

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 426

H.P. 335

House of Representatives, January 29, 2019

An Act To Increase the Beverage Container Redemption Reimbursement To Offset Minimum Wage Increases

Reference to the Committee on Environment and Natural Resources suggested and ordered printed.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative WHITE of Washburn.
Cosponsored by Senator FOLEY of York and
Representatives: CAMPBELL of Orrington, DOLLOFF of Rumford, HEAD of Bethel,
HUTCHINS of Penobscot, JOHANSEN of Monticello, KINNEY of Knox, PICKETT of
Dixfield, Senator: TIMBERLAKE of Androscoggin.

1 **Be it enacted by the People of the State of Maine as follows:**

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

4 **7. Reimbursement of handling costs.** Reimbursement of handling costs is
5 governed by this subsection.

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

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

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

1 D. Paragraphs A, B and C do not apply to a brewer who annually produces no more
2 than 50,000 gallons of its product or a bottler of water who annually sells no more
3 than 250,000 containers each containing no more than one gallon of its product. In
4 addition to the payment of the refund value, an initiator of deposit under section
5 3103, subsections 1 to 4 who is also a brewer who annually produces no more than
6 50,000 gallons of its product or a bottler of water who annually sells no more than
7 250,000 containers each containing no more than one gallon of its product shall
8 reimburse the dealer or local redemption center for the cost of handling beverage
9 containers subject to section 3103 in an amount that equals at least 3¢ per returned
10 container, except that, beginning March 1, 2020, the initiator of deposit shall
11 reimburse the dealer or local redemption center at least 3 1/2¢ per returned container.

12 **SUMMARY**

13 This bill increases by 1/2¢ per returned container the handling costs to be reimbursed
14 to the dealer or local redemption center for the cost of handling beverage containers
15 beginning March 1, 2020.