



General Assembly

Amendment

January Session, 2017

LCO No. 6206



Offered by:
SEN. KENNEDY, 12th Dist.

To: Subst. Senate Bill No. 996

File No. 417

Cal. No. 212

**"AN ACT ESTABLISHING A BOTTLE RECYCLING FEE IN LIEU OF
A REFUNDABLE DEPOSIT."**

1 Strike section 1 in its entirety and insert the following in lieu thereof:

2 "Section 1. (NEW) (*Effective October 1, 2017*) (a) For purposes of this
3 section:

4 (1) "Early recycling fee beverage" means any beverage that is a juice,
5 tea, sports drink, spirit or alcohol;

6 (2) "Beverage container" means the individual, separate, sealed
7 glass, metal or plastic bottle, can, jar or carton containing an early
8 recycling fee beverage, but does not include a bottle, can, jar or carton
9 of more than fifty milliliters in size if containing a spirit or alcohol;

10 (3) "Consumer" means every person who purchases a beverage in a
11 beverage container for use or consumption;

12 (4) "Dealer" means every person who engages in the sale of early
13 recycling fee beverages in beverage containers to a consumer;

14 (5) "Distributor" means every person who engages in the sale of
15 early recycling fee beverages in beverage containers to a dealer in this
16 state including any manufacturer who engages in such sale and
17 includes a dealer who engages in the sale of early recycling fee
18 beverages in beverage containers on which no recycling fee has been
19 collected prior to retail sale;

20 (6) "Manufacturer" means every person bottling, canning or
21 otherwise filling beverage containers for sale to distributors or dealers
22 or, in the case of private label brands, the owner of the private label
23 trademark;

24 (7) "Place of business of a dealer" means the fixed location at which
25 a dealer sells or offers for sale early recycling fee beverages in beverage
26 containers to consumers;

27 (8) "Use or consumption" includes the exercise of any right or power
28 over an early recycling fee beverage incident to the ownership thereof,
29 other than the sale or the keeping or retention of an early recycling fee
30 beverage for the purposes of sale; and

31 (9) "Recycling fee initiator" means the first dealer to collect the
32 recycling fee on a beverage container sold to any person within this
33 state.

34 (b) Every beverage container containing an early recycling fee
35 beverage sold or offered for sale in this state, except for any such
36 beverage containers sold or offered for sale for consumption on an
37 interstate passenger carrier, shall have a recycling fee. Such recycling
38 fee shall not be less than four cents and shall be a uniform amount
39 throughout the distribution process in this state.

40 (c) Each recycling fee initiator shall open a special interest-bearing
41 account at a Connecticut branch of a financial institution, as defined in
42 section 45a-557a of the general statutes, to the credit of the recycling
43 fee initiator. Each recycling fee initiator shall deposit in such account
44 an amount equal to the recycling fee established pursuant to

45 subsection (b) of this section for each beverage container sold by such
46 recycling fee initiator. Such deposit shall be made not more than one
47 month after the date such beverage container is sold. All interest,
48 dividends and returns earned on the special account shall be paid
49 directly into such account. Such moneys shall be kept separate and
50 apart from all other moneys in the possession of the recycling fee
51 initiator. The amount required to be deposited pursuant to this section,
52 when deposited, shall be held to be a special fund in trust for the state.

53 (d) Each recycling fee initiator shall submit a quarterly report for the
54 immediately preceding calendar quarter, on or before the last day of
55 the month next succeeding the close of such quarter. Each such report
56 shall be submitted to the Commissioner of Revenue Services, on a form
57 prescribed by the Commissioner of Revenue Services, and with such
58 information as the Commissioner of Revenue Services deems
59 necessary, including, but not limited to, the following information: (1)
60 The balance in the special account at the beginning of the quarter for
61 which the report is prepared, (2) all recycling fees credited to such
62 account during such quarter, including all recycling fees paid to the
63 deposit initiator and all interest, dividends or returns received on such
64 account, (3) all withdrawals from such account during such quarter,
65 including all service charges and overdraft charges on such account
66 and all payments made pursuant to subsection (c) of this section, and
67 (4) the balance in such account at the close of the quarter for which the
68 report is prepared. Such quarterly report shall be filed electronically
69 with the Commissioner of Revenue Services, in the manner provided
70 by chapter 228g of the general statutes.

71 (e) On or before January 31, 2018, each recycling fee initiator shall
72 pay the balance outstanding in the special account that is attributable
73 to the period from October 1, 2017, to January 30, 2018, inclusive, to the
74 Commissioner of Revenue Services for deposit in the General Fund.
75 Subsequently, the balance outstanding in the special account that is
76 attributable to the immediately preceding calendar quarter shall be
77 paid by the recycling fee initiator on or before the last day of the
78 month next succeeding the close of such quarter to the Commissioner

79 of Revenue Services for deposit in the General Fund. If the amount of
80 the required payment pursuant to this subdivision is not paid on or
81 before the due date, a penalty of ten per cent of the amount due and
82 unpaid, or fifty dollars, whichever is greater, shall be imposed. The
83 amount due and unpaid shall bear interest at the rate of one per cent
84 per month or fraction thereof, from the due date. Any such penalty or
85 interest shall not be paid from funds maintained in such special
86 account. Such required payment shall be made by electronic funds
87 transfer to the Commissioner of Revenue Services, in the manner
88 provided by chapter 228g of the general statutes.

89 (f) The Commissioner of Revenue Services may examine the
90 accounts and records of any recycling fee initiator maintained under
91 this section and any related accounts and records, including receipts,
92 disbursements and such other items as the Commissioner of Revenue
93 Services deems appropriate.

94 (g) The Attorney General may, independently or upon complaint of
95 the Commissioner of Energy and Environmental Protection or the
96 Commissioner of Revenue Services, institute any appropriate action or
97 proceeding to enforce any provision of this section.

98 (h) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
99 12-555a of the general statutes shall be deemed to apply to the
100 provisions of this section, except any provision of sections 12-548, 12-
101 550 to 12-554, inclusive, and 12-555a of the general statutes that is
102 inconsistent with the provision in this section.

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

106 (j) For the period commencing October 1, 2017, and ending July 1,
107 2018, the Commissioner of Revenue Services shall make any recycling
108 fees collected pursuant to this section available for payment to the
109 redemption centers established pursuant to section 22a-245 of the
110 general statutes, as amended by this act, in a manner that enables any

111 dealer or operator of such redemption center to realize a handling fee
112 of two and one-half cents for each container of beer or other malt
113 beverage and three cents for each container of mineral waters, soda
114 water, and similar carbonated soft drink or noncarbonated beverage
115 returned for redemption, in accordance with the provisions of sections
116 22a-243 to 22a-246, inclusive, of the general statutes, as amended by
117 this act.

118 (k) Any person who violates any provision of this section shall be
119 fined by the Commissioner of Revenue Services or the Commissioner
120 of Energy and Environmental Protection, as applicable, not less than
121 fifty dollars nor more than one hundred dollars, and for a second
122 offense shall be fined not less than one hundred dollars nor more than
123 two hundred dollars and for a third or subsequent offense shall be
124 fined not less than two hundred fifty dollars or more than five
125 hundred dollars."

126 Strike section 4 in its entirety and insert the following in lieu thereof:

127 "Sec. 4. Section 22a-244 of the general statutes is repealed and the
128 following is substituted in lieu thereof (*Effective July 1, 2018*):

129 (a) (1) [Every] For the period beginning July 1, 2018, and ending July
130 1, 2025, every beverage container containing a carbonated beverage
131 sold or offered for sale in this state, except for any such beverage
132 containers sold or offered for sale for consumption on an interstate
133 passenger carrier, shall have a [refund value] recycling fee. Such
134 [refund value] recycling fee shall not be less than [five] four cents and
135 shall be a uniform amount throughout the distribution process in this
136 state. (2) [Every] For the period beginning July 1, 2018, and ending July
137 1, 2025, every beverage container containing a noncarbonated beverage
138 sold or offered for sale in this state shall have a [refund value]
139 recycling fee, except for beverage containers containing a
140 noncarbonated beverage that are [(A)] sold or offered for sale for
141 consumption on an interstate passenger carrier, [, or (B) that comprise
142 any dealer's existing inventory as of March 31, 2009. Such refund

143 value] Such recycling fee shall not be less than [five] four cents and
144 shall be a uniform amount throughout the distribution process in this
145 state.

146 [(b) Every beverage container sold or offered for sale in this state,
147 that has a refund value pursuant to subsection (a) of this section, shall
148 clearly indicate by embossing or by a stamp or by a label or other
149 method securely affixed to the beverage container (1) either the refund
150 value of the container or the words "return for deposit" or "return for
151 refund" or other words as approved by the Department of Energy and
152 Environmental Protection, and (2) either the word "Connecticut" or the
153 abbreviation "Ct.", provided this subdivision shall not apply to glass
154 beverage containers permanently marked or embossed with a brand
155 name.]

156 [(c)] (b) No person shall sell or offer for sale in this state any metal
157 beverage container (1) a part of which is designed to be detached in
158 order to open such container, or (2) that is connected to another
159 beverage container by a device constructed of a material which does
160 not decompose by photodegradation, chemical degradation or
161 biodegradation within a reasonable time after exposure to the
162 elements."