



Senate

General Assembly

File No. 479

February Session, 2026

Substitute Senate Bill No. 457

Senate, April 7, 2026

The Committee on Environment reported through SEN. LOPES of the 6th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING THE STATE'S BOTTLE BILL.

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

1 Section 1. Section 22a-246b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2026*):

3 (a) The Commissioner of Energy and Environmental Protection shall
4 approve the formation of a beverage container stewardship
5 organization constituted by deposit initiators. [if] Not later than
6 December 1, 2027, or a later date, if approved by the commissioner, such
7 organization [submits] shall submit an application to the commissioner
8 that demonstrates such organization meets the following criteria: (1)
9 The organization is established and operated as an organization
10 described in section 501(c)(3) of the Internal Revenue Code of 1986, as
11 amended from time to time, and is exempt from taxation under said
12 section, (2) the governing board of such organization consists of deposit
13 initiators that represent the range of beverages and beverage container
14 materials subject to the state's beverage container redemption program,
15 and (3) such organization demonstrates that it has adequate financial

16 responsibility and financial controls in place, including fraud
17 prevention measures and an audit schedule, to ensure proper
18 management of funds.

19 (b) All deposit initiators shall register with and join any beverage
20 container stewardship organization approved pursuant to subsection
21 (a) of this section not later than three months after such organization's
22 approval by the commissioner. Any deposit initiator that wishes to
23 initiate the sale of beverage containers in the state after such three-
24 month period elapses shall register and join such organization not less
25 than ninety days prior to selling beverage containers in the state.

26 (c) [On or before July 1, 2022, any] Any organization approved
27 pursuant to subsection (a) of this section shall submit a plan, for the
28 commissioner's review and approval, to operate a state-wide beverage
29 container stewardship program, as described in this subsection. Such
30 plan shall be submitted not less than one hundred eighty days following
31 approval of such organization pursuant to subsection (a) of this section.
32 In developing any such plan, such organization shall obtain input from
33 members of the independent redemption centers community, municipal
34 resource recovery facilities, municipal leaders, wine and spirits
35 distributors and reverse vending machine operators. Such plan shall
36 demonstrate, in detail, how such organization will operate and finance
37 a program to provide for the redemption and recycling of beverage
38 containers in the state, including, but not limited to: (1) Achieving and
39 exceeding an annual redemption rate of eighty per cent by a specified
40 timeline, (2) achieving financial self-sustainability, (3) achieving
41 verifiable performance metrics for enhanced customer satisfaction with
42 and access to the beverage container redemption system, (4) adopting
43 policies and making investments to ensure that recovered materials are
44 returned to their highest and best use, (5) providing a detailed
45 description of how existing collection and redemption centers
46 throughout the state are to be utilized as part of such beverage container
47 stewardship program, (6) disclosing applicable rates of redemption as
48 of the time of such plan and those projected over the next five years
49 under the proposed beverage container stewardship program and the

50 recommended refund value for such containers that is necessary to
51 achieve such redemption rates, (7) identifying how the plan will yield
52 costs to the state or any participant of said program, (8) specifying
53 revenues that escheat to the state pursuant to said beverage container
54 stewardship program and any projected diminishment in the state's use
55 or collection of such revenues in the next five fiscal years, [beginning
56 July 1, 2022,] (9) identifying any legislative changes necessary to carry
57 out such plan, (10) preventing redemption within the state of containers
58 purchased outside of the state and related fraudulent activities, and
59 [(10)] (11) any other parameters or requirements specified by the
60 commissioner. The commissioner may provide conditions of approval
61 to ensure compliance with any of such requirements. The commissioner
62 shall not approve any such plan without verification that such
63 organization obtained input from members of the independent
64 redemption centers community, municipal resource recovery facilities,
65 municipal leaders, wine and spirits distributors and reverse vending
66 machine operators.

67 (d) Not later than [October 1, 2022] December 1, 2027, the
68 Commissioner of Energy and Environmental Protection shall submit
69 recommendations to the joint standing committee of the General
70 Assembly having cognizance of matters relating to the environment
71 concerning any plan submitted pursuant to subsection (c) of this section.

72 (e) Not less than one year following approval of such a plan by the
73 commissioner, and annually on each December first thereafter, such
74 organization shall submit to the commissioner a report that details such
75 organization's and applicable program's compliance with such
76 approved plan.

77 Sec. 2. (NEW) (*Effective October 1, 2026*) Not later than December 31,
78 2026, the Commissioner of Energy and Environmental Protection shall
79 study the efficacy of the provisions of public act 26-2 and determine if
80 the measures contained in such bill were effective in reducing the over
81 redemption of beverage containers in the state. If the commissioner
82 determines that such measures have not been effective in both: (1)

83 Creating a state-wide redemption rate of less than one hundred per cent
84 but not less than seventy-five per cent, and (2) significantly lowering the
85 individual redemption rates for distributors that were more than one
86 hundred per cent redeemed as of the effective date of public act 26-2, the
87 commissioner shall seek an opinion of the Attorney General on the
88 likely outcome of a statutory requirement for manufacturers to label
89 beverage containers with state specific indicia for the purpose of
90 identifying such containers sold in this state. Any such request of the
91 commissioner shall seek an assessment by the Attorney General of such
92 likely outcome as analyzed under the precedent of the United States
93 Court of Appeals for the Sixth Circuit and any other directly applicable
94 precedents with consideration of the measures contained in public act
95 26-2 and any other requirements or provisions of chapter 446d of the
96 general statutes intended to deter fraud and the illegal redemption of
97 beverage containers in this state. Not later than March 1, 2027, the
98 commissioner shall submit a report, in accordance with the provisions
99 of section 11-4a of the general statutes, on such study and any attendant
100 opinion of the Attorney General to the joint standing committee of the
101 General Assembly having cognizance of matters relating to the
102 environment. Such report shall include, but not be limited to, any
103 legislative recommendations from such study and Attorney General
104 opinion, as applicable.

105 Sec. 3. (NEW) (*Effective October 1, 2026*) Notwithstanding any
106 provision of chapter 446d of the general statutes, each distributor, as
107 defined in section 22a-243 of the general statutes, shall remove all
108 accumulated empty beverage containers of such distributor not more
109 than seven days after receipt of written or electronic notice from any
110 dealer or redemption center, as defined in section 22a-243 of the general
111 statutes. Any distributor who violates the provisions of this section shall
112 be fined in accordance with the provisions of section 22a-246 of the
113 general statutes.

114 Sec. 4. (NEW) (*Effective October 1, 2026*) (a) Notwithstanding the
115 provisions of chapter 446d of the general statutes, no distributor or
116 deposit initiator, as defined in section 22a-243 of the general statutes,

117 shall refuse to accept the scrap equivalent from any dealer or
118 redemption center that uses a reverse vending machine for the
119 redemption of any redeemed beverage container of the kind, size and
120 brand sold or distributed by such distributor or deposit initiator solely
121 because such container was processed and comingled through a reverse
122 vending machine, provided such reverse vending machine meets the
123 requirements established by the Commissioner of Energy and
124 Environmental Protection pursuant to this subsection.

125 (b) Notwithstanding the provisions of chapter 446d of the general
126 statutes, no distributor or deposit initiator shall refuse to pay the refund
127 value, handling fee or other payment required pursuant to this section
128 for any beverage container processed through a reverse vending
129 machine in accordance with this section.s457

130 (c) The Commissioner of Energy and Environmental Protection shall
131 adopt regulations, in accordance with the provisions of chapter 54 of the
132 general statutes, to establish standards for reverse vending machines,
133 including, but not limited to, standards for accuracy, fraud prevention,
134 data retention and reporting requirements.

135 Sec. 5. Subparagraph (B) of subdivision (2) of subsection (e) of section
136 22a-245a of the general statutes, as amended by section 2 of public act
137 26-2, is repealed and the following is substituted in lieu thereof (*Effective*
138 *October 1, 2026*):

139 (B) Subsequently:

140 (i) For the fiscal year ending June 30, 2023, ninety-five per cent of the
141 balance outstanding in the special account that is attributable to the
142 immediately preceding calendar quarter shall be paid by the deposit
143 initiator on or before the last day of the month next succeeding the close
144 of such quarter to the Commissioner of Revenue Services for deposit in
145 the General Fund;

146 (ii) For the fiscal year ending June 30, 2024, (I) for the calendar
147 quarters ending September 30, 2023, and December 31, 2023, the

148 balances outstanding in the special account that are attributable to said
149 calendar quarters shall be retained in the special account by the deposit
150 initiator for the purpose of reimbursement of the refund value in effect
151 on January 1, 2024, for a redeemed beverage container in accordance
152 with the provisions of subsection (b) of this section and section 22a-244,
153 (II) for the calendar quarter ending March 31, 2024, sixty-five per cent of
154 the balance outstanding in the special account at the close of such
155 quarter, including any balance outstanding that is attributable to such
156 quarter and any remaining balance of the amount retained by the
157 deposit initiator pursuant to subclause (I) of this clause, shall be paid by
158 the deposit initiator on or before the last day of the month next
159 succeeding the close of such quarter to the Commissioner of Revenue
160 Services for deposit in the General Fund, and (III) for the calendar
161 quarter ending June 30, 2024, sixty-five per cent of the balance
162 outstanding in the special account that is attributable to the immediately
163 preceding calendar quarter shall be paid by the deposit initiator on or
164 before the last day of the month next succeeding the close of such
165 quarter to the Commissioner of Revenue Services for deposit in the
166 General Fund;

167 (iii) For the fiscal year ending June 30, 2025, fifty per cent of the
168 balance outstanding in the special account that is attributable to the
169 immediately preceding calendar quarter shall be paid by the deposit
170 initiator on or before the last day of the month next succeeding the close
171 of such quarter to the Commissioner of Revenue Services for deposit in
172 the General Fund;

173 (iv) For the fiscal year ending June 30, 2026, if the redemption rate
174 calculated under subsection (c) of this section for the preceding fiscal
175 year is:

176 (I) At least sixty per cent, twenty-five per cent of the balance
177 outstanding in the special account that is attributable to the immediately
178 preceding calendar quarter shall be paid by the deposit initiator on or
179 before the last day of the month next succeeding the close of such
180 quarter to the Commissioner of Revenue Services for deposit in the

181 General Fund; and

182 (II) Less than sixty per cent, forty-five per cent of the balance
183 outstanding in the special account that is attributable to the immediately
184 preceding calendar quarter shall be paid by the deposit initiator on or
185 before the last day of the month next succeeding the close of such
186 quarter to the Commissioner of Revenue Services for deposit in the
187 General Fund;

188 (v) For the fiscal year ending June 30, 2027, if the redemption rate
189 calculated under subsection (c) of this section for the preceding fiscal
190 year is:

191 (I) At least sixty-five per cent, twenty-five per cent of the balance
192 outstanding in the special account that is attributable to the immediately
193 preceding calendar quarter shall be paid by the deposit initiator on or
194 before the last day of the month next succeeding the close of such
195 quarter to the Commissioner of Revenue Services for deposit in the
196 General Fund;

197 (II) Less than sixty-five per cent but more than sixty per cent, thirty-
198 five per cent of the balance outstanding in the special account that is
199 attributable to the immediately preceding calendar quarter shall be paid
200 by the deposit initiator on or before the last day of the month next
201 succeeding the close of such quarter to the Commissioner of Revenue
202 Services for deposit in the General Fund; and

203 (III) Sixty per cent or less, forty-five per cent of the balance
204 outstanding in the special account that is attributable to the immediately
205 preceding calendar quarter shall be paid by the deposit initiator on or
206 before the last day of the month next succeeding the close of such
207 quarter to the Commissioner of Revenue Services for deposit in the
208 General Fund; and

209 (vi) For the fiscal year ending June 30, 2028, and each fiscal year
210 thereafter, if the redemption rate calculated under subsection (c) of this
211 section for the preceding fiscal year is:

212 (I) At least seventy-five per cent, [five] twenty-five per cent of the
213 balance outstanding in the special account that is attributable to the
214 immediately preceding calendar quarter shall be paid by the deposit
215 initiator on or before the last day of the month next succeeding the close
216 of such quarter to the Commissioner of Revenue Services for deposit in
217 the General Fund;

218 (II) Less than seventy-five per cent but more than sixty-five per cent,
219 [ten] fifty per cent of the balance outstanding in the special account that
220 is attributable to the immediately preceding calendar quarter shall be
221 paid by the deposit initiator on or before the last day of the month next
222 succeeding the close of such quarter to the Commissioner of Revenue
223 Services for deposit in the General Fund;

224 (III) Sixty-five per cent or less but more than sixty per cent, [twenty-
225 five] seventy-five per cent of the balance outstanding in the special
226 account that is attributable to the immediately preceding calendar
227 quarter shall be paid by the deposit initiator on or before the last day of
228 the month next succeeding the close of such quarter to the
229 Commissioner of Revenue Services for deposit in the General Fund; and

230 (IV) Sixty per cent or less, [forty-five] one hundred per cent of the
231 balance outstanding in the special account that is attributable to the
232 immediately preceding calendar quarter shall be paid by the deposit
233 initiator on or before the last day of the month next succeeding the close
234 of such quarter to the Commissioner of Revenue Services for deposit in
235 the General Fund.

236 Sec. 6. (NEW) (*Effective October 1, 2026*) Notwithstanding any
237 provision of chapter 446d of the general statutes, no dealer, as defined
238 in section 22a-243 of the general statutes, shall collect or charge a refund
239 value on a beverage container not purchased in this state. Any person
240 who wilfully collects or charges a refund value on a beverage container
241 not purchased in this state on the amount of five thousand or more
242 beverage containers in one or more separate transactions during a single
243 calendar year or who directs another person to do so shall have
244 committed a class B misdemeanor. Any person who wilfully collects or

245 charges a refund value on a beverage container not purchased in this
 246 state on the amount of twenty thousand or more beverage containers in
 247 one or more separate transactions during a one-year period or who
 248 directs another person to do so shall have committed a class A
 249 misdemeanor. Nothing in this section shall be construed to apply to any
 250 common or contract carrier or warehouse worker while engaged in
 251 lawfully transporting or storing beverage containers as merchandise, or
 252 any employee of such carrier or warehouse worker who acts within the
 253 scope of such employee's employment.

254 Sec. 7. (NEW) (*Effective October 1, 2026*) No dealer or redemption
 255 center, as such terms are defined in section 22a-243 of the general
 256 statutes, shall misrepresent the size, brand or quantity of beverage
 257 containers provided to a distributor for removal from the premises of
 258 such dealer or redemption center. Any dealer or redemption center who
 259 violates the provisions of this section shall be fined in accordance with
 260 the provisions of section 22a-246 of the general statutes.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	22a-246b
Sec. 2	<i>October 1, 2026</i>	New section
Sec. 3	<i>October 1, 2026</i>	New section
Sec. 4	<i>October 1, 2026</i>	New section
Sec. 5	<i>October 1, 2026</i>	22a-245a(e)(2)(B)
Sec. 6	<i>October 1, 2026</i>	New section
Sec. 7	<i>October 1, 2026</i>	New section

Statement of Legislative Commissioners:

In Section 1(c), all references to July 1, 2022, were bracketed, for consistency and in Secs. 2 and 5, "senate bill 299 of the current session" was changed to "public act 26-2" for adherence to standard drafting conventions.

ENV Joint Favorable Subst. -LCO

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 27 \$	FY 28 \$
Department of Revenue Services	GF - Revenue Gain	None	6 million
Department of Energy and Environmental Protection	GF - Cost	162,608	162,608
State Comptroller - Fringe Benefits ¹	GF - Cost	68,002	68,002
Judicial Dept. (Probation)	GF - Potential Cost	Minimal	Minimal
Resources of the General Fund	GF - Potential Revenue Gain	Minimal	Minimal

Note: GF=General Fund

Municipal Impact: None

Explanation

The bill, which makes several changes to the state’s beverage container redemption law, results in the following fiscal impacts:

Section 1 reactivates the existing requirements (with new deadlines) and adds new requirements to the beverage container stewardship organization. The bill requires an approved organization to submit a plan to operate a statewide beverage container stewardship program and requires the Department of Energy and Environmental Protection (DEEP) to review and approve the plan, resulting in the costs described

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 41.82% of payroll in FY 27.

below.

It is anticipated that the new requirements and expanded role of DEEP (including additional regulatory responsibilities) will result in an annual cost to DEEP of approximately \$230,610. The cost to DEEP is associated with two new full-time Environmental Analyst 2 positions with an annual salary of \$81,304 and corresponding fringe benefits of \$34,001.

Section 2 requires DEEP to study the effectiveness of PA 26-2, *AAC Redemption Of Out-Of-State Beverage Containers*, and specifically determine if the act was effective in reducing the “over-redemption” of beverage containers in Connecticut. This is not anticipated to result in a cost as DEEP has the staff and expertise necessary to complete the study.

Section 5, which increases the amount of unclaimed bottle deposits that deposit initiators must remit (i.e., escheat) to the General Fund, results in a revenue gain of approximately \$6 million annually beginning in FY 28 (assuming a 25% escheatment rate based on a redemption rate of 75% or more).² To the extent the overall redemption rate falls below 75%, the revenue gain could be higher.³

Section 6, which creates a new class A or B misdemeanor, results in a potential cost to the Judicial Department for probation and a potential revenue gain to the General Fund from fines. On average, the marginal cost for supervision in the community is less than \$600⁴ each year for adults and \$450 each year for juveniles.

The remaining components of the bill make various changes that do not result in any fiscal impact.

² As of the 4th calendar quarter of 2025 the redemption rate was 96.9%.

³ Under the bill, redemption rates of 75% or more result in an escheatment rate of 25% beginning in FY 28; redemption rates below 75% result in higher escheatment rates.

⁴ Probation marginal cost is based on services provided by private providers and only includes costs that increase with each additional participant. This does not include a cost for additional supervision by a probation officer unless a new offense is anticipated to result in enough additional offenders to require additional probation officers.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and statewide redemption rates.

OLR Bill Analysis**sSB 457*****AN ACT CONCERNING THE STATE'S BOTTLE BILL.*****SUMMARY**

This bill makes several changes to the state's beverage container redemption law ("bottle bill"). (The state's bottle bill generally requires a deposit to be charged on each beverage container at the time of purchase, which is then refunded to the consumer when it is redeemed at a retailer or redemption center.)

Among other things, the bill:

1. reactivates and expands prior requirements for the formation of a beverage container stewardship organization (§ 1);
2. requires the Department of Energy and Environmental Protection (DEEP) to study the effectiveness of Public Act 26-2 by December 31, 2026, request an attorney general opinion on possible statutory changes if not effective, and submit a report to the Environment Committee by March 1, 2027 (§ 2);
3. increases the amount of unclaimed bottle deposits that deposit initiators must remit to the General Fund beginning FY 28 (§ 5);
4. bans dealers from collecting or charging a refund value on beverage containers not purchased in Connecticut and makes violations class A or B misdemeanors depending on the volume of containers (§ 6);
5. requires distributors to remove empty beverage containers within seven days after receiving a written or electronic notice from a dealer or redemption center, and applies the bottle bill's fines to violations (§ 3);

6. requires distributors and deposit initiators to accept scrap equivalents from, and pay refund values and handling fees for, dealers and redemption centers that use reverse vending machines (RVM), if the RVM meets requirements established by the DEEP commissioner in regulations (§ 4); and
7. bans dealers and redemption centers from misrepresenting the size, brand, or quantity of beverage containers given to distributors, and applies the bottle bill's fines to violations (§ 7).

EFFECTIVE DATE: October 1, 2026

§ 1 — STEWARDSHIP ORGANIZATION

Current law requires the DEEP commissioner to approve an application for formation of a beverage container stewardship organization (organization) by deposit initiators (generally, the first entity to collect a deposit on a beverage container) if requested and subject to certain requirements. It also requires an approved organization to submit a plan for the commissioner's review and approval to operate the statewide stewardship program. This organization never formed under the current law. The bill reactivates the existing requirements (with new deadlines) and adds new requirements.

Stewardship Application

The bill requires the organization to apply to the DEEP commissioner by December 1, 2027, or later if approved by the commissioner, to show that it:

1. is a 501(c)(3) federally tax-exempt organization;
2. has a governing board of deposit initiators reflecting the range of beverages and container material subject to the bottle bill; and
3. has adequate financial responsibility and financial controls in place, including fraud prevention measures and an audit schedule, to ensure proper management of funds.

As under existing law, the bill requires all deposit initiators to join and register with the organization within three months after DEEP approves it. Any deposit initiator wanting to sell beverage containers in the state after that time must register and join the organization at least 90 days before selling them in Connecticut.

Stewardship Plan

The bill requires an approved organization to submit a plan to operate a statewide beverage container stewardship program (program) for the DEEP commissioner's review and approval. The plan must be submitted within 180 days after DEEP approves the organization.

As under existing law, the bill requires the organization, while developing the plan, to get input from members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirits distributors, and RVM operators. The bill prohibits the commissioner from approving a plan without verifying that the organization received this input.

Under the bill, like current law, an organization's plan must show how the organization will operate and finance a program for redeeming and recycling beverage containers in the state. It must include details on the following:

1. achieving and exceeding an annual redemption rate of 80% by a specified timeline;
2. achieving financial self-sustainability;
3. achieving verifiable performance metrics for enhanced customer satisfaction with, and access to, the beverage container redemption system;
4. adopting policies and making investments to ensure that recovered materials are returned to their highest and best use;
5. how the program will use existing collection and redemption centers in Connecticut;

6. the redemption rate in Connecticut when the plan is created and the projected rates over the next five years under the proposed program, and any recommended refund value for containers to achieve those projected rates;
7. how it will cost the state or any other program participants;
8. revenues that return to the state under the program and any projected loss to the state's use or collection of that revenue in the next five fiscal years;
9. any legislative changes needed to carry out the plan;
10. how it will prevent redemption in Connecticut of containers purchased outside of Connecticut and any related fraudulent activities; and
11. anything else the DEEP commissioner specifies.

Under the bill, the DEEP commissioner can provide conditions for approval to ensure compliance with the above requirements.

The bill also requires the organization, within one year after its plan is approved, and then annually on December 1, to submit to the DEEP commissioner a report detailing the organization's and program's compliance with the approved plan.

DEEP Recommendations

The bill requires the DEEP commissioner, by December 1, 2027, to submit recommendations to the Environment Committee about any plan that has been submitted to the department. (However, as the bill requires organizations to apply to DEEP by December 1, 2027, and they then have 180 days to submit a plan for approval, there may not be any plan approved the time DEEP must submit recommendations under this provision.)

§ 2 — PUBLIC ACT 26-2 STUDY

Under the bill, by December 31, 2026, the DEEP commissioner must

study the effectiveness of PA 26-2 and specifically determine if the act was effective in reducing the “over-redemption” of beverage containers in Connecticut. (Over-redemption is generally the illegal or improper redemption of containers.) If she finds the act was generally not effective, the commissioner also must seek an attorney general opinion on the likely outcome of statutorily requiring manufacturers to have Connecticut-specific labels on beverage containers to identify those sold in Connecticut. However, she must seek this opinion only if PA 26-2 was not successful in both (1) creating a statewide redemption rate between 100% and 75% and (2) significantly lowering the redemption rates for distributors that were more than 100% on March 3, 2026.

Any request to the attorney general must ask for an assessment of the likely outcome of requiring specific labeling, as analyzed under the precedent of the U. S. Court of Appeals for the Sixth Circuit (see BACKGROUND) and any other directly applicable precedents, considering the measures in PA 26-2 and any other state law requirements or provisions to deter fraud and illegal redemption.

The bill requires the DEEP commissioner to submit a report on the study and any attorney general opinion to the Environment Committee by March 1, 2027. The report must at least include any resulting legislative recommendations.

§ 5 — UNCLAIMED BOTTLE DEPOSITS REMITTED TO THE GENERAL FUND

By law, deposit initiators must remit a percentage of unclaimed bottle deposits to the General Fund each quarter, based on the average statewide redemption rate for the preceding fiscal year. The bill increases the required remittance for FY 28 and beyond from:

1. 5% to 25% of unclaimed deposits if the prior year’s redemption rate was 75% or more,
2. 10% to 50% of unclaimed deposits if the prior year’s redemption rate less than 75% but more than 65%,

3. 25% to 75% of unclaimed deposits if the prior year's redemption rate was 65% or less but more than 60%, and
4. 45% to 100% of unclaimed deposits if the prior year's redemption rate was 60% or less.

§ 6 — OUT-OF-STATE REFUND CHARGE BAN AND PENALTIES

By law, dealers (those who engage in the sale of beverages in beverage containers in Connecticut, but not redemption centers) cannot collect or charge a refund value on containers purchased outside of Connecticut. Violators are fined according to the bottle bill's existing penalties (CGS §§ 22a-244 & 22a-246, as amended by PA 26-2; see BACKGROUND). The bill imposes higher penalties for willful conduct.

Specifically, under the bill, willfully collecting or charging a refund value on containers purchased outside of Connecticut, or directing another to do so, for 5,000 or more containers in one or more transactions during a calendar year is a class B misdemeanor (punishable by up to 6 months in prison, a \$1,000 fine, or both). Willfully doing so, or directing another to do so, for 20,000 or more containers in a one-year period is a class A misdemeanor (punishable by up to 364 days in prison, a \$2,000 fine, or both).

The bill specifies that this does not apply to a common or contract carrier, or warehouse worker, that is lawfully transporting or storing beverage containers as merchandise. It also does not apply to the employees of those carriers or workers that act within the scope of their employment.

§§ 3, 4 & 7 — BOTTLE BILL REQUIREMENTS

Removing Empty Beverage Containers (§ 3)

Under the bill, distributors (which include any person who engages in the sale of beverages in beverage containers to dealers in Connecticut) must remove all of their accumulated empty beverage containers within seven days after receiving a written or electronic notice from a dealer or redemption center. A distributor who does not is fined under the bottle bill's existing penalties (see BACKGROUND).

By law, distributors generally cannot refuse to accept, or refuse to pay a refund value for, any empty beverage containers of the kind, size, and brand sold by the distributor, from dealers or operators of redemption centers. Distributors must remove empty beverage containers from the premises of dealers serviced by them, or from redemption centers sponsored by dealers serviced by the distributor, so long as those premises are within the distributor's territory (CGS § 22a-245(c)).

RVM Scrap Requirement (§ 4)

Under the bill, distributors and deposit initiators cannot refuse the scrap equivalent of beverage containers from dealers or redemption centers that use RVMs for redeeming containers of the kind, size, and brand sold, or distributed, by the distributor or deposit initiator, solely because the container was processed and comingled through an RVM, so long as that RVM meets requirements established by the DEEP commissioner. The distributor or deposit initiator must pay the refund value, handling fee, and any other payment required for a beverage container processed by an RVM.

The bill requires the DEEP commissioner to adopt regulations to establish standards for RVMs, which must include standards for accuracy, fraud prevention, data retention, and reporting requirements.

Container Misrepresentation (§ 7)

Under the bill, dealers and redemption centers cannot misrepresent the size, brand, or quantity of beverage containers provided to distributors from the dealer's or redemption center's premises. A dealer or redemption center that does is fined according to the bottle bill's existing penalties.

BACKGROUND

PA 26-2 and Bottle Bill Penalties

PA 26-2 makes a series of changes to the state's bottle bill. Among other things, the act increases the:

1. required remittance of unclaimed bottle bill deposits to the

General Fund for FY 27 if the average statewide redemption rate for FY 26 was over 60% and

2. fines for violating the bottle bill's requirements to: (1) between \$500-\$750 for a first offense; (2) \$750-\$1,000 for a second offense; and (3) \$2,000 and a class A misdemeanor for any third or subsequent offense (and allows civil penalties to be brought). It also gives municipal police enforcement authority over these violations.

Sixth Circuit Precedent

In 2008, Michigan passed several provisions aimed at preventing the fraudulent redemption of out-of-state containers. One provision required manufacturers to include a unique label (for example, a symbol or mark) on containers that could not be used in other states without substantially similar bottle bills. The unique label would allow an RVM to determine if a container was returnable in Michigan. But this requirement was invalidated in 2013. In striking down the requirement, the Sixth Circuit determined that the statute directly regulated sales occurring in other states, violating the U.S. Constitution's Commerce Clause (*Am. Beverage Ass'n v. Snyder*, 735 F.3d 362 (6th Cir. 2013)).

Related Bill

SB 516, favorably reported by the Finance, Revenue and Bonding Committee, would among other things, (1) revert the deposit on beverage containers to 5 cents from 10 cents under certain conditions and (2) allow certain deposit initiators that were over-redeemed to apply to the Office of Policy and Management for full reimbursement of their loss.

COMMITTEE ACTION

Environment Committee

Joint Favorable

Yea 19 Nay 15 (03/18/2026)