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Offered: 5/15/78
Referred: Rules

1 IN THE HOUSE

BY THE FINANCE COMMITTEE

2 SENATE CS FOR CS FOR HOUSE BILL NO. 171 (Finance)

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - SECOND 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. INTENT. It is the intent of this chapter to avoid
12 the waste of nonrenewable resources, to decrease litter in Alaska, to
13 provide jobs for Alaskans in those business concerns recycling beverage
14 containers, and to avoid the increasing pollution of our environment, by
15 requiring the sale of refundable, reusable, biodegradable beverage
16 containers and by authorizing redemption centers for the convenient
17 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 established under (a) of this section is not
22 included in the price of a beverage but shall be collected separately by
23 the dealer or distributor at the time of sale, except that vending
24 machines providing beverages in beverage containers may include the
25 refund value in the price charged at the machine, but only if a sign is
26 displayed upon the vending machine informing the vendee of the price of
27 the beverage and the refund value of the empty beverage container.

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

29 (a) Except as provided in sec. 40 of this chapter, no dealer may refuse

1 to accept from a person an empty beverage container of the kind, size
2 and brand sold by the dealer, or refuse to pay to that person the refund
3 value of a beverage container established under sec. 20 of this chapter.

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

9 (c) In this section, the term "empty beverage container" includes
10 a beverage container that is a crushed metal can if the label required
11 under sec. 50(b) of this chapter is legible.

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

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

22 (c) A dealer may refuse to accept empty beverage containers if the
23 place of business of the dealer and the kind and brand of empty beverage
24 containers are included in an order of the department approving a re-
25 demption center under sec. 60 of this chapter.

26 Sec. 18.32.050. CONTAINER MARKING AND CONSTRUCTION. (a) No bever-
27 age container may be sold or offered for sale in this state after July 1,
28 1979 unless it is reusable, recyclable or biodegradable.

29 (b) Each beverage container sold or offered for sale in this state

1 by a dealer shall clearly indicate by embossing or by a stamp, or by a
2 label or other method securely affixed to the beverage container, the
3 refund value of the container.

4 (c) The requirement in (b) of this section does not apply to glass
5 beverage containers which were manufactured before July 1, 1979 which
6 have a brand name permanently marked on them, but those containers shall
7 have a refund value of not less than 10 cents.

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

11 (e) The information required under (b) of this section shall
12 appear on the lid of all metal cans containing beverages sold or offered
13 for sale in this state.

14 Sec. 18.32.060. REDEMPTION CENTERS. (a) Any person may establish
15 a redemption center for the return of empty beverage containers and to
16 serve dealers of beverages, subject to the approval of the department.
17 The public may return empty beverage containers at the redemption center
18 and receive payment of the refund value for the beverage containers.
19 Dealers not served by a redemption center shall accept beverage con-
20 tainers for refund at their place of business.

21 (b) Application for approval of a redemption center shall be filed
22 with the department. The application shall state the name and address of
23 the person responsible for the establishment and operation of the redemp-
24 tion center, the kind and brand names of the beverage containers which
25 will be accepted at the redemption center, and the names and addresses
26 of the dealers to be served by the redemption center. The application
27 shall include additional information as the department requires.

28 (c) The department shall approve a redemption center if it finds
29 the redemption center will provide a convenient service to the public

1 for the return of empty beverage containers. The order of the depart-
2 ment approving a redemption center shall state the dealers to be served
3 by the redemption center and the kind and brand names of empty beverage
4 containers which the redemption center is required to accept. The order
5 may contain other provisions to insure that the redemption center will
6 provide a convenient service to the public as the department may deter-
7 mine.

8 (d) The department may review at any time approval of a redemption
9 center. After written notice to the person responsible for the estab-
10 lishment and operation of the redemption center, and to the dealers
11 served by the redemption center, the department may, after hearing,
12 withdraw approval of a redemption center if the department finds there
13 has not been compliance with its order approving the redemption center
14 or if the redemption center no longer provides a convenient service to
15 the public.

16 (e) A list of the dealers served and the kind and brand names of
17 empty beverage containers accepted at the redemption center shall be
18 prominently displayed for the information of the public.

19 (f) A dealer served by a redemption center shall by placement of
20 signs in a conspicuous place within his place of business inform the
21 public of the location of a redemption center serving that dealer.

22 (g) The department shall adopt regulations establishing procedures
23 for approval or withdrawal of approval under this section.

24 Sec. 18.32.065. CONTAINER COLLECTION SERVICE. (a) The department
25 may contract with a person, business concern, general law or home rule
26 municipality, or nonprofit organization to provide a container collec-
27 tion service within an area designated by the department. The agreement
28 between the contractor and the department shall provide for an exclusive
29 or specifically limited right to collect beverage containers from

1 dealers within a designated area and a requirement that a contractor
2 make regular collections of beverage containers from dealers. The
3 department may exclude a certain brand of beverage container from the
4 coverage of a container collection service contract.

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

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

22 Sec. 18.32.070. PENALTY. (a) A person who violates secs. 20 - 30
23 or 50 of this chapter is guilty of a misdemeanor and, upon conviction,
24 is punishable by a fine of not less than \$200 nor more than \$1,000.

25 (b) Each day a violation referred to by (a) of this section con-
26 tinues constitutes a separate offense. Those separate offenses may be
27 joined in one indictment or complaint or information in several counts.

28 Sec. 18.32.080. REPORT TO THE LEGISLATURE. (a) Before January 1,
29 1982, the department shall submit a report to the legislature to include

1 but not be limited to an analysis of

2 (1) the costs resulting from compliance with this chapter
3 incurred by

4 (A) persons licensed under AS 04.10;

5 (B) persons who engage in the nonalcoholic beverage
6 manufacturing business; and

7 (C) persons engaged in the business of manufacturing
8 beer and other malt beverages;

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

11 (3) the effectiveness of the provisions of this chapter in
12 the reduction of the incidence of littering of beverage containers in
13 the state, which shall be based upon an annual comprehensive litter
14 measurement program of selected roads, highways, parks, recreation areas
15 and working and living areas of the state, beginning July 1, 1979 and
16 ending before January 1, 1982;

17 (4) the costs incurred in the enforcement of the provisions
18 of this chapter.

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

21 Sec. 18.32.090. DEFINITIONS. In this chapter

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

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

27 (3) "dealer" means a person in this state who engages in the
28 sale of beverages in beverage containers to a consumer, or a redemption
29 center approved under sec. 60 of this chapter, but does not include a

1 person who allows the placement upon his premises of a vending machine
2 that dispenses beverages when the vending machine is owned by another
3 person regularly in the vending machine business;

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

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

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

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

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

18 * Sec. 2. This Act expires April 15, 1984.

19 * Sec. 3. This Act takes effect July 1, 1979.

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