



General Assembly

February Session, 2020

Raised Bill No. 5340

LCO No. 2000



Referred to Committee on ENVIRONMENT

Introduced by:
(ENV)

***AN ACT CONCERNING THE MODERNIZATION OF THE
CONNECTICUT BOTTLE REDEMPTION PROGRAM.***

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 Section 22a-243 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2021*):

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

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

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

13 (3) "Beverage container" means the individual, separate, sealed glass,

14 metal or plastic bottle, can, jar or carton containing a carbonated or
15 noncarbonated beverage, but does not include a bottle, can, jar or carton
16 (A) three liters or more in size if containing a noncarbonated beverage,
17 or (B) made of high-density polyethylene;

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

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

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

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

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

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

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

41 (11) "Nonrefillable beverage container" means a beverage container
42 which is not designed to be refilled and reused in its original shape; and

43 (12) "Deposit initiator" means the first distributor to collect the
44 deposit on a beverage container sold to any person within this state.

45 Sec. 2. Section 22a-244 of the general statutes is repealed and the
46 following is substituted in lieu thereof (*Effective July 1, 2023*):

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

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

70 (c) No person shall sell or offer for sale in this state any metal
71 beverage container (1) a part of which is designed to be detached in
72 order to open such container, or (2) that is connected to another
73 beverage container by a device constructed of a material which does not

74 decompose by photodegradation, chemical degradation or
75 biodegradation within a reasonable time after exposure to the elements.

76 Sec. 3. Section 22a-245 of the general statutes is repealed and the
77 following is substituted in lieu thereof (*Effective July 1, 2021*):

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

92 (b) A dealer shall not refuse to accept at such dealer's place of
93 business, from any person any empty beverage containers of the kind,
94 size and brand sold by the dealer, or refuse to pay to such person the
95 refund value of a beverage container unless (1) such container contains
96 materials which are foreign to the normal contents of the container; (2)
97 such container is not labeled in accordance with subsection (b) of section
98 22a-244, as amended by this act; (3) such dealer sponsors, solely or with
99 others, a redemption center which is located within a one-mile radius of
100 such place of business and which accepts beverage containers of the
101 kind, size and brand sold by such dealer at such place of business; or (4)
102 there is established by others, a redemption center which is located
103 within a one-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. A dealer shall redeem an empty container of a

106 kind, size or brand the sale of which has been discontinued by such
107 dealer for not less than sixty days after the last sale by the dealer of such
108 kind, size or brand of beverage container. Sixty days before such date,
109 the dealer shall post, at the point of sale, notice of the last date on which
110 the discontinued kind, size or brand of beverage container shall be
111 redeemed.

112 (c) A distributor shall not refuse to accept from a dealer or from an
113 operator of a redemption center, located and operated exclusively
114 within the territory of the distributor or whose operator certifies to the
115 distributor that redeemed containers were from a dealer located within
116 such territory, any empty beverage containers of the kind, size and
117 brand sold by the distributor, or refuse to pay to such dealer or
118 redemption center operator the refund value of a beverage container
119 unless such container contains materials which are foreign to the normal
120 contents of the container or unless such container is not labeled in
121 accordance with subsection (b) of section 22a-244, as amended by this
122 act. A distributor shall remove any empty beverage container from the
123 premises of a dealer serviced by the distributor or from the premises of
124 a redemption center sponsored by dealers serviced by the distributor,
125 provided such premises are located within the territory of the
126 distributor. The distributor shall pay the refund value to dealers in
127 accordance with the schedule for payment by the dealer to the
128 distributor for full beverage containers and shall pay such refund value
129 to operators of redemption centers not more than twenty days after
130 receipt of the empty container. For the purposes of this subsection, a
131 redemption center shall be considered to be sponsored by a dealer if (1)
132 the dealer refuses to redeem beverage containers and refers consumers
133 to the redemption center, or (2) there is an agreement between the dealer
134 and the operator of the redemption center requiring the redemption
135 center to remove empty beverage containers from the premises of the
136 dealer. A distributor shall redeem an empty container of a kind, size or
137 brand of beverage container the sale of which has been discontinued by
138 the distributor for not less than one hundred fifty days after the last

139 delivery of such kind, size or brand of beverage container. Not less than
140 one hundred twenty days before the last date such containers may be
141 redeemed, the distributor shall notify such dealer who bought the
142 discontinued kind, size or brand of beverage container that such
143 distributor shall not redeem an empty beverage container of such kind,
144 size or brand of beverage containers.

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

153 (e) The Commissioner of Energy and Environmental Protection shall
154 adopt regulations, in accordance with the provisions of chapter 54, to
155 implement the provisions of sections 22a-243 to 22a-245, inclusive, as
156 amended by this act. Such regulations shall include, but not be limited
157 to, provisions for the redemption of beverage containers dispensed
158 through automatic vending machines, the use of vending machines that
159 dispense cash to consumers for redemption of beverage containers,
160 scheduling for redemption by dealers and distributors and for
161 exemptions or modifications to the labeling requirement of section 22a-
162 244, as amended by this act.

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

166 Sec. 4. Section 22a-245a of the general statutes is repealed and the
167 following is substituted in lieu thereof (*Effective July 1, 2021*):

168 (a) Each deposit initiator shall open a special interest-bearing account
169 at a Connecticut branch of a financial institution, as defined in section

170 45a-557a, to the credit of the deposit initiator. Each deposit initiator shall
171 deposit in such account an amount equal to the refund value established
172 pursuant to subsection (a) of section 22a-244, as amended by this act, for
173 each beverage container sold by such deposit initiator. Such deposit
174 shall be made not more than one month after the date such beverage
175 container is sold, provided for any beverage container sold during the
176 period from December 1, 2008, to December 31, 2008, inclusive, such
177 deposit shall be made not later than January 5, 2009. All interest,
178 dividends and returns earned on the special account shall be paid
179 directly into such account. Such moneys shall be kept separate and apart
180 from all other moneys in the possession of the deposit initiator. The
181 amount required to be deposited pursuant to this section, when
182 deposited, shall be held to be a special fund in trust for the state.

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

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

201 (c) (1) Each deposit initiator shall submit a report on March 15, 2009,

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

219 (2) Each deposit initiator shall submit a report on October 31, 2010,
220 for the calendar quarter beginning July 1, 2010. Subsequently, each
221 deposit initiator shall submit a quarterly report for the immediately
222 preceding calendar quarter, on or before the last day of the month next
223 succeeding the close of such quarter. Each such report shall be
224 submitted to the Commissioner of Revenue Services, on a form
225 prescribed by the Commissioner of Revenue Services, and with such
226 information as the Commissioner of Revenue Services deems necessary,
227 including, but not limited to, the following information: (A) The balance
228 in the special account at the beginning of the quarter for which the
229 report is prepared, (B) all deposits credited to such account during such
230 quarter, including all refund values paid to the deposit initiator and all
231 interest, dividends or returns received on such account, (C) all
232 withdrawals from such account during such quarter, including all
233 service charges and overdraft charges on such account and all payments
234 made pursuant to subsection (d) of this section, and (D) the balance in

235 such account at the close of the quarter for which the report is prepared.
236 Such quarterly report shall be filed electronically with the
237 Commissioner of Revenue Services, in the manner provided by chapter
238 228g.

239 (d) (1) On or before April 30, 2009, each deposit initiator shall pay the
240 balance outstanding in the special account that is attributable to the
241 period from December 1, 2008, to March 31, 2009, inclusive, to the
242 Commissioner of Energy and Environmental Protection for deposit in
243 the General Fund. Thereafter, the balance outstanding in the special
244 account that is attributable to the immediately preceding calendar
245 quarter shall be paid by the deposit initiator one month after the close
246 of such quarter to the Commissioner of Energy and Environmental
247 Protection for deposit in the General Fund. If the amount of the required
248 payment pursuant to this subdivision is not paid by the date seven days
249 after the due date, a penalty of ten per cent of the amount due shall be
250 added to the amount due. The amount due shall bear interest at the rate
251 of one and one-half per cent per month or fraction thereof, from the due
252 date. Any such penalty or interest shall not be paid from funds
253 maintained in the special account.

254 (2) On or before October 31, 2010, each deposit initiator shall pay the
255 balance outstanding in the special account that is attributable to the
256 period from July 1, 2010, to September 30, 2010, inclusive, to the
257 Commissioner of Revenue Services for deposit in the General Fund.
258 Subsequently, for the fiscal years ending June 30, 2022, and June 30,
259 2023, eighty-two per cent of the balance outstanding in the special
260 account that is attributable to the immediately preceding calendar
261 quarter shall be paid by the deposit initiator on or before the last day of
262 the month next succeeding the close of such quarter to the
263 Commissioner of Revenue Services for deposit in the General Fund and
264 for the fiscal year ending June 30, 2024, and each subsequent fiscal year
265 thereafter, eighty per cent of the balance outstanding in the special
266 account that is attributable to the immediately preceding calendar
267 quarter shall be paid by the deposit initiator on or before the last day of

268 the month next succeeding the close of such quarter to the
269 Commissioner of Revenue Services for deposit in the General Fund. If
270 the amount of the required payment pursuant to this subdivision is not
271 paid on or before the due date, a penalty of ten per cent of the amount
272 due and unpaid, or fifty dollars, whichever is greater, shall be imposed.
273 The amount due and unpaid shall bear interest at the rate of one per cent
274 per month or fraction thereof, from the due date. Any such penalty or
275 interest shall not be paid from funds maintained in such special account.
276 Such required payment shall be made by electronic funds transfer to the
277 Commissioner of Revenue Services, in the manner provided by chapter
278 228g.

279 (e) If moneys deposited in the special account are insufficient to pay
280 for withdrawals authorized pursuant to subsection (b) of this section,
281 the amount of such deficiency shall be subtracted from the next
282 succeeding payment or payments due pursuant to subsection (d) of this
283 section until the amount of the deficiency has been subtracted in full.

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

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

296 (h) The provisions of sections 12-548, 12-550 to 12-554, inclusive, and
297 12-555a shall be deemed to apply to the provisions of this section, except
298 any provision of sections 12-548, 12-550 to 12-554, inclusive, and 12-555a

299 that is inconsistent with the provision in this section.

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

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

308 Sec. 5. (NEW) (*Effective October 1, 2020*) The state shall have a
309 redemption goal of ninety per cent for beverage containers, as defined
310 in section 22a-243 of the general statutes, as amended by this act. The
311 Commissioner of Energy and Environmental Protection may develop a
312 strategy for attaining such goal. In developing any such strategy, the
313 commissioner shall consult with municipalities, dealers and redemption
314 centers, as defined in section 22a-243 of the general statutes, as amended
315 by this act. The commissioner may report to the General Assembly and
316 the Governor, from time to time, on the status of the state's attainment
317 of such goal and any legislative recommendations for enabling such
318 attainment or increasing such goal.

319 Sec. 6. Section 22a-245b of the general statutes is repealed and the
320 following is substituted in lieu thereof (*Effective July 1, 2021*):

321 Any manufacturer who bottles and sells: [two] (1) Two hundred fifty
322 thousand or fewer beverage containers containing a noncarbonated
323 beverage that are twenty ounces or less in size each calendar year, or (2)
324 one hundred thousand gallons or less of juice in beverage containers
325 each calendar year, may apply to the Commissioner of Energy and
326 Environmental Protection for an exemption from the requirements of
327 sections 22a-244 to 22a-245a, inclusive, as amended by this act, with
328 regard to such beverage containers containing noncarbonated
329 beverages or with regard to such one hundred thousand gallons or less

330 of juice in beverage containers. Such application shall be accompanied
 331 by a sworn affidavit signed by such manufacturer or such
 332 manufacturer's authorized agent certifying such manufacturer bottles
 333 and sells two hundred fifty thousand or fewer of such beverage
 334 containers per calendar year or bottles and sells one hundred thousand
 335 gallons or less of juice in beverage containers per calendar year. Any
 336 such application filed on or before April 1, 2009, shall be deemed
 337 automatically approved and such exemption shall remain valid until
 338 December 31, 2009. Not later than November 1, 2009, and each year
 339 thereafter, each such manufacturer or such manufacturer's authorized
 340 agent may apply to the commissioner for an exemption in accordance
 341 with this section on a form prescribed by the commissioner. The
 342 commissioner shall approve each such application not later than thirty
 343 days after the receipt of the application by the commissioner, provided
 344 the applicant satisfies the requirements of this section.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2021</i>	22a-243
Sec. 2	<i>July 1, 2023</i>	22a-244
Sec. 3	<i>July 1, 2021</i>	22a-245
Sec. 4	<i>July 1, 2021</i>	22a-245a
Sec. 5	<i>October 1, 2020</i>	New section
Sec. 6	<i>July 1, 2021</i>	22a-245b

Statement of Purpose:

To modernize the functioning of the Connecticut Bottle Bill by expanding its coverage and increasing certain fees paid pursuant to the bottle redemption program.

[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.]