



103RD GENERAL ASSEMBLY

State of Illinois

2023 and 2024

HB2560

Introduced 2/15/2023, by Rep. Martin J. Moylan

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.990 new

Creates the Illinois Container Fee and Deposit Act. Provides for a deposit value of 10 cents to be paid by consumers on each beverage container sold in the State by a dealer for consumption. Provides that, upon the return to a dealer or person operating a redemption center, the dealer or redemption center shall pay the value of the deposit back to the consumer as a refund. Sets forth requirements for administration of the program. Provides certain exemptions to the program. Requires that the refund value be clearly indicated on all beverage containers sold in the State. Provides for the Environmental Protection Agency to certify redemption centers. Prohibits snap-top beverage containers. Provides that persons violating the Act shall be guilty of a Class C misdemeanor. Prohibits the manufacture of certain beverage containers. Prohibits the disposal of beverage containers at sanitary landfills. Provides that deposits not passed on to the consumer through bottle redemption shall be distributed as follows: 75% to the Agency for environmental and conservation-related programs and 25% to each distributor in proportion to the number of beverage containers sold by each distributor in the State. Amends the State Finance Act to create the Illinois Container Fee and Deposit Fund. Effective immediately.

LRB103 30880 CPF 57404 b

1 AN ACT concerning safety.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Illinois Container Fee and Deposit Act.

6 Section 5. Definitions. As used in this Act, unless the
7 context otherwise requires:

8 "Agency" means the Illinois Environmental Protection
9 Agency.

10 "Beverage" means (i) wine, alcoholic liquor, or beer as
11 defined in the Liquor Control Act of 1934 or (ii) mineral
12 water, tea, coffee, soda water, or similar carbonated soft
13 drinks, bottled water, juice, or other drinks in liquid form
14 intended for human consumption. "Beverage" does not include
15 products that are primarily derived from dairy.

16 "Beverage container" means any glass, plastic, aluminum,
17 or other metal can, bottle, jar, or carton, in which the
18 bottler or the manufacturer has sealed a beverage.

19 "Consumer" means a person who purchases or acquires a
20 beverage in a beverage container for the use of its contents.

21 "Dealer" means a person who sells or offers for sale to
22 consumers within this State a beverage in a beverage
23 container, including an operator of a vending machine

1 containing a beverage in a beverage container.

2 "Dealer agent" means a person who solicits or picks up
3 empty beverage containers from a dealer for the purpose of
4 returning the empty beverage containers to the distributor or
5 the manufacturer.

6 "Director" means the Director of the Illinois
7 Environmental Protection Agency.

8 "Distributor" means a person who engages in the sale of
9 beverages in beverage containers to a dealer in the State,
10 including a manufacturer who engages in those sales.

11 "Geographic territory" means the geographical area within
12 a perimeter formed by the outermost boundaries of the area
13 served by a distributor.

14 "Illinois Container Fee and Deposit Fund" means a fund
15 created for the deposit and disbursement of all deposit and
16 redemption center fee moneys generated through the
17 administration of this Act.

18 "Manufacturer" means a person who bottles, cans, or
19 otherwise fills beverage containers for sale to distributors
20 or dealers.

21 "Nonrefillable beverage container" means a beverage
22 container that, after being used by a consumer, is not
23 intended to be refilled for sale by a manufacturer.

24 "Redemption center" means a business at which consumers
25 may return empty beverage containers and receive payment for
26 the refund value of the empty beverage containers.

1 Section 10. The Illinois Container Fee and Deposit Fund.
2 The Illinois Container Fee and Deposit Fund is created as a
3 special fund in the State treasury. All moneys retrieved
4 through the administration of this Act shall be deposited into
5 the Fund and administered by the Agency. Distributors shall
6 submit via deposit to the Fund the deposit and redemption
7 center fee moneys from the beverage containers they sell in
8 this State. The Fund shall then be used to distribute these
9 moneys to redemption centers in accordance with the rules
10 adopted for administration of this Act.

11 Section 15. Deposit values.

12 (a) A deposit value of 10 cents shall be paid by the
13 consumer on each beverage container sold in the State by a
14 dealer for consumption. Upon the return to a dealer or person
15 operating a redemption center of the empty beverage container
16 upon which a deposit has been paid and the acceptance of the
17 empty beverage container by the dealer or the person operating
18 the redemption center, the dealer or redemption center must
19 refund the value of the deposit to the consumer.

20 (b) In addition to the deposit refund provided in
21 subsection (a), a dealer, dealer agent, or person operating a
22 redemption center who redeems empty beverage containers shall
23 be reimbursed by any distributor required to accept the empty
24 beverage containers a value of 2-cents per container (the

1 "redemption center fee"). A dealer, dealer agent, or person
2 operating a redemption center may compact empty metal beverage
3 containers with the approval of the distributor required to
4 accept the containers.

5 Section 20. Payment of deposit value; notice to consumers.
6 Except as provided in Section 25:

7 (1) A dealer may not refuse to accept from a consumer
8 any empty beverage container of the kind, size, or brand
9 sold by the dealer or refuse to pay to the consumer the
10 deposit value of the beverage container as stated in
11 Section 15, provided that the beverage container is
12 returned to the dealer in an empty, unbroken, and
13 reasonably clean state.

14 (2) A dealer must place a sign or shelf label in close
15 proximity to any sales display of beverage containers to
16 inform consumers that containers are returnable. The sign
17 or label shall indicate the value of the deposit required
18 for each beverage container and that containers are
19 returnable.

20 (3) An operator of a vending machine that sells
21 containers shall post a conspicuous notice on the vending
22 machine indicating that a deposit refund is available on
23 each container purchased and indicating where and from
24 whom that refund may be obtained. This Section does not
25 require vending machine operators to provide refunds at

1 the premises where the vending machine is located.

2 (4) A dealer may limit the total number of beverage
3 containers that he or she will accept from one consumer on
4 any business day to 100 containers. The dealer may refuse
5 to accept containers for a period of not more than 3 hours
6 during any business day, provided that the hours during
7 which containers will not be accepted are conspicuously
8 posted.

9 (5) A distributor shall accept and pick up all empty
10 beverage containers of the kind, size, or brand sold by
11 the distributor from all dealers served by the distributor
12 and from all redemption centers. If the distributor
13 delivers the beverage product less frequently than weekly,
14 then the distributor shall accept and pick up any empty
15 beverage container of the kind, size, or brand sold by the
16 distributor at the time of that delivery. The distributor
17 shall pay to the dealer or the redemption center the
18 deposit refund value of the beverage container and the
19 redemption center fee as provided under Section 15 of this
20 Act either within one week following the pickup of the
21 containers or when the dealer or redemption center
22 normally pays the distributor for the deposit on beverage
23 products purchased from the distributor if less frequently
24 than weekly. A distributor, employee, or agent of a
25 distributor is not in violation of this paragraph if a
26 redemption center is closed when the distributor attempts

1 to make a regular delivery or a regular pickup of empty
2 beverage containers.

3 (6) A distributor shall accept from a dealer agent any
4 empty beverage container of the kind, size, or brand sold
5 by the distributor that was picked up by the dealer agent
6 from a dealer within the geographic territory served by
7 the distributor. The distributor shall pay the dealer
8 agent the deposit value of the empty beverage container
9 and the redemption center fee as provided in Section 15.

10 (7) The Agency shall adopt rules regulating the
11 recycling and disposal of empty beverage containers. The
12 rules shall give priority to the recycling of empty
13 beverage containers to the extent possible.

14 Section 25. Refusal to accept containers.

15 (a) A dealer, redemption center, distributor, or
16 manufacturer may refuse to accept any empty beverage container
17 that does not have stated on it a deposit value as provided
18 under Section 30.

19 (b) A dealer may refuse to accept any type of container
20 that the dealer has not sold within the past 60 days.

21 (c) A dealer may refuse to accept and to pay the refund
22 value of any empty beverage container if the place of business
23 of the dealer and the kind and brand of empty beverage
24 containers are included in an order of the Agency approving a
25 redemption center under Section 35.

1 (d) An owner or operator of an establishment who sells
2 beverages for consumption only on the premises may refuse to
3 accept and to pay the refund value on an empty alcoholic liquor
4 container except from a consumer who has purchased and
5 consumed the beverage at that establishment.

6 (e) A manufacturer or distributor may refuse to accept and
7 to pay the refund value and reimbursement as provided in
8 Section 25 on any empty beverage container that was picked up
9 by a dealer agent from a dealer outside the geographic
10 territory served by that manufacturer or distributor.

11 (f) A distributor may refuse to accept beverage containers
12 from any person who is not a dealer in a quantity of fewer than
13 300 containers of the type, size, or brand sold by the
14 distributor.

15 Section 30. Deposit value stated on container; exceptions.

16 (a) Each beverage container sold or offered for sale in
17 this State by a dealer shall clearly indicate by embossing or
18 by a stamp, label, or other method securely affixed to the
19 container the refund value of that container. The Agency shall
20 specify, by rule, the minimum size of the deposit value
21 indication on the beverage containers.

22 (b) A distributor shall not import into this State after
23 January 1, 2022 a beverage container that does not have the
24 deposit value indication securely affixed to the container.

25 (c) A person may not bring beverage containers into this

1 State after January 1, 2022 that do not have the deposit value
2 indication securely affixed unless for each occurrence:

3 (1) For beverage containers containing alcoholic
4 liquor as defined in the Liquor Control Act of 1934, the
5 total capacity of the container is not more than one quart
6 or, in the case of alcoholic liquor personally obtained
7 outside the United States, one gallon.

8 (2) For beverage containers containing beer as defined
9 in the Liquor Control Act of 1934, the total capacity of
10 the container is not more than 288 fluid ounces.

11 (3) For all other beverage containers, the total
12 capacity of the container is not more than 565 fluid
13 ounces.

14 (d) The provisions of subsections (a), (b), and (c) do not
15 apply to a refillable glass beverage container that has a
16 brand name permanently marked on it and that has a deposit
17 value of greater than 10 cents, to any other refillable
18 beverage container that has a deposit value of not less than 10
19 cents and that is exempted by the Director under rules adopted
20 by the Agency, or to a beverage container sold aboard a
21 commercial airliner or passenger train for consumption on the
22 premises.

23 Section 35. Redemption centers.

24 (a) To facilitate the return of empty beverage containers
25 and to serve dealers of beverages, any person may establish a

1 redemption center, subject to the approval of the Agency, at
2 which consumers may return empty beverage containers and
3 receive payment of the stated deposit value.

4 (b) An application for approval of a redemption center
5 shall be filed with the Agency. The application shall state
6 the name and address of the person responsible for the
7 establishment and operation of the redemption center, the kind
8 and brand names of the beverage containers that will be
9 accepted at the redemption center, and the names and addresses
10 of the dealers to be served by the redemption center. The
11 application shall contain any other information that the
12 Director may reasonably require.

13 (c) The Agency shall approve a redemption center if it
14 finds that the redemption center will provide a convenient
15 service to consumers for the return of empty beverage
16 containers. The order of the Agency approving a redemption
17 center shall state the dealers to be served by the redemption
18 center and the kind and brand names of empty beverage
19 containers that the redemption center must accept. The order
20 may contain such other provisions to ensure that the
21 redemption center will provide a convenient service to the
22 public as the Director may determine.

23 (d) The Agency may review the approval of any redemption
24 center at any time. After written notice to the person
25 responsible for the establishment and operation of the
26 redemption center, and to the dealers served by the redemption

1 center, the Agency may, after hearing, withdraw approval of
2 the redemption center if the Agency finds there has not been
3 compliance with the Agency's order approving the redemption
4 center, or if the redemption center no longer provides a
5 convenient service to the public.

6 (e) All approved redemption centers shall meet applicable
7 health standards.

8 Section 40. Snap-top cans prohibited. No person shall sell
9 or offer for sale at retail in this State any metal beverage
10 container so designed and constructed that a part of the
11 container is detachable in opening the container.

12 Section 45. Rules. The Agency shall adopt, upon
13 recommendation of the Director, the rules necessary to carry
14 out the provisions of this Act, subject to the provisions of
15 the Illinois Administrative Procedure Act.

16 Section 50. Appeals. Any person aggrieved by an order of
17 the Agency relating to the approval or withdrawal of approval
18 for a redemption center may seek judicial review of such order
19 as provided in the Administrative Review Law.

20 Section 55. Penalties.

21 (a) A person violating the provisions of Sections 15, 20,
22 25, or 40 or a rule adopted pursuant to Section 45 of this Act

1 is guilty of a Class C misdemeanor.

2 (b) A distributor who collects or attempts to collect a
3 deposit value on an empty beverage container when the
4 distributor has paid the deposit value on the container to a
5 dealer, redemption center, or consumer is guilty of a business
6 offense.

7 (c) Any person who does any of the following acts is guilty
8 of a business offense:

9 (1) Collects or attempts to collect the deposit value
10 on the container a second time, with the knowledge that
11 the deposit value has once been paid by the distributor to
12 a dealer, redemption center, or consumer.

13 (2) Manufactures, sells, possesses, or applies a false
14 or counterfeit label or indication to a beverage container
15 that shows or purports to show a deposit value for a
16 beverage container, with the intent to obtain a refund of
17 the deposit value for the false or counterfeit label or
18 indication.

19 (3) Collects or attempts to collect a deposit refund
20 value on a container with the use of a false or counterfeit
21 label or indication showing a deposit value, knowing the
22 label or indication to be false or counterfeit.

23 (d) As used in this Section, "false or counterfeit label
24 or indication" means a label or indication purporting to show
25 a valid deposit value that has not been initially applied as
26 authorized by a distributor.

1 Section 60. Distributor agreements authorized. A
2 distributor may enter into a contract or agreement with any
3 other distributor, manufacturer, or person for the purpose of
4 collecting or paying the deposit value on or disposing of
5 beverage containers.

6 Section 65. Redemption of refused nonrefillable metal
7 beverage containers.

8 (a) If the deposit value indication required under Section
9 30 on an empty nonrefillable metal beverage container is
10 readable but the redemption of the container is lawfully
11 refused by a dealer or person operating a redemption center,
12 the container shall be accepted and the deposit value paid to a
13 consumer as provided in this Section. Each beer distributor
14 selling nonrefillable metal beverage containers in this State
15 shall provide individually or collectively by contract or
16 agreement with a dealer, redemption center, or another person,
17 at least one facility in the county seat of each county where
18 refused empty nonrefillable metal beverage containers having a
19 readable deposit value indication as required by this Act are
20 accepted and redeemed. In counties having a population of
21 100,000 or more, the number of the facilities provided shall
22 be one facility for every 100,000 population or a fractional
23 part of that population.

24 (b) A beer distributor violating this Section is guilty of

1 a Class C misdemeanor.

2 Section 70. Plastic cans prohibited.

3 (a) Beginning on the effective date of this Act, a person
4 shall not manufacture, offer for sale, or sell any
5 single-serving beverage container that is a plastic can nor
6 offer for sale or sell any beverage packaged in a
7 single-serving plastic can. For the purposes of this Section,
8 "plastic can" means a beverage container that, in addition to
9 the closure mechanism, is composed of plastic and metal.

10 (b) A person violating this Section is guilty of a Class A
11 misdemeanor.

12 Section 75. Disposal at sanitary landfill prohibited.
13 Beginning one year after the effective date of this Act, the
14 final disposal of beverage containers by a dealer,
15 distributor, manufacturer, or a person operating a redemption
16 center in a sanitary landfill is prohibited. Beginning one
17 year after the effective date of this Act, the final disposal
18 of beverage containers used to contain alcoholic liquor, as
19 defined in the Liquor Control Act of 1934, by a dealer,
20 distributor, manufacturer, or redemption center in a sanitary
21 landfill is prohibited.

22 Section 80. Unclaimed deposits. All moneys deposited into
23 the Illinois Container Fee and Deposit Fund and not passed on

1 to the consumer through bottle redemption shall be used by the
2 Agency to administer this Act, with excess funds to be
3 disbursed by the Agency in the following manner:

4 (1) 75% to environmental and conservation-related
5 programs, as determined by the Agency; and

6 (2) 25% to each distributor, proportionally determined
7 by the amount of beverage containers each distributor has
8 sold in this State during the previous complete period
9 from January 1 to December 30 after the effective date of
10 this Act.

11 Section 85. Local powers. Nothing in this Act is intended
12 to limit the municipal or county power granted in the Solid
13 Waste Planning and Recycling Act to establish or operate a
14 recycling or redemption center.

15 Section 900. The State Finance Act is amended by adding
16 Section 5.990 as follows:

17 (30 ILCS 105/5.990 new)

18 Sec. 5.990. The Illinois Container Fee and Deposit Fund.

19 Section 999. Effective date. This Act takes effect upon
20 becoming law.