

PLEASE NOTE: Legislative Information **cannot** perform research, provide legal advice, or interpret Maine law. For legal assistance, please contact a qualified attorney.

## **An Act To Require Unredeemed Beverage Container Deposits To Be Provided to the State**

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

**Sec. 1. 32 MRSA §1866-E, first ¶**, as enacted by PL 2003, c. 499, §8, is amended to read:

The provisions of this section apply ~~only to those~~all beverage containers that are not subject to a commingling agreement pursuant to section 1866-D ~~unless exempt under subsection 6 or section 1870.~~

**Sec. 2. 32 MRSA §1866-E, sub-§4**, as amended by PL 2003, c. 700, §2 and affected by §6, is further amended to read:

**4. Transfer of abandoned deposit amounts.** By the 20th day of each month, an initiator shall turn over to the State Tax Assessor the initiator's abandoned deposit amounts determined pursuant to subsection 3. Those amounts may be paid from the deposit transaction fund. Amounts collected by the assessor pursuant to this subsection must be treated by the assessor as a tax, as that term is defined by Title 36, section 111, subsection 5, and must be deposited in the General Fund and 50% of that amount deposited must be credited to the Beverage Container Enforcement Fund, established under section 1871-B, for administration of the returnable beverage container laws by the department.

**Sec. 3. 32 MRSA §1866-E, sub-§7**, as enacted by PL 2003, c. 700, §4 and affected by §6, is repealed.

**Sec. 4. Abandoned deposits; 10-year audit; payment.** The Department of Agriculture, Food and Rural Resources shall audit or cause an audit of abandoned deposit amounts on all beverage containers as defined in the Maine Revised Statutes, Title 32, chapter 28 for the 10 years preceding the effective date of this Act. The goal of the audit is to estimate amounts of abandoned deposit amounts that remain unaccounted for because of commingling agreements and to identify an estimated amount for each initiator of deposits. The department shall assess against initiators of deposits the amounts estimated plus interest. An initiator shall pay the assessment under this section within 60 days of notice from the department of the assessment amount. Failure to pay within 60 days results in a fine of \$10,000 per day. Any money collected by operation of this section must be deposited in the General Fund and credited to the Beverage Container Enforcement Fund established under Title 32, section 1871-B.

### **SUMMARY**

Most returnable beverage containers in the State are subject to commingling agreements and, as such, are not currently subject to the provisions that require initiators of the deposits to transfer abandoned deposit amounts to the State.

This bill amends current law to capture the abandoned deposit amounts on returnable beverage containers that are subject to commingling agreements and credits 50% of the amount collected from all

transfers of abandoned deposit amounts to the Department of Agriculture, Food and Rural Resources to administer the provisions regarding returnable beverage containers.

This bill also addresses the same issue historically by requiring an audit to estimate amounts unaccounted for during the last 10 years and requires initiators of deposits to pay the estimates, plus interest, within 60 days of notice from the department. Failure to pay will result in an additional daily fine added to the assessment.