# LAWS

## OF THE

# STATE OF MAINE

**AS PASSED BY THE**

**ONE HUNDRED AND THIRTY-FIRST LEGISLATURE**

**FIRST REGULAR SESSION**
**December 7, 2022 to March 30, 2023**

**FIRST SPECIAL SESSION**
**April 5, 2023 to July 26, 2023**

**THE GENERAL EFFECTIVE DATE FOR**
**FIRST REGULAR SESSION**
**NONEMERGENCY LAWS IS**
**JUNE 29, 2023**

**THE GENERAL EFFECTIVE DATE FOR**
**FIRST SPECIAL SESSION**
**NONEMERGENCY LAWS IS**
**OCTOBER 25, 2023**

**PUBLISHED BY THE REVISOR OF STATUTES**
**IN ACCORDANCE WITH THE MAINE REVISED STATUTES ANNOTATED,**
**TITLE 3, SECTION 163-A, SUBSECTION 4.**

**Augusta, Maine**
**2023**

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|---|---|---|
| **DEPARTMENT TOTAL - ALL FUNDS** | **$0** | **$181,579** |
| **SECTION TOTALS** | **2023-24** | **2024-25** |
| **OTHER SPECIAL REVENUE FUNDS** | **$500** | **$182,079** |
| **SECTION TOTAL - ALL FUNDS** | **$500** | **$182,079** |

See title page for effective date.

## CHAPTER 482

## H.P. 1225 - L.D. 1909

### An Act to Modernize Maine's Beverage Container Redemption Law

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

**Sec. 1. 36 MRSA §112, sub-§8,** as amended by PL 2021, c. 1, Pt. M, §§9 and 10, is further amended to read:

**8. Additional duties.** In addition to the duties specified in this Title, the assessor has the following duties:

A. Collection of the tax on fire insurance companies imposed by Title 25, section 2399~~; and~~.

~~E. Administration of reports and payments required under Title 38, section 3108.~~

**Sec. 2. 38 MRSA §3102, sub-§1-A** is enacted to read:

**1-A. Account-based bulk processing program.** "Account-based bulk processing program" means a beverage container recycling program implemented by a redemption center or pick-up agent that meets the requirements of rules adopted by the department, is approved by the department, consolidates beverage containers subject to the requirements of this chapter through bulk sorting, collects data regarding each container sorted, provides electronic data reports specifying the number of containers sorted by universal product code along with information regarding the container brand, redemption location and container material type to support an accounting of deposits, fees and material weight and prepares the sorted containers for sale to recyclers. An account-based bulk processing program may include a bag drop program as a program component.

**Sec. 3. 38 MRSA §3102, sub-§1-B** is enacted to read:

**1-B. Bag-drop program.** "Bag-drop program" means a beverage container recycling program implemented by a redemption center that meets the requirements of rules adopted by the department and that allows a person to drop off beverage containers subject to the requirements of this chapter in a bag or other receptacle at one or more identified locations and to have the corresponding refund placed into an account to be held for the benefit of the person in a manner that allows the person to obtain the refund or a refund receipt within 10 calendar days following the drop-off. A bag-drop program may be implemented as part of or in conjunction with an account-based bulk processing program.

**Sec. 4. 38 MRSA §3102, sub-§3-A** is enacted to read:

**3-A. Commingling cooperative or cooperative.** "Commingling cooperative" or "cooperative" means the entity established pursuant to section 3107, subsection 3-B to manage the collection of all beverage containers subject to the requirements of this chapter under a single commingling program.

**Sec. 5. 38 MRSA §3102, sub-§3-B** is enacted to read:

**3-B. Commingling group.** "Commingling group" means a group of initiators of deposit that have entered into a commingling agreement approved by the department in accordance with section 3107, subsection 1-A or 1-B. "Commingling group" includes the State, through the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations, which, pursuant to section 3107, is deemed to be managing returned containers for which the State has initiated deposits in a commingling program pursuant to a qualified commingling agreement, but does not include the commingling cooperative.

**Sec. 6. 38 MRSA §3102, sub-§16-A,** as enacted by PL 2019, c. 526, §5, is amended to read:

**16-A. Pick-up agent.** "Pick-up agent" means ~~an initiator of deposit, a distributor or~~ a contracted agent of an initiator of deposit ~~or~~, a distributor, a commingling group or the commingling cooperative that receives redeemed beverage containers from a redemption center, except for beverage containers redeemed through an account-based bulk processing program, and transports those containers for recycling.

**Sec. 7. 38 MRSA §3102, sub-§19,** as enacted by PL 2015, c. 166, §14, is amended to read:

**19. Reverse vending machine.** "Reverse vending machine" means an automated device that meets the requirements of rules adopted by the department and that uses a laser scanner or optical sensor and microprocessor to accurately recognize the universal product code on ~~beverage containers~~ each beverage container and to accumulate information regarding containers re-

deemed, enabling the reverse vending machine to accept containers from redeemers and to issue script for the containers' refund value. "Reverse vending machine" does not include a hand scanner or other similar device.

**Sec. 8. 38 MRSA §3105, sub-§1,** as amended by PL 2019, c. 11, §1, is further amended to read:

**1. Labels.** Except as provided under ~~subsections 2 and~~ subsection 4, the refund value, or the words "refund value" or the abbreviation "RV," and the word "Maine" or the abbreviation "ME" must be clearly indicated on every refundable beverage container sold or offered for sale by a dealer in this State, by embossing, stamping, labeling or other method of secure attachment to the beverage container, except in instances when the initiator of deposit has specific permission from the department to use stickers or similar devices. The refund value may not be indicated on the bottom of the container.

**Sec. 9. 38 MRSA §3105, sub-§2,** as amended by PL 2019, c. 11, §2, is repealed.

**Sec. 10. 38 MRSA §3105, sub-§3,** as enacted by PL 2015, c. 166, §14, is repealed.

**Sec. 11. 38 MRSA §3105, sub-§4,** as enacted by PL 2015, c. 166, §14, is amended to read:

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

**Sec. 12. 38 MRSA §3105, sub-§5,** as amended by PL 2019, c. 526, §6, is further amended to read:

**5. Label registration.** An initiator of deposit shall register the container label of any beverage offered for sale in the State on which it initiates a deposit. Registration must be on forms or in an electronic format provided by the department prior to July 15, 2025 and by the cooperative beginning July 15, 2025 and must include the universal product code for each combination of beverage and container manufactured. The initiator of deposit shall renew a label registration annually and whenever that label is revised by altering the universal product code or whenever the container on which it appears is changed in size, composition or glass color. The initiator of deposit shall also include as part of the registration ~~the method of collection for that type of container,~~ identification of a collection agent, identification of all of the parties to a commingling agreement that applies to the container and proof of the collection agreement. ~~The department may charge a fee for registration and registration renewals under this subsection.~~

A. Prior to July 15, 2025, the department may charge a fee for registration and registration renewals under this subsection.

B. Beginning July 15, 2025, a commingling group shall ensure that all initiators of deposit participating in the commingling group provide to the cooperative accurate and up-to-date label registration information required by this subsection and that any updates to label registrations are provided to the cooperative at least 30 days prior to introduction for sale in the State. The cooperative shall ensure that accurate and up-to-date information regarding all label registrations is shared with entities using or administering reverse vending machine and account-based bulk processing programs and is made available on its publicly accessible website.

**Sec. 13. 38 MRSA §3106, sub-§5,** as amended by PL 2019, c. 526, §7, is further amended to read:

**5. ~~Distributor acceptance~~ Acceptance by commingling group.** A ~~distributor~~ commingling group or its agent may not refuse to accept from any dealer or redemption center any empty, unbroken and reasonably clean beverage container, whether refillable or nonrefillable, or any beverage container that has been processed through an approved reverse vending machine or account-based bulk processing program that meets the requirements of rules adopted by the department pursuant to this chapter of the kind, size and brand sold by the ~~distributor~~ members of the commingling group or refuse to pay to the dealer or redemption center the refund value of a beverage container as established by section 3103.

**Sec. 14. 38 MRSA §3106, sub-§5-A** is enacted to read:

**5-A. Cost apportionment; waiver process.** A dealer or redemption center may apply for and the department may approve a temporary waiver during which the dealer or redemption center may apportion beverage container costs to distributors using an alternative method that does not require processing of all beverage containers through a reverse vending machine or similar technology requiring the scanning of each container.

A. Prior to approving a temporary waiver under this subsection, the department shall establish procedures regarding the administration of the temporary waiver process. In establishing those procedures, the department shall solicit and consider input from interested persons. The procedures must require that, prior to approving any submitted application from a dealer or redemption center for a temporary waiver, the department solicit input from interested persons regarding the application.

B. The department may approve a temporary waiver upon a finding that the dealer or redemption center has demonstrated to the department's satisfaction that it will implement an alternative method of apportioning beverage container costs to distributors that:

(1) Uses a beverage container count method based on a statistically valid sample of beverage containers that is at least as accurate as the beverage container count method currently used by the dealer or redemption center;

(2) Apportions beverage container costs to distributors using the beverage container count method described in subparagraph (1) by approximating the costs currently apportioned to distributors by the dealer or redemption center in a manner that is at least as accurate as that used under the auditing process described in section 3109, subsection 5-B; and

(3) Implements a process by which the dealer or redemption center will return to a distributor an amount of beverage containers by weight that corresponds to the amount of the beverage container costs apportioned to the distributor in accordance with subparagraph (2).

C. A temporary waiver approved by the department may not exceed one year in duration. Prior to the expiration of an approved waiver, the dealer or redemption center may apply to the department for an extension of the waiver. The department may approve the waiver for a period not to exceed one additional year in duration upon a finding that the dealer or redemption center has submitted sufficient information to the department to demonstrate that the alternative apportionment method implemented during the previous waiver period satisfies the requirements of paragraph B.

D. A distributor that had beverage container costs apportioned to it by a dealer or redemption center using an alternative apportionment method under a waiver approved pursuant to this section may apply to the department for reimbursement of beverage container costs or other financial losses incurred as a direct result of the alternative apportionment method if the distributor can demonstrate to the department's satisfaction that the distributor:

(1) Would have been paid additional beverage container costs if the distributor's beverage containers were processed through a reverse vending machine or similar technology that scanned each container; or

(2) Otherwise suffered a financial loss as a direct result of the alternative apportionment method implemented under the waiver.

A distributor must submit a request for reimbursement under this paragraph prior to December 31, 2025. If the department determines that a distributor is eligible for reimbursement under this paragraph, the department shall reimburse the distributor using funds from the Cost and Carbon Efficient Technology Fund established under section 3114-A.

As used in this subsection, "beverage container costs" means a beverage container's refund value as established by section 3103 and the amount of the reimbursement of handling costs as established by subsection 7.

On or before February 15, 2025, the department shall submit a report to the joint standing committee of the Legislature having jurisdiction over environment and natural resources matters describing its findings or recommendations regarding the implementation of the temporary waiver process under this subsection. The report may be included in the report required pursuant to section 3115, subsection 3 that is required by February 15, 2025. After reviewing the report, the committee may report out legislation relating to the report.

This subsection is repealed January 1, 2026.

**Sec. 15. 38 MRSA §3106, sub-§6,** as amended by PL 2019, c. 526, §7, is further amended to read:

**6. Obligation to preserve ~~recycling~~ container value.** Notwithstanding subsection ~~8~~ 8-A, a ~~distributor~~ commingling group or its agent may refuse to accept, or pay the refund value and handling costs to a dealer, redemption center or other person for, a beverage container that has been processed by a reverse vending machine or account-based bulk processing program in a way that has, for a nonrefillable beverage container, reduced the recycling value of the container below current market value or, for a refillable beverage container, has damaged the container in a manner that prevents its reuse. This subsection may not be interpreted to prohibit a written processing agreement between a ~~distributor~~ commingling group and a dealer or redemption center and does not relieve a ~~distributor~~ commingling group of its obligation under subsection ~~8~~ 8-A to accept empty, unbroken and reasonably clean beverage containers. Beginning July 15, 2025, the cooperative, on behalf of its member commingling groups, shall negotiate agreements with dealers and redemption centers regarding processing payments for each beverage container material type. The department shall adopt rules to establish the recycling value of beverage containers under this subsection and the rules may authorize the use of a 3rd-party vendor to determine if a beverage container has been processed by a reverse vending machine or account-based bulk processing program in a manner that, for a nonrefillable beverage container, has reduced the recycling value below current market value or, for a refillable beverage container, has damaged the container in a manner that prevents its reuse. The rules

must outline the method of allocating among the parties involved the payment for 3rd-party vendor costs.

**Sec. 16. 38 MRSA §3106, sub-§8,** as amended by PL 2019, c. 315, §19 and c. 526, §7, is further amended to read:

**8. Obligation to pick up and recycle containers.** ~~The~~ Prior to October 15, 2024, the obligation to pick up and recycle beverage containers subject to this chapter is determined as follows.

A. A distributor that initiates the deposit under section 3103, subsection 2 or 4 has the obligation to pick up and recycle any empty, unbroken and reasonably clean beverage containers of the particular kind, size and brand sold by the distributor from dealers to whom that distributor has sold those beverages and from licensed redemption centers. A distributor that, within this State, sells beverages under a particular label exclusively to one dealer, which dealer offers those labeled beverages for sale at retail exclusively at the dealer's establishment, shall pick up any empty, unbroken and reasonably clean beverage containers of the kind, size and brand sold by the distributor to the dealer only from those licensed redemption centers that are located within 25 miles from the dealer, as measured along public roadways. A dealer that manufactures its own beverages for exclusive sale by that dealer at retail has the obligation of a distributor under this section. The department may establish by rule, in accordance with the Maine Administrative Procedure Act, criteria prescribing the manner in which distributors shall fulfill the obligations imposed by this paragraph. The rules may establish a minimum number or value of containers below which a distributor is not required to respond to a request to pick up empty containers. Any rules adopted under this paragraph must allocate the burdens associated with the handling, storage, transportation and recycling of empty containers to prevent unreasonable financial or other hardship.

B. The initiator of the deposit under section 3103, subsection 3 has the obligation to pick up and recycle any empty, unbroken and reasonably clean beverage containers of the particular kind, size and brand sold by the initiator from dealers to whom a distributor has sold those beverages and from licensed redemption centers. The obligation may be fulfilled by the initiator directly or indirectly through a contracted agent.

C. An initiator of the deposit under section 3103, subsection 2, 3 or 4 has the obligation to pick up and recycle any empty, unbroken and reasonably clean beverage containers that are commingled pursuant to a commingling agreement along with any beverage containers that the initiator is otherwise obligated to pick up and recycle pursuant to paragraphs A and B.

D. The initiator of deposit or initiators of deposit who are members of a commingling agreement have the obligation under this subsection to pick up and recycle empty, unbroken and reasonably clean beverage containers of the particular kind, size and brand sold by the initiator from dealers to whom a distributor has sold those beverages and from licensed redemption centers every 15 days. The initiator of deposit or initiators of deposit who are members of a commingling agreement have the obligation to make additional pickups when a redemption center has collected 10,000 beverage containers from that initiator of deposit or from the initiators of deposit who are members of a commingling agreement.

The obligations of the initiator of the deposit under this subsection may be fulfilled by the initiator directly or through a party with which it has entered into a commingling agreement. A contracted agent hired to pick up beverage containers for one or more initiators of deposit is deemed to have made a pickup at a redemption center for those initiators of deposit when it picks up beverage containers belonging to those initiators of deposit.

This subsection is repealed October 15, 2024.

**Sec. 17. 38 MRSA §3106, sub-§8-A** is enacted to read:

**8-A. Obligation to pick up and recycle containers.** Beginning October 15, 2024, in accordance with the requirements of this subsection and the rules adopted pursuant to this subsection, a designated pick-up entity has the obligation to ensure the timely pickup and recycling of all empty, unbroken and reasonably clean beverage containers subject to the requirements of this chapter from dealers and redemption centers, including from any locations where an account-based bulk processing program is in operation. As used in this subsection, "designated pick-up entity" means, prior to July 15, 2025, a commingling group or its pick-up agent and, beginning July 15, 2025, the cooperative or its pick-up agent or agents.

A. Notwithstanding any provision of this subsection to the contrary, prior to July 15, 2025, in the case of a designated pick-up entity that is a commingling group, the commingling group's responsibilities under this subsection apply only to those beverage containers from the initiators of deposit that are members of that commingling group.

B. The department shall adopt rules to implement this subsection. The rules must, at a minimum, establish pickup frequency standards based on the volume of beverage containers collected by each dealer or redemption center, accounting for any irregularities in volume, in a manner that promotes communication between designated pick-up enti-

ties and dealers and redemption centers and that increases transportation efficiency while maintaining the level of service provided to dealers and redemption centers such that dealers and redemption centers are not required to store collected beverage containers for extended periods of time without contact from and compensation provided by the designated pick-up entity. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 18. 38 MRSA §3106, sub-§9,** as amended by PL 2019, c. 526, §7, is further amended to read:

**9. Plastic bags.** ~~A dealer or redemption center has an obligation to pick up plastic bags that are used by that dealer or redemption center to contain beverage containers.~~ Plastic bags used by a dealer or redemption center and the cost allocation of these bags must conform to rules adopted by the department concerning size and gauge. Beginning July 15, 2025, the cooperative shall provide to the dealer or redemption center, or reimburse the dealer or redemption center for the cost of, the plastic bags used by the dealer or redemption center to contain redeemed beverage containers.

**Sec. 19. 38 MRSA §3107, first ¶,** as enacted by PL 2015, c. 166, §14, is amended to read:

Notwithstanding any ~~other~~ provision of this chapter to the contrary, 2 or more initiators of deposit may enter into a commingling agreement through which some or all of the beverage containers for which the initiators have initiated deposits may be commingled by dealers and operators of redemption centers as provided in this section. No later than October 15, 2024, each initiator of deposit shall enter into a commingling agreement pursuant to subsection 1-A or 1-B. If, by October 15, 2024, an initiator of deposit has not entered into a commingling agreement pursuant to subsection 1-A or 1-B, the initiator commits a violation of this chapter, is subject to penalties under section 3111 and, as long as the violation exists, is prohibited from selling or distributing in the State any beverage container subject to the requirements of this chapter, and a distributor or dealer may not sell or distribute in the State any such containers of the initiator and the department may remove from sale any such containers of the initiator.

**Sec. 20. 38 MRSA §3107, 2nd ¶,** as amended by PL 2019, c. 526, §8, is further amended to read:

An initiator of deposit that enters into a commingling agreement pursuant to this section shall permit any other initiator of deposit to become a party to that agreement on the same terms and conditions as the original agreement. ~~Once the initiator of deposit has established a qualified commingling agreement pursuant to the requirements of subsection 1-A, the department shall allow additional brands of beverage containers from a different product group to be included in the commingling agreement if those additional brands are of like material to those containers already managed under the commingling agreement.~~

**Sec. 21. 38 MRSA §3107, 3rd ¶,** as enacted by PL 2019, c. 526, §8, is amended to read:

For the purposes of this chapter and notwithstanding any provision of this chapter to the contrary, the State, through the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations, is deemed to be managing returned containers for which the State has initiated deposits in a commingling program pursuant to a qualified commingling agreement as described in subsection 1-A as long as the State allows a dealer or redemption center to commingle returned containers of like material, including, but not limited to, through use of an account-based bulk processing program.

**Sec. 22. 38 MRSA §3107, sub-§1,** as enacted by PL 2015, c. 166, §14, is amended to read:

**1. Commingling requirement.** If initiators of deposit enter into a commingling agreement pursuant to this section, commingling of beverage containers must be by all containers of like product group, material and size. An initiator of deposit required pursuant to section 3106, subsection 8 or 8-A to pick up beverage containers subject to a commingling agreement also shall pick up all other beverage containers subject to the same agreement. The initiator of deposit may not require beverage containers that are subject to a commingling agreement to be sorted separately by a dealer or redemption center.

**Sec. 23. 38 MRSA §3107, sub-§1-A,** as enacted by PL 2019, c. 526, §8, is amended to read:

**1-A. Qualified commingling agreements.** The department shall determine that a commingling agreement is qualified for the purposes of this chapter if:

A. Fifty percent or more of beverage containers of like product group, material and size for which the deposits are being initiated in the State are included in the commingling agreement; or

B. The initiators of deposit included in the commingling agreement are initiators of deposit for beverage containers containing wine and each initiator of deposit sells no more than 100,000 gallons of wine or 500,000 beverage containers containing wine in a calendar year~~; or~~.

~~C. The commingling agreement has been approved by the department pursuant to subsection 3-A.~~

**Sec. 24. 38 MRSA §3107, sub-§1-B** is enacted to read:

**1-B. Special commingling agreements.** A designated pick-up agent for initiators of deposit that are not members of a commingling group and that cannot in the aggregate satisfy the requirements for a qualified commingling agreement under subsection 1-A, paragraph A

shall execute and submit a special commingling agreement to the department for approval. Notwithstanding any provision of this section to the contrary, the department may approve a special commingling agreement that, in accordance with applicable requirements of this section, provides for the commingling by dealers and redemption centers of the beverage containers for which those initiators have initiated deposits.

A. Once approved, the designated pick-up agent shall permit any initiator of deposit that is not a member of a commingling group to become a party to the special commingling agreement.

B. The department may approve up to 2 special commingling agreements pursuant to this subsection and shall adopt rules governing approval and administration of special commingling agreements, which must include, but are not limited to, rules regarding the administration of the agreement, data and reporting requirements for initiators that are parties to the agreement, beverage container sorting and auditing requirements, statewide assessment requirements for the pick-up agent to ensure geographical coverage and the process for addressing container count discrepancies and return of containers not covered by the agreement. Rules adopted pursuant to this paragraph are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 25. 38 MRSA §3107, sub-§3-A,** as amended by PL 2019, c. 526, §8, is repealed.

**Sec. 26. 38 MRSA §3107, sub-§3-B** is enacted to read:

**3-B. Commingling program operated by commingling cooperative.** Subject to the requirements of this subsection and notwithstanding any provision of this chapter to the contrary, by October 15, 2024, all commingling groups established pursuant to subsection 1-A and 1-B, including the State, through the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations, shall collectively establish a commingling cooperative to provide for the management of all beverage containers subject to the requirements of this chapter under a single commingling program, referred to in this subsection as "the program."

A. The cooperative must be established as a nonprofit organization exempt from taxation under the United States Internal Revenue Code of 1986, Section 501(c)(3). The cooperative must be governed by a board of not less than 9 and not more than 15 members that represents the range of beverages and beverage container material types subject to the requirements of this chapter and that includes a board member representing each commingling group. The board shall convene an advisory group that includes as members representatives of the range of beverages and beverage container material types subject to the requirements of this chapter as well as representatives of dealers, pick-up agents, recycling facilities, redemption centers that primarily sort containers manually, redemption centers that primarily sort containers using reverse vending machines, entities operating account-based bulk processing programs and environmental advocacy organizations. The board shall invite representatives of the department to participate in and provide input regarding the activities of the advisory group.

B. By January 15, 2025, the cooperative shall submit a plan for the operation of the program to the department for review and approval. The plan must include, but is not limited to:

(1) The method by which the program will facilitate the transition from beverage container sorting at redemption centers by brand to sorting by material type and, for redemption centers that manually sort containers, by size within each material type. The program may facilitate the negotiation of agreements with redemption centers to gather brand data through use of reverse vending machines, account-based bulk processing programs or similar technology as long as the cost of such data collection is paid by the program;

(2) Standards to provide for fair apportionment of costs among the commingling groups and initiators of deposit included in the program, which may be based on:

(a) The combined beverage container sales by the initiators of deposit that are members of each commingling group;

(b) The unit or brand counts generated by reverse vending machines or account-based bulk processing programs as long as the reverse vending machines or account-based bulk processing programs are subject to periodic 3rd-party audits on a schedule approved by the department and with the costs of those audits paid by the program; and

(c) The rates of redemption, as determined pursuant to the method set forth in subparagraph (3) and in accordance with the requirements of subparagraph (5);

(3) A method for determining the rate of redemption for beverage containers, which must be verified through a 3rd-party audit paid for by the cooperative, expressed as a percentage of the beverage containers redeemed that are available for redemption; the rate of redemption by beverage type and by beverage container material type; and, to the maximum extent practicable, regional redemption rates in

the State. The method for determining the redemption rate may not include in its calculation any unredeemed beverage containers collected or processed by municipal or other recycling programs. The program must ensure that a single redemption rate, determined by the method specified in the plan, is used by all commingling groups and initiators of deposit to determine cost apportionment pursuant to subparagraph (2);

(4) A budget for the program that includes, but is not limited to, identification of any start-up costs for the program that will not be ongoing, including, but not limited to, the costs of the study described in paragraph F, and a description of the method by which the cooperative will determine and collect payments from commingling groups to cover the program's start-up costs;

(5) The method by which the cooperative will collect deposits from initiators of deposit for nonrefillable beverage containers and handling fees for redeemed containers, whether directly from the initiator of deposit or through the commingling group of which the initiator of deposit is a member. The program must ensure that an initiator of deposit is not required to pay any handling fees for its beverage containers that exceeds the applicable redemption rate for those containers as calculated pursuant to subparagraph (3);

(6) A description of how the cooperative intends to segregate, maintain, calculate and expend unclaimed beverage container deposits in accordance with section 3108-A;

(7) A description of how the cooperative will provide a consistent beverage container pick-up schedule for each redemption center in accordance with the pick-up requirements of section 3106, subsection 8-A and the rules adopted pursuant to that subsection. The program must ensure that pick-up schedules are designed to reduce transportation distances and minimize costs but must allow each commingling group to provide for beverage container pickup of the commingling group's equivalent container material;

(8) Information on how the cooperative will be responsible for and ensure payment to a dealer or redemption center within 10 calendar days of any beverage container pickup of all applicable deposits and handling fees for the beverage containers picked up from the dealer or redemption center, except as otherwise provided under a written agreement entered into by the cooperative or a member commingling group and the dealer or redemption center, and the applicable costs of plastic bags provided to the dealer or redemption center in accordance with section 3106, subsection 9;

(9) Information on how the cooperative will ensure that each commingling group and each initiator of deposit that is a member of the commingling group maintains ownership over the commingling group's and initiator of deposit's share of the beverage containers redeemed, collected and processed for recycling under the program;

(10) Information on how the cooperative will calculate the base rates offered for the processing of beverage containers using an account-based bulk processing program or pick-up agents;

(11) A certification that the cooperative will not share, except with the department as necessary, information provided by a commingling group or initiator of deposit that is proprietary information and that is identified by the commingling group or initiator of deposit as proprietary information. The certification must include a description of the methods by which the cooperative intends to ensure the confidentiality of that information;

(12) Information on how the cooperative will maintain a publicly accessible website regarding the program that includes, at a minimum, the following:

(a) A searchable list of all initiators of deposit and beverage container label registrations, including for beverages sold directly to consumers in the State, in a manner that allows redemption centers, dealers and consumers to obtain up-to-date information regarding whether a particular beverage is authorized for sale and redemption in the State;

(b) A search function through which consumers can identify nearby dealers or redemption centers offering redemption services based on information made available to the cooperative by the department; and

(c) The base rates for the processing of beverage containers by container type as determined in accordance with subparagraph (10);

(13) A proposed timeline for implementation of the program plan, if approved, designed to ensure implementation of the plan on or before July 15, 2025 and a description of how the cooperative will notify commingling groups, initiators of deposit, dealers, distributors, pick-

up agents and other affected entities regarding program implementation, which must include, but is not limited to, posting of information relating to program implementation on the website described in subparagraph (12);

(14) A description of how the cooperative will support the development of infrastructure throughout the State for the collection and sanitization of refillable beverage containers and for the return of those refillable beverage containers to initiators of deposit of refillable beverage containers for refilling and sale. That infrastructure development may involve redemption centers, centralized washing and sanitization facilities and other methods;

(15) Information regarding the advisory group formed by the board in accordance with paragraph A, including, but not limited to, its membership and the length of the terms of its members, a proposed meeting schedule and a description of the role and responsibilities of the advisory group, which may include, but are not limited to, advising the board regarding the development of the plan submitted under this paragraph;

(16) A description of how the cooperative will operate the program in a manner designed to achieve an overall statewide redemption rate for all beverage containers subject to the requirements of this chapter, as determined in accordance with subparagraph (3), of 75% by January 1, 2027; of 80% by January 1, 2032; and of 85% by January 1, 2037; and

(17) Any other information required by the department.

C. Within 120 days of receipt of a plan submitted by the cooperative under paragraph B, the department shall review the plan and approve the plan, approve the plan with conditions or reject the plan. Prior to determining whether to approve or reject a plan, the department shall hold a public hearing on the plan. The department shall notify the cooperative in writing of its determination and, if the plan is approved with conditions or rejected, shall include in the notification a description of the basis for the conditions or rejection.

(1) If the cooperative's plan is rejected, it may submit a revised plan to the department within 60 days of receiving the notice of rejection. The department may approve the revised plan as submitted or approve the revised plan subject to the implementation of specific changes required by the department.

(2) If the cooperative's plan is approved in accordance with this paragraph, the cooperative shall implement the plan on or before July 15, 2025 in accordance with the timeline for implementation described in paragraph B, subparagraph (13), subject to any changes or conditions imposed by the department. If the cooperative fails to implement an approved plan on or before July 15, 2025, the initiators of deposit that are members of each of the commingling groups included in the cooperative are deemed to be in violation of this chapter and are subject to penalties pursuant to section 3111.

D. If the department determines that the program implemented by the cooperative pursuant to a plan approved under paragraph C has failed to make adequate progress toward fulfilling the requirements of the plan, excluding the redemption rate goals described in paragraph B, subparagraph (16), the department shall notify the cooperative in writing of its determination and may direct the cooperative to implement specific changes to the program within 30 days of the date of the notification.

E. On or before April 1, 2026, and annually thereafter, the cooperative shall submit to the department and make available on its publicly accessible website a report that includes, but is not limited to:

(1) Contact information for the cooperative and a list of all initiators of deposit and beverage container label registrations, including for beverages sold directly to consumers in the State;

(2) Information on the rates of redemption for beverage containers calculated in accordance with plan requirements under paragraph B, subparagraph (3). The report must include information regarding the total number of beverage containers subject to the requirements of this chapter sold or distributed in the State during the previous calendar year by the members of each commingling group, aggregated within each commingling group to provide only a total, aggregated number for each commingling group. If the calculated overall statewide redemption rate for beverage containers is less than the applicable redemption rate goal described in paragraph B, subparagraph (16), the report must include recommendations for changes to the operation of the program that are designed to achieve the required rate, which may include, but are not limited to, recommended increases in the deposit and refund value for beverage containers;

(3) Detailed information on the calculation and expenditure of unclaimed deposit funds in the previous calendar year in accordance with section 3108-A;

(4) A description of the education and outreach efforts implemented under the program in the previous calendar year to encourage participation in the beverage container redemption program, reduce instances of fraud in redemption and educate businesses and consumers on the value and safety of refillable beverage containers. The report must include the results of an assessment, completed by an independent 3rd party, of the effectiveness of the efforts;

(5) Any recommendations for changes to the program to improve the convenience of the collection system under the program, consumer education or program evaluation and any goals for supporting the use of refillable and reusable containers;

(6) A financial report on the program, as determined through a 3rd-party financial audit, that identifies the total cost of implementing the program and the specific administration, collection, transportation, disposition and communication costs for the program, including all costs associated with payment of handling fees, and an anticipated budget for the subsequent program year; and

(7) Any other information required by the department.

For the report due April 1, 2026 only, the department may modify or waive any of the reporting requirements set forth in this paragraph upon a finding that the information required cannot feasibly be determined or provided by the cooperative due to a partial-year operation of the program.

F. Within 90 days of receiving approval of a program plan from the department under paragraph C, the cooperative, in consultation with the department, shall contract with an independent 3rd party to conduct a study: examining operating costs for redemption centers of a variety of sizes, in a variety of geographical locations and using a variety of redemption technologies; analyzing the effects that eliminating brand sorting of beverage containers may have on transportation costs and redemption center operating costs, including, but not limited to, labor and utilities costs; recommending a handling fee schedule and payment schedule designed to facilitate a stable and sustainable redemption system; and recommending other recycling-related services that may be provided at redemption centers to support statewide recycling efforts and diversify the redemption center business model.

(1) In consultation with the department, the cooperative shall ensure that the study contract specifies the scope of the study and provides for publication of an interim progress report or reports and a final report. All costs associated with the study must be paid by the cooperative.

(2) The cooperative shall provide any interim progress reports and the final report under subparagraph (1) to the department and, after receipt of the final report, the department shall provide a copy of the final report, along with any additional comments or recommendations of the department, to the joint standing committee of the Legislature having jurisdiction over environment and natural resources matters. The final report and any additional comments or recommendations of the department may be included in the report required pursuant to section 3115, subsection 3. After reviewing the final report and the department's additional comments or recommendations, if any, the committee may report out legislation relating to the final report or to the department's comments or recommendations.

G. The cooperative shall pay to the department a reasonable annual fee established by the department, not to exceed $600,000, as provided in this paragraph.

(1) On or before July 15, 2025, the cooperative shall pay to the department the annual fee under this paragraph to cover the department's costs for review of the program plan submitted by the cooperative pursuant to paragraph B and the department's costs prior to program plan implementation in its oversight of the development and implementation of the commingling program under this subsection. The department may require the cooperative to pay a portion of the fee required under this subparagraph at the time the cooperative submits a program plan for review and approval pursuant to paragraph B to cover the department's cost for review of the program plan.

(2) On or before April 1, 2026, and annually thereafter, the cooperative shall pay to the department the annual fee under this paragraph to cover the department's costs for review of the cooperative's annual report under paragraph E and the department's costs in the previous calendar year for its oversight, administration and enforcement of the commingling program implemented under this subsection. The cooperative shall pay the fee required pursuant to this subparagraph at the time it submits the annual report required pursuant to paragraph E.

H. Reports submitted to the department under this subsection must be made available to the public on the department's publicly accessible website, except that proprietary information submitted to the department in a plan, in an amendment to a plan or

pursuant to reporting requirements of this subsection that is identified by the submitter as proprietary information is confidential and must be handled by the department in the same manner as confidential information is handled under section 1310-B.

I. Beginning July 15, 2025, an initiator of deposit that is not in compliance with all applicable requirements of the single commingling program implemented pursuant to this subsection:

(1) Commits a violation of this chapter and is subject to penalties pursuant to section 3111; and

(2) Is prohibited from selling or distributing in the State any beverage container subject to the requirements of this chapter as long as the violation exists. A distributor or dealer may not sell or distribute in the State any such containers of the initiator of deposit, and the department may remove from sale any such containers of the initiator of deposit.

The department may adopt rules as necessary for the implementation of this subsection and the oversight of the cooperative and the single commingling program implemented pursuant to this subsection. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 27. 38 MRSA §3108,** as enacted by PL 2015, c. 166, §14, is repealed.

**Sec. 28. 38 MRSA §3108-A** is enacted to read:

**§3108-A. Unclaimed deposits**

This section governs unclaimed beverage container deposits.

**1. Commingling group; unclaimed deposits.** Prior to July 15, 2025, unclaimed deposits for nonrefillable beverage containers that are subject to a commingling agreement pursuant to section 3107, subsection 1-A or 1-B are the property of the members of the commingling group administering the agreement. The commingling group shall determine the disposition and use of those unclaimed deposits.

**2. Commingling cooperative; unclaimed deposits.** Except as provided in paragraph D, beginning July 15, 2025, unclaimed deposits for nonrefillable beverage containers subject to the requirements of this chapter are the property of the cooperative and, in accordance with rules adopted by the department pursuant to subsection 3, must be deposited and maintained by the cooperative in a separate account or accounts and expended only in accordance with this subsection.

A. The cooperative shall expend unclaimed deposit amounts as provided in paragraphs B and C and may not expend unclaimed deposit amounts to offset legal or lobbying fees or fines incurred by the cooperative, a commingling group or an initiator of deposit.

B. The cooperative shall expend unclaimed deposit amounts for the following purposes:

(1) Payment of the annual fee to the department as provided in section 3107, subsection 3-B, paragraph G;

(2) Reasonable costs of administering the program under section 3107, subsection 3-B, including, but not limited to, staffing costs and office operating costs;

(3) Costs of educational materials and signage provided to dealers and redemption centers regarding redemption instructions and other information, including information regarding the fraudulent redemption of beverage containers in accordance with section 3106, subsection 10;

(4) Reimbursement to dealers and redemption centers of the costs of plastic bags pursuant to section 3106, subsection 9; and

(5) Payment of $1,000,000 annually to the department for deposit into and use in accordance with the Cost and Carbon Efficient Technology Fund established in section 3114-A.

The cooperative shall include in its annual report required under section 3107, subsection 3-B, paragraph E any recommendations for a reduction in or other amendment to the payment required under this subparagraph that the cooperative believes necessary due to a reduction in the amount of unclaimed deposits available for expenditure in accordance with paragraph C, a surplus of undistributed funding within the Cost and Carbon Efficient Technology Fund established in section 3114-A or for other reasons specified by the cooperative.

C. Any deposits determined by the cooperative to be unclaimed in accordance with the rules adopted by the department pursuant to subsection 3 that are not expended by the cooperative as otherwise required by this section may be expended by the cooperative to offset other costs incurred by the program, including, but not limited to, costs of beverage container pickups and payment to dealers or redemption centers of required handling fees under section 3106, subsection 7, as long as such expenditures are designed to equitably offset those costs incurred by each member commingling group as determined pursuant to the approved program plan under section 3107, subsection 3-B, paragraph B, subparagraph (2).

D. Notwithstanding any provision of this section to the contrary, if the cooperative fails to implement a program plan approved by the department pursuant to section 3107, subsection 3-B, paragraph C by July 15, 2025, until the cooperative implements an approved program plan, unclaimed deposits for nonrefillable beverage containers subject to the requirements of this chapter must be deposited and maintained by the cooperative, or, in the event the cooperative has not been established, by each commingling group, in a separate account or accounts and in the manner directed by the department must be paid to the department for deposit into and use in accordance with the Beverage Container Enforcement Fund established under section 3114.

**3. Rules.** The department shall adopt rules as necessary to implement this section. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A. The rules must include, but are not limited to:

A. Provisions requiring the deposit by the cooperative into and the maintenance by the cooperative of a segregated account or accounts, separate from all other revenues, of the refund value for all nonrefillable beverage containers subject to the requirements of this chapter and sold by the members of the cooperative;

B. Provisions regarding the method and process by which the cooperative shall calculate the total amount of deposits determined to be unclaimed during the previous calendar year and the total amount of those deposits expended by the cooperative in accordance with this section during the previous calendar year; and

C. Any other provisions relating to the accounting for, determination of or expenditure of unclaimed deposits by the cooperative pursuant to this section.

**Sec. 29. 38 MRSA §3109, sub-§5-A,** as enacted by PL 2019, c. 526, §9, is amended to read:

**5-A. Beverage container handling.** A redemption center shall tender to pick-up agents only beverage containers sold in the State that are placed in shells, shipping cartons, bags or other receptacles in a manner that facilitates accurate eligible beverage container unit counts or, in the case of containers processing through a reverse vending machine or account-based bulk processing program, accurate data regarding the brand, material type and the count or the weight of the eligible beverage containers.

**Sec. 30. 38 MRSA §3109, sub-§5-B,** as amended by PL 2019, c. 526, §9, is further amended to read:

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

A. A redemption center shall label each shell, shipping carton, bag or other receptacle with the business name, initials, redemption center license number or other unique identifying mark and with the number of beverage containers contained in each shell, shipping carton, bag or other receptacle or, in the case of containers processed through a reverse vending machine or account-based bulk processing program, information regarding the material type and the count or weight of the beverage containers contained in the shell, shipping carton, bag or other receptacle.

B. The department, a commingling group or, beginning July 15, 2025, the cooperative may audit shells, shipping cartons, bags or other receptacles that have been prepared for pickup by a redemption center.

(1) An audit may be conducted by the department, a commingling group or, beginning July 15, 2025, the cooperative on site at the redemption center or off site at a different location. Off-site audits may involve the use of bulk redemption technology.

(2) An audit must be conducted on a minimum of 1,000 beverage containers or, in the case of containers processing through a reverse vending machine or account-based bulk processing program, on an equivalent amount by weight of the same material type.

(3) If the results of an audit vary from the ~~beverage container count labeled in accordance with~~ information included on the label of the shell, shipping carton, bag or other receptacle required by paragraph A, the department, a commingling group or, beginning July 15, 2025, the cooperative shall, in the case of an on-site audit, require the redemption center to add or remove containers or an equivalent weight of the same material type to address the variation in the results of the audit or, in the case of an off-site audit, require the redemption center to accept payment from the initiator of deposit or pick-up agent adjusted in accordance with the variation in the results of the audit.

(4) The department may deny an application for approval of a redemption center under subsection 2 if the redemption center, pursuant to audits conducted by the department in accordance with this subsection, has repeatedly prepared for pickup shells, shipping cartons, bags or other receptacles containing less than 97% of the beverage containers or equivalent

weight of the same material type that such shells, shipping cartons, bags or other receptacles are labeled as containing.

**Sec. 31. 38 MRSA §3111, sub-§3,** as enacted by PL 2015, c. 166, §14, is repealed and the following enacted in its place:

**3. Container pickup.** Notwithstanding subsection 1, a person who knowingly violates a provision of section 3106, subsection 8-A or the rules adopted pursuant to section 3106, subsection 8-A:

A. As a first offense, must receive a written warning from the department but does not commit a civil violation; and

B. As a second offense and any subsequent offenses, commits a civil violation for which a fine of $1,000 may be adjudged.

Notwithstanding any provision of this subsection to the contrary, the department may exercise enforcement discretion in the event of unforeseen circumstances causing a violation of a provision of section 3106, subsection 8-A or the rules adopted pursuant to section 3106, subsection 8-A, including, but not limited to, extreme weather conditions and inability to provide for pickup due to a significant number of illness-related employee absences.

**Sec. 32. 38 MRSA §3113, first ¶,** as enacted by PL 2015, c. 166, §14, is amended to read:

A license issued annually by the department is required before any person may initiate deposits under section 3103, operate a redemption center under section 3109 or act as a contracted agent for the collection of beverage containers under section 3106, subsection 8~~, paragraph B~~ or 8-A.

**Sec. 33. 38 MRSA §3113, sub-§2,** as amended by PL 2019, c. 526, §10, is further amended to read:

**2. Redemption center licensing criteria.** ~~In licensing redemption centers, the department shall consider at least the following~~ The department shall adopt rules establishing the minimum licensing criteria for approval of redemption center licenses. The rules must include, but are not limited to, provisions regarding:

A. The health and safety of the public and of redemption center employees, including sanitation protection when food is also sold on the premises;

B. The convenience for the public, including the distribution of centers by population or by distance, or both;

C. The proximity of ~~the~~ a proposed redemption center to existing redemption centers and the potential impact that the location of ~~the~~ a proposed redemption center may have on an existing redemption center;

D. The ~~proposed owner's~~ record of compliance with this chapter and rules adopted by the department pursuant to this chapter of a proposed owner of a redemption center; ~~and~~

E. The hours of operation of ~~the~~ a proposed redemption center and existing redemption centers in the proximity of ~~the~~ a proposed redemption center~~.~~;

F. The size of a proposed redemption center, including the specific areas for customer drop-off and beverage container storage; and

G. Access to a proposed redemption center for customers and pick-up agents, including vehicle and pedestrian access and loading and unloading zones.

Rules adopted by the department pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

**Sec. 34. 38 MRSA §3113, sub-§5** is enacted to read:

**5. Convenience standard.** On or after July 15, 2025, the department shall adopt rules establishing requirements for the implementation by the cooperative of an efficient beverage container collection system of redemption centers that is adequate to serve the needs of consumers in both rural and urban areas throughout the State. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

A. The beverage container collection system to be implemented must be designed to provide a geographical distribution of redemption locations and of redemption options for consumers, including, but not limited to, manual sorting, reverse vending machines, bag drop programs and account-based bulk processing programs, including those options that provide for immediate payment of the refund value to a consumer as well as those that provide payment of the refund value within a specified period of time following beverage container drop-off.

B. In establishing requirements for the beverage container collection system to be implemented, the department shall consider geographical limitations, population densities and reasonable days and hours of operation for redemption centers and may consider options for expanding redemption opportunities for consumers at locations other than redemption centers, including, but not limited to, at dealers and transfer stations.

**Sec. 35. 38 MRSA §3114, sub-§2,** as enacted by PL 2015, c. 166, §14, is amended to read:

**2. Sources of money.** The fund consists of the following:

A. Fees for issuance of licenses and license renewals under section 3113;

B. Fees for registration of beverage container labels and registration renewals under section 3105, subsection 5~~; and~~.

This paragraph is repealed July 15, 2025;

B-1. The annual fee paid by the commingling cooperative pursuant to section 3107, subsection 3-B, paragraph G; and

C. All other money appropriated or allocated for inclusion in the fund.

**Sec. 36. 38 MRSA §3114, sub-§3,** as enacted by PL 2015, c. 166, §14, is amended to read:

**3. Application of fund.** The department may combine administration and inspection responsibilities of other programs it administers with administration and enforcement responsibilities under this chapter for efficiency purposes~~; however~~, except that money in the fund may be used to fund only the portion of staff time devoted to administration and enforcement activities under this chapter as well as for any other activities or purposes related to the administration and enforcement of this chapter or otherwise consistent with the intent of section 3101.

**Sec. 37. 38 MRSA §3114-A** is enacted to read:

**§3114-A. Cost and Carbon Efficient Technology Fund**

**1. Creation.** The Cost and Carbon Efficient Technology Fund, referred to in this section as "the fund," is created under the jurisdiction and control of the department.

**2. Sources of money.** The fund consists of the following:

A. The annual payment from the cooperative required by section 3108-A, subsection 2, paragraph B, subparagraph (5); and

B. All other money appropriated or allocated for inclusion in the fund, including money from any other public or private sources.

**3. Application of fund.** Money in the fund must be used by the department to provide grants to persons to lease or purchase technology designed to improve operational efficiency and reduce greenhouse gas emissions from trucking or to support activities designed to increase the use of reusable and refillable beverage containers and other reusable and refillable packaging in the State.

A. The lease or purchase of technology designed to improve operational efficiency and reduce greenhouse gas emissions from trucking using a grant from the fund is limited to automated beverage container counting, compacting and sorting systems capable of validating the count of beverage containers processed and compacting and sorting processed containers in preparation for pickup, including, but not limited to, reverse vending machines as well as activities associated with the installation of that technology, including, but not limited to, electrical system upgrades, building or infrastructure modifications and Internet connection to a central system administrator as necessary.

B. Activities designed to increase the use of reusable and refillable beverage containers and other reusable and refillable packaging in the State using a grant from the fund are limited to:

(1) Activities relating to the development and implementation of, including the purchase of necessary materials and supplies for, pilot projects to determine options for financially viable models for refillable beverage container washing techniques, including, but not limited to, mobile washing stations, shipment of containers to washing facilities outside the State, in-house washing stations and establishment of a fixed washing facility in the State;

(2) Development of or other activities relating to container, adhesive and label options for refillable beverage containers capable of being used by manufacturers of different types of beverages; and

(3) Outreach and education activities for manufacturers, retailers, restaurants and consumers regarding the financial and environmental benefits of refillable beverage containers and regarding the processes and methods available for ensuring such containers may be safely reused.

C. Notwithstanding any provision of this section to the contrary, using money from the fund, the department shall contract with a 3rd-party entity to complete a study by July 15, 2026 regarding the feasibility of achieving goals of 5% reusable, refillable beverage containers marketed in the State and 10% reusable, refillable beverage containers marketed in the State and to determine the infrastructure and investments that would be necessary to support those goals. The department shall include the results of the feasibility study, along with any additional comments or recommendations from the department, in the report required by section 3115, subsection 3 that is due February 15, 2027.

D. Notwithstanding any provision of this section to the contrary, using money from the fund, the department shall provide reimbursement of beverage container costs or other financial losses to eligible distributors in accordance with section 3106, subsection 5-A, paragraph D.

This paragraph is repealed January 1, 2026.

E. A grant issued by the department from the fund must cover at least 25% of the anticipated cost of the technology leased or purchased or activities supported as identified in the grant application.

F. The department shall administer the fund and, after consultation with the cooperative and its advisory group established pursuant to section 3107, subsection 3-B, paragraph A, shall establish the application process and procedures for issuance of grants from the fund. The department shall consult with the cooperative and its advisory group in reviewing and approving grant applications submitted under this section.

**Sec. 38. 38 MRSA §3115, sub-§1,** as enacted by PL 2015, c. 166, §14, is amended by enacting at the end a new first blocked paragraph to read:

This subsection is repealed July 15, 2025.

**Sec. 39. 38 MRSA §3115, sub-§3** is enacted to read:

**3. Report.** On or before February 15, 2024, and annually thereafter, the department shall report to the joint standing committee of the Legislature having jurisdiction over environment and natural resources matters on the status of the beverage container redemption program implemented under this chapter.

A. The report must include any recommendations, including draft legislation as necessary, for amendments to this chapter necessary for its administration or to better fulfill the purpose described under section 3101, including, but not limited to, identification of additional department staffing or resource needs to support the administration of this chapter.

B. For the report required by this subsection that is due February 15, 2026, and for each subsequent report, the department shall, at a minimum, include:

(1) Any recommendations for necessary adjustments to the amount of the handling fee under section 3106, subsection 7; and

(2) Information regarding the status of the Cost and Carbon Efficient Technology Fund under section 3114-A, including, but not limited to, information regarding the number and amount of grants issued under that fund, information on the recipients of those grants and the technology or activities that those grants were used to support.

C. In addition to the requirements of paragraph B, for the report required by this subsection that is due February 15, 2027, and for each subsequent report, the department shall, at a minimum, include information annually reported by the cooperative pursuant to section 3107, subsection 3-B, paragraph E, including, but not limited to, information regarding the rates of redemption for beverage containers and the calculated overall statewide redemption rate.

D. After reviewing the report, the committee may report out legislation relating to the report. The report under this subsection may be included in the report required pursuant to section 1772, subsection 1.

**Sec. 40. 38 MRSA §3119,** as enacted by PL 2019, c. 526, §14, is amended to read:

**§3119. Reporting requirements**

This section establishes annual reporting requirements for initiators of deposit and for pick-up agents that are not initiators of deposit.

**1. Initiator of deposit annual report.** Each initiator of deposit shall report annually by March 1st to the department concerning its deposit transactions in the preceding calendar year. The report must be in a form prescribed by the department and must include the number of nonrefillable beverage containers sold by the initiator of deposit in the State by container size, by beverage type and by redemption value, delineated at a minimum into wine, spirits and all other beverage types, and must include the number of nonrefillable beverage containers returned to the initiator of deposit by beverage type and by redemption value.

This subsection is repealed July 15, 2025.

**2. Pick-up agent annual report.** Each pick-up agent that is not an initiator of deposit shall report annually by March 1st to the department concerning the redemptions for each initiator of deposit it served in the preceding calendar year. The report must be in a form prescribed by the department and must include the number of nonrefillable containers returned by the pick-up agent to each initiator of deposit it served by redemption value, except that the pick-up agent may report by average weight and total weight of beverage containers returned by material type for containers managed pursuant to a qualified commingling agreement under section 3107.

This subsection is repealed July 15, 2025.

**3. Proprietary information.** Proprietary information submitted to the department prior to July 15, 2025 in a report required under this section that is identified by the submittor as proprietary information is confidential and must be handled by the department in the same manner as confidential information is handled under section 1310-B.

**Sec. 41. Department of Environmental Protection; beverage container redemption program report.** The Department of Environmental Protection, in the report required by the Maine Revised Statutes, Title 38, section 3115, subsection 3 that is due February 15, 2024, shall include additional recommen-

dations, including proposed legislation, for any necessary changes to the laws governing the beverage container redemption program to ensure the timely and successful implementation of any special commingling agreements pursuant to Title 38, section 3107, subsection 1-B and the single commingling program operated by a commingling cooperative pursuant to Title 38, section 3107, subsection 3-B. The report may include additional recommendations for changes to the laws governing the beverage container redemption program determined necessary by the department.

**Sec. 42. Appropriations and allocations.** The following appropriations and allocations are made.

**ENVIRONMENTAL PROTECTION, DEPARTMENT OF**

**Administration - Environmental Protection 0251**

Initiative: Provides funding for technology management costs associated with 3 limited-period Environmental Specialist III positions.

| GENERAL FUND | 2023-24 | 2024-25 |
|---|---|---|
| All Other | $8,475 | $8,475 |
| GENERAL FUND TOTAL | $8,475 | $8,475 |

**Maine Environmental Protection Fund 0421**

Initiative: Establishes 3 limited-period Environmental Specialist III positions and associated All Other costs beginning January 1, 2024 and ending June 7, 2025.

| GENERAL FUND | 2023-24 | 2024-25 |
|---|---|---|
| Personal Services | $125,582 | $280,938 |
| All Other | $4,089 | $4,089 |
| GENERAL FUND TOTAL | $129,671 | $285,027 |

| ENVIRONMENTAL PROTECTION, DEPARTMENT OF DEPARTMENT TOTALS | 2023-24 | 2024-25 |
|---|---|---|
| GENERAL FUND | $138,146 | $293,502 |
| DEPARTMENT TOTAL - ALL FUNDS | $138,146 | $293,502 |

**Sec. 43. Effective date.** That section of this Act that enacts the Maine Revised Statutes, Title 38, section 3108-A and those sections of this Act that amend Title 36, section 112, subsection 8; Title 38, section 3102, subsection 16-A; Title 38, section 3106, subsection 5; and Title 38, section 3106, subsection 6 and that section of this Act that repeals Title 38, section 3108 and that section of this Act that repeals and replaces Title 38, section 3111, subsection 3 take effect October 15, 2024.

See title page for effective date, unless otherwise indicated.

## CHAPTER 483
## S.P. 835 - L.D. 2013

### An Act to Address Abandoned Capital Credits Held by Rural Electrification Cooperatives

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

**Sec. 1. 33 MRSA §2061, sub-§12,** as enacted by PL 2019, c. 498, §22, is amended to read:

**12. Deposit or refund owed by a utility.** A deposit or refund, other than an abandoned capital credit as defined in Title 35-A, section 3503, subsection 2, paragraph A, owed to a subscriber by a utility, one year after the deposit or refund becomes payable;

**Sec. 2. 35-A MRSA §3503, sub-§2,** as amended by PL 1999, c. 398, Pt. A, §87 and affected by §§104 and 105, is repealed and the following enacted in its place:

**2. Definitions.** As used in this section, unless the context otherwise indicates, the following terms have the following meanings.

A. "Abandoned capital credit" means a deposit or refund owed to a member of a rural electrification cooperative as defined in section 3703, subsection 2 that is unclaimed by the member one year after the deposit or refund becomes payable.

B. "Governing body" means the governing body of a consumer-owned transmission and distribution utility.

**Sec. 3. 35-A MRSA §3503, sub-§7** is enacted to read:

**7. Abandoned capital credits.** Abandoned capital credits must be used to provide assistance to low-income households in accordance with section 3214.

See title page for effective date.

## CHAPTER 484
## S.P. 263 - L.D. 595

### An Act to Establish the Companion Animal Sterilization Program in the Maine Revised Statutes

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

**Sec. 1. 7 MRSA §3907, sub-§9-B** is enacted to read:

**9-B. Cat.** "Cat" means a member of the genus and species known as Felis catus.