



General Assembly

Substitute Bill No. 127

February Session, 2010

* _____SB00127ENVF IN032210_____*

**AN ACT CONCERNING COMPOSTING FACILITIES FOR
COMMERCIAL FOOD RESIDUALS AND THE ACCOUNTING SYSTEM
FOR REDEEMED BEVERAGE CONTAINERS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 22a-260 of the general statutes is amended by
2 adding subdivision (26) as follows (*Effective October 1, 2010*):

3 (NEW) (26) "Composting facility" means land, appurtenances and
4 structures where materials from another process or location are
5 recovered using a process of accelerated biological decomposition of
6 organic material under controlled conditions to produce a marketable
7 product.

8 Sec. 2. (NEW) (*Effective October 1, 2010*) Not later than six months
9 after the establishment of service in the state by two or more permitted
10 composting facilities, as defined in section 22a-207 of the general
11 statutes, that have a combined available capacity to service the
12 discarded food residual needs of commercial food wholesalers or
13 distributors, industrial food manufacturers or processors,
14 supermarkets, or resorts or conference centers that each generate an
15 average volume of not less than one hundred four tons per year of
16 discarded food residuals, each wholesaler or distributor, industrial
17 food manufacturer or processor, supermarket, or resort or conference
18 center that generates an average volume of not less than one hundred

19 four tons per year of discarded food residuals shall: (1) Separate such
20 materials from other solid waste, and (2) ensure that such discarded
21 food residuals are recycled at a permitted composting facility provided
22 such composting facility is not more than thirty miles from such
23 wholesaler, distributor, industrial food manufacturer or processor,
24 supermarket, or resort or conference center, as applicable. Any such
25 wholesaler, distributor, industrial food manufacturer or processor,
26 supermarket, or resort or conference center that establishes an on-site
27 composting facility shall be deemed in compliance with the provisions
28 of this section.

29 Sec. 3. Subsection (e) of section 22a-245 of the 2010 supplement to
30 the general statutes is repealed and the following is substituted in lieu
31 thereof (*Effective July 1, 2010*):

32 (e) [(1)] The Commissioner of Environmental Protection shall adopt
33 regulations, in accordance with the provisions of chapter 54, to
34 implement the provisions of sections 22a-243 to [22a-245a] 22a-245,
35 inclusive, as amended by this act. Such regulations shall include, but
36 not be limited to, provisions for the redemption of beverage containers
37 dispensed through automatic vending machines, the use of vending
38 machines that dispense cash to consumers for redemption of beverage
39 containers, scheduling for redemption by dealers and distributors and
40 for exemptions or modifications to the labeling requirement of section
41 22a-244.

42 [(2)] The regulations adopted pursuant to subdivision (1) of this
43 subsection shall also include provisions creating a prescribed
44 accounting system for the reimbursement of the refund value for a
45 redeemed beverage container. The commissioner shall adopt written
46 policies and procedures to implement the provisions creating such
47 prescribed accounting system while in the process of adopting such
48 policies and procedures in regulation form, and the commissioner shall
49 print a notice of intention to adopt the regulations in the Connecticut
50 Law Journal not later than twenty days prior to implementing such
51 policies and procedures. The commissioner shall submit final

52 regulations to implement such policies and procedures to the
53 legislative regulation review committee not later than May 1, 2009,
54 unless a later date is approved by a majority vote of the members
55 present of said committee. Policies and procedures implemented
56 pursuant to this subdivision shall be valid until (A) May 1, 2009, or, if
57 applicable, the later date approved by said committee pursuant to this
58 subdivision, or (B) the time that the proposed final regulations are
59 adopted or disapproved by said committee, whichever is earlier.]

60 Sec. 4. Section 22a-245a of the 2010 supplement to the general
61 statutes is repealed and the following is substituted in lieu thereof
62 (*Effective July 1, 2010*):

63 (a) Each deposit initiator shall open a special interest-bearing
64 account at a Connecticut branch of a financial institution, as defined in
65 section 45a-557a, to the credit of the deposit initiator. Each deposit
66 initiator shall deposit in such account an amount equal to the refund
67 value established pursuant to subsection (a) of section 22a-244, for each
68 beverage container sold by such deposit initiator. Such deposit shall be
69 made not more than one month after the date such beverage container
70 is sold, provided for any beverage container sold during the period
71 from December 1, 2008, to December 31, 2008, inclusive, such deposit
72 shall be made not later than January 5, 2009. All interest, dividends
73 and returns earned on the special account shall be paid directly into
74 such account. Such moneys shall be kept separate and apart from all
75 other moneys in the possession of the deposit initiator. The amount
76 required to be deposited pursuant to this section, when deposited,
77 shall be held to be a special fund in trust for the state.

78 (b) (1) Any reimbursement of the refund value for a redeemed
79 beverage container shall be paid from the deposit initiator's special
80 account, with such payment to be computed, subject to the provisions
81 of subdivision (2) of this subsection, under the cash receipts and
82 disbursements method of accounting, as described in Section 446(c)(1)
83 of the Internal Revenue Code of 1986, or any subsequent
84 corresponding Internal Revenue Code of the United States, as

85 amended from time to time. [Upon the Commissioner of
86 Environmental Protection's adoption of written policies and
87 procedures establishing an accounting system under section 22a-245,
88 any such reimbursement shall be paid in the manner prescribed in
89 such policies and procedures until the adoption of final regulations
90 under said section 22a-245. Upon the adoption of such regulations, any
91 such reimbursement shall be paid in accordance with such
92 regulations.]

93 (2) A deposit initiator may petition the Commissioner of Revenue
94 Services for an alternate method of accounting by filing with such
95 deposit initiator's return a statement of objections and other proposed
96 alternate method of accounting, as such deposit initiator believes
97 proper and equitable under the circumstances that is accompanied by
98 supporting details and proof. The Commissioner of Revenue Services
99 shall promptly notify such deposit initiator whether the proposed
100 alternate method is accepted as reasonable and equitable and, if so,
101 accepted, shall adjust such deposit initiator's return, and payment of
102 reimbursement, accordingly.

103 (c) (1) Each deposit initiator shall submit a report on March 15, 2009,
104 for the period from December 1, 2008, to February 28, 2009, inclusive.
105 Each deposit initiator shall submit a report on July 31, 2009, for the
106 period from March 1, 2009, to June 30, 2009, inclusive, and thereafter
107 shall submit a quarterly report for the immediately preceding calendar
108 quarter one month after the close of such quarter. Each such report
109 shall be submitted to the Commissioner of Environmental Protection,
110 on a form prescribed by the commissioner and with such information
111 as the commissioner deems necessary, including, but not limited to:
112 [(1)] (A) The balance in the special account at the beginning of the
113 quarter for which the report is prepared; [(2)] (B) a list of all deposits
114 credited to such account during such quarter, including all refund
115 values paid to the deposit initiator and all interest, dividends or
116 returns received on the account; [(3)] (C) a list of all withdrawals from
117 such account during such quarter, all service charges and overdraft

118 charges on the account and all payments made pursuant to subsection
119 (d) of this section; and [(4)] (D) the balance in the account at the close
120 of the quarter for which the report is prepared.

121 (2) Each deposit initiator shall submit a report on October 31, 2010,
122 for the calendar quarter beginning July 1, 2010. Subsequently, each
123 deposit initiator shall submit a quarterly report for the immediately
124 preceding calendar quarter, on or before the last day of the month next
125 succeeding the close of such quarter. Each such report shall be
126 submitted to the Commissioner of Revenue Services, on a form
127 prescribed by the commissioner, and with such information as the
128 commissioner deems necessary, including, but not limited to, the
129 following information: (A) The balance in the special account at the
130 beginning of the quarter for which the report is prepared, (B) all
131 deposits credited to such account during such quarter, including all
132 refund values paid to the deposit initiator and all interest, dividends or
133 returns received on such account, (C) all withdrawals from such
134 account during such quarter, including all service charges and
135 overdraft charges on such account and all payments made pursuant to
136 subsection (d) of this section, and (D) the balance in such account at the
137 close of the quarter for which the report is prepared. Such quarterly
138 report shall be filed electronically with the Commissioner of Revenue
139 Services, in the manner provided by chapter 228g.

140 (d) (1) On or before April 30, 2009, each deposit initiator shall pay
141 the balance outstanding in the special account that is attributable to the
142 period from December 1, 2008, to March 31, 2009, inclusive, to the
143 Commissioner of Environmental Protection for deposit in the General
144 Fund. Thereafter the balance outstanding in the special account that is
145 attributable to the immediately preceding calendar quarter shall be
146 paid by the deposit initiator one month after the close of such quarter
147 to the Commissioner of Environmental Protection for deposit in the
148 General Fund. If the amount of the required payment pursuant to this
149 [subsection] subdivision is not paid by the date seven days after the
150 due date, a penalty of ten per cent of the amount due shall be added to

151 the amount due. The amount due shall bear interest at the rate of one
152 and one-half per cent per month or fraction thereof, from the due date.
153 Any such penalty or interest shall not be paid from funds maintained
154 in the special account.

155 (2) On or before October 31, 2010, each deposit initiator shall pay the
156 balance outstanding in the special account that is attributable to the
157 period from July 1, 2010, to September 30, 2010, inclusive, to the
158 Commissioner of Revenue Services for deposit in the General Fund.
159 Subsequently, the balance outstanding in the special account that is
160 attributable to the immediately preceding calendar quarter shall be
161 paid by the deposit initiator on or before the last day of the month next
162 succeeding the close of such quarter to the commissioner for deposit in
163 the General Fund. If the amount of the required payment pursuant to
164 this subdivision is not paid on or before the due date, a penalty of ten
165 per cent of the amount due and unpaid, or fifty dollars, whichever is
166 greater, shall be imposed. The amount due and unpaid shall bear
167 interest at the rate of one per cent per month or fraction thereof, from
168 the due date. Any such penalty or interest shall not be paid from funds
169 maintained in such special account. Such required payment shall be
170 made by electronic funds transfer to the commissioner, in the manner
171 provided by chapter 228g.

172 (e) If moneys deposited in the special account are insufficient to pay
173 for withdrawals authorized pursuant to subsection (b) of this section,
174 the amount of such deficiency shall be subtracted from the next
175 succeeding payment or payments due pursuant to subsection (d) of
176 this section until the amount of the deficiency has been subtracted in
177 full.

178 (f) The [State Treasurer may, independently or upon request of the
179 commissioner,] Commissioner of Revenue Services may examine the
180 accounts and records of any deposit initiator maintained under this
181 section or sections 22a-243 to 22a-245, inclusive, as amended by this
182 act, and any related accounts and records, including receipts,
183 disbursements and such other items as the [State Treasurer]

184 commissioner deems appropriate.

185 (g) The Attorney General may, independently or upon complaint of
 186 the [commissioner] Commissioner of Environmental Protection or the
 187 Commissioner of Revenue Services, institute any appropriate action or
 188 proceeding to enforce any provision of this section or any regulation
 189 adopted pursuant to section 22a-245, as amended by this act, to
 190 implement the provisions of this section.

191 (h) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
 192 section 12-555a shall be deemed to apply to the provisions of this
 193 section, except any provision of sections 12-548, 12-550 to 12-554,
 194 inclusive, and section 12-555a that is inconsistent with the provision in
 195 this section.

196 (i) Any payment required pursuant to this section shall be treated as
 197 a tax for purposes of sections 12-30b, 12-33a, 12-35a, 12-39g and 12-39h.

198 Sec. 5. (NEW) (*Effective July 1, 2010*) The Commissioner of Revenue
 199 Services, in consultation with the Commissioner of Environmental
 200 Protection, may adopt regulations, in accordance with the provisions
 201 of chapter 54 of the general statutes, to implement the provisions of
 202 section 22a-245a of the general statutes, as amended by this act.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2010</i>	22a-260
Sec. 2	<i>October 1, 2010</i>	New section
Sec. 3	<i>July 1, 2010</i>	22a-245(e)
Sec. 4	<i>July 1, 2010</i>	22a-245a
Sec. 5	<i>July 1, 2010</i>	New section

ENV

Joint Favorable Subst. C/R

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