

MAINE STATE LEGISLATURE

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129th MAINE LEGISLATURE

FIRST REGULAR SESSION-2019

Legislative Document

No. 579

H.P. 423

House of Representatives, February 5, 2019

An Act To Update Beverage Container Deposits and Redemption Values

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 BERRY of Bowdoinham.
Cosponsored by Senator DAVIS of Piscataquis and
Representatives: ACKLEY of Monmouth, BEEBE-CENTER of Rockland, BROOKS of
Lewiston, DEVIN of Newcastle, RISEMAN of Harrison, TUCKER of Brunswick.

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

2 **Sec. 1. 38 MRSA §3103, sub-§§1 to 3**, as enacted by PL 2015, c. 166, §14, are
3 amended to read:

4 **1. Refillable containers.** For refillable beverage containers, except wine and spirits
5 containers, the manufacturer shall determine the deposit and refund value according to
6 the type, kind and size of the beverage container. The deposit and refund value may not
7 be less than ~~5¢~~ 15¢.

8 **2. Nonrefillable containers; exclusive distributorships.** For nonrefillable beverage
9 containers, except wine and spirits containers, sold through geographically exclusive
10 distributorships, the distributor shall determine and initiate the deposit and refund value
11 according to the type, kind and size of the beverage container. The deposit and refund
12 value may not be less than ~~5¢~~ 15¢.

13 **3. Nonrefillable containers; nonexclusive distributorships.** For nonrefillable
14 beverage containers, except wine and spirits containers, not sold through geographically
15 exclusive distributorships, the deposit and refund value may not be less than ~~5¢~~ 15¢.

16 **Sec. 2. 38 MRSA §3103, sub-§4**, as amended by PL 2017, c. 140, §1 and
17 affected by §3, is further amended to read:

18 **4. Wine and spirits containers.** For wine and spirits containers of 50 milliliters or
19 less, the refund value may not be more than ~~5¢~~ 15¢. For wine and spirits containers of
20 greater than 50 milliliters, the refund value may not be less than ~~45¢~~ 45¢.

21 **Sec. 3. 38 MRSA §3105, sub-§4**, as enacted by PL 2015, c. 166, §14, is amended
22 to read:

23 **4. Brand name.** Refillable glass beverage containers of carbonated beverages, for
24 which the deposit is initiated under section 3103, subsection 1, that have a refund value of
25 not less than ~~5¢~~ 15¢ and a brand name permanently marked on the container are not
26 required to comply with subsection 1. The exception provided by this subsection does
27 not apply to glass beverage containers that contain spirits, wine or malt liquor as those
28 terms are defined by Title 28-A, section 2.

29 **Sec. 4. 38 MRSA §3106, sub-§7**, as enacted by PL 2015, c. 166, §14, is amended
30 to read:

31 **7. Reimbursement of handling costs.** Reimbursement of handling costs is
32 governed by this subsection.

33 A. In addition to the payment of the refund value, the initiator of the deposit under
34 section 3103, subsections 1, 2 and 4 shall reimburse the dealer or local redemption
35 center for the cost of handling beverage containers subject to section 3103, in an
36 amount that equals at least 3¢ per returned container for containers picked up by the
37 initiator before March 1, 2004, at least 3 1/2¢ for containers picked up on or after
38 March 1, 2004 and before March 1, 2010 ~~and~~, at least 4¢ for containers picked up on

1 or after March 1, 2010 and before January 1, 2020 and at least 12¢ for containers
2 picked up on or after January 1, 2020. The initiator of the deposit may reimburse the
3 dealer or local redemption center directly or indirectly through a party with which it
4 has entered into a commingling agreement.

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

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

34 D. Paragraphs A, B and C do not apply to a brewer who annually produces no more
35 than 50,000 gallons of its product or a bottler of water who annually sells no more
36 than 250,000 containers each containing no more than one gallon of its product. In
37 addition to the payment of the refund value, an initiator of deposit under section
38 3103, subsections 1 to 4 who is also a brewer who annually produces no more than
39 50,000 gallons of its product or a bottler of water who annually sells no more than
40 250,000 containers each containing no more than one gallon of its product shall
41 reimburse the dealer or local redemption center for the cost of handling beverage
42 containers subject to section 3103 in an amount that equals at least 3¢ per returned
43 container, except that, beginning January 1, 2020, the initiator of deposit shall
44 reimburse the dealer or local redemption center at least 9¢ per returned container.

1 **SUMMARY**

2 This bill:

3 1. Increases to 15¢ the deposit and refund value on refillable and nonrefillable
4 beverage containers whose deposit and refund value is currently 5¢. The bill also
5 increases from 5¢ to 15¢ the deposit and refund value of wine and spirits containers of 50
6 milliliters or less, and from 15¢ to 45¢ the deposit and refund value of wine and spirits
7 containers of greater than 50 milliliters; and

8 2. Triples the amount per returned container of reimbursement to the dealer or local
9 redemption center for the cost of handling beverage containers beginning January 1,
10 2020.