
VBA Legislative Update – Week 15 April 25, 2026

→ The Week Ahead for VBA

Senate Natural Resources and Energy. The committee's [agenda](#) includes consideration of [H.915 An act relating to establishing an extended producer responsibility program for beverage containers](#). *See discussion below.*

→ Update on Miscellaneous Alcohol Bill

[H.921 An act relating to alcoholic beverages](#). Last Thursday morning, the Senate Economic Development Committee voted 5-0-0 . You can watch the hearing [here](#). Below, please find a section-by-section of the Senate committee's proposal as compared to the House passed bill:

[H.921 As Recommended By Senate Economic Development](#) (changes from the House Passed in yellow)

Section 1: Changes the term for service on the Liquor and Lottery Board from 2 to 4 years
Section 2:

- Increase the allowable total volume of alcoholic beverages that may be served for consumption at a 4th class licensed location (aka tasting room),
 - not more than an aggregate total of 16 ounces of malt beverages or hard cider;
 - not more than an aggregate total of 12 ounces of vinous beverages or ready-to-drink spirits beverages; and
 - not more than one-quarter ounce of spirits or fortified wine with a total of two ounces.
 - this does not apply to farmers markets
- Increases from **one to ten five** the number of 4th class license locations that a licensed manufacturers is allowed to sell alcoholic beverages produced by other manufacturers. At these locations, they may sell unopened beverages or serve them by the glass (with or without charge), provided the beverages are purchased on invoice from the producing manufacturers or rectifiers.

Section 3: Removes the restriction on hours of operation for sale for off-premise consumption (was 10am – 11pm) and aligns with all other liquor sales under DLL rules.

Section 4: This is a technical, or “housekeeping” change to the law to conform with other sections of law.

Section 5: Changes the application deadline for a retail alcoholic beverage tasting permit from at least five days to at least one day before an event.

Section 6:

- Allows vinous beverage manufacturer the same right as a malt beverage manufacturer to operate two licensed establishments at their manufacturing facility or on land contiguous.
- Allows malt beverage manufacturers to self-distribute up to 3000 barrels of malt beverage annually.
- **NEW.** Requires manufacturer of malt beverages to retain copies of records of self-distribution and sales made. Annually, on or before January 15, manufacturers will have to report to DLL the total amount of malt beverages distributed.

Section 7: ~~Sunsets (repeals) the right of malt beverage manufacturers to self-distribute up to 3000 barrels of malt beverage annually on July 1, 2028. This means that during the 2028 session, the legislature will have to proactively repeal the sunset in order to extend the authority for self-distribution.~~ **The Senate committee deleted the sunset provision.**

Section 8: This is another technical change to the law to increase the payment methods available to applicants of a solicitor's license.

Section 9 and 10: Repeals the sunset on allowing a "an art gallery, retail establishment, public library, or museum" to be issued not more than 12 special venue serving permits in a calendar year.

NEW Section 11 and 12: Allows a licensed caterer to host not more than five functions per calendar year located on the caterer's own first-, first-and third-, or second-class licensed premises.

Next Steps: The bill has been referred to Senate Finance for consideration of revenue impacts. After review by the Senate Finance Committee it will go to the full Senate. After approved by the Senate, the bill will go back to the House. The House will have to decide whether they can live with the Senate changes, whether they want to send the bill back with additional changes, or whether they want to ask for a conference committee. A conference committee is 3 members of the House and 3 members of the Senate. They meet to try to sort out their differences. When they reach an agreement, the agreed upon version then must be voted on by the full House and the full Senate before going to the Governor for his signature.

→ **Update on Bottle Bill.** [H.915 An act relating to establishing an extended producer responsibility program for beverage containers.](#) Last week, the Senate Natural Resources and Energy Committee discussed increasing the handling fee on all beverage containers covered by the bottle bill from **\$.035 to \$.045 per container.** At the time they discussed it, there was unanimous support among committee members for this change. The committee was responding to concerns they have heard from redemption centers. The redemption centers argued that:

- The handling fee hasn't been increased in decades - and the cost to handle the containers has increased.
- Manufacturers and distributors can pass the increase on to customers.
- Manufacturers and distributors should cover the cost of the end of life of their containers.

On Friday, Matt Chapman from the Department of Environmental Conservation told the committee that the Department opposes an increase to the handling fee at this time. Under the new model, the Producer Responsibility Organization (PRO) would negotiate fair compensation to redemption centers as part of their Stewardship Plan. Chapman said that an increase right

now could act as a disincentive to new redemption center efficiency opportunities under the new extended producer responsibility model proposed in H915.

As a reminder, here is a summary of the bill as passed by the House:

- **PRO Formation:** By January 1, 2027, all deposit initiators of covered beverage containers must apply to join a Secretary of ANR-approved PRO. Participation becomes mandatory by March 1, 2028.
- **Stewardship Plan:** The PRO must submit a stewardship plan by January 1, 2028, covering how it will collect containers, compensate redemption centers, educate consumers, and ensure convenient statewide access (e.g. at least 3 redemption points per county).
- **Deposits:** The existing 5-cent deposit on most beverages is retained;
- **Redemption Goals:** A 75% redemption rate by July 1, 2029, rising to 80% by July 1, 2032.
- **UPC Labels:** All containers must carry a Universal Product Code/barcode (effective July 1, 2027).
- **Small Retailers:** Retailers under 5,000 sq. ft. may opt out of accepting returns once the PRO's stewardship plan is in place.
- **Audits & Oversight:** The PRO must undergo annual independent fiscal audits (beginning 2029) and program audits every five years (beginning 2033). The Secretary of Natural Resources oversees the program and can dissolve a failing PRO.
- **Funding:** Unclaimed deposits (escheats) flow into Vermont's Clean Water Fund. Temporary transfers of up to \$1 million/year in fiscal years 2030–2033 support solid waste management grants, including implementation grants to help the PRO build out infrastructure.
- **Effective Date:** July 1, 2026 (with phased-in requirements through 2028).

Next Steps. The Senate Natural Resources committee will continue consideration of H915 next week. The VBA's stakeholder allies on the issue of the handling fee – Vermont distributors, Big Soda and Big Beer – are meeting together on Monday to discuss advocacy going forward.

→ **Headlines of Note**

- [Analysis: Another Woman Was Killed by a Man the State Knew Was Dangerous. Vermont Still Has No Secure Facility. Lawmakers May Not Vote for One — for the Fourth Time.](#)
- [Vermont businesses seek thousands in tariff refunds as federal system launches](#)
- [How federal health care cuts are affecting Vermont: far fewer people insured](#)
- [Vermont lawmakers hope to steer new federal school choice tax credit funds toward public schools](#)
- [After a Rural Revolt, Dems Favor Rolling Back Act 250 Reforms](#)
- [How Big is Vermont's Cannabis Market? We Crunched the Numbers.](#)
- [Lawmakers Might Suspend Financial Disclosure Penalties for Candidates](#)
- [Vermonters Yelled. Then Montpelier Listened on the Road Rule.](#)