

L.D.	985
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DATE: 6-2-03

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(Filing No. S - 250)

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

STATE OF MAINE SENATE 121ST LEGISLATURE FIRST REGULAR SESSION

SENATE AMENDMENT """ to COMMITTEE AMENDMENT "A" to S.P. 16 326, L.D. 985, Bill, "An Act To Improve the State's Returnable Bottle Law and Adjust Handling Fees"

Amend the amendment on page 2 in subsection 4 in paragraph A 20 in the 5th line from the end (page 2, line 14 in amendment) by striking out the following: "January" and inserting in its place 22 the following: 'June'

Further amend the amendment on page 2 in subsection 4 in paragraph A in the 4th line from the end (page 2, line 15 in amendment) by striking out the following: "January" and inserting in its place the following: 'June'

Further amend the amendment on page 2 in subsection 4 in 30 paragraph B in the 5th line from the end (page 2, line 26 in amendment) by striking out the following: "January" and 32 inserting in its place the following: 'June'

Further amend the amendment on page 2 in subsection 4 in paragraph B in the 4th line from the end (page 2, line 27 in amendment) by striking out the following: "January" and inserting in its place the following: 'June'

Further amend the amendment on page 2 in subsection 4 in 40 paragraph C in the 6th line (page 2, line 37 in amendment) by inserting after the following: "<u>like</u>" the following: '<u>product</u> 42 <u>group</u>,'

44 Further amend the amendment on page 2 in subsection 4 in paragraph C in the 9th line (page 2, line 40 in amendment) by 46 inserting after the following: "<u>like</u>" the following: '<u>product</u> <u>group</u>,'

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SENATE AMENDMENT

SENATE AMENDMENT " β " to COMMITTEE AMENDMENT "A" to S.P. 326, L.D. 985

Further amend the amendment on page 2 in subsection 4 in paragraph C in the 11th line (page 2, line 42 in amendment) by inserting after the following: "agreement." the following: 'Once the initiator of deposit has established a qualified commingling agreement for containers of a like product group, material and size, the department shall allow additional brands to be included from a different product group if they are of like material.'

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10 Further amend the amendment on page 2 in subsection 4 in paragraph C in the 2nd line from the end (page 2, line 48 in 12 amendment) by inserting after the following: "<u>like</u>" the following: '<u>product group</u>,'

Further amend the amendment in section 4 in subsection 4 by 16 inserting after paragraph C the following:

18 'D. Paragraphs A, B and C of this subsection do not apply to a brewer who annually produces no more than 50,000 20 gallons of its product or a bottler of water who annually sells no more than 250,000 containers each containing no 22 more than one gallon of its product. In addition to the payment of the refund value, an initiator of deposit under section 1863-A, subsections 1 to 4 who is also a brewer who 24 annually produces no more than 50,000 gallons of its product 26 or a bottler of water who annually sells no more than 250,000 containers each containing no more than one gallon of its product shall reimburse the dealer or local 28 redemption center for the cost of handling beverage containers subject to section 1863-A in an amount that 30 equals at least 3¢ per returned container.'

Further amend the amendment on page 3 in the 2nd indented 34 paragraph in the 4th line (page 3, line 9 in amendment) by inserting after the following: "<u>like</u>" the following: '<u>product</u> 36 <u>group</u>,'

38 Further amend the amendment on page 3 by striking out all of the 3rd and 4th indented paragraphs (page 3, lines 17 to 21 in 40 amendment)

Further amend the amendment on page 3 in that part designated "<u>\$1866-E.</u>" by inserting before subsection 1 the
following indented paragraph:

 46 'The provisions of this section apply only to those beverage containers that are not subject to a commingling agreement
48 pursuant to section 1866-D.'

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SENATE AMENDMENT

SENATE AMENDMENT " β " to COMMITTEE AMENDMENT "A" to S.P. 326, L.D. 985

Further amend the amendment in that part designated "**<u>\$1866-E.</u>**" by striking out all of subsection 6 and inserting in its place the following:

'6. Small bottlers and brewers exempt. A brewer who
produces no more than 50,000 gallons of its product or a bottler
of water who sells no more than 250,000 containers each
containing no more than one gallon of its product in a calendar
year is exempt from the requirements of this section for that
year.'

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SUMMARY

This amendment changes from January 1, 2004 to June 1, 2004 16 the date after which the handling fee is raised for an initiator of a beverage container deposit who does not enter into a 18 qualified commingling agreement. The amendment also specifically authorizes the commingling of beverage containers of like product 20 group and allows deposit initiators who establish a qualified commingling agreement to add products to their agreement if they 22 are from a different product group but of the same material. The amendment also limits the provisions pertaining to unclaimed 24 deposits to the those containers that are not subject to a commingling agreement. This amendment changes Committee Amendment "A"'s small bottler exemption from the return of 26 unclaimed deposit amounts to include a brewer who produces no 28 more than 50,000 gallons of its product and a bottler of water who sells no more than 250,000 containers each containing no more 30 than one gallon of its product per year. The amendment also exempts a brewer who annually produces no more than 50,000 32 gallons of its product or a bottler of water who annually sells no more than 250,000 containers each containing no more than one 34 gallon of its product from the $1/2\phi$ handling fee increase for initiators who fail to enter a commingling agreement by June 1, 36 2004, leaving the handling fee at 3¢ for these small bottlers regardless of whether they enter into a commingling agreement.

FISCAL NOTE REQUIRED (See attached)

SPONSORED BY: (Senator GAGNON)

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SENATE AMENDMENT

Approved: 05/30/03 /mac



121st Maine Legislature Office of Fiscal and Program Review

LD 985

An Act To Improve the State's Returnable Bottle Law and Adjust **Handling Fees**

LR 1324(10) Fiscal Note for Senate Amendment '/2' to Committee Amendment "A" Sponsor: Sen. Gagnon **Fiscal Note Required: Yes**

Fiscal Note

Significantly reduces current biennium revenue increase - General Fund Reduces current biennium revenue increase - Other Special Revenue Funds

Fiscal Detail and Notes

This amendment exempts beverage containers from the requirement that unclaimed deposits will be deposited into the General Fund. This exemption will eliminate much of the revenue that would have been collected for the General Fund by the bill as amended by Committee Amendment "A". The overall effect of the bill as amended is a minor increase in revenue to the General Fund.

Delaying the date by which the reimbursement fees for returned containers are increased will reduce the anticipated increase in Other Special Revenue Funds revenue collected by the Department of Agriculture, Food and Rural Resources in fiscal year 2003-04; the amounts can not be determined at this time.

This amendment also exempts certain breweries and bottlers from the increased handling fees. The net effect of this Other Special Revenue Funds revenue reduction is likely to be insignificant.