

Unclaimed Bottle Deposits

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Issue

What happens to unclaimed bottle deposits under Connecticut's beverage container redemption law ("bottle bill") ([CGS §§ 22a-243 to 22a-246](#))?

Summary

Connecticut law requires that unclaimed deposits, less any applicable bank fees, only be deposited into the state's General Fund.

Under the state's bottle bill, retailers (referred to in the law as "dealers") give distributors (referred to in the law as "deposit initiators") five cents for each beverage container covered by the law that they receive. The distributor must (1) deposit the funds into a separate interest-bearing bank account which must be held to be a special fund in trust for the state and (2) use it to pay the refund value of redeemed beverage containers to the retailers or redemption centers.

The law requires any interest, dividends, and returns earned on the account to be paid directly to the account. The distributors must quarterly pay to the Department of Revenue Services (DRS) commissioner the outstanding balance of

Unclaimed Deposits Pre-2009

The recipient of the bottle bill's unclaimed deposits changed because of legislation passed in 2008 and 2009.

Like existing law, the law prior to 2009 required distributors to pay the refund value of returned beverage containers to retailers and redemption centers, plus a handling fee.

But prior to legislation passed in 2008 and 2009, distributors kept the unclaimed bottle deposits and were able to use them to offset the cost of the handling fees.

In 2008, the legislature required distributors instead to place deposits in a separate bank account ([PA 08-1](#), November Special Session, §§ 10-14).

And in 2009, it required them to quarterly pay any unclaimed deposits to the state for deposit into the General Fund ([PA 09-1](#), § 15).

unclaimed deposits in the account, less any applicable bank fees, for deposit into the General Fund. The penalty for failing to make timely payments is the greater of 10% of the unpaid amount or \$50, and unpaid amounts are subject to interest at 1% per month or fraction of a month.

According to DRS' most recent [annual report](#), the state's General Fund received \$33,530,941 in FY 2016 from unclaimed deposits.

Additional Information

More information about the state's bottle bill is available in the following OLR reports:

[2017-R-0176](#)

Issue Brief: Connecticut's Bottle Bill

[2016-R-0175](#)

Store Obligations to Take Back Beverage Containers

[2016-R-0093](#)

Bottle Bill Handling Fees

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