



129th MAINE LEGISLATURE

LD 248

LR 109(02)

An Act To Increase the Handling Fee for Beverage Containers Reimbursed to Redemption Centers

Fiscal Note for Bill as Amended by Committee Amendment " "

Committee: Environment and Natural Resources

Fiscal Note Required: Yes

Fiscal Note

	FY 2019-20	FY 2020-21	Projections FY 2021-22	Projections FY 2022-23
Appropriations/Allocations				
State Alcoholic Beverage Fund	\$19,044	\$181,414	\$271,180	\$296,747

Fiscal Detail and Notes

This bill would increase the cost of handling reimbursement paid per returned beverage container by the initiator of deposit to dealers and local redemption centers under the state bottle redemption program by half a cent beginning May 1, 2019 and by another half a cent beginning January 1, 2020. Since the Bureau of Alcoholic Beverages and Lottery Operations (BABLO) functions as the initiator of deposit for all spirits sold in Maine, the increase in reimbursement would require an additional allocation from the Alcoholic Beverages Fund of \$19,044 in fiscal year 2019-20 and \$181,414 in fiscal year 2020-21. Because the bottle redemption program and any payments required by the initiator of deposit is included in the spirits administration contract with Pine State Trading Company, this change will require the contract to be renegotiated.

It is anticipated that the Alcoholic Beverages Fund will have sufficient revenue to fund the additional allocation for the foreseeable future. However, additional expenditures from the fund may put required future payments to the Maine Municipal Bond Bank at risk.