ENVIRONMENT AND NATURAL RESOURCES

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

STATE OF MAINE

SENATE

131ST LEGISLATURE

FIRST SPECIAL SESSION

COMMITTEE AMENDMENT “ ” to S.P. 73, L.D. 134, “An Act to Increase the Handling Fee for Beverage Containers Reimbursed to Dealers and Redemption Centers”

Amend the bill by inserting after the title and before the enacting clause the following:

'Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the State’s successful beverage container redemption program protects public health and safety by preventing litter from polluting water sources and spreading disease and by reducing air and water contamination caused by the burning of containers in a waste-to-energy facility or the disposal of containers in a landfill; and

Whereas, Maine residents rely on beverage container redemption centers as a convenient option for redeeming container refunds, which many residents use to support their household budgets; and

Whereas, redemption centers are struggling to address increased system costs due to inflation and other factors, which have forced many redemption centers to reduce hours or close, while at the same time, recent increased demands for redemption services are overwhelming redemption centers still in operation; and

Whereas, necessary operational changes to streamline the beverage container redemption program cannot be implemented in sufficient time to address the current cost and demand issues overwhelming redemption centers now and in the near future; and

Whereas, an immediate increase in the handling fee paid by initiators of deposit to redemption centers and an additional future increase in that fee, as provided in this legislation, are necessary to prevent further redemption center closures; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,'
Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 38 MRSA §3106, sub-§7, as amended by PL 2019, c. 526, §7, is further amended to read:

7. Reimbursement of handling costs. Reimbursement of handling costs is governed by this subsection.

A. In addition to the payment of the refund value, the initiator of the deposit under section 3103, subsections 1, 2 and 4 shall reimburse the dealer or redemption center for the cost of handling beverage containers subject to section 3103, in an amount that equals at least 3¢ per returned container for containers picked up by the initiator before March 1, 2004, at least 3 1/2¢ for containers picked up on or after March 1, 2004 and before March 1, 2010, at least 4¢ for containers picked up on or after March 1, 2010 and before January 1, 2020 and, at least 4 1/2¢ for containers picked up on or after January 1, 2020 and before May 1, 2023, at least 5 1/2¢ for containers picked up on or after May 1, 2023 and before September 1, 2023 and at least 6¢ for containers picked up on or after September 1, 2023. The initiator of the deposit may reimburse the dealer or redemption center directly or indirectly through a party with which it has entered into a commingling agreement.

B. In addition to the payment of the refund value, the initiator of the deposit under section 3103, subsection 3 shall reimburse the dealer or redemption center for the cost of handling beverage containers subject to section 3103 in an amount that equals at least 3¢ per returned container for containers picked up by the initiator before March 1, 2004, at least 3 1/2¢ for containers picked up on or after March 1, 2004 and before March 1, 2010, at least 4¢ for containers picked up on or after March 1, 2010 and before January 1, 2020 and, at least 4 1/2¢ for containers picked up on or after January 1, 2020 and before May 1, 2023, at least 5 1/2¢ for containers picked up on or after May 1, 2023 and before September 1, 2023 and at least 6¢ for containers picked up on or after September 1, 2023. The initiator of the deposit may reimburse the dealer or redemption center directly or indirectly through a contracted agent or through a party with which it has entered into a commingling agreement.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

ADMINISTRATIVE AND FINANCIAL SERVICES, DEPARTMENT OF ALCOHOLIC BEVERAGES – General Operation 0015

Initiative: Provides allocations for the State’s cost as an initiator of deposit for spirits for an increase in the reimbursement rate paid to a dealer or local redemption center of 1¢ per returned beverage container beginning May 1, 2023 and another 1/2¢ beginning September 1, 2023.

<table>
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<tr>
<th>State Alcoholic Beverage Fund</th>
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<td>State Alcoholic Beverage Fund Total</td>
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<td>$450,155</td>
<td>$514,766</td>
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</table>

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COMMITTEE AMENDMENT
Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.'

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment replaces the bill. It adds an emergency preamble and emergency clause and amends the beverage container redemption laws to increase the amount of the reimbursement of beverage container handling costs paid by an initiator of deposit to a dealer or redemption center from 4 1/2¢ per container to 5 1/2¢ per container beginning May 1, 2023 and to 6¢ per container beginning September 1, 2023. The amendment also adds an appropriations and allocations section.

FISCAL NOTE REQUIRED

(See attached)