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SENATE BILL NO. 684**AMENDMENT IN THE NATURE OF A SUBSTITUTE**

(Proposed by the Senate Committee on Agriculture, Conservation and Natural Resources
on February 3, 2026)

(Patron Prior to Substitute—Senator Head)

A *BILL* to amend the Code of Virginia by adding in Chapter 14 of Title 10.1 an article numbered 3.8, consisting of sections numbered 10.1-1425.40 through 10.1-1425.48, relating to Virginia Recycling Development Center and Virginia Recycling Infrastructure Fund established; voluntary stewardship programs; civil penalties; report.

Be it enacted by the General Assembly of Virginia:

1. That the Code of Virginia is amended by adding in Chapter 14 of Title 10.1 an article numbered 3.8, consisting of sections numbered 10.1-1425.40 through 10.1-1425.48, as follows:

Article 3.8.

Virginia Recycling Development Center.

§ 10.1-1425.40. Definitions.

As used in this article, unless the context requires a different meaning:

"Bulky waste" means large household items, including furniture, appliances, and other oversized discarded materials not suitable for standard waste collection systems.

"Center" means the Virginia Recycling Development Center established in § 10.1-1425.41.

"Director of the Center" means the Director of the Virginia Recycling Development Center established in § 10.1-1425.41.

"Fund" means the Virginia Recycling Infrastructure Fund established in § 10.1-1425.45.

"Priority materials" means (i) waste tires from vehicles, including passenger, truck, agricultural, construction, or industrial equipment tires; (ii) discarded mattresses and box springs; (iii) bulky waste and furniture; and (iv) other hard-to-recycle materials so designated by the Center.

"Program" means the Priority Materials Stewardship and Infrastructure Program established in § 10.1-1425.42.

"Public-private partnership" or "partnership" means a collaboration between one or more public bodies and one or more private entities to plan, develop, finance, construct, operate, or maintain recycling, reuse, or materials recovery infrastructure or programs.

"Voluntary stewardship organization" means a manufacturer, retailer, recycler, trade association, nonprofit entity, or other private-sector coalition that operates or participates in one or more voluntary stewardship programs.

"Voluntary stewardship program" means a privately led, nonregulatory initiative in which manufacturers, retailers, distributors, recyclers, or trade associations may choose to participate for the purpose of improving the collection, recycling, reuse, or end-market development of priority materials that may be operated by a voluntary stewardship organization or a coalition of such organizations.

"Waters of the Commonwealth" means all water, on the surface and under the ground, wholly or partially within or bordering the Commonwealth or within its jurisdiction, including wetlands, rivers, streams, lakes, groundwater, and tidal waters.

§ 10.1-1425.41. Virginia Recycling Development Center; Director; powers and duties.

A. There is hereby established the Virginia Recycling Development Center as a division within the Department.

B. The Director of the Center shall be appointed by the Governor to serve as the principal administrative officer of the Center. The Director of the Center shall serve a term of four years and shall be eligible for reappointment.

C. The Center shall (i) coordinate statewide recycling and materials management planning; (ii) support and expand local and regional recycling infrastructure; (iii) administer grants, loans, and technical assistance; (iv) facilitate public-private partnerships; and (v) increase recycling, recovery, reuse, and beneficial use of priority materials.

D. The Center shall have the following powers and duties:

1. By October 1, 2026, and every five years thereafter, develop and publish a statewide plan for the collection, storage, processing, recycling, reuse, and beneficial use of recyclable materials, including priority materials. Such plan shall include measurable waste diversion goals and shall seek to achieve a 75 percent reduction in disposal and stockpiling of waste tires and discarded mattresses by January 1, 2030;

2. Develop and publish guidance, model ordinances, procurement standards, operating procedures, and best practice manuals to assist local governments, regional authorities, and private entities in the safe and efficient management of recyclable and priority materials;

3. Review applicable U.S. Environmental Protection Agency regulations, guidance, and grant programs,

and identify federal funding opportunities to support implementation of this article;

4. Administer grants, loans, cost-share awards, loan guarantees, and technical assistance through the Fund to eligible applicants for the development, expansion, or operation of recycling and materials recovery infrastructure;

5. Facilitate, support, and participate in public-private partnerships to develop infrastructure and market capacity for recycling and beneficial use of priority materials;

6. Identify and support end-market development opportunities for materials recovered from priority materials, including rubberized asphalt, recovered steel, and textile fiber recycling and foam recovery;

7. Review, certify, and oversee voluntary stewardship programs and provide incentives for voluntary industry participation as provided in § 10.1-1425.44;

8. Promote the formation and operation of voluntary stewardship programs by providing outreach, convening stakeholders, and identifying opportunities for collaboration among manufacturers, retailers, recyclers, and localities;

9. Collect, analyze, and publish annual data on recycling rates, diversion of priority materials, infrastructure capacity, market development, program outcomes, and statewide trends;

10. Provide technical assistance to localities, recyclers, processors, voluntary stewardship organizations, institutions of higher education, state agencies, and public-private partnerships;

11. Assist state and local law-enforcement agencies in identifying illegal dumping sites for priority materials and coordinate cleanup and enforcement activities;

12. Review best practices, program models, and performance outcomes from voluntary and statutory stewardship programs in other states, and incorporate applicable practices into statewide planning, technical assistance, public-private partnerships, and voluntary stewardship program support. The Center shall prioritize practices that have demonstrated measurable improvements in recycling, cost-efficiency, market development, or reductions in illegal dumping; and

13. Evaluate the cost-effectiveness and return on investment of recycling and stewardship programs in the Commonwealth and other states, including analysis of consumer cost impacts, administrative efficiency, and lifecycle economic outcomes. The Center shall prioritize strategies that maximize environmental benefits while minimizing costs to consumers, private entities, and localities.

E. The Center shall ensure that statewide planning, grant distribution, and market development efforts prioritize localities with demonstrably high rates of illegal dumping, limited recycling access, or disproportionate impacts from inadequate recycling infrastructure, including low-income communities, rural localities, and historically marginalized communities.

F. The Center may develop nonbinding informational materials and technical assistance resources. However, no policy, standard, or requirement of the Center shall be enforceable unless adopted through regulations promulgated pursuant to § 10.1-1425.48. Guidance documents and technical assistance materials issued pursuant to this subsection shall not have the force of law and shall not be used as substitutes for or interpretations of regulations.

G. The Center shall employ such staff as may be necessary to carry out the provisions of this article.

H. All agencies of the Commonwealth, including institutions of higher education, shall provide research, technical assistance, data, and programmatic support to the Center upon request. Such institutions of higher education may conduct pilot projects, material flow analyses, and demonstration programs supporting the goals of this article.

§ 10.1-1425.42. Priority Materials Stewardship and Infrastructure Program.

A. The Center shall establish and administer a Priority Materials Stewardship and Infrastructure Program to support statewide collection, processing, recycling, reuse, and beneficial use of priority materials. In administering the Program, the Center shall prioritize projects that (i) eliminate waste tire and mattress stockpiles; (ii) reduce illegal dumping of priority materials; (iii) expand regional collection, drop-off, and processing capacity; (iv) develop sustainable end-use markets; and (v) serve rural or underserved localities. The Center may designate additional materials as priority materials upon finding that such materials pose challenges to management or recycling infrastructure.

B. In administering the Program, the Center shall also give priority to projects involving the collection, processing, recycling, or beneficial use of waste tires and discarded mattresses, which present acute statewide challenges related to stockpiling, illegal dumping, transportation, and landfill capacity.

§ 10.1-1425.43. Public-private partnerships.

The Center may facilitate, enter into, or provide financial assistance to public-private partnerships for the planning, development, financing, construction, or operation of recycling infrastructure or programs. Eligible partnership projects include (i) mattress and tire processing facilities, (ii) regional bulky-waste collection and material recovery facilities, (iii) transportation and logistics systems for priority materials, and (iv) manufacturing facilities utilizing recycled feedstocks.

§ 10.1-1425.44. Voluntary Stewardship Programs; certification.

A. 1. Manufacturers, retailers, recyclers, trade associations, nonprofit entities, coalitions, partnerships, or voluntary stewardship organizations may apply to the Center for certification of a voluntary stewardship

program. Such program may be operated by any private sector entity or coalition of entities.

2. Applications to the Center for certification of a voluntary stewardship program shall include:

- a. A plan describing collection, transportation, processing, and end use of priority materials;
- b. Measurable performance goals;
- c. Reporting methods;
- d. Education and outreach strategies; and
- e. Identification of participating public and private sector partners.

B. Certified voluntary stewardship programs shall be eligible for grants, loans, cost-share awards, and technical assistance from the Fund. When providing such awards, the Center shall give priority consideration to certified voluntary stewardship programs that demonstrate measurable improvement in recycling or beneficial use of priority materials.

C. The Center shall maintain a publicly accessible registry of certified voluntary stewardship programs.

D. Participation in any voluntary stewardship program shall remain voluntary. Nothing in this article shall be construed to permit the Center or the Department to require participation in, operation of, or funding of a voluntary stewardship program or to impose any obligation on private entities without the express authorization of the General Assembly.

§ 10.1-1425.45. Virginia Recycling Infrastructure Fund.

A. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Recycling Infrastructure Fund. The Fund shall be established on the books of the Comptroller and administered by the Center. The Fund shall consist of (i) moneys appropriated by the General Assembly; (ii) civil penalties collected pursuant to § 10.1-1425.47; (iii) federal grants; (iv) gifts, donations, and private contributions; and (v) any other funds designated for recycling infrastructure. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of this article. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Director of the Center.

B. Eligible recipients for moneys from the Fund pursuant to the provisions of this article include:

- 1. Localities and regional waste management authorities;
- 2. Public-private partnership entities;
- 3. Certified voluntary stewardship programs and their administering organizations or entities;
- 4. Recyclers, processors, and manufacturers utilizing recycled feedstocks;
- 5. Nonprofit organizations engaged in recycling or reuse activities; and
- 6. Institutions of higher education conducting pilot projects pursuant to subsection H of § 10.1-1425.41.

§ 10.1-1425.46. Reporting requirements.

A. Certified voluntary stewardship programs and recipients of moneys from the Fund shall submit annual reports to the Center detailing (i) materials collected, processed, or recycled; (ii) waste diversion rates; (iii) end-use markets; (iv) education and outreach activities; and (v) financial expenditures.

B. The Center shall submit by December 1 of each year an annual statewide report to the General Assembly summarizing program outcomes, progress toward diversion goals, and recommendations for statutory or regulatory changes.

§ 10.1-1425.47. Illegal disposal of priority materials; misrepresentation; civil penalties.

A. 1. Any person who knowingly disposes of a waste tire, mattress, or other priority material in an unauthorized location is subject to a civil penalty of not less than \$500 and not more than \$5,000 per violation.

2. Any person who knowingly disposes of a waste tire, mattress, bulky waste item, or other priority material in the waters of the Commonwealth, or in any location where such materials are likely to enter into such waters, is subject to a civil penalty of not less than \$2,500 and not more than \$10,000.

3. Any person who knowingly misrepresents that a product is recycled, recyclable, or managed through a certified voluntary stewardship program is subject to a civil penalty of not less than \$500 and not more than \$5,000.

4. A second or subsequent violation of the provisions of this subsection shall result in a civil penalty of not less than \$5,000 and not more than \$15,000 per violation.

B. 1. Civil penalties established in this section may be assessed by the Center, the Department, or any locality participating in an approved local enforcement program. Such civil penalties shall be deposited into the Fund and shall be used solely for the cleanup of illegally dumped priority materials, the development of recycling infrastructure for priority materials, and related enforcement activities.

2. A locality may adopt an ordinance to enforce the provisions of subdivisions A 1, 2, and 4.

C. Civil penalties established in this section shall be in addition to any criminal penalties imposed under § 10.1-1418 or any other applicable law.

184 **§ 10.1-1425.48. Authority of the Department to adopt regulations.**
185 *The Department may promulgate regulations as necessary to carry out the provisions of this article.*