

HB250 INTRODUCED



1 HB250
2 1UMVZZ3-1
3 By Representative Robbins
4 RFD: Economic Development and Tourism
5 First Read: 27-Feb-24



4 SYNOPSIS:

5 Under existing law there is no provision for the
6 issuance of credits for sale or transfer among persons
7 who use recyclable materials to produce a product or an
8 energy source and persons seeking to redeem credits in
9 order to offset their solid waste disposal costs.

10 This bill would authorize the Alabama Department
11 of Environmental Management to issue recycle credits to
12 persons using recyclable materials diverted from the
13 solid waste stream in order to produce a new product or
14 an energy source and allow the credits to be sold and
15 traded to persons seeking to offset the cost of solid
16 waste disposal at public or private landfills in the
17 state.

18 This bill would provide the department with the
19 authority to establish rules and distribute funds
20 collected from certain fees and penalties and to
21 provide oversight of the program.

22 This bill would also establish a civil penalty
23 for fraud related to the transfer of recycle credits
24 and for falsifying recycle credit certificates.

27 A BILL

28 TO BE ENTITLED



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AN ACT

Relating to recyclable materials; to authorize the Alabama Department of Environmental Management to establish a recycle credit program for the issuance, sale, or transfer of recycle credits; and to establish civil penalties for violation of certain provisions of this act.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. (a) As used in this section, the following terms have the following meanings:

(1) DEPARTMENT. The Alabama Department of Environmental Management.

(2) RECYCLABLE MATERIALS. Recyclable materials, as defined in Section 22-27-2, Code of Alabama 1975.

(3) RECYCLE CREDIT. A transferable credit initially issued by the department to a recycler for every ton of recyclable materials used by a recycler to produce a new product or an energy source.

(4) RECYCLE CREDIT CERTIFICATE. A certificate evidencing the owner, quantity, and acquisition date of a specified number of recycle credits.

(5) RECYCLE CREDIT MARKET. An open market for the transfer of recycle credits.

(6) RECYCLER. The initial owner of a recycle credit issued by the department.

(7) TRANSFER. The change of ownership of a recycle credit from one person to another, whether in exchange for money or otherwise.



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57 (b) The department shall issue recycle credits
58 following receipt of an application on a form established by
59 the department evidencing that an applicant used at least one
60 ton of recyclable materials to create a new product or an
61 energy source.

62 (c) A recycle credit expires on either the third
63 anniversary of the date it was issued or the date it is
64 transferred to the department by the operator of a public or
65 private solid waste disposal facility in the state, whichever
66 occurs first.

67 (d) (1) The price of a recycle credit shall be
68 determined by a written agreement between the transferor and
69 transferee. The department shall establish the form of
70 agreement.

71 (2) A recycle credit may be transferred to any person
72 who desires to acquire the credit.

73 (3) The owner of a recycle credit may transfer a
74 recycle credit on the recycle credit market, or use the
75 recycle credit as payment to an operator of a public or
76 private solid waste disposal facility located in the state to
77 offset its solid waste disposal fees.

78 (e) (1) The department shall adopt rules and administer
79 all recycle credit transactions.

80 (2) The department may not issue recycle credits and
81 corresponding recycle credit certificates of more than 50
82 million credits or certificates per calendar year.

83 (3) A transfer of a recycle credit is not valid unless,
84 within 30 days following the transaction, the transferee has



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85 registered the transaction with the department by filing a
86 registration form accompanied by a registration fee. The
87 registration form and the registration fee shall be
88 established by the department.

89 (f) A person may not falsify a recycle credit
90 certificate or fraudulently transfer a recycle credit or a
91 recycle credit certificate. The department may impose a civil
92 penalty not to exceed one thousand dollars (\$1,000) for each
93 violation of this subsection.

94 (g) The department shall transfer all funds collected
95 from registration fees and civil penalties under this section
96 each month as follows:

97 (1) Forty percent shall be paid to the Solid Waste
98 Program.

99 (2) Forty percent shall be paid to the Recycle Credits
100 Program.

101 (3) Twenty percent shall be paid to the Recycling Fund.

102 Section 2. This act shall become effective on October
103 1, 2024.