2   Date: (Filing No. S-   )

3   **ENVIRONMENT AND NATURAL RESOURCES**

4   Reproduced and distributed under the direction of the Secretary of the Senate.

5   **STATE OF MAINE**

6   **SENATE**

7   **129TH LEGISLATURE**

8   **FIRST REGULAR SESSION**

9   COMMITTEE AMENDMENT "   " to S.P. 60, L.D. 248, Bill, "An Act To Increase
10   the Handling Fee for Beverage Containers Reimbursed to Redemption Centers"

11   Amend the bill by inserting after the title and before the enacting clause the
12   following:

13   '**Emergency preamble. Whereas,** acts and resolves of the Legislature do not
14   become effective until 90 days after adjournment unless enacted as emergencies; and

15   **Whereas,** this legislation increases the amount that initiators of deposit reimburse
16   dealers and local redemption centers beginning May 1, 2019; and

17   **Whereas,** in the judgment of the Legislature, these facts create an emergency within
18   the meaning of the Constitution of Maine and require the following legislation as
19   immediately necessary for the preservation of the public peace, health and safety; now,
20   therefore,'

21   Amend the bill by striking out everything after the enacting clause and inserting the
22   following:

23   '**Sec. 1. 38 MRSA §3106, sub-§7,** as enacted by PL 2015, c. 166, §14, is
24   amended to read:

25   **7. Reimbursement of handling costs.** Reimbursement of handling costs is
26   governed by this subsection.

27   A. In addition to the payment of the refund value, the initiator of the deposit under
28   section 3103, subsections 1, 2 and 4 shall reimburse the dealer or local redemption
29   center for the cost of handling beverage containers subject to section 3103, in an
30   amount that equals at least 3¢ per returned container for containers picked up by the
31   initiator before March 1, 2004, at least 3 1/2¢ for containers picked up on or after
32   March 1, 2004 and before March 1, 2010 and, at least 4¢ for containers picked up on
33   or after March 1, 2010 and before May 1, 2019, at least 4 1/2¢ for containers picked
34   up on or after May 1, 2019 and before January 1, 2020 and at least 5¢ for containers
35   picked up on or after January 1, 2020. The initiator of the deposit may reimburse the

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1   dealer or local redemption center directly or indirectly through a party with which it
2   has entered into a commingling agreement.

3   B. In addition to the payment of the refund value, the initiator of the deposit under
4   section 3103, subsection 3 shall reimburse the dealer or local redemption center for
5   the cost of handling beverage containers subject to section 3103 in an amount that
6   equals at least 3¢ per returned container for containers picked up by the initiator
7   before March 1, 2004, at least 3 1/2¢ for containers picked up on or after March 1,
8   2004 and before March 1, 2010 ~~and~~, at least 4¢ for containers picked up on or after
9   March 1, 2010 <u>and before May 1, 2019, at least 4 1/2¢ for containers picked up on or</u>
10   <u>after May 1, 2019 and before January 1, 2020 and at least 5¢ for containers picked up</u>
11   <u>on or after January 1, 2020</u>. The initiator of the deposit may reimburse the dealer or
12   local redemption center directly or indirectly through a contracted agent or through a
13   party with which it has entered into a commingling agreement.

14   C. The reimbursement that the initiator of the deposit is obligated to pay the dealer or
15   redemption center pursuant to paragraph A or B must be reduced by 1/2¢ for any
16   returned container that is subject to a qualified commingling agreement that allows
17   the dealer or redemption center to commingle beverage containers of like product
18   group, material and size. A commingling agreement is qualified for purposes of this
19   paragraph if the department determines that 50% or more of the beverage containers
20   of like product group, material and size for which the deposits are being initiated in
21   the State are covered by the commingling agreement or that the initiators of deposit
22   covered by the commingling agreement are initiators of deposit for wine containers
23   who each sell no more than 100,000 gallons of wine or 500,000 beverage containers
24   that contain wine in a calendar year. Once the initiator of deposit has established a
25   qualified commingling agreement for containers of a like product group, material and
26   size, the department shall allow additional brands to be included from a different
27   product group if they are of like material. The State, through the Department of
28   Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery
29   Operations, shall make every reasonable effort to enter into a qualified commingling
30   agreement under this paragraph with every other initiator of deposit for beverage
31   containers that are of like product group, size and material as the beverage containers
32   for which the State is the initiator of deposit.

33   D. Paragraphs A, B and C do not apply to a brewer who annually produces no more
34   than 50,000 gallons of its product or a bottler of water who annually sells no more
35   than 250,000 containers each containing no more than one gallon of its product. In
36   addition to the payment of the refund value, an initiator of deposit under section
37   3103, subsections 1 to 4 who is also a brewer who annually produces no more than
38   50,000 gallons of its product or a bottler of water who annually sells no more than
39   250,000 containers each containing no more than one gallon of its product shall
40   reimburse the dealer or local redemption center for the cost of handling beverage
41   containers subject to section 3103 in an amount that equals at least 3¢ per returned
42   container<u>, except that, beginning May 1, 2019, the initiator of deposit shall reimburse</u>
43   <u>the dealer or local redemption center at least 3 1/2¢ per returned container and,</u>
44   <u>beginning January 1, 2020, the initiator of deposit shall reimburse the dealer or local</u>
45   <u>redemption center at least 4¢ per returned container</u>.

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1 **Sec. 2. Appropriations and allocations.** The following appropriations and
2 allocations are made.

3 **ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF**

4 **Alcoholic Beverages - General Operation 0015**

5 Initiative: Provides allocation for the State's cost as an initiator of deposit for spirits of an
6 increase in the reimbursement rate paid to a dealer or local redemption center by one-half
7 cent per returned beverage container beginning May 1, 2019 and by another one-half cent
8 beginning January 1, 2020.

9 **STATE ALCOHOLIC BEVERAGE FUND**	**2019-20**	**2020-21**
10 All Other	$19,044	$181,414
11		
12 STATE ALCOHOLIC BEVERAGE FUND TOTAL	$19,044	$181,414

13 **Emergency clause.** In view of the emergency cited in the preamble, this
14 legislation takes effect when approved.'

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

17 **SUMMARY**

18 This amendment, which is the majority report of the committee, increases the
19 reimbursement to the dealer or local redemption center for the cost of handling beverage
20 containers by one-half cent beginning May 1, 2019 and by an additional one-half cent
21 beginning January 1, 2020. It also adds an emergency preamble and emergency clause
22 and an appropriations and allocations section.

23 **FISCAL NOTE REQUIRED**

24 **(See attached)**

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