

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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**HOUSE BILL 28
Committee Substitute Favorable 2/7/23**

Short Title: NC Managing Environmental Waste Act of 2023.

(Public)

Sponsors:

Referred to:

January 31, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO REDUCE AND BETTER MANAGE THE DISPOSAL OF SINGLE-USE
3 WASTE.

4 The General Assembly of North Carolina enacts:

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

6 "**§ 105-187.63. Use of tax proceeds.**

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

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

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

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

- 28 (2a) Five percent (5%) to cities and counties in the State that provide plastics
29 recycling services within their jurisdictions. Funds distributed to cities and
30 counties pursuant to this subdivision shall be distributed on a per capita basis
31 using the most recent annual estimate of population certified by the State
32 Budget Officer. One-half of this amount must be distributed to cities eligible
33 under this subdivision, and one-half of this amount must be distributed to
34 counties eligible under this subdivision. For purposes of this distribution, the
35 population of a county does not include the population of a city located in the
36 county.



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

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

9 For purposes of this subdivision, the term "food service ware" means
 10 noncompostable and nonrecyclable products used by a food provider that are
 11 designed for one-time use for serving or transporting prepared,
 12 ready-to-consume food or beverages, including plates, cups, bowls, trays,
 13 utensils, straws, cup lids, and hinged or lidded containers. As used in this
 14 section, the term "nonrecyclable" does not include post-use polymers or
 15 recovered feedstock processed at an advanced recycling facility.

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

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

19 **"§ 143-58.2. State policy; bid procedures and specifications; identification of products.**

20 ...

21 (b) ~~No later than January 1, 1995, the~~ The Secretary of Administration and each State
 22 department, institution, agency, community college, and local school administrative unit
 23 authorized to purchase materials and supplies or to contract for services shall review and revise
 24 its bid procedures and specifications for the purchase or use of materials and supplies to eliminate
 25 any procedures and specifications that explicitly discriminate against materials and supplies with
 26 recycled content, except where procedures and specifications are necessary to protect the health,
 27 safety, and welfare of the citizens of this State.

28 ...

29 (d) The Department of Administration, in cooperation with the Division of
 30 Environmental Assistance and ~~Outreach~~ Customer Service of the Department of Environmental
 31 Quality, shall identify materials and supplies with recycled content that meet appropriate
 32 standards for use by State departments, institutions, agencies, community colleges, and local
 33 school administrative units.

34 ...

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

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

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

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

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

- 1 ...
- 2 (21) A summary of the reports by each State department, institution, agency,
- 3 community college, and local school administrative unit authorized to
- 4 purchase materials and supplies detailing the amounts and types of materials
- 5 and supplies with recycled content that were purchased during the previous
- 6 fiscal year and the progress toward reaching the goals under G.S. 143-58.3, as
- 7 required by G.S. 143-58.2(i).
- 8 (22) A summary of the reports by each State department, institution, agency,
- 9 community college, and local school administrative unit detailing the amounts
- 10 and types of materials collected for recycling during the previous fiscal year
- 11 within the department, institution, agency, community college, and local
- 12 school administrative unit, as required by G.S. 130A-309.14(n)."

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

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

34 In conducting the study, the Committee shall consult with stakeholders, including the
35 Department of Environmental Quality, the Department of Health and Human Services, the
36 Department of Administration, representatives of the environmental community, the North
37 Carolina Retail Merchants Association, and the North Carolina Beverage Association. The Joint
38 Legislative Oversight Committee on Agriculture and Natural and Economic Resources shall
39 report its findings and recommendations, including any legislative proposals, to the 2024 Regular
40 Session of the 2023 General Assembly upon its convening.

41 **SECTION 4.(a)** The Legislative Services Officer shall evaluate all opportunities to
42 reduce the use of food service ware in food establishments and beverage services operated by the
43 General Assembly and implement such measures at the earliest date that (i) does not result in
44 disposal prior to use of food service ware already procured on the date this act becomes law and
45 (ii) does not impair contracts for purchase of such food service ware in effect on the date this act
46 becomes law. As used in this section, the term "beverage services" includes the provision of
47 coffee, water, and other beverages in committee meetings and the legislative chambers. The
48 Legislative Services Officer shall issue a preliminary report on implementation of the
49 requirements of this section to the Environmental Review Commission no later than September
50 1, 2023, and shall provide a final report to the Commission no later than March 1, 2024.

1 **SECTION 4.(b)** The Division of Services for the Blind, within the Department of
2 Health and Human Services, shall implement a pilot program to eliminate the sale or provision
3 of food or beverages in or with food service ware, for consumption on or off the premises, at
4 State agencies or agencies of a political subdivision of the State that is using State funds. In
5 implementing this pilot, the Division shall identify five facilities operated pursuant to Article 3
6 of Chapter 111 of the General Statutes to implement measures to eliminate food service ware at
7 the earliest possible date that (i) does not result in disposal prior to use of food service ware
8 already procured by the agency on the date this act becomes law and (ii) does not impair contracts
9 for purchase of such food service ware in effect on the date this act becomes law. The Division
10 shall issue a preliminary report on implementation of the requirements of this section to the
11 Environmental Review Commission no later than September 1, 2023, and shall provide a final
12 report to the Commission no later than March 1, 2024.

13 **SECTION 5.** For purposes of Sections 3 and 4 of this act, the term "food service
14 ware" means noncompostable and nonrecyclable products used by a food provider that are
15 designed for one-time use for serving or transporting prepared, ready-to-consume food or
16 beverages, including plates, cups, bowls, trays, utensils, straws, cup lids, and hinged or lidded
17 containers. As used in this section, the term "nonrecyclable" does not include post-use polymers
18 or recovered feedstock processed at an advanced recycling facility.

19 **SECTION 6.** Section 1 of this act becomes effective July 1, 2024. The remainder of
20 this act is effective when it becomes law.