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Date: (Filing No. S-)

ENVIRONMENT AND NATURAL RESOURCES

Reproduced and distributed under the direction of the Secretary of the Senate.

**STATE OF MAINE
SENATE
132ND LEGISLATURE
SECOND REGULAR SESSION**

COMMITTEE AMENDMENT “ ” to S.P. 859, L.D. 2141, “An Act to Direct a Portion of Unclaimed Beverage Container Deposits to the Lake Water Quality Restoration and Protection Fund, the Maine Working Farmland Access and Protection Program and Public Defender Office Staffing”

Amend the bill by striking out the title and substituting the following:

'An Act to Further Direct the Use of Unclaimed Beverage Container Deposits and to Make Other Changes to the Beverage Container Redemption Laws'

Amend the bill by striking out everything after the enacting clause and inserting the following:

'Sec. 1. 38 MRSA §3108-A, sub-§2, ¶B, as amended by PL 2023, c. 529, §§2 to 4 and affected by §7, is further amended to read:

B. The cooperative shall expend unclaimed deposit amounts for the following purposes:

- (1) Payment of the annual fee to the department as provided in section 3107, subsection 3-B, paragraph G;
- (2) Reasonable costs of administering the program under section 3107, subsection 3-B, including, but not limited to, staffing costs and office operating costs;
- (3) Costs of educational materials and signage provided to dealers and redemption centers regarding redemption instructions and other information, including information regarding the fraudulent redemption of beverage containers in accordance with section 3106, subsection 10;
- (4) Reimbursement to dealers and redemption centers of the costs of plastic bags pursuant to section 3106, subsection 9;
- (4-A) Funding of activities and infrastructure designed to increase the use of refillable and reusable beverage containers and reusable beverage packaging in the State. The cooperative may expend funds under this subparagraph to support

COMMITTEE AMENDMENT

1 activities and infrastructure designed to increase the use of other types of reusable
2 packaging in the State. The cooperative shall make available a minimum of
3 \$500,000 per calendar year for these activities, which may include, but are not
4 limited to:

5 (a) Activities and infrastructure relating to the development and
6 implementation of models for refillable beverage container washing
7 techniques, including, but not limited to, mobile washing stations, in-house
8 washing stations and the establishment of a fixed washing facility in the State;

9 (b) Development of or other activities relating to container, adhesive and label
10 options for refillable beverage containers; and

11 (c) Outreach to manufacturers, retailers, restaurants and consumers regarding
12 the benefits of refillable beverage containers and the methods available for
13 ensuring such containers may be safely reused; ~~and~~

14 (5) Payment of \$500,000 annually to the department for deposit into and use in
15 accordance with the Cost and Carbon Efficient Technology Fund established in
16 section 3114-A;

17 ~~The cooperative shall include in its annual report required under section 3107,~~
18 ~~subsection 3-B, paragraph E any recommendations for a reduction in or other~~
19 ~~amendment to the payment required under this subparagraph that the cooperative~~
20 ~~believes necessary due to a reduction in the amount of unclaimed deposits available~~
21 ~~for expenditure in accordance with paragraph C, a surplus of undistributed funding~~
22 ~~within the Cost and Carbon Efficient Technology Fund established in section~~
23 ~~3114-A or for other reasons specified by the cooperative.~~

24 (6) Except as otherwise provided in this paragraph, beginning October 1, 2026,
25 payment of \$2,000,000 annually to the department for deposit into and use in
26 accordance with the Lake Water Quality Restoration and Protection Fund under
27 section 480-N; and

28 (7) Except as otherwise provided in this paragraph, beginning October 1, 2026,
29 payment of \$2,000,000 annually to the Department of Agriculture, Conservation
30 and Forestry for deposit into and use in accordance with the Maine Working
31 Farmland Access and Protection Program under Title 7, section 164.

32 If the total amount of expenditures required to be made under this paragraph in any
33 calendar year exceeds the total amount of unclaimed deposits that are available for
34 expenditure under this paragraph in that same calendar year, the cooperative may
35 reduce the amount of the expenditures required under subparagraphs (6) and (7) by the
36 amount of that excess.

37 The cooperative shall include in its annual report required under section 3107,
38 subsection 3-B, paragraph E any recommendations for a reduction in or other
39 amendment to the amount of the payments required under subparagraphs (5) to (7) that
40 the cooperative believes necessary due to a reduction in the amount of unclaimed
41 deposits available for expenditure in accordance with paragraph C; due to a surplus of
42 undistributed funding within the Cost and Carbon Efficient Technology Fund under
43 section 3114-A, the Lake Water Quality Restoration and Protection Fund under section

1 480-N or the Maine Working Farmland Access and Protection Program under Title 7,
2 section 164; or for other reasons specified by the cooperative.

3 **Sec. 2. 38 MRSA §3108-A, sub-§2, ¶E** is enacted to read:

4 E. Notwithstanding paragraph D or any other provision of this section to the contrary,
5 unclaimed deposits for nonrefillable beverage containers that are subject to the
6 requirements of this chapter and that are managed by the Department of Administrative
7 and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations are the
8 property of the bureau and are not subject to the requirements of this section or the
9 rules adopted pursuant to this section. The bureau shall determine the disposition and
10 use of those unclaimed deposits.

11 This paragraph does not relieve the bureau from responsibility for its apportioned share
12 of the costs incurred by the cooperative in managing the single commingling program
13 as determined pursuant to section 3107, subsection 3-B, paragraph B, subparagraph
14 (2).

15 **Sec. 3. 38 MRSA §3115, sub-§3, ¶C**, as enacted by PL 2023, c. 482, §39, is
16 repealed and the following enacted in its place:

17 C. In addition to the requirements of paragraph B, for the report required by this
18 subsection that is due February 15, 2027, and for each subsequent report, the
19 department shall, at a minimum, include information annually reported by the
20 cooperative pursuant to section 3107, subsection 3-B, paragraph E, including, but not
21 limited to:

22 (1) Information regarding the rates of redemption for beverage containers and the
23 calculated overall statewide redemption rate; and

24 (2) Any recommendations made by the cooperative, along with the department’s
25 assessment of those recommendations, regarding a reduction in or other
26 amendment to the payments required under section 3108-A, subsection 2,
27 paragraph B, subparagraphs (5) to (7) that the cooperative believes necessary due
28 to a reduction in the amount of unclaimed deposits available for expenditure to
29 offset program costs or for other specified reasons.

30 **Sec. 4. 38 MRSA §3119, sub-§1**, as amended by PL 2025, c. 241, §18, is further
31 amended by enacting at the end a new first blocked paragraph to read:

32 An initiator of deposit that fails to report annually to the department in accordance with the
33 requirements of this subsection commits a violation of this chapter, is subject to penalties
34 under section 3111 and, as long as the violation exists, is prohibited from selling or
35 distributing in the State any beverage container subject to the requirements of this chapter.
36 A distributor or dealer may not sell or distribute in the State any such containers of the
37 initiator, and the department may remove from sale any such containers of the initiator.

38 **Sec. 5. Appropriations and allocations.** The following appropriations and
39 allocations are made.

40 **AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF**
41 **Maine Working Farmland Access and Protection Fund Z313**

1 Initiative: Provides allocations to allow for the expenditure of funds received pursuant to
 2 the Maine Revised Statutes, Title 38, section 3108-A, subsection 2, paragraph B,
 3 subparagraph (7).

4	OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
5	All Other	\$0	\$2,000,000
6			
7	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$2,000,000</u>

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9 **AGRICULTURE, CONSERVATION AND**
 10 **FORESTRY, DEPARTMENT OF**
 11 **DEPARTMENT TOTALS**

11		2025-26	2026-27
12			
13	OTHER SPECIAL REVENUE FUNDS	\$0	\$2,000,000
14			
15	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$2,000,000</u>

16 **ENVIRONMENTAL PROTECTION, DEPARTMENT OF**
 17 **Lake Water Quality Restoration and Protection Fund Z385**

18 Initiative: Provides allocations to allow for the expenditure of funds received pursuant to
 19 the Maine Revised Statutes, Title 38, section 3108-A, subsection 2, paragraph B,
 20 subparagraph (6).

21	OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
22	All Other	\$0	\$1,572,965
23			
24	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$1,572,965</u>

25 **Lake Water Quality Restoration and Protection Fund Z385**

26 Initiative: Provides allocations for one Environmental Specialist IV position, one Biologist
 27 I position and 2 Environmental Specialist III positions and All Other funding for associated
 28 position costs.

29	OTHER SPECIAL REVENUE FUNDS	2025-26	2026-27
30	POSITIONS - LEGISLATIVE COUNT	0.000	4.000
31	Personal Services	\$0	\$335,073
32	All Other	\$0	\$91,962
33			
34	OTHER SPECIAL REVENUE FUNDS TOTAL	<u>\$0</u>	<u>\$427,035</u>

35

36 **ENVIRONMENTAL PROTECTION,**
 37 **DEPARTMENT OF**
 38 **DEPARTMENT TOTALS**

38		2025-26	2026-27
39			
40	OTHER SPECIAL REVENUE FUNDS	\$0	\$2,000,000
41			
42	DEPARTMENT TOTAL - ALL FUNDS	<u>\$0</u>	<u>\$2,000,000</u>

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SECTION TOTALS	2025-26	2026-27
OTHER SPECIAL REVENUE FUNDS	\$0	\$4,000,000
SECTION TOTAL - ALL FUNDS	\$0	\$4,000,000

Amend the bill by relettering or renumbering any nonconsecutive Part letter or section number to read consecutively.

SUMMARY

This amendment, which is the majority report of the committee, changes the title of and replaces the bill and makes the following changes to the beverage container redemption laws.

1. Like the bill, it directs a portion of unclaimed beverage container deposits toward investment in the Lake Water Quality Restoration and Protection Fund and the Maine Working Farmland Access and Protection Program beginning October 1, 2026. The amendment does not include the provision in the bill directing a portion of unclaimed beverage container deposits toward the Maine Commission on Public Defense Services to support regional public defender office staffing.

2. It further amends the provisions of law regulating unclaimed beverage container deposits to provide that if the total amount of unclaimed deposit expenditures required by law to be made in any calendar year exceeds the total amount of unclaimed deposits that are available for expenditure in that same calendar year, the cooperative may reduce the amount of the expenditures required to be directed to the Lake Water Quality Restoration and Protection Fund and the Maine Working Farmland Access and Protection Program by the amount of that excess.

3. It clarifies under the provisions of law regulating unclaimed beverage container deposits that unclaimed deposits for beverage containers managed by the Department of Administrative and Financial Services, Bureau of Alcoholic Beverages and Lottery Operations are the property of the bureau and are not subject to the requirements of the law concerning unclaimed deposits and that the disposition and use of those deposits are to be determined by the bureau. The amendment stipulates that the bureau remains responsible for its apportioned share of the costs incurred by the commingling cooperative in managing the single commingling program as determined pursuant to the approved program plan.

4. It amends the provision of law requiring annual reporting by initiators of deposit regarding deposit transactions to provide that an initiator that fails to submit that annual report to the department commits a violation of the beverage container redemption laws, is subject to applicable penalties under those laws and, as long as the violation exists, is prohibited from selling or distributing in the State any beverage container subject to the requirements of the beverage container redemption laws. A distributor or dealer may not

1 sell or distribute in the State any such containers of the initiator, and the department may
2 remove from sale any such containers of the initiator.

3

FISCAL NOTE REQUIRED

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(See attached)