

1 HOUSE JOINT RESOLUTION NO. 448
 2 AMENDMENT IN THE NATURE OF A SUBSTITUTE
 3 (Proposed by the House Committee on Rules)
 4 on)
 5 (Patron Prior to Substitute—Delegate Krizek)

6 *Requesting the Department of Environmental Quality to study tax policy options for reforming the litter tax.*
 7 *Report.*

8 on _____)

9 WHEREAS, the Commonwealth's litter tax has benefited Virginians for decades; and

10 WHEREAS, the production of plastic has grown by more than 744 percent since the litter tax was enacted
 11 ; and

12 WHEREAS, according to a study performed by Clean Virginia Waterways, the Virginia litter tax
 13 generates the lowest revenue per capita of any state using a litter tax system; and

14 WHEREAS, modernization of the litter tax could better promote recycling, reduce landfill waste, and
 15 advance environmental stewardship; and

16 WHEREAS, it is appropriate to perform a full review of the application and utilization of the litter tax to
 17 assess how it meets current and anticipated needs; now, therefore, be it

18 RESOLVED by the House of Delegates, the Senate concurring, That the Department of Environmental
 19 Quality be requested to study tax policy options for reforming the litter tax. Such study shall review how the
 20 litter tax could better promote recycling, reduce landfill waste, and advance environmental stewardship in the
 21 Commonwealth.

22 In conducting its study, the Department of Environmental Quality (the Department) shall (i) conduct an
 23 analysis of the Commonwealth's current solid waste streams, including solid waste generated by jurisdiction,
 24 by type, and by material, and the disposal methods by material and amount, with the costs and revenues for
 25 such solid waste disposal programs; (ii) conduct an analysis of the Commonwealth's current recycling
 26 streams, including (a) recycling materials and amounts processed by jurisdiction; (b) processing methods by
 27 material and amount; (c) the associated revenues and costs for recycling programs; (d) estimated amounts of
 28 recyclable materials not currently being recycled; (e) current recycling infrastructure capacity, need, and
 29 costs; (f) access and availability to recycling throughout the Commonwealth; (g) the collection, hauling, and
 30 composting of materials within the Commonwealth; and (h) the processing or composting of recyclable

31 materials in the Commonwealth; (iii) conduct an analysis of market conditions and other opportunities for
32 increasing recycling in the Commonwealth, including (a) coordination between local governments, consumer
33 education regarding recycling, and organics recycling and contamination recycling; (b) opportunities in the
34 recycling system for women and minorities; (c) worker conditions, wages, and benefits; and (d) reuse and
35 organics recycling infrastructure; (iv) conduct an analysis of the economic opportunities in the
36 Commonwealth's recycling system, including (a) revenue lost by the Commonwealth and localities when
37 materials are not recycled, (b) opportunities to increase employment in the recycling industry by material
38 type and the current jobs associated with the solid waste and recycling industries, (c) business opportunities
39 and barriers associated with recycling, (d) barriers to increasing use of recyclables as feedstock of principal
40 processors and manufacturers and means of eliminating those barriers, (e) incentives for stimulating job
41 growth and business opportunities in the recycling industry, (f) methods for improving equitable outcomes
42 for underserved populations within the recycling system, and (g) the efficacy of the current litter tax; (v)
43 develop options for implementing an additional cigarette litter abatement fee to compensate for the frequent
44 occurrence of cigarette litter; and (vi) consider creating litter tax exemptions for small businesses. In
45 conducting this study, the Department shall utilize an independent, trained facilitator and ensure that a
46 representative of an organization that is a recipient of the litter tax and a member of the Litter Control and
47 Recycling Fund Advisory Board established pursuant to § 10.1-1422.02 of the Code of Virginia are included
48 as members of the study. The Department shall provide study members with at least two weeks' notice of the
49 agenda and background materials for all meetings. Any policy recommended in the final report shall pass by
50 a motion with a recorded vote, and dissenting views may be included in such report.

51 Technical assistance shall be provided to the Department by the Department of Taxation and the
52 Department of Planning and Budget. All agencies of the Commonwealth shall provide assistance to the
53 Department for this study, upon request.

54 The Department shall complete its meetings for the first year by November 30, 2025, and for the second
55 year by November 30, 2026, and the Department shall submit to the Governor and the General Assembly an
56 executive summary and report of its findings and recommendations for publication as a House or Senate
57 document for each year. The executive summaries and reports shall be submitted as provided in the
58 procedures of the Division of Legislative Automated Systems for the processing of legislative documents and
59 reports no later than the first day of the next Regular Session of the General Assembly and shall be posted on

60 the General Assembly's website.