Amend **CSSB 1863** (house committee printing) by adding the following appropriately numbered ARTICLE to the bill and by renumbering subsequent ARTICLES of the bill accordingly:

ARTICLE ___. FEES FOR CERTAIN BEVERAGE CONTAINERS

SECTION ___.01. Subchapter H, Chapter 33, Natural Resources Code, is amended by adding Section 33.6035 to read as follows:

Sec. 33.6035. FEE ON BEVERAGE CONTAINER IF BEVERAGE TO BE CONSUMED WHERE SOLD. (a) In this section:

(1) "Beverage" means a nonalcoholic or alcoholic carbonated or noncarbonated liquid that is intended for human consumption. The term does not include milk or baby formula.

(2) "Beverage container" means a glass, metal, or plastic vessel that:

(A) can be hermetically sealed or capped; and

(B) contains a beverage at the time the vessel is sold by a facility.

(3) "Facility" means a person who sells a beverage in a container to a consumer for consumption on the premises. The term does not apply to a common carrier that sells a beverage to a passenger.

(4) "On-site recycling program" means a recycling program operated by a facility and approved by the commissioner.

(b) A facility shall collect a fee of five cents from a consumer for each beverage in a beverage container that the facility sells to the consumer.

(c) A facility that collects a fee under this section shall remit the fee to the comptroller in accordance with the following procedures:

(1) before remitting the fee to the comptroller, the facility may deduct two percent of the amount of the fee collected to cover the facility's administrative expenses;

(2) the facility shall file a sworn return with the comptroller not later than the 20th day of each month that:

(A) is in a form prescribed by the comptroller;

(B) includes a statement of the total gross receipts for the containers sold during the preceding month; and

(C) any other information required by the

1

comptroller;

          (3)  a fee due for a business day that occurs in two different months is allocated to the month in which the business day begins; and

          (4)  the total amount of fees due for the preceding month shall accompany the return and shall be payable to the state.

     (d)  Annually, the comptroller shall deposit revenue from the fees collected under this section as follows:

          (1)  the first $20 million collected shall be deposited in the account and may be appropriated only to the commissioner to be used for the purposes provided by Section 33.605;

          (2)  the next $20 million collected shall be deposited in the state land and water conservation account under Section 11.037(c), Parks and Wildlife Code, and may be appropriated only to the Parks and Wildlife Department to be used for programs for the planning, acquisition, operation, and development of the outdoor recreation resources of this state, including acquisition of land and water and interests in land and water;

          (3)  the next $10 million collected shall be deposited in the account and may be appropriated only to the commissioner to be used to make grants to a political subdivision to clean and maintain rivers within the boundaries of the subdivision;

          (4)  the next $4 million collected shall be deposited in the water assistance fund under Section 15.011, Water Code, and may be appropriated only to the Texas Water Development Board to be used by the board to:

               (A)  make grants for the planning, permitting, design, and development of brackish groundwater desalination demonstration projects at locations to be determined by the board; and

               (B)  employ two full-time equivalent employees to oversee the projects, monitor the development of desalination technology, and provide educational outreach and technology transfer; and

          (5)  all additional revenue collected shall be deposited in the general revenue fund.

     (e)  Each facility that collects the fee required by this

section may submit, for approval by the commissioner, a proposal to create an on-site recycling program.  On the commissioner's approval of the on-site recycling program, the facility shall receive:

       (1)  an amount not to exceed 2.5 cents for each beverage container sold; and

       (2)  the proceeds from the sale of the recycled beverage containers.