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Offered: 4/4/77
Referred: Rules

1 IN THE HOUSE

BY THE COMMERCE COMMITTEE

2 CS FOR HOUSE BILL NO. 171

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the sale of beverage containers;
7 and providing for an effective date."

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

9 * Section 1. AS 18 is amended by adding a new chapter to read:

10 CHAPTER 32. RETURNABLE BEVERAGE CONTAINERS.

11 Sec. 18.32.010. LEGISLATIVE INTENT. It is the intent of this
12 chapter to avoid the waste of nonrenewable resources, to decrease litter
13 in Alaska, to provide jobs for Alaskans in those business concerns
14 recycling beverage containers, and to avoid the increasing pollution of
15 our environment, by requiring the sale of refundable, reusable, biode-
16 gradable beverage containers and by authorizing redemption centers for
17 the convenient return of the containers.

18 Sec. 18.32.020. REFUND VALUE REQUIREMENTS OF BEVERAGE CONTAINERS.

19 (a) Every beverage container sold or offered for sale in this state
20 shall have a refund value of not less than 10 cents.

21 (b) The refund value as established by (a) of this section and
22 payable under sec. 40 of this chapter shall not be included in the price
23 of a beverage but shall be collected separately by the dealer or dis-
24 tributor at the time of sale, except that vending machines providing
25 beverages in beverage containers may include the refund value in the
26 price charged at the machine, but only if a sign is displayed upon the
27 vending machine informing the vendee of the price of the product and the
28 refund value.

29 Sec. 18.32.030. DEALER OR DISTRIBUTOR REFUSAL TO ACCEPT PROHIBITED

1 (a) Except as provided in sec. 40 of this chapter, no dealer may refuse
2 to accept from a person an empty beverage container of the kind, size
3 and brand sold by the dealer, or refuse to pay to that person the refund
4 value of a beverage container established under sec. 20 of this chapter.

5 (b) Except as provided in secs. 40 and 65(c) of this chapter, no
6 distributor may refuse to accept from a dealer an empty beverage con-
7 tainer of the kind, size and brand sold by the distributor, or refuse to
8 pay the dealer the refund value of a beverage container established
9 under sec. 20 of this chapter.

10 Sec. 18.32.040. DEALER AND DISTRIBUTOR REFUSALS TO ACCEPT CON-
11 TAINERS. (a) A dealer may refuse to accept from a person, and a distri-
12 butor or a container collection service may refuse to accept from a
13 dealer, an empty beverage container which does not state on it a refund
14 value as established by sec. 20 of this chapter.

15 (b) A dealer, distributor or container collection service may
16 refuse to accept an otherwise reusable beverage container which has been
17 damaged in a manner to preclude its reuse or which is in an unsanitary
18 condition. The department shall adopt regulations defining when a
19 beverage container is not reusable or is in an unsanitary condition.

20 (c) A dealer whose principal place of business is located in an
21 area of the state which does not have access throughout the year to
22 Anchorage, Ketchikan, Juneau, or Fairbanks by road, railroad or state
23 ferry system may refuse to accept, and to pay the refund value of, an
24 empty beverage container, and he shall not collect the refund value of
25 an empty beverage container from a person purchasing the beverage.

26 (d) A distributor who sells a beverage to a dealer covered by (c)
27 of this section may refuse to accept, and to pay the refund value of, an
28 empty beverage container sold to that dealer, and he shall not collect
29 the refund value of an empty beverage container at the time of sale

1 from a dealer covered by (c) of this section.

2 (e) The local governing body of a municipality may provide, by
3 ordinance, that dealers located within its jurisdiction and exempted
4 from this chapter under (c) of this section, and distributors exempted
5 from this chapter under (d) of this section who sell beverages to a
6 dealer located within the municipality, shall be subject to this chapter
7 for beverages sold within the municipality.

8 Sec. 18.32.050. CONTAINER MARKING AND CONSTRUCTION. (a) No
9 beverage container may be sold or offered for sale in this state after
10 January 1, 1978 unless it is reusable, recyclable or biodegradable.

11 (b) Each beverage container sold or offered for sale in this state
12 by a dealer shall clearly indicate by embossing or by a stamp, or by a
13 label or other method securely affixed to the beverage container, the
14 refund value of the container.

15 (c) The requirement in (b) of this section does not apply to glass
16 beverage containers which were manufactured before the effective date of
17 this chapter and which have a brand name permanently marked on them, but
18 such containers shall have a refund value of not less than 10 cents.

19 (d) No person may sell or offer for sale at retail in this state a
20 non-glass beverage container so designed and constructed that the con-
21 tainer can be opened by detaching a part of the container.

22 Sec. 18.32.060. REDEMPTION CENTERS. (a) Any person may establish
23 a redemption center for the return of empty beverage containers and to
24 serve dealers of beverages, subject to the approval of the department.
25 The public may return empty beverage containers at the redemption center
26 and receive payment of the refund value for the beverage containers.
27 Dealers not served by a redemption center shall accept beverage con-
28 tainers for refund at their place of business.

29 (b) Application for approval of a redemption center shall be filed

1 with the department. The application shall state the name and address
2 of the person responsible for the establishment and operation of the
3 redemption center, the kind and brand names of the beverage containers
4 which will be accepted at the redemption center, and the names and
5 addresses of the dealers to be served by the redemption center. The
6 application shall include additional information as the department
7 requires.

8 (c) The department shall approve a redemption center if it finds
9 the redemption center will provide a convenient service to the public
10 for the return of empty beverage containers. The order of the depart-
11 ment approving a redemption center shall state the dealers to be served
12 by the redemption center and the kind and brand names of empty beverage
13 containers which the redemption center is required to accept. The order
14 may contain other provisions to insure that the redemption center will
15 provide a convenient service to the public as the department may deter-
16 mine.

17 (d) The department may review at any time approval of a redemption
18 center. After written notice to the person responsible for the estab-
19 lishment and operation of the redemption center, and to the dealers
20 served by the redemption center, the department may, after hearing,
21 withdraw approval of a redemption center if the department finds there
22 has not been compliance with its order approving the redemption center,
23 or if the redemption center no longer provides a convenient service to
24 the public.

25 (e) The department shall adopt regulations establishing procedures
26 for approval or withdrawal of approval under this section.

27 Sec. 18.32.065. CONTAINER COLLECTION SERVICE. (a) The department
28 may contract with a person, business concern, general law or homerule
29 municipality, or nonprofit organization to provide a container collec-

1 tion service within an area designated by the department. The agreement
2 between the contractor and the department shall provide for an exclusive
3 right to collect beverage containers from dealers within a designated
4 area and a requirement that a contractor make regular collections of
5 beverage containers from dealers.

6 (b) The department shall designate areas within which a container
7 collection service will perform duties under the contract. The procure-
8 ment of container collection services for the contract area shall be
9 advertised locally in the area where the service is to be rendered.
10 Selection of the contractor shall be accomplished by direct negotiation
11 with all parties responding with a proposal for the delivery of the
12 requested services. An award of a contract for container collection
13 services shall be made to the party submitting a proposal that is deter-
14 mined by the department to best serve the need for container collection
15 within the contract area.

16 (c) A distributor who sells beverages within an area covered by a
17 contract for container collection service under (b) of this section
18 shall monthly pay to the contractor for that area an amount equal to the
19 refund value of all beverage containers sold during the month by that
20 distributor in the contract area. The container collection service
21 shall assume the distributor's responsibility for paying the refund
22 value on and further disposition of beverage containers collected by or
23 delivered to it.

24 Sec. 18.32.070. PENALTY. A person who violates secs. 20 - 30 or
25 sec. 50 of this chapter, upon conviction, is punishable for a misde-
26 meanor.

27 Sec. 18.32.080. REPORT TO THE LEGISLATURE. (a) Before January 1,
28 1980, the department shall submit a report to the legislature to include
29 but not be limited to an analysis of

- 1 (1) the economic impact of this chapter on
2 (A) persons licensed under AS 04.10;
3 (B) persons who engage in the nonalcoholic beverage
4 manufacturing business; and
5 (C) persons engaged in the business of manufacturing
6 beer and other malt beverages;

7 (2) the problems, if any, incurred in the distribution, sale
8 and return of beverage containers subject to this chapter;

9 (3) the effectiveness of the provisions of this chapter in
10 the reduction of the incidence of littering of beverage containers in
11 the state, which shall be based upon an annual comprehensive litter
12 measurement program of selected roads, highways, parks, recreation areas
13 and working and living areas of the state, beginning July 1, 1977, and
14 ending before January 1, 1980;

15 (4) the costs incurred in the enforcement of the provisions
16 of this chapter.

17 (b) The department may recommend legislative changes based on the
18 analysis required under (a) of this section.

19 Sec. 18.32.090. DEFINITIONS. In this chapter

20 (1) "beverage" means beer or other malt beverages and mineral
21 waters, soda water and similar carbonated soft drinks in liquid form and
22 intended for human consumption;

23 (2) "beverage container" means the individual, separate,
24 sealed glass, metal or plastic bottle, can or jar containing a beverage;

25 (3) "dealer" means a person in this state who engages in the
26 sale of beverages in beverage containers to a consumer, or a redemption
27 center approved under sec. 60 of this chapter, but does not include a
28 person who allows the placement upon his premises of a vending machine
29 that dispenses beverages when the vending machine is owned by another

1 person regularly in the vending machine business;

2 (4) "department" means the Department of Environmental Con-
3 servation;

4 (5) "distributor" means a person located in the state who
5 engages in the sale of beverages in beverage containers to a dealer in
6 this state, including a manufacturer who engages in sales to a dealer;

7 (6) "manufacturer" means a person bottling, canning, or
8 otherwise filling beverage containers for sale to distributors or
9 dealers;

10 (7) "place of business of a dealer" means the location at
11 which a dealer sells or offers for sale beverages in beverage containers
12 to consumers;

13 (8) "use or consumption" includes the exercise of a right or
14 power over a beverage incident to its ownership other than the sale or
15 the retention of a beverage for the purposes of sale.

16 * Sec. 2. This Act expires March 15, 1983.

17 * Sec. 3. This Act takes effect January 1, 1978.