redemption, recycling, reuse, and other
22 performance targets, and deadlines to achieve these targets,
23 consistent with the requirements of section 119 of this act;

24 (4) How the performance targets will be measured;

25 (5) How the program will facilitate the expansion of reuse
26 systems and, for a program plan applicable to the first five years of
27 the program under this chapter, the proposed reuse rate targets and
28 deadlines for achieving those targets consistent with section 119 of
29 this act. This must include a description of how the proposed reuse
30 rate targets meet the recommended targets from the "Washington
31 Recycle, Reuse, and Source Reduction Target Study and Community Input
32 Process" report department of ecology publication 23-07-060 dated
33 December 2023. If the proposed reuse rate targets deviate from the
34 targets recommended in the report, the recycling refund producer
35 responsibility organization must justify that deviation and propose
36 alternative reuse rate targets;

37 (6) How the program will incentivize recyclability improvements
38 in the design of covered beverage containers;

1 (7) A description of the following elements of program design
2 related to the convenience of the program's collection system to
3 consumers:

4 (a) The number and distribution of proposed express and full-
5 service redemption sites and any other redemption opportunities to be
6 provided by the program, along with the convenience standards used as
7 the basis for the proposal and an analysis demonstrating how the
8 proposed convenience standards and network of redemption sites meet
9 the requirements in section 106 of this act;

10 (b) How the program will conduct education and outreach and
11 provide convenient redemption sites to socially vulnerable
12 populations;

13 (c) How the redemption network will be convenient and available
14 to geographically diverse populations and to those that redeem
15 relatively large amounts of covered beverage containers;

16 (d) What, if any, alternative access redemption options may be
17 implemented or contracted redemption pick-up operators may be
18 utilized to increase convenience; and

19 (e) How the recycling refund producer responsibility organization
20 will either directly or through partnerships with local service
21 providers, government entities, or nonprofit organizations organized
22 under section 501(c)(3) of the federal internal revenue code offer
23 support services to socially vulnerable populations;

24 (8) How the program will conduct statewide education and outreach
25 and assess the effectiveness of that education and outreach;

26 (9) Descriptions of a process to develop recommendations
27 regarding the effectiveness of the plan and a timeline for
28 implementing the findings of those recommendations;

29 (10) A description of how the recycling refund producer
30 responsibility organization will set and charge producer fees for
31 membership, which will take effect upon approval of the plan;

32 (11) A description of how the plan requires that any surplus of
33 unredeemed refund values generated from the funding mechanism that
34 exceed a reserve greater than the most recent year's operating
35 expenditures be put back into the program to increase and improve
36 program services, improve reuse opportunities, or reduce the cost of
37 the program, consistent with the requirements of section 117 of this
38 act;

1 (12) A description of how the recycling refund producer
2 responsibility organization will establish partnerships with
3 nonprofit organizations, including:

4 (a) The methodology behind determining a per-container refund
5 value premium for large volumes of covered beverage containers
6 returned by organizations certified as a nonprofit organization
7 pursuant to section 501(c)(3) of the internal revenue code that are
8 approved by the recycling refund producer responsibility organization
9 and serve very low-income individuals who rely on regular container
10 refunds through the recycling refund system as a source of daily
11 funds, socially vulnerable populations, or overburdened communities;

12 (b) The per-container refund value premium approved nonprofit
13 organizations are eligible for under the program;

14 (c) A process for annually reporting to the department the names,
15 locations, return volume, and any other services provided through the
16 nonprofit partnership;

17 (d) Locations of nonprofit partnership drop sites; and

18 (e) Any program rules associated with the nonprofit redemption
19 program;

20 (13) A description of a process and methodology for incentivizing
21 the recovery of covered beverage containers from material recovery
22 facilities to the recycling refund producer responsibility
23 organization, including:

24 (a) Quality standards for bales or equivalent units of
25 commodities of covered beverage containers sorted by a material
26 recovery facility, including a methodology for determining the number
27 of covered beverage containers in bales or equivalent units of
28 commodities; and

29 (b) A methodology and schedule of incentive payments for bales or
30 equivalent units of commodities of covered beverage containers that
31 meet the quality standards in (a) of this subsection. The incentive
32 payments under this subsection are a requirement separate from and in
33 addition to the reciprocal compensation mechanism required under the
34 coordination plan in section 108 of this act;

35 (14) A description of how the recycling refund producer
36 responsibility organization could establish contracts with
37 distributors for collection of covered beverage containers, provided
38 that nothing in this chapter requires that a distributor enter a
39 collection contract with a recycling refund producer responsibility
40 organization;

1 (15) A methodology and proposed compensation for service
2 providers and redemption sites, including retail establishments, on-
3 site consumption establishments, and rural and frontier county
4 redemption opportunities. Compensation must reflect consultation with
5 existing service providers, retail establishments, on-site
6 consumption establishments, and rural and frontier counties. A
7 recycling refund producer responsibility organization must propose
8 additional assistance for on-site consumption establishments under
9 10,000 square feet to comply with this chapter.

10 NEW SECTION. **Sec. 108.** COORDINATION PLAN. (1) Each paper and
11 packaging producer responsibility organization and each recycling
12 refund producer responsibility organization must create a
13 coordination plan to ensure that programs are complementary and that
14 all targets are met. As part of the coordination plan, each paper and
15 packaging producer responsibility organization and each recycling
16 refund producer responsibility organization must identify actions to
17 jointly optimize infrastructure for recycling collection and reuse
18 programs for both programs.

19 (2) The coordination plan between each producer responsibility
20 organization for paper and packaging and each recycling refund
21 producer responsibility organization must contain the following:

22 (a) Education and outreach activities to ensure consistent
23 messaging to consumers;

24 (b) (i) A description of a reciprocal compensation mechanism such
25 that the recycling refund producer responsibility organization pays
26 the paper and packaging producer responsibility organization for
27 covered beverage containers in material recovery facilities, and the
28 packaging producer responsibility organization pays the recycling
29 refund producer responsibility organization for covered materials
30 under chapter 70A.208 RCW other than covered beverage containers
31 managed through the recycling refund program;

32 (ii) A methodology to determine the percentage of covered
33 beverage containers by material type processed through material
34 recovery facilities that is attributable to covered beverage
35 containers, to ensure that producer fees accurately reflect the share
36 of beverage container material managed through the program
37 implemented under chapter 70A.208 RCW;

38 (iii) A temporary reimbursement schedule, to be proposed by the
39 producer responsibility organizations, to offset any rate impacts

1 experienced by government entities due to the reduction of covered
2 beverage containers sorted through the municipal recycling stream.
3 This schedule shall remain in effect until February 15, 2032;

4 (c) Mechanisms to evaluate packages and formats managed by each
5 program and consider opportunities for adding and removing packages
6 from one program to the other;

7 (d) An evaluation strategy to assess opportunities to coordinate
8 identification of, and efficient access to, collection
9 infrastructure, processing infrastructure, reuse infrastructure, and
10 responsible end markets.

11 (3) Each recycling refund producer responsibility organization
12 must submit the coordination plan developed under this section to the
13 department for review and approval on the same timelines and
14 following the same procedures for the department's review of the
15 recycling refund program plan under section 107 of this act.

16 NEW SECTION. **Sec. 109.** RECYCLING REFUND ADVISORY COUNCIL. (1)

17 By August 1, 2027, the department must establish a recycling refund
18 advisory council to review activities conducted by each registered
19 recycling refund producer responsibility organization. The department
20 must appoint the membership of the recycling refund advisory council.

21 (2) The membership of the recycling refund advisory council must
22 consist of the following:

23 (a) One member representing municipal government;

24 (b) One member representing county government;

25 (c) One member representing a packaging manufacturer or trade
26 association representing the glass beverage container sector. The
27 packaging manufacturer of the trade association must not be a
28 producer;

29 (d) One member representing a packaging manufacturer or trade
30 association that is not a producer that represents the plastic
31 covered beverage container sector;

32 (e) One member representing a packaging manufacturer or trade
33 association that is not a producer that represents the metal covered
34 beverage container sector;

35 (f) One member representing an environmental nonprofit
36 organization;

37 (g) One member representing an organization that represents
38 socially vulnerable populations;

1 (h) One member that is a representative of an organization that
2 represents individual service providers;

3 (i) Two members representing federally recognized tribes located
4 in Washington state;

5 (j) One member representing a trade association for the retail
6 sector;

7 (k) One member representing a trade association for the
8 hospitality sector;

9 (l) One member representing the recycling processing sector;

10 (m) One member who is a canner or represents a canner
11 organization;

12 (n) One member representing the small retail sector;

13 (o) One member representing rural communities; and

14 (p) One nonvoting member representing the department.

15 (3) The recycling refund advisory council has the following
16 duties:

17 (a) Review each recycling refund program plan and provide
18 comments to recycling refund producer responsibility organizations
19 and the department;

20 (b) Review program audits;

21 (c) Review annual reports and provide comments to each recycling
22 refund producer responsibility organization and the department; and

23 (d) Ensure that each recycling refund producer responsibility
24 organization and the department are considering a broad range of
25 perspectives in developing the recycling refund program plans and in
26 implementing the program.

27 (4) The equity subcommittee created in RCW 70A.208.050 must make
28 recommendations to the advisory council and fulfill other duties with
29 respect to this chapter, as described in RCW 70A.208.050.

30 (5) The department shall provide administrative and operating
31 support to the recycling refund advisory council, including
32 compensation in accordance with subsection (7) of this section, and
33 may contract with a third-party facilitator to assist in
34 administering the activities of the recycling refund advisory
35 council.

36 (6) The responsibilities of the recycling refund advisory council
37 under this chapter apply through the conclusion of the first five-
38 year plan implementation period, up to and including the review of
39 plans submitted for purposes of the second implementation period. The
40 department may reappoint an advisory council under this section after

1 the first plan implementation as necessary to ensure the achievement
2 of the goals of this chapter.

3 (7) Recycling refund advisory councilmembers that are
4 representatives of tribes, tribal or indigenous services
5 organizations, community-based organizations, or environmental
6 nonprofit organizations must, if requested, be compensated and
7 reimbursed in accordance with RCW 43.03.050, 43.03.060, and
8 43.03.220.

9 (8)(a) A majority of the voting members of the recycling refund
10 advisory council constitutes a quorum. If there is a vacancy in the
11 membership of the recycling refund advisory council, a majority of
12 the remaining voting members of the council constitutes a quorum.

13 (b) Action by the advisory council requires a quorum and a
14 majority of those present and voting.

15 (c) Meetings of the advisory council must comply with chapter
16 42.30 RCW, the open public meetings act.

17 NEW SECTION. **Sec. 110.** APPLICABLE REFUND VALUE. Every covered
18 beverage container sold or offered for sale for off-site consumption
19 in the state has a refund value of 10 cents, by January 1, 2030, or
20 six months after plan approval, whichever is later. The charge for
21 the refund value of covered beverage containers must be separately
22 stated on a receipt, invoice, or similar billing document given to
23 the consumer. The refund value may not be embedded into the price of
24 the covered beverage container. The refund value applies to the
25 covered beverage containers of all producers. Beverage containers
26 must have a visible brand and a universal product code to be eligible
27 for a refund value.

28 NEW SECTION. **Sec. 111.** REQUIREMENTS FOR REDEMPTION SITES. (1)
29 Each redemption site must collect all covered beverage containers
30 subject to the recycling refund value except as excluded by section
31 116 of this act. Any location serving as a redemption site shall be
32 fairly compensated through a mutual agreement by the appropriate
33 recycling refund producer responsibility organization for providing
34 physical space for redemption and associated maintenance and
35 operational costs of the redemption sites, for the duration of the
36 approved program plan.

37 (2) Government entities, nonprofit organizations, individuals,
38 and private organizations are eligible to host redemption sites.

1 (3) A recycling refund producer responsibility organization may
2 accept direct, sorted returns in commercial quantities at its
3 processing facilities from full-service redemption sites or express
4 redemption sites.

5 NEW SECTION. **Sec. 112.** EXPRESS REDEMPTION SITES. (1) Each
6 recycling refund producer responsibility organization must, at its
7 own cost, provide express redemption sites that allow consumers to
8 return covered beverage containers. These sites do not provide cash
9 handling on-site, rather upon return, containers may be transported
10 to recycling refund processing facilities if needed, and refunds must
11 be credited to the consumer's virtual account once the covered
12 beverage containers are counted. If a bag-drop program is deployed,
13 each recycling refund producer responsibility organization must
14 credit the cost of any required bag purchase back to the consumer's
15 virtual account when the bag is returned and processed through the
16 recycling refund system.

17 (2) Express redemption sites must be located:

18 (a) A convenient distance from a retail establishment;

19 (b) At a publicly owned facility;

20 (c) At a privately owned facility; or

21 (d) At a location otherwise convenient for consumers.

22 (3) Express redemption sites may be located:

23 (a) On the property or in the parking lot of a retail
24 establishment;

25 (b) On the property or parking lot of a privately owned facility;

26 (c) On the property or parking lot of a publicly owned facility;

27 (d) In a public right-of-way; or

28 (e) At any other location convenient for individuals to redeem.

29 (4) Storage and drop-off containers sited for the purpose of
30 fulfilling the requirements of this section are considered temporary
31 mobile containers regardless of whether they have wheels, have
32 electrical power, or are affixed to the site.

33 (5) If the recycling refund producer responsibility organization
34 utilizes standard bags for the bag-drop program, the recycling refund
35 producer responsibility organization must:

36 (a) Ensure that the standard bags have a minimum of 50 percent
37 postconsumer recycled content;

1 (b) Demonstrate, upon request of the department, that the waste
2 film from the standard bag production or from retired standard bags
3 is being recycled at responsible end markets; and

4 (c) Include instructions on how the bag should be utilized and
5 recycled through an express redemption site and any applicable
6 redemption.

7 NEW SECTION. **Sec. 113.** FULL-SERVICE REDEMPTION SITES. (1) A
8 recycling refund organization must ensure the establishment of a
9 sufficient number of full-service redemption sites, either directly
10 or through partnerships with nonprofit organizations, to meet the
11 convenience standards outlined in the approved recycling refund
12 program plan as specified in this chapter. These sites must allow
13 individuals to return covered beverage containers and receive
14 immediate refunds for their returns. The recycling refund producer
15 responsibility organization may also, either directly or through
16 partnerships with local service providers or government entities,
17 offer support services to socially vulnerable populations.

18 (2) Each recycling refund producer responsibility organization
19 must administer a program to accept direct, sorted returns in large
20 volume quantities at its processing facilities for an additional per-
21 container refund value premium if the containers are returned by
22 organizations certified as a nonprofit organization pursuant to
23 section 501(c)(3) of the internal revenue code that are approved by
24 the recycling refund producer responsibility organization and serve
25 very low-income individuals who rely on regular container refunds
26 through the recycling refund system as a source of daily funds,
27 socially vulnerable populations, or overburdened communities. Each
28 recycling refund producer responsibility organization must provide
29 pick-up service for containers collected under this section.

30 (3) To limit fraud and ensure that services are deployed where
31 they are most needed, each recycling refund producer responsibility
32 organization may approve or deny partnerships described in this
33 section at its sole discretion.

34 (4) Locations sited for the purpose of fulfilling the
35 requirements of this section are considered small retail locations
36 suitable for mixed-use zoning to maximize convenience and redemption
37 access.

1 NEW SECTION. **Sec. 114.** RURAL AND FRONTIER COUNTY REDEMPTION
2 OPPORTUNITIES. Each frontier or rural county, as defined in RCW
3 43.160.020, must make space available to each recycling refund
4 producer responsibility organization for purposes of siting a
5 redemption site at each transfer station and drop box facility, as
6 those terms are defined in rules adopted by the department to
7 implement chapter 70A.205 RCW, that is owned or operated by the
8 county. Each recycling refund producer responsibility organization
9 must provide an express redemption site or full-service redemption
10 site at each location offered under this section unless infeasible,
11 in which case the recycling refund producer responsibility
12 organization must provide an express redemption site elsewhere. Each
13 recycling refund producer responsibility organization must provide
14 compensation for each county location provided under this section as
15 described in the program plan, and must assume all operational and
16 maintenance costs for the redemption site.

17 NEW SECTION. **Sec. 115.** RETAIL ESTABLISHMENTS. (1) Each retail
18 establishment must charge and remit the refund value of covered
19 beverage containers to the appropriate recycling refund producer
20 responsibility organization. The refund value shall be separately
21 stated on a receipt, invoice, or similar billing document given to
22 the consumer. The retail establishment must submit the following to
23 each recycling refund producer responsibility organization:

24 (a) The remitted refund value for covered beverage containers
25 introduced; and

26 (b) Necessary information related to point-of-sale transactions
27 for covered beverage containers.

28 (2) A retail establishment larger than 20,000 square feet that
29 sells covered beverage containers must sell the standard bags for the
30 bag-drop program offered as part of recycling refund programs at the
31 price established by each recycling refund producer responsibility
32 organization.

33 (3) A retail establishment may choose to host an express
34 redemption site on the property or in their parking lot through
35 mutual agreement with a recycling refund producer responsibility
36 organization who will provide compensation and assume lease costs,
37 and all operational and maintenance costs for the redemption site, as
38 described in the program plan. Nothing in this chapter shall be
39 interpreted to create a legal obligation on the part of a retail

1 establishment to either accept a returned covered beverage container
2 or allow a redemption site to be sited at a retail establishment.

3 (4) A retail establishment that chooses to host an express
4 redemption site is eligible to have a self-serve kiosk, located at
5 the retail establishment at no charge by the appropriate recycling
6 refund producer responsibility organization, to facilitate the
7 printing of redemption vouchers and pay the value of redemption
8 vouchers to consumers that can be used on the premises.

9 (5) Each recycling refund producer responsibility organization
10 shall reimburse retailers for the value of valid vouchers redeemed by
11 consumers.

12 (6) Retail establishments may offer a voucher redemption option
13 for recycling refund values to be used as store credit. Under this
14 program, retail establishments may offer individuals an additional
15 bonus above the standard refund value when redeemed deposit refunds
16 are applied toward purchases within the store.

17 NEW SECTION. **Sec. 116.** ON-SITE CONSUMPTION ESTABLISHMENTS. (1)

18 Each recycling refund producer responsibility organization shall
19 facilitate the collection of covered beverage containers from on-site
20 establishments. Each recycling refund producer responsibility
21 organization may facilitate the collection of covered beverage
22 containers from on-site consumption establishments by contracting
23 with a third party.

24 (2) On-site consumption establishments must charge and remit the
25 refund value of covered beverage containers sold for off-site
26 consumption to the appropriate recycling refund producer
27 responsibility organization. The refund value shall be separately
28 stated on a receipt, invoice, or similar billing document given to
29 the consumer. The on-site consumption establishment must submit the
30 following to the appropriate recycling refund producer responsibility
31 organization:

32 (a) The refund value for covered beverage containers sold for
33 off-site consumption;

34 (b) Information related to point-of-sale transactions for covered
35 beverage containers sold for off-site consumption.

36 (3) The on-site consumption establishment must receive
37 compensation from the appropriate recycling refund producer
38 responsibility organization for costs associated with program
39 implementation including, but not limited to, support for operational

1 systems, facilitation of refund value transactions, and the
2 submission of relevant sales data for covered beverage containers, as
3 described in the program plan.

4 (4) On-site consumption establishments may choose to host an
5 express redemption site on their property through mutual agreement
6 with a recycling refund producer responsibility organization which
7 will provide compensation and assume lease costs, and all operational
8 and maintenance costs for the site, as described in the program plan.

9 (5) Transactions involving the sale of covered beverage
10 containers from retail establishments to licensed on-site consumption
11 establishments for resale shall be exempt from the collection and
12 remittance of the refund value if the following conditions are met:

13 (a) The purchaser is an on-site consumption establishment
14 business with a valid Washington state business license and/or
15 reseller's permit, which identifies them as a licensed reseller for
16 the purposes of purchasing covered beverage containers for resale or
17 distribution in a hospitality setting;

18 (b) The covered beverage containers are purchased by the on-site
19 consumption establishment in bulk, such as flats or large cases, for
20 resale or use in food or beverage service to customers in an on-site
21 consumption establishment setting; and

22 (c) The covered beverage containers are not subject to a refund
23 when they are transferred from the retail establishment to the on-
24 site consumption establishment, provided the transaction is
25 documented via invoice or receipt, indicating that the transaction is
26 for resale or use in hospitality services.

27 (6) On-site consumption establishments that sell beverages
28 exclusively for on-premises consumption and do not package beverages
29 for takeout or delivery shall not be responsible for collecting or
30 remitting the refund value.

31 (7) An online food delivery network company that facilitates the
32 sale and delivery of beverages in covered beverage containers from an
33 on-site consumption establishment to a consumer shall be responsible
34 for remitting the applicable refund value to the appropriate
35 recycling refund producer responsibility organization.

36 NEW SECTION. **Sec. 117.** USE OF UNREDEEMED REFUNDS. Each
37 recycling refund producer responsibility organization shall only use
38 any refund value that is not redeemed by the consumer for any of the
39 following purposes:

- 1 (1) Education and outreach activities to raise awareness about
2 the program and encourage redemption activity;
- 3 (2) Improving redemption rates;
- 4 (3) Increasing the number of redemption sites or technological
5 innovations at redemption sites that increase convenience;
- 6 (4) Improve the reuseable infrastructure and operations;
- 7 (5) Increase the reuse rate;
- 8 (6) Increasing the number of redemption sites in socially
9 vulnerable populations and overburdened communities; or
- 10 (7) Other activities that are described in the recycling refund
11 program plan that directly contribute to achieving the performance
12 requirements described in section 119 of this act and the convenience
13 standards described in section 106 of this act.

14 NEW SECTION. **Sec. 118.** SERVICE PROVIDER INCENTIVE PAYMENTS. (1)
15 Material recovery facilities must share incentive payments received
16 under section 107(12) of this act with service providers consistent
17 with their bundled services or processing contracts or other
18 agreements or regulations, as applicable, so that service providers
19 receive the appropriate amount of the refund values paid for the
20 amount of covered beverage containers delivered by the service
21 providers to material recovery facilities and drop-off facilities, as
22 determined under an agreement between the material recovery facility
23 and the service provider.

24 (2) Service providers that receive payments under subsection (1)
25 of this section must display the service provider's price, minus the
26 payment from the recycling refund producer responsibility
27 organization, when invoicing customers and, in delivering curbside
28 collection services, pass on the applicable portion of the payment,
29 through solid waste rate reductions or credits, to all customers
30 receiving curbside collection services eligible for reimbursement.

31 NEW SECTION. **Sec. 119.** PERFORMANCE REQUIREMENTS FOR THE
32 RECYCLING REFUND PROGRAM. Recycling refund producer responsibility
33 organizations must achieve, at minimum, the following performance
34 requirements:

35 (1) By the end of year two of plan implementation, a redemption
36 rate of greater than 65 percent aggregated for all covered beverage
37 containers;

1 (2) By the end of year two of plan implementation, a reuseable
2 container redemption rate of greater than 65 percent aggregated for
3 all reusable covered beverage containers;

4 (3) By the end of year five of plan implementation, a redemption
5 rate of greater than 80 percent aggregated for all covered beverage
6 containers;

7 (4) By the end of year five of plan implementation, a reuseable
8 container redemption rate of greater than 80 percent aggregated for
9 all reusable covered beverage containers;

10 (5) Established reuse rates as outlined in the program plan that
11 increase each year after the first plan period; and

12 (6) Beginning with the second plan implementation period under
13 this chapter, redemption rate targets, reusable container redemption
14 rate targets, reuse rate targets, and any other performance targets
15 established in an approved program plan that demonstrate continuous
16 improvement in reducing environmental impacts and human health
17 impacts of covered beverage containers over time.

18 NEW SECTION. **Sec. 120.** REPORTING. (1) Beginning June 30, 2031,
19 and each June 30th thereafter, each recycling refund producer
20 responsibility organization must submit an annual report to the
21 department for the preceding calendar year that contains the
22 following:

23 (a) A list of registered producers participating in the program
24 and covered beverage containers supplied into the state;

25 (b) The total gross unit sales volume of beverages in covered
26 beverage containers introduced by its registered producers in
27 Washington during the preceding year, including those for on-site
28 consumption;

29 (c) Covered beverage containers redeemed, reused, and recycled
30 through the program, by material type;

31 (d) Redemption rates of the following type of covered beverage
32 containers: (i) Single-use covered beverage containers; and (ii)
33 reusable covered beverage containers;

34 (e) Redemption sites and processing facilities participating in
35 the recycling refund program;

36 (f) Verification of covered beverage containers handled at
37 responsible end markets;

38 (g) An evaluation of the convenience of the program as described
39 under section 106 of this act and under the program plan providing

1 relevant documentation and verification, including a demonstration
2 that convenience standards as required under this chapter have been
3 achieved or exceeded;

4 (h) An additional convenience evaluation based on regionalized
5 sales and redemption data of whether redemption options
6 disproportionately impact overburdened communities or socially
7 vulnerable populations;

8 (i) An evaluation of progress made toward the performance targets
9 reported in the same units used to establish producer fees under
10 section 103 of this act and reported statewide, for each county, and
11 for each city with a population greater than 1.5 percent of the state
12 population, including the amount of recycling refund covered beverage
13 containers successfully redeemed, reused, recycled, and disposed of
14 by recycling refund covered materials type and the type of redemption
15 site used; and

16 (j) Results of consumer awareness and behavior education and
17 outreach effectiveness surveys.

18 (2) Each recycling refund producer responsibility organization
19 must include a report on performance, funding, and enforcement
20 activities, including:

21 (a) The total cost to implement the program and a detailed
22 description of program expenditures by category, including:

23 (i) The total amount of producer fees collected, unclaimed
24 refunds held, and scrap value realized on the sale of recycled
25 commodities;

26 (ii) A description of infrastructure investments made;

27 (iii) A description of how unclaimed refunds were invested,
28 consistent with section 117 of this act;

29 (iv) A breakdown of reimbursements to redemption sites and
30 service providers in the state; and

31 (v) Upon periodic request by the department, a review by an
32 independent financial auditor of the use of unredeemed refund values
33 to validate the use of those public funds for the program. In a
34 report to the department, the independent auditor must verify the
35 unredeemed refund values and producer fees used to cover the costs of
36 the program, and a copy of a financial audit of program operations
37 conducted by an independent auditor;

38 (b) A list of producers found to be out of compliance with this
39 act and actions taken by the recycling refund producer responsibility
40 organization to return producers to compliance, and notification of

1 any producers that are no longer participating in the organization or
2 have been expelled due to their lack of compliance with proposed
3 amendments to the recycling refund program plan to improve program
4 performance or reduce costs, including changes to producer fees,
5 infrastructure investments, reimbursement rates, or the refund value;
6 and

7 (c) Recommendations for additions or removals of covered beverage
8 containers and beverages as prescribed under section 104 of this act.

9 (3) All data reported by each recycling refund producer
10 responsibility organization under this section must, at the request
11 of the department no more than once annually, be audited by an
12 independent third party. A recycling refund producer responsibility
13 organization is responsible for all costs associated with the data
14 audit. Auditable data shall only include data held by the recycling
15 refund producer responsibility organization. Auditing of any data
16 inputs to a recycling refund producer responsibility organization is
17 the responsibility of the recycling refund producer responsibility
18 organization.

19 (4) A recycling refund producer responsibility organization that
20 submits information or records to the department under this chapter
21 may request that a portion of the information or records be made
22 available only for the confidential use of the department, the
23 director, or the appropriate division of the department. The director
24 of the department shall give consideration to the request, and if the
25 director determines that this action is not detrimental to the public
26 interest and is otherwise in accordance with policies and purposes of
27 chapter 43.21A RCW, the director must grant the request for the
28 information to remain confidential as authorized in RCW 43.21A.160.

29 NEW SECTION. **Sec. 121.** PROCESS IN THE EVENT OF FAILURE TO
30 ACHIEVE PERFORMANCE TARGETS. A recycling refund producer
31 responsibility organization that fails to meet a performance target
32 approved in a recycling refund program plan must, within 90 days of
33 filing an annual report under section 120 of this act, file with the
34 department an explanation of the factors contributing to the failure
35 and propose an amendment to the recycling refund program plan
36 specifying changes in operations that the recycling refund producer
37 responsibility organization will make that are designed to achieve
38 the performance targets. An amendment filed under this section must

1 be reviewed by the recycling refund advisory council and is subject
2 to review and approval by the department.

3 NEW SECTION. **Sec. 122.** MATERIAL RECOVERY FACILITY REPORTS.
4 Beginning April 30, 2031, and each year thereafter, each material
5 recovery facility and material processor that receives recycling
6 refund program covered materials must report to the department the
7 following:

- 8 (1) Amount of recycling refund covered materials accepted by the
9 material recovery facility or processor, and the location of
10 generation;
- 11 (2) Amount of material sold to market, by commodity type;
- 12 (3) Amount of residue or waste that was generated;
- 13 (4) End markets where materials were marketed, by region and type
14 of end use; and
- 15 (5) Verification that end markets are responsible and compliant
16 with program requirements.

17 NEW SECTION. **Sec. 123.** ANTICOMPETITIVE CONDUCT. The activities
18 authorized by this chapter require collaboration among producers.
19 These activities will enable the waste reduction, collection, and
20 recycling of covered beverage containers in Washington and are
21 therefore in the best interest of the public. The benefits of
22 collaboration, together with active state supervision, outweigh
23 potential adverse impacts. Therefore, the legislature exempts from
24 state antitrust laws, and provides immunity through the state action
25 doctrine from federal antitrust laws, activities that are undertaken
26 in compliance with and pursuant to this chapter, including activities
27 that are reviewed or approved by the department, that might otherwise
28 be constrained by such laws. The legislature does not intend and does
29 not authorize any person or entity to engage in activities not
30 provided for by this chapter, and the legislature neither exempts nor
31 provides immunity for such activities.

32 NEW SECTION. **Sec. 124.** ENFORCEMENT. (1) The department may
33 administratively impose a civil penalty of up to \$1,000 per violation
34 per day on any person who violates this chapter and up to \$10,000 per
35 violation per day for the second and each subsequent violation.

1 (2) The department may apply the following additional enforcement
2 provisions to a producer or a recycling refund producer
3 responsibility organization:

4 (a) Issue a corrective action order to a producer or a recycling
5 refund producer responsibility organization;

6 (b) Issue an order to a recycling refund producer responsibility
7 organization to provide for the continued implementation of the
8 program in the absence of an approved plan;

9 (c) Revoke a recycling refund producer responsibility
10 organization's plan approval and require implementation of the
11 contingency plan;

12 (d) Require a recycling refund producer responsibility
13 organization to revise or resubmit a plan within a specified time
14 frame; or

15 (e) Require additional reporting related to the area of
16 noncompliance.

17 (3) A person may not introduce a covered beverage container of a
18 producer that is not participating in a registered recycling refund
19 producer responsibility organization.

20 (a) The department shall serve, or send with delivery
21 confirmation, a written warning explaining the violation to a person
22 distributing or selling covered products of a producer that is not in
23 compliance with this chapter.

24 (b) The department may assess a penalty on a person that
25 continues to introduce covered beverage containers of a producer that
26 is in violation of this chapter 60 days after receipt of the written
27 warning under this subsection. The amount of the penalty that the
28 department may assess under this subsection is twice the value of the
29 covered beverage containers introduced in violation of this chapter
30 or \$500, whichever is greater. The department must waive the penalty
31 upon verification that the person has discontinued the introduction
32 of the covered beverage containers within 30 days of the date the
33 penalty is assessed.

34 (4) Any person who incurs a penalty or receives an order may
35 appeal the penalty or order to the pollution control hearings board.

36 (5) Penalties levied under this section must be deposited in the
37 recycling enhancement account created in RCW 70A.245.100.

38 (6) Upon receipt of a request from the recycling refund advisory
39 council, the department must consider the appropriateness of the use
40 of enforcement authority authorized in this section.

1 authority of local governments and the utilities and transportation
2 commission in solid waste management.

3 (c) It is the intent of the legislature that Washington should
4 maintain the successful public-private partnership between state,
5 local government, and solid waste and recycling service providers.
6 The legislature does not intend to diminish or displace the primary
7 role of the utilities and transportation commission and local
8 governments in regulating or contracting directly with service
9 providers for the curbside collection of residential recyclables.
10 Local governments maintain their existing authority to collect,
11 contract for collection with solid waste and recycling service
12 providers, or defer to solid waste collection services regulated by
13 the utilities and transportation commission.

14 (3) It is the intent of the legislature for the 2029 legislature
15 to consider the draft plans submitted by producer responsibility
16 organizations to the department of ecology in October 2028, prior to
17 the approval of such plans by the department of ecology taking
18 effect. It is the intent of the legislature for the 2029 legislature
19 to consider the draft plans submitted in October 2028 and the
20 independent analysis carried out by January 2029, of those submitted
21 draft plans, in order for the 2029 legislature to determine whether
22 to amend the requirements of this chapter, to make other recycling
23 policy changes (~~including the potential establishment of a bottle~~
24 ~~deposit return program~~), or to allow that the proposed plan and
25 program under this chapter be implemented in full.

26 **Sec. 202.** RCW 70A.208.050 and 2025 c 316 s 105 are each amended
27 to read as follows:

28 (1) The advisory council is established to review all activities
29 conducted by producer responsibility organizations under this chapter
30 and to advise the department and producer responsibility
31 organizations regarding the implementation of this chapter.

32 (2) By January 1, 2026, the department must establish and appoint
33 the initial membership of the advisory council. The membership of the
34 advisory council must consist of the following:

35 (a) Two members representing manufacturers of covered materials
36 or a statewide or national trade association representing those
37 manufacturers;

38 (b) Two members representing recycling facilities that manage
39 covered materials;

1 (c) One member representing a solid waste collection company or a
2 statewide association representing solid waste collection companies;

3 (d) One member representing retailers of covered materials or a
4 statewide trade association representing those retailers;

5 (e) One member representing a statewide nonprofit environmental
6 organization;

7 (f) One member representing a community-based nonprofit
8 environmental justice organization;

9 (g) One member representing entities that own or operate a
10 material recovery facility;

11 (h) One member representing entities that own or operate a waste
12 facility that accepts and processes compostable materials for
13 composting or a statewide trade association that represents those
14 facilities;

15 (i) One member representing an entity that develops or offers for
16 sale covered materials that are designed for reuse or refill and
17 maintained through a reuse or refill system or infrastructure or a
18 statewide or national trade association that represents those
19 entities;

20 (j) Three members representing government entities, with at least
21 one member representing counties;

22 (k) One member representing tribal or indigenous solid waste
23 services organizations;

24 (l) Two members representing other interested parties or
25 additional members of interests represented under (a) through (k) of
26 this subsection, as determined by the department, prioritizing
27 representation of diverse communities, including marginalized groups,
28 to ensure the activities carried out under this chapter reflect their
29 perspectives;

30 (m) One nonvoting member representing each registered producer
31 responsibility organization; and

32 (n) One nonvoting member representing the department.

33 (3) The department must appoint an equity subcommittee to the
34 advisory council and to the advisory council established in chapter
35 70A.--- RCW (the new chapter created in section 402 of this act)
36 comprised of six representatives from overburdened communities or
37 socially vulnerable populations, including representatives from three
38 geographic locations in eastern Washington representing a small,
39 medium, and large community. The equity subcommittee is responsible
40 for informing and making recommendations to the advisory council

1 established under this chapter and the advisory council established
2 in chapter 70A.--- RCW (the new chapter created in section 402 of
3 this act), the department, recycling refund producer responsibility
4 organizations under chapter 70A.--- RCW (the new chapter created in
5 section 402 of this act), and producer responsibility organizations
6 regarding the impacts of activities under this chapter and chapter
7 70A.--- RCW (the new chapter created in section 402 of this act) on
8 socially vulnerable populations and overburdened communities,
9 including the accessibility of covered services for covered materials
10 to socially vulnerable populations and overburdened communities and
11 the accessibility to express and full service redemption centers
12 under chapter 70A.--- RCW (the new chapter created in section 402 of
13 this act) to socially vulnerable populations and overburdened
14 communities. At a minimum, the equity subcommittee must review and,
15 as appropriate, provide information or make recommendations regarding
16 needs assessments, submitted plans under this chapter and chapter
17 70A.--- RCW (the new chapter created in section 402 of this act), and
18 submitted annual reports under this chapter and chapter 70A.--- RCW
19 (the new chapter created in section 402 of this act). The department
20 must appoint the members of the equity subcommittee based on
21 solicited input received from the commission on African American
22 affairs, the commission on Hispanic affairs, the commission on Asian
23 Pacific American affairs, the LGBTQ commission, and the women's
24 commission. Beginning in calendar year 2027, the recycling refund
25 producer responsibility organization is responsible for reimbursement
26 of one-half of the department's costs associated with the equity
27 subcommittee under this subsection.

28 (4) In appointing members, the department:

29 (a) Is prohibited from appointing members who are state
30 legislators or registered lobbyists;

31 (b) Is prohibited from appointing members who are employees of
32 producers required to be members of a producer responsibility
33 organization under this chapter; and

34 (c) Must endeavor to appoint members from all regions of the
35 state.

36 (5) (a) The member appointed to represent the department serves at
37 the pleasure of the department. All other members serve for a term of
38 four years, except that the initial term for nine of the initial
39 appointees must be two years so that membership terms are staggered.

1 Members may be reappointed but may not serve more than eight
2 consecutive years.

3 (b) A member may be removed by the department at any time. The
4 chair of the advisory council must inform the department of a member
5 missing three consecutive meetings. After the second consecutive
6 missed meeting, the chair of the advisory council must notify the
7 member in writing that the member may be removed for missing the next
8 meeting. If there is a vacancy on the advisory council for any
9 reason, the department shall make an appointment to become effective
10 immediately for the unexpired term.

11 (6) Advisory councilmembers that are representatives of tribes,
12 tribal or indigenous services organizations, community-based
13 organizations, or environmental nonprofit organizations must, if
14 requested, be compensated and reimbursed in accordance with RCW
15 43.03.050, 43.03.060, and 43.03.220.

16 (7) (a) A majority of the voting members of the advisory council
17 constitutes a quorum. If there is a vacancy in the membership of the
18 advisory council, a majority of the remaining voting members of the
19 council constitutes a quorum.

20 (b) Action by the advisory council requires a quorum and a
21 majority of those present and voting. All members of the advisory
22 council, except the member appointed to represent the department and
23 the member appointed to represent the producer responsibility
24 organization, are voting members of the council.

25 (8) (a) The advisory council must meet at least two times per year
26 and may meet more frequently upon 10 days' written notice at the
27 request of the chair or a majority of its members.

28 (b) Meetings of the advisory council must comply with chapter
29 42.30 RCW, the open public meetings act.

30 (9) At its initial meeting, and every two years thereafter, the
31 advisory council must elect a chair and vice chair from among its
32 members.

33 (10) The department shall provide administrative and operating
34 support to the advisory council, including compensation in accordance
35 with subsection (6) of this section, and may contract with a third-
36 party facilitator to assist in administering the activities of the
37 advisory council, including establishing a website or landing page on
38 the department website.

39 (11) The department must assist the advisory council in
40 developing policies and procedures governing the disclosure of actual

1 or perceived conflicts of interest that advisory councilmembers may
2 have as a result of their employment or financial holdings with
3 respect to themselves or family members. Each advisory councilmember
4 is responsible for reviewing the conflict-of-interest policies and
5 procedures. An advisory councilmember must disclose any instance of
6 actual or perceived conflicts of interest at each meeting of the
7 advisory council at which recommendations regarding plans, programs,
8 operations, or activities are made by the advisory council.

9 **Sec. 203.** RCW 70A.208.080 and 2025 c 316 s 108 are each amended
10 to read as follows:

11 A service provider receiving reimbursement or funding under an
12 approved plan must:

13 (1) Provide covered services for covered materials included on
14 the statewide collection lists, covered services for a refill system,
15 or covered services for reusable covered materials, as applicable to
16 the services offered by and service area of the service provider;

17 (2) Register annually with the department;

18 (3) Submit invoices to the producer responsibility organization
19 for reimbursement for services rendered;

20 (4) Meet performance standards established in an approved plan;

21 (5) Ensure that covered materials are sent to responsible
22 markets;

23 (6) Provide documentation to the producer responsibility
24 organization of the amounts, covered material types, and volumes of
25 covered materials by covered service method;

26 (7) Display the service provider's price, minus the reimbursement
27 from the producer responsibility organization and any incentive
28 payments from the recycling refund producer responsibility
29 organization under section 107(12) of this act, when invoicing
30 customers and, in delivering curbside collection services, pass on
31 the applicable portion of the reimbursement and incentive payment,
32 through solid waste rate reductions or credits, to all customers
33 receiving curbside collection services eligible for reimbursement;
34 and

35 (8) Comply with all other applicable requirements of this
36 chapter.

37 **Sec. 204.** RCW 70A.208.210 and 2025 c 316 s 121 are each amended
38 to read as follows:

1 (1) (a) By January 1, 2028, the department must contract with an
2 independent consultant to carry out a one-time ex-ante analysis of
3 each draft plan submitted to the department by October 1, 2028, that
4 addresses:

5 (i) The impact of the proposed program on the consumer prices of
6 covered materials and items sold with covered materials; and

7 (ii) The impacts of the proposed program on environmental
8 justice, as defined in RCW 70A.02.010, and on the availability and
9 convenience of recycling, composting, and reuse services, including
10 specific analysis of the availability and convenience of recycling,
11 composting, and reuse services used by socially vulnerable
12 populations and in overburdened communities (~~;~~ and

13 ~~(iii) Whether and how a beverage container deposit return program~~
14 ~~could be established as a complement to the proposed plan, and~~
15 ~~designed in a manner that would improve on the performance targets~~
16 ~~and program outcomes proposed in the plan and in a manner that would~~
17 ~~improve accessibility and convenience to recycling options for~~
18 ~~beverage containers)).~~

19 (b) The analysis must be informed by input from stakeholders and
20 informed by experience from other jurisdictions.

21 (c) The analysis must be completed and submitted to the
22 department by January 15, 2029.

23 (d) The department's contract with the independent consultant
24 must allow the consultant to begin its analysis prior to the
25 submission of the draft plan on October 1, 2028. The department must
26 require a producer responsibility organization to cooperate and share
27 information with the independent consultant hired by the department
28 to facilitate the consultant being able to complete its analysis in
29 time to allow for consideration by the 2029 legislature.

30 (e) The department must notify the appropriate committees of the
31 legislature upon the completion of the analysis under this subsection
32 (1).

33 (2) By September 1, 2038, the department must contract with an
34 independent consultant to analyze the impacts of the initial seven
35 years of program implementation and must submit a report summarizing
36 the analysis to the appropriate committees of the legislature. The
37 analysis must include the effects of the program on:

38 (a) Solid waste, composting, or recycling costs;

39 (b) Recycling rates, reuse rates, postconsumer recycled content
40 rates, source reduction rates, and composting rates; and

1 (c) The availability and convenience of recycling, composting,
2 and reuse services, including specific analysis of the availability
3 and convenience of recycling, composting, and reuse services used by
4 socially vulnerable populations.

5 (3) (a) The independent consultant, for purposes of the
6 independent review of the program carried out under this section, may
7 review:

8 (i) Information submitted to the department under RCW
9 70A.208.200; and

10 (ii) Producer or producer responsibility organization data or
11 information pertinent to the program.

12 (b) The independent consultant must treat confidential records in
13 a manner consistent with the department's policy under RCW
14 70A.208.220.

15 (4) To the extent that sufficient state-level data is not
16 available to complete the analyses required in subsection (2) of this
17 section, the independent consultant may review data or studies from
18 states with similar programs.

19 **Sec. 205.** RCW 70A.208.240 and 2025 c 316 s 124 are each amended
20 to read as follows:

21 (1) The department shall contract with an independent consultant
22 to conduct two studies on the potential statewide impacts of a
23 recycling refunds program, also known as a beverage container deposit
24 return system, in Washington state. The studies must prioritize
25 equity, accessibility, and community perspectives.

26 (2) The consultant, in coordination with the department, shall
27 lead a community engagement process in at least three geographically
28 diverse areas of the state with a high concentration of socially
29 vulnerable or overburdened populations, as identified by the
30 department consistent with RCW 70A.02.010. The results of this
31 engagement process must be submitted to the legislature by January 1,
32 2027. The engagement process must:

33 (a) Solicit input on access to recycling and redemption services,
34 local infrastructure needs, and community priorities related to
35 convenience and equity;

36 (b) Assess consumer sentiment, awareness, and perceptions of a
37 recycling refunds program, including perceived benefits, barriers to
38 participation, and potential economic impacts, particularly for low-
39 income households;

1 (c) Include:

2 (i) Community input sessions in overburdened communities;

3 (ii) Outreach to local governments, tribal governments,

4 environmental justice and equity organizations, producers, recycling

5 system operators, and other relevant stakeholders; and

6 (iii) Engagement with individuals and organizations concerned

7 about the economic impacts of a recycling refunds program,

8 particularly on low-income consumers; and

9 (d) Develop recommendations to ensure that a recycling refunds

10 program is equitably accessible, convenient, and responsive to

11 community needs across all regions of the state.

12 (3) In the same three regions required to be identified under

13 subsection (2) of this section, the consultant shall evaluate and

14 model what convenient access to redemption services would look like,

15 with respect to the types of express and full-service redemption

16 sites. The results of this engagement process must be submitted to

17 the legislature by January 1, 2026. This analysis must at a minimum

18 consider:

19 (a) The availability of suitable infrastructure for redemption

20 services that include reusable packaging;

21 (b) Accessibility via public transportation;

22 (c) Colocation opportunities with existing waste or recycling

23 facilities; and

24 (d) Strategies to reduce transportation burdens on residents in

25 rural, remote, and underserved communities.

26 (4) The department shall submit the consultant's findings and

27 recommendations to the appropriate committees of the house of

28 representatives and the senate by January 1, 2026, for the study

29 completed in subsection (3) of this section and January 1, 2027, for

30 the study completed in subsection (2) of this section.

31 (5) Registered producer responsibility organizations under RCW

32 70A.208.030 are responsible for payment of the department's cost to

33 complete these studies as part of the one-time payment due to the

34 department on September 1, 2026, under RCW 70A.208.030(4). No later

35 than 60 days after the initial deadline for registration with the

36 department applicable to recycling refund producer responsibility

37 organizations under chapter 70A.--- RCW (the new chapter created in

38 section 402 of this act), each registered recycling refund producer

39 responsibility organization must reimburse each producer

1 responsibility organization that paid for the department's costs to
2 complete these studies under this section.

3 **Sec. 206.** RCW 70A.208.270 and 2025 c 316 s 127 are each amended
4 to read as follows:

5 (1) The department must periodically assess the availability of,
6 and methodology used by, the United States centers for disease
7 control and the agency for toxic substances and disease registry's
8 social vulnerability index, as compared to how it existed as of
9 January 1, 2025.

10 (2) If the department determines that the social vulnerability
11 index is no longer available in substantially the same form as it
12 existed on January 1, 2025, the department must notify each
13 registered producer responsibility organization that for purposes of
14 the identification of socially vulnerable populations under this
15 chapter and each recycling refund producer responsibility
16 organization that for purposes of the identification of socially
17 vulnerable populations under chapter 70A.--- RCW (the new chapter
18 created in section 402 of this act), the department (~~and~~), producer
19 responsibility organizations, and recycling refund producer
20 responsibility organizations are no longer required to reference the
21 United States centers for disease control and the agency for toxic
22 substances and disease registry's social vulnerability index.
23 Instead, the department, registered recycling refund producer
24 responsibility organizations, and registered producer responsibility
25 organizations must reference the alternative populations specified in
26 subsection (3) of this section.

27 (3) (a) Until such time as a rule is adopted under (b) of this
28 subsection, the department, registered recycling refund producer
29 responsibility organizations, and registered producer responsibility
30 organizations must, for purposes of identifying socially vulnerable
31 populations, identify as socially vulnerable populations those
32 communities ranked as an eight or higher on the environmental health
33 disparities map developed under RCW 43.70.815.

34 (b) After making a determination under subsection (2) of this
35 section, by rule the department may, but is not required to, adopt an
36 alternative methodology for the identification of socially vulnerable
37 populations to replace the reference to the United States centers for
38 disease control and the agency for toxic substances and disease
39 registry's social vulnerability index. A rule adopted under this

1 subsection may, but is not required to, rely in whole or in part on
2 the environmental health disparities map developed by the department
3 of health under RCW 43.70.815.

4 NEW SECTION. **Sec. 207.** A new section is added to chapter
5 70A.208 RCW to read as follows:

6 (1) Consistent with sections 105 and 108 of this act, each
7 registered producer responsibility organization must submit a
8 coordination plan that meets the requirements of chapter 70A.--- RCW
9 (the new chapter created in section 402 of this act) to the
10 department for approval.

11 (2) Consistent with section 105 of this act, each registered
12 producer responsibility organization must transfer funds related to
13 the start-up costs of the recycling refund producer responsibility
14 organization program through May 1, 2027, under chapter 70A.--- RCW
15 (the new chapter created in section 402 of this act) to the
16 department no later than September 1, 2026. Each registered producer
17 responsibility organization must be repaid by a recycling refund
18 producer responsibility organization consistent with section 104 of
19 this act.

20 (3) By December 1, 2027, the department must complete and publish
21 on its website the feasibility analysis described in this section.

22 (a) The purpose of the feasibility analysis is to:

23 (i) Identify options to improve the convenience experienced by
24 consumers with unwanted products or packaging covered by state
25 product stewardship, extended producer responsibility, and similar
26 takeback programs, by harmonizing or establishing a system of common
27 or centralized takeback centers or depots for consumers; and

28 (ii) Consider the viability, costs, and tradeoffs associated with
29 each option that might lead to improved outcomes for consumers and
30 improved end-of-life management outcomes for covered unwanted
31 products.

32 (b) The department of ecology must deliver policy recommendations
33 to the legislature by December 1, 2027.

34 (4) The department of ecology must consult with the department of
35 health for purposes of considering the potential for integration of
36 collection infrastructure under chapter 69.48 RCW with the collection
37 infrastructure of other state programs.

38 (5) The feasibility analysis required under this section must:

1 (a) Be conducted by an independent third party selected by the
2 department;

3 (b) Consider the following:

4 (i) Existing common collection infrastructure models used by
5 other jurisdictions;

6 (ii) Existing voluntary and contractually established collection
7 infrastructure currently used to collect unwanted products and
8 packaging in Washington; and

9 (iii) Options to deploy curbside collection systems for the
10 specialized collection of products;

11 (c) Include policy recommendations to the legislature to improve
12 consumer convenience and improve environmental end-of-life management
13 outcomes for any combination of products and packaging covered by
14 extended producer responsibility programs, takeback programs, or
15 product stewardship programs;

16 (i) The policy recommendations must consider:

17 (A) Beverage containers covered under chapter 70A.--- RCW (the
18 new chapter created in section 402 of this act);

19 (B) Covered products under this chapter;

20 (C) Covered drugs under chapter 69.48 RCW;

21 (D) Covered electronic products under chapter 70A.500 RCW;

22 (E) Mercury-containing lights under chapter 70A.505 RCW;

23 (F) Photovoltaic modules under chapter 70A.510 RCW;

24 (G) Batteries under chapter 70A.555 RCW; and

25 (H) Architectural paint under chapter 70A.515 RCW.

26 (ii) Any policy recommendations for changes to the collection of
27 products covered by programs identified in (c)(i) of this subsection
28 should consider:

29 (A) Whether and how to amend convenience standards established
30 under each program, including the types of curbside, drop off, event,
31 and public and private infrastructure that serves as collection
32 infrastructure; and

33 (B) Whether and how to specify that producers of products covered
34 by programs recommended for inclusion in the creation of a common
35 collection system be required to fund the establishment of the common
36 collection infrastructure; and

37 (d) Include an opportunity for public input on the feasibility
38 study and on any draft recommendations.

1 (3) The sale of products for resale by a qualified grocery
2 distribution cooperative to customer-owners of the grocery
3 distribution cooperative. For the purposes of this section,
4 "qualified grocery distribution cooperative" and "customer-owner"
5 have the meanings given in RCW 82.04.298;

6 (4) The sale of food or beverages by retailers that are sold
7 solely for immediate consumption indoors at the seller's place of
8 business or at a deck or patio at the seller's place of business, or
9 indoors at an eating area that is contiguous to the seller's place of
10 business; or

11 (5) (a) The sale of prepared food or beverages by caterers where
12 the food or beverages are to be served for immediate consumption in
13 or on individual nonsingle use containers at premises occupied or
14 controlled by the customer.

15 (b) For the purposes of this subsection, the following
16 definitions apply:

17 (i) "Prepared food" has the same meaning as provided in RCW
18 82.08.0293.

19 (ii) "Nonsingle use container" means a receptacle for holding a
20 single individual's food or beverage that is designed to be used more
21 than once. Nonsingle use containers do not include pizza delivery
22 bags and similar insulated containers that do not directly contact
23 the food. Nonsingle use containers do not include plastic or paper
24 plates or other containers that are disposable.

25 (iii) "Caterer" means a person contracted to prepare food where
26 the final cooking or serving occurs at a location selected by the
27 customer.

28 (6) The charge for the refund value of covered beverage
29 containers as required under chapter 70A.--- RCW (the new chapter
30 created in section 402 of this act), if the charge is separately
31 stated on a receipt, invoice, or similar billing document given to
32 the purchaser.

33 **Sec. 303.** RCW 43.21B.110 and 2025 c 327 s 1, 2025 c 319 s 6,
34 2025 c 316 s 301, 2025 c 314 s 13, 2025 c 311 s 7, and 2025 c 58 s
35 1008 are each reenacted and amended to read as follows:

36 (1) The hearings board shall only have jurisdiction to hear and
37 decide appeals from the following decisions of the department, the
38 director, local conservation districts, the air pollution control
39 boards or authorities as established pursuant to chapter 70A.15 RCW,

1 local health departments, the department of natural resources, the
2 department of fish and wildlife, the parks and recreation commission,
3 and authorized public entities described in chapter 79.100 RCW:

4 (a) Civil penalties imposed pursuant to chapter 70A.230 RCW and
5 RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.205.740,
6 70A.205.280, 70A.205.545, 70A.355.070, 70A.430.070, 70A.500.260,
7 70A.505.100, 70A.505.110, 70A.530.040, 70A.350.070, 70A.515.060,
8 70A.245.040, 70A.245.050, 70A.245.070, 70A.245.080, 70A.245.130,
9 70A.245.140, 70A.65.200, 70A.455.090, 70A.535.180, 70A.550.030,
10 70A.555.110, 70A.560.020, 70A.208.230, 70A.565.030, section 124 of
11 this act, 76.04.205, 76.09.170, 77.55.440, 78.44.250, 88.46.090,
12 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

13 (b) Orders issued pursuant to RCW 18.104.043, 18.104.060,
14 18.104.130, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.15.4530,
15 70A.15.6010, 70A.205.740, 70A.205.280, 70A.214.140, 70A.300.120,
16 70A.350.070, 70A.245.020, 70A.65.200, 70A.535.180, 70A.505.100,
17 70A.555.110, 70A.560.020, 70A.208.230, 70A.565.030, section 124 of
18 this act, 86.16.020, 88.46.070, 90.03.665, 90.14.130, 90.46.250,
19 90.48.120, 90.48.240, 90.56.330, and 90.64.040.

20 (c) Except as provided in RCW 90.03.210(2), the issuance,
21 modification, or termination of any permit, certificate, or license
22 by the department or any air authority in the exercise of its
23 jurisdiction, including the issuance or termination of a waste
24 disposal permit, the denial of an application for a waste disposal
25 permit, the modification of the conditions or the terms of a waste
26 disposal permit, a decision to approve or deny a solid waste
27 management plan under RCW 70A.205.055, approval or denial of an
28 application for a beneficial use determination under RCW 70A.205.260,
29 an application for a change under RCW 90.03.383, or a permit to
30 distribute reclaimed water under RCW 90.46.220.

31 (d) Decisions of local health departments regarding the granting
32 or denial of solid waste permits pursuant to chapter 70A.205 RCW,
33 including appeals by the department as provided in RCW 70A.205.130.

34 (e) Decisions of local health departments regarding the issuance
35 and enforcement of permits to use or dispose of biosolids under RCW
36 70A.226.090.

37 (f) Decisions of the department regarding waste-derived
38 fertilizer or micronutrient fertilizer under RCW 15.54.820.

39 (g) Decisions of local conservation districts related to the
40 denial of approval or denial of certification of a dairy nutrient

1 management plan; conditions contained in a plan; application of any
2 dairy nutrient management practices, standards, methods, and
3 technologies to a particular dairy farm; and failure to adhere to the
4 plan review and approval timelines in RCW 90.64.026 as provided in
5 RCW 90.64.028.

6 (h) Any other decision by the department or an air authority
7 which pursuant to law must be decided as an adjudicative proceeding
8 under chapter 34.05 RCW.

9 (i) Decisions of the department of natural resources, the
10 department of fish and wildlife, and the department that are
11 reviewable under chapter 76.09 RCW, and the department of natural
12 resources' appeals of county, city, or town objections under RCW
13 76.09.050(7).

14 (j) Forest health hazard orders issued by the commissioner of
15 public lands under RCW 76.06.180.

16 (k) Decisions of the department of fish and wildlife to issue,
17 deny, condition, or modify a hydraulic project approval permit under
18 chapter 77.55 RCW, to issue a stop work order, to issue a notice to
19 comply, to issue a civil penalty, or to issue a notice of intent to
20 disapprove applications.

21 (l) Decisions of the department of natural resources that are
22 reviewable under RCW 78.44.270.

23 (m) Decisions of an authorized public entity under RCW 79.100.010
24 to take temporary possession or custody of a vessel or to contest the
25 amount of reimbursement owed that are reviewable by the hearings
26 board under RCW 79.100.120.

27 (n) Decisions of the department of ecology that are appealable
28 under RCW 70A.245.020 to set recycled minimum postconsumer content
29 for products or to temporarily exclude types of products in plastic
30 containers from minimum postconsumer recycled content requirements.

31 (o) Orders by the department of ecology under RCW 70A.455.080.

32 (p) Decisions by the department of ecology under RCW
33 70A.208.150(5) regarding a proposal by a producer responsibility
34 organization to count materials sent to an alternative recycling
35 facility towards recycling performance targets.

36 (q) Decisions of the department of natural resources under RCW
37 76.04.205.

38 (2) The following hearings shall not be conducted by the hearings
39 board:

1 (a) Hearings required by law to be conducted by the shorelines
2 hearings board pursuant to chapter 90.58 RCW, except where appeals to
3 the pollution control hearings board and appeals to the shorelines
4 hearings board have been consolidated pursuant to RCW 43.21B.340.

5 (b) Hearings conducted by the department pursuant to RCW
6 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100,
7 70A.15.3110, and 90.44.180.

8 (c) Appeals of decisions by the department under RCW 90.03.110
9 and 90.44.220.

10 (d) Hearings conducted by the department to adopt, modify, or
11 repeal rules.

12 (3) Review of rules and regulations adopted by the hearings board
13 shall be subject to review in accordance with the provisions of the
14 administrative procedure act, chapter 34.05 RCW.

15 **Sec. 304.** RCW 43.21B.300 and 2025 c 316 s 302 and 2025 c 58 s
16 3008 are each reenacted and amended to read as follows:

17 (1) Any civil penalty provided in RCW 18.104.155, 70A.15.3160,
18 70A.205.280, 70A.230.080, 70A.300.090, 70A.20.050, 70A.245.040,
19 70A.245.050, 70A.245.070, 70A.245.080, 70A.245.130, 70A.245.140,
20 70A.65.200, 70A.430.070, 70A.455.090, 70A.500.260, 70A.505.110,
21 70A.555.110, 70A.560.020, section 124 of this act, 70A.208.230,
22 70A.565.030, 86.16.081, 88.46.090, 90.03.600, 90.46.270, 90.48.144,
23 90.56.310, 90.56.330, and 90.64.102 and chapter 70A.355 RCW shall be
24 imposed by a notice in writing, either by certified mail with return
25 receipt requested or by personal service, to the person incurring the
26 penalty from the department or the local air authority, describing
27 the violation with reasonable particularity. For penalties issued by
28 local air authorities, within 30 days after the notice is received,
29 the person incurring the penalty may apply in writing to the
30 authority for the remission or mitigation of the penalty. Upon
31 receipt of the application, the authority may remit or mitigate the
32 penalty upon whatever terms the authority in its discretion deems
33 proper. The authority may ascertain the facts regarding all such
34 applications in such reasonable manner and under such rules as it may
35 deem proper and shall remit or mitigate the penalty only upon a
36 demonstration of extraordinary circumstances such as the presence of
37 information or factors not considered in setting the original
38 penalty.

1 (2) Any penalty imposed under this section may be appealed to the
2 pollution control hearings board in accordance with this chapter if
3 the appeal is filed with the hearings board and served on the
4 department or authority 30 days after the date of receipt by the
5 person penalized of the notice imposing the penalty or 30 days after
6 the date of receipt of the notice of disposition by a local air
7 authority of the application for relief from penalty.

8 (3) A penalty shall become due and payable on the later of:

9 (a) 30 days after receipt of the notice imposing the penalty;

10 (b) 30 days after receipt of the notice of disposition by a local
11 air authority on application for relief from penalty, if such an
12 application is made; or

13 (c) 30 days after receipt of the notice of decision of the
14 hearings board if the penalty is appealed.

15 (4) If the amount of any penalty is not paid to the department
16 within 30 days after it becomes due and payable, the attorney
17 general, upon request of the department, shall bring an action in the
18 name of the state of Washington in the superior court of Thurston
19 county, or of any county in which the violator does business, to
20 recover the penalty. If the amount of the penalty is not paid to the
21 authority within 30 days after it becomes due and payable, the
22 authority may bring an action to recover the penalty in the superior
23 court of the county of the authority's main office or of any county
24 in which the violator does business. In these actions, the procedures
25 and rules of evidence shall be the same as in an ordinary civil
26 action.

27 (5) All penalties recovered shall be paid into the state treasury
28 and credited to the general fund except the following:

29 (a) Penalties imposed pursuant to RCW 18.104.155 must be credited
30 to the reclamation account as provided in RCW 18.104.155(7);

31 (b) Penalties imposed pursuant to RCW 70A.15.3160 must be
32 disposed of pursuant to RCW 70A.15.3160;

33 (c) Penalties imposed pursuant to RCW 70A.230.080, 70A.300.090,
34 70A.430.070, 70A.555.110, 70A.560.020, and 70A.565.030 must be
35 credited to the model toxics control operating account created in RCW
36 70A.305.180;

37 (d) Penalties imposed pursuant to RCW 70A.245.040, 70A.245.050,
38 and chapter 70A.208 RCW must be credited to the recycling enhancement
39 account created in RCW 70A.245.100;

1 (e) Penalties imposed pursuant to RCW 70A.500.260 must be
2 deposited into the electronic products recycling account created in
3 RCW 70A.500.130;

4 (f) Penalties imposed pursuant to RCW 70A.65.200 must be credited
5 to the climate investment account created in RCW 70A.65.250;

6 (g) Penalties imposed pursuant to RCW 90.56.330 must be credited
7 to the coastal protection fund established in RCW 90.48.390; (~~and~~)

8 (h) Penalties imposed pursuant to RCW 70A.355.070 must be
9 credited to the underground storage tank account created in RCW
10 70A.355.090; and

11 (i) Penalties imposed pursuant to chapter 70A.--- RCW (the new
12 chapter created in section 402 of this act), which shall be credited
13 to the recycling enhancement account created in RCW 70A.245.100.

14 **Sec. 305.** RCW 70A.245.100 and 2025 c 316 s 306 are each amended
15 to read as follows:

16 The recycling enhancement account is created in the custody of
17 the state treasurer. All penalties collected by the department
18 pursuant to RCW 70A.245.040, 70A.245.050, section 124 of this act,
19 and 70A.208.230 must be deposited in the account. Only the director
20 of the department or the director's designee may authorize
21 expenditures from the account. The account is subject to the
22 allotment procedures under chapter 43.88 RCW, but an appropriation is
23 not required for expenditures. Expenditures from the account may be
24 used by the department only for providing grants to local governments
25 for the purpose of supporting local solid waste and financial
26 assistance programs.

27 NEW SECTION. **Sec. 306.** The provisions of RCW 82.32.805 and
28 82.32.808 do not apply to sections 301 and 302 of this act.

29 **PART IV**
30 **Miscellaneous**

31 NEW SECTION. **Sec. 401.** If any provision of this act or its
32 application to any person or circumstance is held invalid, the
33 remainder of the act or the application of the provision to other
34 persons or circumstances is not affected.

1 NEW SECTION. **Sec. 402.** Sections 101 through 125 of this act
2 constitute a new chapter in Title 70A RCW.

--- **END** ---