AN ACT CONCERNING BOTTLE REDEMPTION IN THE STATE.

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

1 Section 1. Section 22a-243 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2020):

2 For purposes of sections 22a-243 to 22a-245c, inclusive:

3 (1) "Carbonated beverage" means beer or other malt beverages, and mineral waters, soda water and similar carbonated soft drinks in liquid form and intended for human consumption;

4 (2) "Noncarbonated beverage" means water, including flavored water, nutritionally enhanced water, juice, tea, sports drink or energy drink and any beverage that is identified through the use of letters, words or symbols on such beverage's product label as a type of water, juice, tea, sports drink or energy drink but excluding [juice and] mineral water;

5 (3) "Beverage container" means the individual, separate, sealed glass, metal or plastic bottle, can, jar or carton containing a carbonated
or noncarbonated beverage, but does not include a bottle, can, jar or
carton (A) three liters or more in size if containing a noncarbonated
beverage, or (B) made of high-density polyethylene;

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

(5) "Dealer" means every person who engages in the sale of
beverages in beverage containers to a consumer;

(6) "Distributor" means every person who engages in the sale of
beverages in beverage containers to a dealer in this state including any
manufacturer who engages in such sale and includes a dealer who
engages in the sale of beverages in beverage containers on which no
deposit has been collected prior to retail sale;

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

(8) "Place of business of a dealer" means the fixed location at which
a dealer sells or offers for sale beverages in beverage containers to
consumers;

(9) "Redemption center" means any facility established to redeem
empty beverage containers from consumers or to collect and sort
empty beverage containers from dealers and to prepare such
containers for redemption by the appropriate distributors;

(10) "Use or consumption" includes the exercise of any right or
power over a beverage incident to the ownership thereof, other than
the sale or the keeping or retention of a beverage for the purposes of
sale;

(11) "Nonrefillable beverage container" means a beverage container
which is not designed to be refilled and reused in its original shape;
(12) "Deposit initiator" means the first distributor to collect the deposit on a beverage container sold to any person within this state.

Sec. 2. Section 22a-244 of the general statutes is repealed and the following is substituted in lieu thereof (Effective July 1, 2022):

(a) (1) Every beverage container containing a carbonated beverage sold or offered for sale in this state, except for any such beverage containers sold or offered for sale for consumption on an interstate passenger carrier, shall have a refund value. Such refund value shall not be less than five ten cents and shall be a uniform amount throughout the distribution process in this state. (2) Every beverage container containing a noncarbonated beverage sold or offered for sale in this state shall have a refund value, except for beverage containers containing a noncarbonated beverage that are (A) sold or offered for sale for consumption on an interstate passenger carrier, or (B) that comprise any dealer's existing inventory as of March 31, 2009. Such refund value shall not be less than five ten cents and shall be a uniform amount throughout the distribution process in this state.

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

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

79 Sec. 3. Section 22a-245 of the general statutes is repealed and the
80 following is substituted in lieu thereof (Effective July 1, 2020):

81 (a) No person shall establish a redemption center without
82 registering with the commissioner on a form provided by the
83 commissioner with such information as the commissioner deems
84 necessary including (1) the name of the business principals of the
85 redemption center and the address of the business; (2) the name and
86 address of the sponsors and dealers to be served by the redemption
87 center; (3) the types of beverage containers to be accepted; (4) the hours
88 of operation; and (5) whether beverage containers will be accepted
89 from consumers. The operator of the redemption center shall report
90 any change in procedure to the commissioner within forty-eight hours
91 of such change. Any person establishing a redemption center shall
92 have the right to determine what kind, size and brand of beverage
93 container shall be accepted. Any redemption center may be established
94 to serve all persons or to serve certain specified dealers.

95 (b) A dealer shall not refuse to accept at such dealer's place of
96 business, from any person any empty beverage containers of the kind,
97 size and brand sold by the dealer, or refuse to pay to such person the
98 refund value of a beverage container unless (1) such container contains
99 materials which are foreign to the normal contents of the container; (2)
100 such container is not labeled in accordance with subsection (b) of
101 section 22a-244, as amended by this act; (3) such dealer sponsors, solely
102 or with others, a redemption center which is located within a [one-
103 mile] five-mile radius of such place of business and which accepts
104 beverage containers of the kind, size and brand sold by such dealer at
105 such place of business; or (4) there is established by others, a
106 redemption center which is located within a [one-mile] five-mile
107 radius of such place of business and which accepts beverage containers
108 of the kind, size and brand sold by such dealer at such place of
109 business. A dealer shall redeem an empty container of a kind, size or
brand the sale of which has been discontinued by such dealer for not less than sixty days after the last sale by the dealer of such kind, size or brand of beverage container. Sixty days before such date, the dealer shall post, at the point of sale, notice of the last date on which the discontinued kind, size or brand of beverage container shall be redeemed.

(c) A distributor shall not refuse to accept from a dealer or from an operator of a redemption center, located and operated exclusively within the territory of the distributor or whose operator certifies to the distributor that redeemed containers were from a dealer located within such territory, any empty beverage containers of the kind, size and brand sold by the distributor, or refuse to pay to such dealer or redemption center operator the refund value of a beverage container unless such container contains materials which are foreign to the normal contents of the container or unless such container is not labeled in accordance with subsection (b) of section 22a-244, as amended by this act. A distributor shall remove any empty beverage container from the premises of a dealer serviced by the distributor or from the premises of a redemption center sponsored by dealers serviced by the distributor, provided such premises are located within the territory of the distributor. The distributor shall pay the refund value to dealers in accordance with the schedule for payment by the dealer to the distributor for full beverage containers and shall pay such refund value to operators of redemption centers not more than twenty days after receipt of the empty container. For the purposes of this subsection, a redemption center shall be considered to be sponsored by a dealer if (1) the dealer refuses to redeem beverage containers and refers consumers to the redemption center, or (2) there is an agreement between the dealer and the operator of the redemption center requiring the redemption center to remove empty beverage containers from the premises of the dealer. A distributor shall redeem an empty container of a kind, size or brand of beverage container the sale of which has been discontinued by the distributor for not less than one hundred fifty days after the last delivery of such kind, size or brand of
beverage container. Not less than one hundred twenty days before the
last date such containers may be redeemed, the distributor shall notify
such dealer who bought the discontinued kind, size or brand of
beverage container that such distributor shall not redeem an empty
beverage container of such kind, size or brand of beverage containers.

(d) In addition to the refund value of a beverage container, a
distributor shall pay to any dealer or operator of a redemption center a
handling fee of at least [one] three and one-half cents for each
container of beer or other malt beverage and [two] four and one-half
cents for each beverage container of mineral waters, soda water and
similar carbonated soft drinks or noncarbonated beverage returned for
redemption. A distributor shall not be required to pay to a
manufacturer the refund value of a nonrefillable beverage container.

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

(f) For the purposes of this section, "refund value" means the refund
value established by subsection (a) of section 22a-244, as amended by
this act.

Sec. 4. Section 22a-245a of the general statutes is repealed and the
following is substituted in lieu thereof (Effective July 1, 2020):

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

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

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

(c) (1) Each deposit initiator shall submit a report on March 15, 2009, for the period from December 1, 2008, to February 28, 2009, inclusive. Each deposit initiator shall submit a report on July 31, 2009, for the
period from March 1, 2009, to June 30, 2009, inclusive, and thereafter
shall submit a quarterly report for the immediately preceding calendar
quarter one month after the close of such quarter. Each such report
shall be submitted to the Commissioner of Energy and Environmental
Protection, on a form prescribed by the commissioner and with such
information as the commissioner deems necessary, including, but not
limited to: (A) The balance in the special account at the beginning of
the quarter for which the report is prepared; (B) a list of all deposits
credited to such account during such quarter, including all refund
values paid to the deposit initiator and all interest, dividends or
returns received on the account; (C) a list of all withdrawals from such
account during such quarter, all service charges and overdraft charges
on the account and all payments made pursuant to subsection (d) of
this section; and (D) the balance in the account at the close of the
quarter for which the report is prepared.

(2) Each deposit initiator shall submit a report on October 31, 2010,
for the calendar quarter beginning July 1, 2010. Subsequently, each
deposit initiator shall submit a quarterly report for the immediately
preceding calendar quarter, on or before the last day of the month next
succeeding the close of such quarter. Each such report shall be
submitted to the Commissioner of Revenue Services, on a form
prescribed by the Commissioner of Revenue Services, and with such
information as the Commissioner of Revenue Services deems
necessary, including, but not limited to, the following information: (A)
The balance in the special account at the beginning of the quarter for
which the report is prepared, (B) all deposits credited to such account
during such quarter, including all refund values paid to the deposit
initiator and all interest, dividends or returns received on such
account, (C) all withdrawals from such account during such quarter,
including all service charges and overdraft charges on such account
and all payments made pursuant to subsection (d) of this section, and
(D) the balance in such account at the close of the quarter for which the
report is prepared. Such quarterly report shall be filed electronically
with the Commissioner of Revenue Services, in the manner provided
(d) (1) On or before April 30, 2009, each deposit initiator shall pay the balance outstanding in the special account that is attributable to the period from December 1, 2008, to March 31, 2009, inclusive, to the Commissioner of Energy and Environmental Protection for deposit in the General Fund. Thereafter, the balance outstanding in the special account that is attributable to the immediately preceding calendar quarter shall be paid by the deposit initiator one month after the close of such quarter to the Commissioner of Energy and Environmental Protection for deposit in the General Fund. If the amount of the required payment pursuant to this subdivision is not paid by the date seven days after the due date, a penalty of ten per cent of the amount due shall be added to the amount due. The amount due shall bear interest at the rate of one and one-half per cent per month or fraction thereof, from the due date. Any such penalty or interest shall not be paid from funds maintained in the special account.

(2) On or before October 31, 2010, each deposit initiator shall pay the balance outstanding in the special account that is attributable to the period from July 1, 2010, to September 30, 2010, inclusive, to the Commissioner of Revenue Services for deposit in the General Fund. Subsequently, eighty per cent of the balance outstanding in the special account that is attributable to the immediately preceding calendar quarter shall be paid by the deposit initiator on or before the last day of the month next succeeding the close of such quarter to the Commissioner of Revenue Services for deposit in the General Fund. If the amount of the required payment pursuant to this subdivision is not paid on or before the due date, a penalty of ten per cent of the amount due and unpaid, or fifty dollars, whichever is greater, shall be imposed. The amount due and unpaid shall bear interest at the rate of one per cent per month or fraction thereof, from the due date. Any such penalty or interest shall not be paid from funds maintained in such special account. Such required payment shall be made by electronic funds transfer to the Commissioner of Revenue Services, in the manner provided by chapter 228g.
(e) If moneys deposited in the special account are insufficient to pay for withdrawals authorized pursuant to subsection (b) of this section, the amount of such deficiency shall be subtracted from the next succeeding payment or payments due pursuant to subsection (d) of this section until the amount of the deficiency has been subtracted in full.

(f) The Commissioner of Revenue Services may examine the accounts and records of any deposit initiator maintained under this section or sections 22a-243 to 22a-245, inclusive, as amended by this act, and any related accounts and records, including receipts, disbursements and such other items as the Commissioner of Revenue Services deems appropriate.

(g) The Attorney General may, independently or upon complaint of the Commissioner of Energy and Environmental Protection or the Commissioner of Revenue Services, institute any appropriate action or proceeding to enforce any provision of this section or any regulation adopted pursuant to section 22a-245, as amended by this act, to implement the provisions of this section.

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

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

(j) Not later than July 1, 2010, the Department of Energy and Environmental Protection or successor agency shall establish a procedure that allows each such deposit initiator to take a credit against any payment made pursuant to subsection (d) of this section in the amount of the deposits refunded on beverage containers which such deposit initiator donated for any charitable purpose.

Sec. 5. (NEW) (Effective October 1, 2019) The state shall have a
redemption goal of ninety per cent for beverage containers, as defined in section 22a-243 of the general statutes, as amended by this act. The Commissioner of Energy and Environmental Protection may develop a strategy for attaining such goal. In developing any such strategy, the commissioner shall consult with municipalities, dealers and redemption centers, as defined in section 22a-243 of the general statutes, as amended by this act. The commissioner may report to the General Assembly and the Governor, from time to time, on the status of the state’s attainment of such goal and any legislative recommendations for enabling such attainment or increasing such goal.

This act shall take effect as follows and shall amend the following sections:

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<thead>
<tr>
<th>Section</th>
<th>Date</th>
<th>Statute</th>
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<tbody>
<tr>
<td>Sec. 1</td>
<td>July 1, 2020</td>
<td>22a-243</td>
</tr>
<tr>
<td>Sec. 2</td>
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<td>Sec. 3</td>
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<td>Sec. 4</td>
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<tr>
<td>Sec. 5</td>
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<td>New section</td>
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**Statement of Purpose:**
To amend the bottle bill in order to increase handling fees, redistribute escheats from unredeemed bottles, include additional beverage containers in the redemption value requirement, encourage additional independent redemption centers, increase the redemption value of such containers and establish a goal for the recycling of such containers.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]