OLR Bill Analysis
sHB 7294

AN ACT CONCERNING BOTTLE REDEMPTION IN THE STATE.

SUMMARY

This bill revamps the state’s beverage container redemption law (“bottle bill”) by doing the following:

1. expanding the list of beverages subject to the bottle bill’s requirements to include most juices, teas, and sports or energy drinks (§§ 1 & 6);

2. increasing, beginning July 1, 2022, the beverage container deposit amount to at least 10 cents, rather than five cents (§ 2);

3. increasing, by two or two and one-half cents depending on the type of container, the per-container handling fee distributors must pay to dealers (e.g., and hereafter, “retailers”) and redemption centers (§ 3);

4. reducing, by 20%, the amount of unclaimed deposits that are paid to the revenue services commissioner for deposit into the General Fund and allowing the distributors to keep these funds (§ 4);

5. generally allowing retailers to refuse beverage containers for redemption if there is a redemption center within five miles, rather than one mile, of their location (§ 3); and

6. establishing a state beverage container redemption goal of 90% and allowing the Department of Energy and Environmental (DEEP) commissioner to develop a strategy to meet it (§ 5).

The bill also makes several technical and conforming changes.

EFFECTIVE DATE: July 1, 2020, except the (1) deposit increase
takes effect July 1, 2022, and (2) provisions establishing the 90% beverage container redemption goal and exempting certain small juice manufacturers from the bottle bill are effective October 1, 2019.

CURRENT BOTTLE BILL PROCESS

In general, Connecticut’s bottle bill currently works as follows:

1. a retailer pays a beverage container distributor five cents for each eligible beverage container that the distributor delivers;

2. a consumer pays the retailer five cents for each beverage container that he or she purchases from the retailer;

3. the retailer or a redemption center pays the consumer five cents for each beverage container that he or she returns;

4. the distributor reimburses the retailer or redemption center five cents for each beverage container returned, plus a handling fee; and

5. the distributor pays the state the five cents for each unclaimed deposit, which is deposited into the General Fund (CGS § 22a-243 et seq.).

The bill makes several changes to the state’s bottle bill, including the beverage containers covered by the law, the deposit and handling fee amounts, who receives the unclaimed deposits, and which retailers must accept beverage containers for redemption on-premises.

§§ 1 & 6 — COVERED BEVERAGE CONTAINERS

Beginning July 1, 2020, the bill expands the bottle bill to include beverage containers for juice, tea, and sport or energy drinks. It also includes beverages that are identified as such through the use of letters, words, or symbols on the beverages’ labels. It does so by adding these products to the law’s definition of “noncarbonated beverage.”

Under current law, redeemable containers include only those for beer, other malt beverages, mineral or soda water, carbonated soft
drinks, and water, including flavored or nutritionally enhanced water.

**Exempt Containers**

The bottle bill currently exempts from its requirements (1) noncarbonated beverages of at least three liters in size or (2) containers made of high-density polyethylene (i.e., with an HDPE designation or #2 recycling symbol). The law also exempts containers provided on interstate passenger carriers (e.g., planes or trains). The bill extends these exemptions to juices, teas, and sports or energy drinks. Existing inventory is not exempt from the bill’s requirements.

Additionally, by law, manufacturers that annually bottle and sell up to 250,000 noncarbonated beverages of 20 ounces or less in size may apply to the DEEP commissioner for an exemption from the law’s provisions (CGS § 22a-245b). The bill similarly allows juice, tea, and sport or energy drink manufacturers to apply for the exemption. And the bill creates a new exemption for juice manufacturers that annually bottle and sell up to 100,000 gallons of juice in beverage containers. These juice manufacturers must also apply to DEEP for the exemption.

**§ 3 — HANDLING FEES**

The bill increases, beginning July 1, 2020, the handling fees for beverage containers redeemed under the bottle bill.

For beer or other malt beverages, the bill increases the minimum handling fee from one and one-half cents to three and one-half cents. For noncarbonated beverages, mineral or soda waters, and carbonated soft drinks, the bill increases it from two cents to four and one-half cents. Consequently, the handling fee for juice, tea, and sport or energy drinks will be at least four and one-half cents per beverage container.

**§ 3 — REDEMPTION REFUSAL**

Current law allows a retailer to refuse to accept a beverage container for redemption if there is a redemption center located within one mile of the retailer’s location that accepts beverage containers of the kind, size, and brand sold by the retailer.

The bill increases the distance from a retailer, from one mile to five
miles, in which there must be a redemption center in order for the retailer to refuse to accept a beverage container for redemption.

§ 4 — UNCLAIMED DEPOSITS

Under current law, unclaimed deposits are quarterly paid by the distributors to the revenue services commissioner for deposit into the state’s General Fund. Beginning July 1, 2020, the bill requires the distributors to only remit 80% of the unclaimed deposits to the commissioner, consequently allowing them to keep 20% of the funds.

§ 5 — REDEMPTION GOAL

The bill (1) requires the state to have a beverage container redemption goal of 90% and (2) allows the DEEP commissioner to develop a strategy for reaching the goal.

If she develops a strategy, the bill requires that she consult with municipalities, retailers, and redemption centers. The commissioner may report to the legislature and the governor on (1) the status of attaining the goal and (2) any legislative recommendations for reaching the goal or increasing it.

COMMITTEE ACTION

Environment Committee

Joint Favorable Substitute
Yea 19  Nay 9  (03/18/2019)