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Date: (Filing No. H- )

**ENVIRONMENT AND NATURAL RESOURCES**

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**STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
129TH LEGISLATURE  
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to H.P. 1171, L.D. 1628, Bill, “An Act To Implement Recommendations of the Department of Environmental Protection Regarding the State's Container Redemption Laws”

Amend the bill in section 5 in the first line (page 7, line 12 in L.D.) by striking out the following: "**and 17-B**" and inserting the following: ', **17-B and 17-C**'

Amend the bill in section 5 by inserting after subsection 17-A the following:

'17-B. Recycling. "Recycling" or "recycle" means a series of activities by which material that has reached the end of its current use is processed into material for use in the production of new products.'

Amend the bill in section 5 by renumbering the subsections to read consecutively.

Amend the bill in section 7 in the first line (page 8, line 1 in L.D.) by striking out the following: "enacted by PL 2015, c. 166, §14, is" and inserting the following: 'amended by PL 2019, c. 133, §1, is further'

Amend the bill in section 7 in §3106 by striking out all of subsection 1 (page 8, lines 3 to 12 in L.D.) and inserting the following:

**1. Dealer acceptance.** Except as otherwise provided in this section, a dealer operating a retail space of 5,000 square feet or more may not refuse to accept from any consumer or other person not a dealer any empty, unbroken and reasonably clean beverage container of the kind, size and brand sold by the dealer, or refuse to pay in cash the refund value of the returned beverage container as established by section 3103. This section does not require an operator of a vending machine to maintain a person to accept returned beverage containers on the premises where the vending machine is located. unless the dealer has a written agreement with a redemption center to provide redemption services on behalf of the dealer and that redemption center:

A. Is located within 10 miles from the dealer, as measured along public roadways; or

**COMMITTEE AMENDMENT**

1           B. If there is no redemption center located within 10 miles from the dealer under  
2           paragraph A, is the redemption center in closest proximity to the dealer, as measured  
3           along public roadways.

4           This subsection does not require an operator of a vending machine to maintain a person to  
5           accept returned beverage containers on the premises where the vending machine is  
6           located.'

7           Amend the bill in section 7 in §3106 by striking out all of subsection 7 (page 9, lines  
8           4 to 45 and page 10, lines 1 to 8 in L.D.) and inserting the following:

9           '**7. Reimbursement of handling costs.** Reimbursement of handling costs is  
10           governed by this subsection.

11           A. In addition to the payment of the refund value, the initiator of the deposit under  
12           section 3103, subsections 1, 2 and 4 shall reimburse the dealer or ~~local~~ redemption  
13           center for the cost of handling beverage containers subject to section 3103, in an  
14           amount that equals at least 3¢ per returned container for containers picked up by the  
15           initiator before March 1, 2004, at least 3 1/2¢ for containers picked up on or after  
16           March 1, 2004 and before March 1, 2010, at least 4¢ for containers picked up on or  
17           after March 1, 2010 and before January 1, 2020 and at least 4 1/2¢ for containers  
18           picked up on or after January 1, 2020. The initiator of the deposit may reimburse the  
19           dealer or ~~local~~ redemption center directly or indirectly through a party with which it  
20           has entered into a commingling agreement.

21           B. In addition to the payment of the refund value, the initiator of the deposit under  
22           section 3103, subsection 3 shall reimburse the dealer or ~~local~~ redemption center for  
23           the cost of handling beverage containers subject to section 3103 in an amount that  
24           equals at least 3¢ per returned container for containers picked up by the initiator  
25           before March 1, 2004, at least 3 1/2¢ for containers picked up on or after March 1,  
26           2004 and before March 1, 2010, at least 4¢ for containers picked up on or after March  
27           1, 2010 and before January 1, 2020 and at least 4 1/2¢ for containers picked up on or  
28           after January 1, 2020. The initiator of the deposit may reimburse the dealer or ~~local~~  
29           redemption center directly or indirectly through a contracted agent or through a party  
30           with which it has entered into a commingling agreement.

31           ~~D. Paragraphs A and B do not apply to a brewer who annually produces no more~~  
32           ~~than 50,000 gallons of its product or a bottler of water who annually sells no more~~  
33           ~~than 250,000 containers each containing no more than one gallon of its product. In~~  
34           ~~addition to the payment of the refund value, an initiator of deposit under section~~  
35           ~~3103, subsections 1 to 4 who is also a brewer who annually produces no more than~~  
36           ~~50,000 gallons of its product or a bottler of water who annually sells no more than~~  
37           ~~250,000 containers each containing no more than one gallon of its product shall~~  
38           ~~reimburse the dealer or local redemption center for the cost of handling beverage~~  
39           ~~containers subject to section 3103 in an amount that equals at least 3¢ per returned~~  
40           ~~container, except that, beginning January 1, 2020, the initiator of deposit shall~~  
41           ~~reimburse the dealer or local redemption center at least 3 1/2¢ per returned container.'~~

42           Amend the bill in section 9 in §3109 in subsection 5-A in the 3rd line (page 16, line  
43           10 in L.D.) by striking out the following: "containers" and inserting the following:  
44           'receptacles'

1 Amend the bill in section 9 in §3109 by inserting after subsection 5-A the following:

2 **'5-B. Beverage container auditing.** A redemption center shall prepare beverage  
3 containers for pickup by pick-up agents, which are subject to audit pursuant to rules  
4 adopted by the department in accordance with this subsection.

5 A. A redemption center shall label each shell, shipping carton, bag or other  
6 receptacle with the business name, initials, redemption center license number or other  
7 unique identifying mark and with the number of beverage containers contained in  
8 each shell, shipping carton, bag or other receptacle.

9 B. The department may audit shells, shipping cartons, bags or other receptacles that  
10 have been prepared for pickup by a redemption center.

11 (1) An audit may be conducted by the department on site at the redemption  
12 center or off site at a different location. Off-site audits may involve the use of  
13 bulk redemption technology.

14 (2) An audit must be conducted on a minimum of 1,000 beverage containers.

15 (3) If the results of an audit vary from the beverage container count labeled in  
16 accordance with paragraph A, the department shall, in the case of an on-site  
17 audit, require the redemption center to add or remove containers to address the  
18 variation in the results of the audit or, in the case of an off-site audit, require the  
19 redemption center to accept payment from the initiator of deposit or pick-up  
20 agent adjusted in accordance with the variation in the results of the audit.

21 (4) The department may deny an application for approval of a redemption center  
22 under subsection 2 if the redemption center, pursuant to audits conducted by the  
23 department in accordance with this subsection, has repeatedly prepared for  
24 pickup shells, shipping cartons, bags or other receptacles containing less than  
25 97% of the beverage containers that such shells, shipping cartons, bags or other  
26 receptacles are labeled as containing.'

27 Amend the bill in section 10 in §3113 in subsection 4 by striking out all of paragraph  
28 B (page 17, lines 21 and 22 in L.D.) and inserting the following:

29 'B. An entity that is a ~~food establishment or~~ distributor licensed by or registered with  
30 the department need not comply with subsection 3;'

31 Amend the bill by adding after section 14 the following:

32 **'Sec. 15. Initiator of deposit and pick-up agent reporting of beverage**  
33 **container sales and redemption data for calendar year 2018; report.** No later  
34 than November 1, 2019, each initiator of deposit and each pick-up agent that is not an  
35 initiator of deposit shall report to the Department of Environmental Protection, in a  
36 manner consistent with the Maine Revised Statutes, Title 38, section 3119, information  
37 regarding its beverage container sales and redemptions for calendar year 2018 which  
38 must include for calendar year 2018 the number of containers picked up from each  
39 redemption center by container type and by redemption value. Upon receipt of the data  
40 under this section, the department shall assess the efficiency and convenience of the  
41 beverage container redemption system and develop recommendations to improve  
42 efficiencies in the handling and transportation of beverage containers and to ensure

1 convenient collection of beverage containers for consumers. On or before January 15,  
2 2020, the department shall submit a report to the Joint Standing Committee on  
3 Environment and Natural Resources detailing the department's findings and  
4 recommendations, including any proposed legislation. The report under this section may  
5 be included in the report required pursuant to Public Law 2019, chapter 133, section 3.  
6 After reviewing the report, the committee may report out legislation to the Second  
7 Regular Session of the 129th Legislature to implement recommendations contained in the  
8 report.'

9 Amend the bill by relettering or renumbering any nonconsecutive Part letter or  
10 section number to read consecutively.

### 11 SUMMARY

12 This amendment amends the bill as follows.

13 1. It includes a definition for the term "recycling" or "recycle" as applicable to the  
14 container redemption laws.

15 2. It authorizes the Department of Environmental Protection to conduct audits of  
16 beverage containers prepared for pickup by pick-up agents at redemption centers and to  
17 adopt rules regarding such audits.

18 3. It amends the bill to provide that a dealer of beverage containers with 5,000 or  
19 more square feet of retail space must accept beverage container returns unless the dealer  
20 has a written agreement with a redemption center located within 10 miles of the dealer, or  
21 with the redemption center in closest proximity to the dealer, to provide redemption  
22 services on the dealer's behalf.

23 4. It retains in the law the exception from the population requirements for licensing  
24 of redemption centers by distributors, but removes the exception for food establishments.  
25 The bill removed the exception for both food establishments and distributors.

26 5. It requires that no later than November 1, 2019, each initiator of deposit and each  
27 pick-up agent that is not an initiator of deposit must report to the department information  
28 regarding its beverage container sales and redemptions for calendar year 2018, which the  
29 department must use in developing findings and recommendations for inclusion in a  
30 report, due January 15, 2020, to the Joint Standing Committee on Environment and  
31 Natural Resources. The committee is authorized to report out legislation to implement  
32 those recommendations.

### 33 FISCAL NOTE REQUIRED

34 (See attached)