

Original Sponsors: Messrs.
Jackson, LeFevre, Orbeck
and Skinner

Offered: 3/9/65
Referred: Judiciary

1 IN THE HOUSE BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 55

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 FOURTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the regulation of the
7 use of trading stamps; and providing for an
8 effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 45 is amended by adding a new chapter to read:

11 CHAPTER 52. TRADING STAMPS

12 Sec. 45.52.010. USE OF TRADING STAMPS. No person may
13 use or issue trading stamps in connection with the retail
14 sale, or the promotion of a retail sale, of services, goods,
15 wares and merchandise to another person unless the store or
16 place of business in which the trading stamps are used,
17 issued, or sold is licensed by the department.

18 Sec. 45.52.020. LICENSES. (a) The annual license fee
19 for each store or place of business required to be licensed
20 under sec. 10 of this chapter is \$500.

21 (b) Upon payment of the \$500 fee, the department shall
22 issue a license for the calendar year which shall contain the
23 name of the person paying the fee, the dates of the issuance
24 and expiration of the license, and the name and address of
25 the store or place of business for which the license is
26 issued. A license is valid only at the store or place of
27 business for which it is issued.

28 (c) No license may be issued for a period extending
29 beyond the end of the calendar year for which it is issued.

1 Sec. 45.52.030. REGULATIONS. The department shall
2 adopt and promulgate regulations, in accordance with the
3 Administrative Procedure Act (AS 44.62), which are necessary
4 to collect the fee imposed by this chapter and to enforce
5 this chapter.

6 Sec. 45.52.040. REDEEMABLE CASH VALUE OF STAMPS. The
7 redeemable cash value of a trading stamp shall not be less
8 than the cash value paid for the stamp by the person who
9 uses or issues the stamp in connection with a retail sale.

10 Sec. 45.52.050. REDEEMABLE CASH VALUE TO BE PRINTED ON
11 STAMPS OR BOOKS. (a) No person may sell or issue a trading
12 stamp unless the redeemable cash value of the stamp, in
13 cents, is legibly printed or written upon its face.

14 (b) No person may sell or issue a book used to collect
15 trading stamps unless the redeemable cash value, in cents or
16 dollars or both, of the maximum number of stamps which may
17 be affixed to the book is legibly printed or written on the
18 covers of the book, and unless notice that the holder of the
19 stamps may redeem the stamps for cash at any time is clearly
20 printed or written on the covers of the book.

21 Sec. 45.52.060. REDEMPTION OF STAMPS. (a) A person
22 who sells or distributes trading stamps to a store or place
23 of business which is required to be licensed under sec. 10
24 of this chapter shall, upon presentation of the stamps by
25 the ultimate holder, and at the option of the holder, either

26 (1) redeem the stamps for goods, wares or mer-
27 chandise; or

28 (2) redeem the stamps for their stated redeemable
29 cash value.

1 (b) If a person who sells or distributes trading stamps
2 to a store or place of business which is required to be
3 licensed under sec. 10 of this chapter refuses to redeem the
4 stamps for an ultimate holder as provided in (a) of this
5 section, any store or place of business which issues or sells
6 the trading stamps is liable to the holder for the cash value
7 of the stamps and shall immediately, upon presentation, re-
8 deem the stamps as provided in (a)(2) of this section.

9 (c) A store or place of business which is required to
10 be licensed under sec. 10 of this chapter shall redeem
11 trading stamps for their cash value at any time a holder
12 presents the stamps and demands the cash value.

13 (d) At least five signs, measuring not less than one
14 foot by two feet, which state that all trading stamps issued
15 in that store or place of business are redeemable in cash
16 upon presentment and demand by a holder, shall be prominently
17 placed in each licensed store or place of business.

18 Sec. 45.52.070. EXEMPTION FOR COUPONS IN ORIGINAL
19 PACKAGES. This chapter does not apply to the issuance and
20 direct redemption by a manufacturer of a premium coupon,
21 certificate, or similar device, or prevent him from issuing
22 and directly redeeming them. However, a premium coupon,
23 certificate, or similar device shall not be issued, circu-
24 lated, or distributed by retail vendors except when contained
25 in or attached to an original package.

26 Sec. 45.52.080. APPLICATION TO RETAIL SALES. (a) The
27 redeemable cash value of any trading stamps issued in con-
28 nection with a retail sale of services, goods, wares, or
29 merchandise in this state shall not be considered a part of

1 the sale price for the purpose of any sales tax levied by a
2 city or borough.

3 (b) An exchange of services, goods, wares, or merchan-
4 dise for trading stamps is a retail sale for the purpose of
5 any sales tax levied by a city or borough.

6 (c) Each sales receipt or other memorandum of a sale
7 issued to a retail buyer in this state shall state the re-
8 deemable cash value of any trading stamps issued in connection
9 with the sale.

10 Sec. 45.52.090. PENALTY. A person who violates a pro-
11 vision of this chapter is guilty of a misdemeanor and upon
12 conviction is punishable by a fine of not less than \$100 nor
13 more than \$1,000.

14 Sec. 45.52.100. DEFINITIONS. In this chapter, unless
15 context otherwise requires

16 (1) "borough" means a home rule, first, or second
17 class organized borough;

18 (2) "city" means a home rule or general law city
19 of any class;

20 (3) "manufacturer" means a vendor of an article of
21 merchandise which is put up by or for him in an original
22 package and which is sold under his or its trade name, brand,
23 or mark;

24 (4) "trading stamp" is any tangible token whatever,
25 including, but not limited to, a stamp, check, ticket, or
26 coupon, which is transferred by a seller of goods or services
27 at retail, to a buyer, as part of the consideration for, or
28 as an inducement to, the purchase of goods and services, and
29 which is intended or represented as being intended to be

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1 redeemed singly or in quantity by the seller or any other
2 person from the buyer in return for money or any article of
3 value.

4 * Sec. 2. This Act takes effect January 1, 1966.
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