

1.1 moves to amend H.F. No. 3322 as follows:

1.2 Delete everything after the enacting clause and insert:

1.3 "Section 1. **[297H.50] PLASTIC BOTTLES EXCISE TAX.**

1.4 Subdivision 1. **Definitions.** (a) For the purposes of this section, the following terms have
1.5 the meanings given.

1.6 (b) "Beverage" means a drinkable liquid intended for human oral consumption, excluding:

1.7 (1) a drug regulated under the federal Food, Drug, and Cosmetic Act, United States
1.8 Code, title 21, section 301 et seq.; or

1.9 (2) infant formula.

1.10 (c) "Bottle distributor" means the first person who sells a taxable plastic bottle to a
1.11 retailer in Minnesota.

1.12 (d) "Commissioner" means the commissioner of revenue.

1.13 (e) "Taxable plastic bottle" means a formed or molded container composed primarily
1.14 of plastic resin that:

1.15 (1) is sealed;

1.16 (2) contains a beverage; and

1.17 (3) holds less than three liters when full.

1.18 Subd. 2. **Tax imposed.** An excise tax is imposed on bottle distributors for each taxable
1.19 bottle sold to a retailer in Minnesota. The tax is payable quarterly and in the form and manner
1.20 prescribed by the commissioner.

1.21 Subd. 3. **Rate of tax.** The excise tax is imposed at a rate of cents per taxable plastic
1.22 bottle sold.

2.1 Subd. 4. **Use of proceeds.** The commissioner must deposit proceeds from the tax in the
2.2 water infrastructure account established in section 297H.51.

2.3 Subd. 5. **Expiration.** This section expires December 31, 2031.

2.4 **EFFECTIVE DATE.** This section is effective for sales of taxable water bottles made
2.5 by a bottle distributor on or after January 1, 2027.

2.6 Sec. 2. **[297H.51] BOTTLE TAX REVENUE DISTRIBUTIONS FOR WATER**
2.7 **INFRASTRUCTURE.**

2.8 Subdivision 1. **Definition.** For the purposes of this section, "board" means the board of
2.9 the Public Facilities Authority.

2.10 Subd. 2. **Account established.** The water infrastructure account is established in the
2.11 special revenue fund in the state treasury. Appropriations and transfers shall be credited to
2.12 the account. Earnings, such as interest, dividends, and any other earnings arising from assets
2.13 of the account, must be credited to the account. The board shall manage the account.

2.14 Subd. 3. **Appropriation.** Money in the account is appropriated to the board for the
2.15 purposes of subdivision 4.

2.16 Subd. 4. **Eligible expenditures; priorities.** (a) Money from the water infrastructure
2.17 account established under this section must be used only to fund Public Facilities Authority
2.18 projects eligible under sections 446A.072, 446A.073, 446A.077, 446A.082, and other water
2.19 infrastructure projects approved by the board.

2.20 (b) The board shall determine the distribution of revenues in the account among the
2.21 eligible uses denoted in paragraph (a), and may transfer those revenues among those uses.

2.22 Subd. 5. **Expiration.** This section expires after all revenues in the water infrastructure
2.23 account as of January 1, 2032, have been distributed in grants awarded under this section.

2.24 **EFFECTIVE DATE.** This section is effective beginning January 1, 2026."

2.25 Amend the title as follows:

2.26 Page 1, line 2, after the semicolon, insert "establishing an account;"