

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

H.B. 230
Mar 4, 2021
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40114-CC-2

Short Title: NC Managing Environmental Waste Act of 2021.

(Public)

Sponsors: Representative Warren.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ESTABLISH THE "NC MANAGING ENVIRONMENTAL WASTE ACT OF
3 2021" TO ADDRESS THE ISSUE OF PLASTICS WASTE BY, AMONG OTHER
4 MEASURES, INCREASING REVENUE DISTRIBUTED TO CITIES AND COUNTIES
5 WITH PROGRAMS TO REDUCE PLASTICS WASTE, ESTABLISHING A PILOT
6 PROGRAM TO REDUCE PLASTICS WASTE AT STATE-OPERATED FOOD SERVICE
7 FACILITIES, AND DIRECTING THE JOINT LEGISLATIVE OVERSIGHT
8 COMMITTEE ON AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES
9 TO STUDY THE ISSUE OF PLASTICS WASTE.

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** G.S. 105-187.63 reads as rewritten:

12 "**§ 105-187.63. Use of tax proceeds.**

13 From the taxes received pursuant to this Article, the Secretary may retain the costs of
14 collection, not to exceed two hundred twenty-five thousand dollars (\$225,000) a year, as
15 reimbursement to the Department. The Secretary must credit or distribute taxes received pursuant
16 to this Article, less the cost of collection, on a quarterly basis as follows:

- 17 (1) Fifty percent (50%) to the Inactive Hazardous Sites Cleanup Fund established
18 by G.S. 130A-310.11.
19 (2) Thirty-seven and one half percent (37.5%) to cities and counties in the State
20 on a per capita basis, using the most recent annual estimate of population
21 certified by the State Budget Officer. One-half of this amount must be
22 distributed to cities, and one-half of this amount must be distributed to
23 counties. For purposes of this distribution, the population of a county does not
24 include the population of a city located in the county.

25 A city or county is excluded from the distribution under this subdivision
26 if it does not provide solid waste management programs and services and is
27 not responsible by contract for payment for these programs and services. The
28 Department of Environmental Quality must provide the Secretary with a list
29 of the cities and counties that are excluded under this subdivision. The list
30 must be provided by May 15 of each year and applies to distributions made in
31 the fiscal year that begins on July 1 of that year.

32 Funds distributed under this subdivision must be used by a city or county
33 solely for solid waste management programs and services.

- 34 (2a) Five percent (5%) to cities and counties in the State that provide plastics
35 recycling services within their jurisdictions. Funds distributed to cities and
36 counties pursuant to this subdivision shall be distributed on a per capita basis.



1 using the most recent annual estimate of population certified by the State
2 Budget Officer. One-half of this amount must be distributed to cities eligible
3 under this subdivision, and one-half of this amount must be distributed to
4 counties eligible under this subdivision. For purposes of this distribution, the
5 population of a county does not include the population of a city located in the
6 county.

7 The Department of Environmental Quality must provide the Secretary
8 with a list of the cities and counties that are eligible under this subdivision.
9 The list must be provided by May 15 of each year and applies to distributions
10 made in the fiscal year that begins on July 1 of that year.

11 Funds distributed under this subdivision must be used by a city or county
12 solely for plastics recycling and food service ware waste reduction programs
13 and services, including for the procurement of alternatives to food service
14 ware to be used by the city or county.

15 For purposes of this subdivision, the term "food service ware" means
16 noncompostable products used by a food provider that are designed for
17 one-time use for serving or transporting prepared, ready-to-consume food or
18 beverages, including plates, cups, bowls, trays, utensils, straws, cup lids, and
19 hinged or lidded containers.

20 (3) Twelve and one-half percent (12.5%) ~~Seven and one-half percent (7.5%)~~ to
21 the General Fund."

22 **SECTION 2.(a)** G.S. 143-58.2 reads as rewritten:

23 **"§ 143-58.2. State policy; bid procedures and specifications; identification of products.**

24 ...

25 (d) The Department of Administration, in cooperation with the Division of ~~Pollution~~
26 ~~Prevention and Environmental Assistance and Customer Service~~ of the Department of
27 ~~Environment and Natural Resources, Environmental Quality,~~ shall identify materials and
28 supplies with recycled content that meet appropriate standards for use by State departments,
29 institutions, agencies, community colleges, and local school administrative units.

30 ...

31 (i) On or before October 1 of each year, each State department, institution, agency,
32 community college, and local school administrative unit authorized to purchase materials and
33 supplies shall report to the Division of Environmental Assistance and Customer Service of the
34 Department of Environmental Quality the amounts and types of materials and supplies with
35 recycled content that were purchased during the previous fiscal year and its progress toward
36 reaching the goals under G.S. 143-58.3."

37 **SECTION 2.(b)** G.S. 130A-309.14 is amended by adding a new subsection to read:

38 "(n) On or before October 1 of each year, each State department, institution, agency,
39 community college, and local school administrative unit shall report to the Division of
40 Environmental Assistance and Customer Service of the Department of Environmental Quality
41 the amounts and types of materials collected for recycling within the department, institution,
42 agency, community college, and local school administrative unit."

43 **SECTION 2.(c)** G.S. 130A-309.06(c) reads as rewritten:

44 "(c) The Department shall report to the Environmental Review ~~Commission~~ Commission,
45 the Joint Legislative Commission on Governmental Operations, and the Fiscal Research Division
46 on or before April 15 of each year on the status of solid waste management efforts in the State.
47 The report shall include:

48 ...

49 (21) A summary of the reports by each State department, institution, agency,
50 community college, and local school administrative unit authorized to
51 purchase materials and supplies detailing the amounts and types of materials

1 and supplies with recycled content that were purchased during the previous
2 fiscal year and the progress toward reaching the goals under G.S. 143-58.3,
3 as required by G.S. 143-58.2(i).

4 (22) A summary of the reports by each State department, institution, agency,
5 community college, and local school administrative unit detailing the
6 amounts and types of materials collected for recycling during the previous
7 fiscal year within the department, institution, agency, community college,
8 and local school administrative unit, as required by G.S. 130A-309.14(n)."

9 **SECTION 3.** The Joint Legislative Oversight Committee on Agriculture and Natural
10 and Economic Resources shall study the issue of food service ware. In conducting this study, the
11 Commission shall examine all of the following matters:

- 12 (1) The environmental impacts of plastics pollution.
- 13 (2) The State's current requirements for plastics recycling.
- 14 (3) Estimates of the proportionate volume of plastics recycled versus plastics
15 disposed of in landfills in the State.
- 16 (4) Recycling markets and available information on the fate of plastics collected
17 for recycling in the State, including data on plastics used as feedstock for
18 in-State recycling and national and international markets.
- 19 (5) Pending and enacted legislation in other states to regulate food service ware,
20 including bans on specific types of food service ware.
- 21 (6) The impact that bans on specific types of food service ware have had on people
22 with disabilities.
- 23 (7) Current private sector initiatives to reduce plastics pollution and additional
24 financial and market tools that may be employed by private sector interests
25 for this purpose.
- 26 (8) Alternatives to use of food service ware for serving or transporting food and
27 beverages.
- 28 (9) New technologies for plastics recycling and waste reduction.
- 29 (10) Any other issue the Committee deems relevant.

30 In conducting the study, the Committee shall consult with stakeholders, including the
31 Department of Environmental Quality, the Department of Health and Human Services, the
32 Department of Administration, representatives of the environmental community, the North
33 Carolina Retail Merchants Association, and the North Carolina Beverage Association. The Joint
34 Legislative Oversight Committee on Agriculture and Natural and Economic Resources shall
35 report its findings and recommendations, including any legislative proposals, to the 2022 Regular
36 Session of the 2021 General Assembly upon its convening.

37 **SECTION 4.(a)** The Legislative Services Officer shall evaluate all opportunities to
38 reduce the use of food service ware in food establishments operated by the General Assembly
39 and implement such measures at the earliest date that (i) does not result in disposal prior to use
40 of food service ware already procured on the date this act becomes law and (ii) does not impair
41 contracts for purchase of such food service ware in effect on the date this act becomes law. The
42 Legislative Services Officer shall issue a preliminary report on implementation of the
43 requirements of this section to the Environmental Review Commission no later than September
44 1, 2021, and shall provide a final report to the Commission no later than March 1, 2022.

45 **SECTION 4.(b)** The Division of Services for the Blind, within the Department of
46 Health and Human Services, shall implement a pilot program to eliminate the sale or provision
47 of food or beverages for consumption on or off the premises, in or with food service ware at State
48 agencies or agencies of a political subdivision of the State that is using State funds. In
49 implementing this pilot, the Division shall identify five food service establishments operated by
50 the Division to implement measures to eliminate food service ware at the earliest possible date
51 that (i) does not result in disposal prior to use of food service ware already procured by the agency

1 on the date this act becomes law and (ii) does not impair contracts for purchase of such food
2 service ware in effect on the date this act becomes law. The Division shall issue a preliminary
3 report on implementation of the requirements of this section to the Environmental Review
4 Commission no later than September 1, 2021, and shall provide a final report to the Commission
5 no later than March 1, 2022.

6 **SECTION 5.** For purposes of Sections 3 and 4 of this act, the term "food service
7 ware" means noncompostable products used by a food provider that are designed for one-time
8 use for serving or transporting prepared, ready-to-consume food or beverages, including plates,
9 cups, bowls, trays, utensils, straws, cup lids, and hinged or lidded containers.

10 **SECTION 6.** Section 1 of this act becomes effective July 1, 2022. The remainder of
11 this act is effective when it becomes law.