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2 92nd General Assembly
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4

As Engrossed: H3/25/19

A Bill

HOUSE BILL 1771

5 By: Representatives V. Flowers, Clowney, D. Douglas, Glover, Murdock, Richardson, Scott, D. Whitaker
6

For An Act To Be Entitled

8 AN ACT TO ESTABLISH THE ARKANSAS LITTER REDUCTION AND
9 DEPOSIT BEVERAGE CONTAINER RECYCLING ACT; TO REQUIRE
10 THE LABELING OF DEPOSIT BEVERAGE CONTAINERS SOLD IN
11 ARKANSAS; TO ESTABLISH THE DEPOSIT BEVERAGE CONTAINER
12 RECYCLING PROGRAM; AND FOR OTHER PURPOSES.
13
14

Subtitle

15 TO ESTABLISH THE ARKANSAS LITTER
16 REDUCTION AND DEPOSIT BEVERAGE CONTAINER
17 RECYCLING ACT; TO REQUIRE THE LABELING OF
18 DEPOSIT BEVERAGE CONTAINERS SOLD IN
19 ARKANSAS; TO ESTABLISH THE DEPOSIT
20 BEVERAGE CONTAINER RECYCLING PROGRAM.
21
22
23

24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 *SECTION 1. DO NOT CODIFY. Legislative findings and intent.*

27 *(a) The General Assembly finds that:*

28 *(1) The average Arkansan consumes beverages from seven hundred*
29 *thirty-nine (739) beverage containers per year;*

30 *(2) In 2015, Arkansas consumers threw away an estimated one*
31 *billion four hundred million (1,400,000,000) beverage containers;*

32 *(3) A study conducted in Michigan found documentation of a*
33 *reduction in litter following the implementation of a deposit beverage*
34 *container program;*

35 *(4) According to the study, beverage container deposits were*
36 *tied to both a reduction in costs for litter cleanup and a reduction in*



1 injuries to children caused by glass container litter;

2 (5) Studies also show a correlation between beverage container
3 deposits and reduced damages to farm operations by a reduction in livestock
4 injuries and in tractor tire damage caused by litter;

5 (6) Following implementation of a deposit beverage container
6 program, Michigan is estimated to have saved four million six hundred
7 thousand dollars (\$4,600,000) from injury prevention and reduced farm damage;

8 (7) Deposit beverage container programs play a critical role in
9 diverting waste from roadways, streams, and landfills;

10 (8) Deposit beverage container programs increase recycling and
11 reduce litter;

12 (9) Arkansas communities are currently expending money to
13 dispose of valuable materials in landfills, which a deposit beverage
14 container program could instead use to create an industry and positively
15 impact the economy;

16 (10) Landfills are a finite resource that take up valuable land;

17 (11) In Arkansas, some landfills take up over two hundred fifty
18 (250) acres of land;

19 (12) Litter and illegal dumping create problems throughout
20 Arkansas's rural areas and farm land;

21 (13) Arkansas spends an estimated five million dollars
22 (\$5,000,000) each year to collect and remove litter from highways;

23 (14) A deposit beverage container program would keep a projected
24 fifty-eight thousand (58,000) tons of materials out of Arkansas's landfills
25 each year, which would save both landfill space and valuable land used for
26 landfills;

27 (15) An estimated increase of eight hundred million
28 (800,000,000) beverage containers would be recycled with a deposit beverage
29 container program, which would require a more robust recycling infrastructure
30 in Arkansas and result in an increase in jobs;

31 (16) Recycling is largely inaccessible to rural Arkansans; and

32 (17) A deposit beverage container program in Arkansas would help
33 make rural recycling more available with the implementation of privately
34 owned certified redemption centers and would effectively incentivize
35 recycling.

36 (b) The General Assembly intends by this act to alleviate issues in

1 the state related to litter, illegal dumping, and associated environmental
2 problems by incentivizing and increasing recycling of deposit beverage
3 containers.

4
5 SECTION 2. Arkansas Code Title 8, Chapter 9, is amended to add an
6 additional subchapter to read as follows:

7 Subchapter 7 – Arkansas Litter Reduction and Deposit Beverage Container
8 Recycling Act

9
10 8-9-701. Title.

11 This subchapter shall be known and may be cited as the “Arkansas Litter
12 Reduction and Deposit Beverage Container Recycling Act”.

13
14 8-9-702. Definitions.

15 As used in this subchapter:

16 (1) “Administrative allowance” means an amount paid by the
17 Office of Sustainable Materials under § 8-9-721 to a certified redemption
18 center to defray the certified redemption center’s costs of complying with
19 the administrative requirements of the deposit beverage container recycling
20 program;

21 (2) “Cancel” means to crush, flatten, shred, or otherwise render
22 a deposit beverage container unfit for redemption;

23 (3) “Certified collector” means a transportation company that
24 has been certified by the office to collect and transport materials from each
25 certified redemption center and certified redemption center depot to a
26 certified processor;

27 (4) “Certified processor” means a facility, including without
28 limitation a scrap yard, manufacturer, material recovery facility, or similar
29 entity that is designed for the collection, processing, and sale or reuse of
30 secondary resources that would otherwise be disposed of as county or
31 municipal solid waste and that has been certified by the office to receive,
32 purchase, quantify, process, document, cancel, and reuse, or sell for reuse,
33 deposit beverage containers that have been redeemed by a certified redemption
34 center or certified redemption center depot;

35 (5) “Certified redemption center” means an entity that:

36 (A) Has an operation, including without limitation an

1 attended operation, automated operation, or mechanical device, that has been
2 certified by the Office of Sustainable Materials:

3 (i) To accept empty deposit beverage containers from
4 consumers;

5 (ii) To issue a refund by cash, printed check,
6 electronic refund, redeemable credit slip, or authorized donation with a
7 value not less than the empty deposit beverage container's refund value;

8 (iii) To sort and quantify the redeemed empty
9 deposit beverage containers for collection by a certified collector; and

10 (iv) To perform other responsibilities as required
11 under this subchapter; and

12 (B) May be owned or operated by a qualifying entity,
13 including without limitation:

14 (i) An individual;

15 (ii) A business, including without limitation a
16 grocery store or other retailer; or

17 (iii) A nonprofit agency, organization, or facility;

18 (6) "Certified redemption center depot" means an entity that has
19 been authorized by the Office of Sustainable Materials and the Arkansas
20 Department of Environmental Quality to accept specified nondeposit recyclable
21 materials;

22 (7)(A) "Consumer" means a person who purchases a deposit
23 beverage in a deposit beverage container for use or consumption and pays the
24 deposit under the deposit beverage container recycling program.

25 (B) "Consumer" includes an establishment for lodging,
26 eating, or drinking if beverages are generally consumed on the
27 establishment's premises.

28 (C) "Consumer" does not include a person who purchases a
29 deposit beverage from an establishment for on-premises consumption;

30 (8) "Dealer" means a person that engages in the sale of deposit
31 beverages in deposit beverage containers to a consumer for off-premises
32 consumption in this state;

33 (9)(A) "Deposit beverage" means:

34 (i) Beer, ale, or other drink produced by fermenting
35 malt, including without limitation flavored malt beverages, coolers, and
36 other malt-based beverages containing not more than fourteen percent (14%) of

1 alcohol by volume;
2 (ii) Nonalcoholic wine, beer, and ready-to-use
3 mixers such as margarita mix;
4 (iii) Carbonated soft drinks;
5 (iv) Carbonated and noncarbonated water, including
6 without limitation artificially and naturally flavored and sugared waters;
7 (v) Tea, kombucha, and coffee, including without
8 limitation lattes and other coffee drinks that contain milk;
9 (vi) Juices, including without limitation one
10 hundred percent (100%) juices, juice blends, coconut water, and drinking
11 vinegar;
12 (vii) Energy drinks and sports drinks;
13 (viii) Smoothies, protein shakes, and nutritional
14 supplements that are not marketed as a meal replacement;
15 (ix) Flavored malt beverages, coolers, and other malt-based beverages
16 containing not more than fourteen percent (14%) of alcohol by volume; and
17 (x) Single-serve wine and hard cider.
18 (B) "Deposit beverage" does not include:
19 (i) Milk and other dairy-derived products that
20 consist only of dairy milk and flavorings or nutritional additives, including
21 without limitation chocolate milk, cultured milk such as kefir and
22 buttermilk, and lactose-free milk;
23 (ii) Plant-based milk, including without limitation
24 almond milk and coconut milk;
25 (iii) Wine and distilled liquor;
26 (iv) Hard cider and unprocessed cider that is
27 considered a wine;
28 (v) A liquid that is:
29 (a) A syrup;
30 (b) In a concentrated form; or
31 (c) Typically added as a minor flavoring
32 ingredient in food or drink, such as extracts, cooking additives, sauces, or
33 condiments;
34 (vi) A liquid that is a drug, medical food, or
35 infant formula as defined by the Federal Food, Drug, and Cosmetic Act, 21
36 U.S.C. § 301 et seq., as it existed on January 1, 2019;

1 (vii) A liquid that is designed, marketed, and
2 consumed only as a dietary supplement or meal replacement and not as a
3 beverage as defined by the Dietary Supplement Health and Education Act of
4 1994, Pub. L. No. 103-417;

5 (viii) A product frozen at the time of sale to the
6 consumer, or, in the case of an institutional consumer such as a hospital or
7 nursing home, at the time of sale to the consumer;

8 (ix) A product designed to be consumed in a frozen
9 state;

10 (x) Instant drink powder;

11 (xi) Soup or broth; or

12 (xii) Beverages bottled by a microbrewery-
13 restaurant, small farm winery, or small brewery;

14 (10) "Deposit beverage container" means an individual, separate, and
15 sealed container that is made of glass, aluminum, steel, or other metal, or
16 polyethylene terephthalate plastic or high density polyethylene plastic,
17 regardless of size, and used for containing a deposit beverage at the time of
18 sale to the consumer if the container does not already carry a manufacturer's
19 deposit;

20 (11)(A) "Deposit beverage distributor" means a person who
21 engages in the sale of deposit beverages in deposit beverage containers to a
22 dealer in this state, including without limitation a manufacturer who engages
23 in these sales.

24 (B) "Deposit beverage distributor" includes without
25 limitation a person who imports deposit beverages from outside of this state
26 for sale to dealers or consumers in this state, and a federal agency and
27 military distributors.

28 (C) "Deposit beverage distributor" does not include an
29 airline and shipping company that merely transports deposit beverage
30 containers;

31 (12) "Fiscal year" means July 1 of one year through June 30 of
32 the next year;

33 (13) "Fraudulent return" means an effort, whether or not
34 successful or deliberate, to receive a refund on a deposit beverage container
35 that does not meet the requirements for a refund under this subchapter,
36 including without limitation a container;

1 (A) Purchased in another state;

2 (B) Purchased in this state before April 1, 2022;

3 (C) On which the Arkansas five-cent indicia is not present
4 or cannot be detected;

5 (D) Redeemed previously; or

6 (E) Presented to be quantified by weight that has been
7 made artificially heavy by deliberate means;

8 (14) "Hard cider" means liquor brewed from the fermented juices
9 of fruit and containing more than three percent (3%) and not more than
10 twenty-one percent (21%) of alcohol by volume;

11 (15) "Import" means to buy, bring, or accept delivery of deposit
12 beverage containers from an address, supplier, or an entity outside of this
13 state;

14 (16) "Importer" means a person who buys, brings, or accepts
15 delivery of deposit beverage containers from outside the state for sale or
16 use within this state;

17 (17) "Microsite certified redemption center" means a certified
18 redemption center or certified redemption center depot housed in a portable,
19 attended, roll-off trailer that is typically located adjacent to a hosting
20 grocery store or other entity;

21 (18) "On-premises consumption" means consumption of a deposit
22 beverage by a consumer immediately and within the area under control of the
23 establishment, including without limitation bars, restaurants, passenger
24 ships, and airplanes;

25 (19) "Overhead allowance" means an amount paid by the Office of
26 Sustainable Materials to a certified redemption center or certified
27 redemption center depot to defray operating costs according to § 8-9-720;

28 (20) "Overhead support fee" means an amount paid to the Office
29 of Sustainable Materials by a deposit beverage distributor to support the
30 payment of the overhead allowance according to § 8-9-705;

31 (21) "Person" means an individual, partnership, firm,
32 association, public or private corporation, federal agency, trust, estate,
33 department, agency, authority, or instrumentality of the state or its
34 political subdivisions, or other legal entity;

35 (22)(A) "Redemption rate" means the number of refunds paid out
36 by the Deposit Beverage Container Fund in a given period relative to the

1 number of deposits paid into the fund during the same period and expressed as
2 a percentage, with the numerator being the number of refunds paid out and the
3 denominator being the number of deposits paid in.

4 (B) "Redemption rate" includes refunds known to be, or
5 suspected to be, fraudulent returns;

6 (23) "Refillable beverage container" means a beverage container
7 that:

8 (A) Is intended to be returned intact to the manufacturer
9 or distributor to be washed, refilled, and resold;

10 (B) Is sold in a container that has a brand name
11 permanently marked on it; and

12 (C) Bears a manufacturer's refund value of at least five
13 cents (5¢);

14 (24) "Reverse vending machine" means a self-service certified
15 redemption center, typically located adjacent to a grocery store or similar
16 entity, that electronically scans empty deposit beverage containers, sorts
17 and cancels the empty deposit beverage containers, records the transaction
18 information, and issues a credit slip or other form of refund; and

19 (25) "Unprocessed cider" means liquor brewed from the fermented
20 juices of fruit and containing more than three percent (3%) and not more than
21 twenty-one percent (21%) of alcohol by volume.

22
23 8-9-703. Office of Sustainable Materials – Deposit beverage container
24 recycling program – Accounting services – Promotional materials.

25 (a) The Arkansas Department of Environmental Quality shall create
26 within the department the Office of Sustainable Materials, with dedicated
27 positions and other expenses funded by the Deposit Beverage Container Fund.

28 (b) The department shall create a separate administrative entity to be
29 known as the "deposit beverage container recycling program", which shall be
30 funded by the fund.

31 (c)(1) Accounting functions of the deposit beverage container
32 recycling program shall be performed by the office.

33 (2) The costs for the services under subdivision (c)(1) of this
34 section shall be paid for by the fund.

35 (d)(1) The office, the deposit beverage container recycling program,
36 or a contracted third-party administrator may produce brochures, websites,

1 videos, or other promotional materials that the office determines to be
2 necessary to inform the public about the goals, operations, benefits, and
3 outcomes of the deposit beverage container recycling program.

4 (2) The costs for materials under subdivision (d)(1) of this
5 section shall be paid for by the fund.

6
7 8-9-704. Registration of deposit beverage distributors.

8 (a) A person who desires to conduct business in this state as a
9 deposit beverage distributor shall register with the Associate Director of
10 the Office of Sustainable Materials no later than one (1) month before
11 commencement of business.

12 (b)(1) A deposit beverage distributor shall maintain records
13 reflecting the manufacture and import of beverages in deposit beverage
14 containers as well as in refillable beverage containers.

15 (2)(A) The records shall be made available, upon request, for
16 inspection by the office.

17 (B) If proprietary information is obtained by the office,
18 the proprietary information shall be kept confidential and shall not be
19 disclosed to another person, except:

20 (i) As may be reasonably required in an
21 administrative or judicial proceeding to enforce this subchapter or a rule
22 adopted under this subchapter; or

23 (ii) Under an order issued by a court or
24 administrative hearing officer.

25
26 8-9-705. Deposit beverage distributor – Deposit required.

27 (a)(1) A deposit beverage distributor shall pay to the Deposit
28 Beverage Container Fund a deposit fee on each deposit beverage container
29 manufactured in or imported into this state.

30 (2) The deposit fee shall appear as a separate line item on an
31 invoice or sales receipt.

32 (3) The deposit fee shall not be subject to state tax.

33 (b) The deposit shall be five cents (5¢).

34 (c) Payment of the deposit shall be made simultaneously with, and
35 according to the same procedure as, payment of the program charge as required
36 in § 8-9-707.

1
2 8-9-706. Deposit beverage distributor – Overhead support fee.

3 (a) A deposit beverage distributor shall pay to the Office of
4 Sustainable Materials an overhead support fee on each deposit beverage
5 container manufactured in or imported into this state.

6 (b) The overhead support fee shall be one cent (1¢).

7 (c) Payment of the overhead support fee shall be made simultaneously
8 with, and according to the same procedure as, payment of the program charge
9 as required in § 8-9-707.

10 (d) A payment under subsection (a) of this section shall be:

11 (1) Accompanied by an inventory report, in a manner and form
12 prescribed by the office, that identifies the number of beverages in deposit
13 beverage containers, by container size and type, manufactured in or imported
14 into the state during the reporting period;

15 (2) Made monthly and received no later than the fifteenth day of
16 the month following the end of the reporting period; and

17 (3) Made by check, money order, or electronic deposit to the
18 office.

19 (e) A local government shall not impose or collect an assessment or
20 fee on deposit beverage containers for the same or similar purpose that is
21 the subject of this subchapter.

22
23 8-9-707. Deposit beverage distributor – Program charge.

24 (a)(1) A deposit beverage distributor shall charge the dealer or
25 consumer a deposit equal to the program charge for each deposit beverage
26 container sold in this state.

27 (2) The program charge shall appear as a separate line item on
28 an invoice or sales receipt.

29 (3) The program charge, including the refund value and overhead
30 support fee, not to exceed six cents (6¢), shall not be subject to state tax.

31 (b)(1) A dealer shall charge the consumer at the point of sale a
32 program charge for each deposit beverage container sold in this state, except
33 on beverages intended for on-premises consumption.

34 (2) The program charge shall appear as a separate line item on a
35 sales receipt or invoice.

36 (3) The program charge shall not be subject to state tax.

1
2 8-9-708. Deposit beverage container – Arkansas refund value.

3 (a)(1) A deposit beverage container sold in this state shall have an
4 Arkansas refund value of five cents (5¢).

5 (2) The refund value is the amount of the deposit required.

6 (3) When a refund value has been applied to a deposit beverage
7 container, the deposit on the deposit beverage container shall not be changed
8 or collected more than one (1) time.

9 (b)(1) The refund value shall be clearly printed, embossed, stamped,
10 labeled, or otherwise marked on the deposit beverage container, along with
11 the word “Arkansas” or the letters “AR”.

12 (2)(A) The names or letters representing other states with
13 comparable deposit legislation may also be included in the indication of
14 refund value.

15 (B) Other indicia may be required as specified by rule,
16 and in a form and manner prescribed by the Office of Sustainable Materials.

17 (c) A deposit beverage container shall have encoded within the
18 universal product code, or similar machine-readable indicia, information
19 regarding the size and type of deposit beverage container and the refund
20 value of the deposit beverage container in the states in which the deposit
21 beverage container is intended to be sold.

22 (d)(1) Inventory already in circulation on April 1, 2022, shall be
23 affixed or sold with an adhesive label bearing the refund value of the
24 container, the word "Arkansas" or the letters "AR", and a universal product
25 code bearing the redemption information.

26 (2) The adhesive label under subdivision (d)(1) of this section
27 shall be purchased from the Office of Sustainable Materials by a deposit
28 beverage distributor, who shall pay the deposit value of five cents (5¢) per
29 label.

30 (e) This section does not apply to a refillable beverage container.

31
32 8-9-709. Arkansas Legislative Audit – Annual audits.

33 (a) Arkansas Legislative Audit shall conduct a management and
34 financial audit of the deposit beverage container recycling program for
35 fiscal years 2021-2022 and 2022-2023, and for each fiscal year thereafter
36 ending in an even-numbered year.

1 (b) Arkansas Legislative Audit shall submit the audit report,
2 including the amount of unredeemed refund value and recommendations, to the
3 General Assembly, Arkansas Department of Environmental Quality, and the
4 Office of Sustainable Materials on or before January 2 following the end of
5 the preceding reporting period.

6 (c) The costs incurred by Arkansas Legislative Audit for the audit
7 shall be reimbursed by the Deposit Beverage Container Fund.

8 (d) Arkansas Legislative Audit may contract the audit services of a
9 third party to conduct the audit.

10
11 8-9-710. Notice required.

12 A dealer shall post a clear and conspicuous sign at each public
13 entrance to the dealer's place of business that specifies the names,
14 addresses, telephone numbers, and hours of operation of the closest certified
15 redemption centers.

16
17 8-9-711. Underserved area – Certified redemption centers and certified
18 redemption center depots.

19 (a)(1) The Office of Sustainable Materials shall promulgate by rule
20 the definition of an underserved area with regard to certified redemption
21 centers and certified redemption center depots.

22 (2) However, in determining the definition of an underserved
23 area with regard to certified redemption centers and certified redemption
24 center depots, the following shall be considered in addition to the factors
25 identified in a rule promulgated by the office:

26 (A) The population, population density, and population
27 distribution of the designated area;

28 (B) The outcome of consultation with the respective
29 counties and municipalities within the designated area; and

30 (C) The past performance of certified redemption centers
31 and certified redemption center depots.

32 (b) If an area is determined to be an underserved area according to
33 the definition under subsection (a) of this section, the office, with input
34 from the affected county or counties, shall use the office's best efforts to
35 see that a certified redemption center or certified redemption center depot
36 is established in the underserved area.

1 (c) If an area remains underserved in spite of efforts under
2 subsection (b) of this section, moneys from the Deposit Beverage Container
3 Fund may be used to identify, enlist, or contract with a vendor, operator, or
4 provider of certified redemption centers to ensure that a microsite certified
5 redemption center or other certified redemption center or certified
6 redemption center depot is established in the underserved area.

7
8 8-9-712. Certified redemption center or certified redemption center
9 depot – Application to participate in deposit beverage container recycling
10 program.

11 (a) Before participating in the deposit beverage container recycling
12 program, a redemption center or redemption center depot wishing to operate in
13 this state shall be certified by the Office of Sustainable Materials
14 according to rules promulgated by the office.

15 (b) The rules under subsection (a) of this section shall require that
16 all information submitted to the office be under penalty of perjury.

17 (c) Applications for certification shall be filed with the office in a
18 form and manner prescribed by the office.

19 (d) A person shall not be prohibited from applying for certification
20 to operate a certified redemption center or certified redemption center
21 depot, but the office shall encourage and assist nonprofit entities wishing
22 to apply.

23 (e) The office shall establish criteria to determine the minimum and
24 optimum number of certified redemption centers or certified redemption center
25 depots needed to adequately serve each county, based on population density,
26 population distribution, consultation with the respective counties, and other
27 factors.

28 (f) The office shall use the criteria under subsection (e) of this
29 section in issuing certifications.

30 (g)(1) At any time the office may review the certification of a
31 certified redemption center or certified redemption center depot.

32 (2) After written notice to the person responsible for the
33 establishment and operation of the certified redemption center or certified
34 redemption center depot, the office, after it has afforded the certified
35 redemption center or depot operator a hearing, may withdraw the certification
36 of the certified redemption center or certified redemption center depot if

1 the office finds that there has not been compliance with applicable laws,
2 rules, permit conditions, or certification requirements.

3
4 8-9-713. Certified redemption center or certified redemption center
5 depot – Requirements – Payment.

6 (a) A certified redemption center and certified redemption center
7 depot shall:

8 (1) Accept all types of empty deposit beverage containers on
9 which an Arkansas deposit has been paid;

10 (2) Accept deposit beverage containers from the public a minimum
11 number of hours or days per week according to rules promulgated by the Office
12 of Sustainable Materials;

13 (3) Maintain redemption areas in full compliance with applicable
14 laws and according to orders and rules promulgated by the office, including
15 without limitation permitting and certification requirements and uniform
16 signage and other design guidelines;

17 (4) Take reasonable actions to identify and prevent payment of a
18 refund value for a deposit beverage container or other product on which an
19 Arkansas deposit has not been paid, including deposit beverage containers or
20 other products that the certified redemption center or certified redemption
21 center depot knows, or should know, have been brought into this state from
22 another state;

23 (5) Determine the quantities of deposit beverage containers by
24 manual count, electronic scan, weight, or other method authorized by the
25 office, and in a form and manner prescribed by the office;

26 (6) Pay to the consumer, or to a nonprofit entity or other
27 recipient designated or intended by the consumer, an amount not less than the
28 established refund value for all valid deposit beverage containers;

29 (7) Maintain an electronic log of consumer transactions,
30 including without limitation amounts of refunds donated to nonprofit
31 entities, in a form and manner prescribed by the office;

32 (8) Sort, consolidate, and, if authorized by the office, cancel
33 the redeemed deposit beverage containers according to rules promulgated by
34 the office;

35 (9) Take reasonable precautions to ensure that redeemed deposit
36 beverage containers are placed in a secure area while awaiting collection by

1 a certified collector;

2 (10) Ensure that all redeemed deposit beverage containers are
3 received by a certified collector;

4 (11) Provide to the certified collector a shipping report, in a
5 form and manner prescribed by the office, that includes without limitation:

6 (A) Quantities of each deposit beverage container type by
7 unit or by weight;

8 (B) Quantification method, whether manual count,
9 electronic scan, weight, volume, or a combination of manual count, electronic
10 scan, weight, or volume;

11 (C) Refund values paid;

12 (D) Weight tickets, if applicable; and

13 (E) Printouts of electronic transaction logs, if
14 requested; and

15 (12)(A) Prepare, maintain, and provide to the office upon
16 request all records and documentation of redemption activity, including
17 without limitation consumer transaction logs, shipping reports, weight
18 tickets, transaction receipts received from certified collectors, amounts of
19 refunds or other benefits donated to charities, and documents authorizing the
20 canceling of redeemed deposit beverage containers.

21 (B) If a certified redemption center is a certified
22 redemption center depot, the records and documentation made available shall
23 include types and quantities of nondeposit recyclables collected, and the
24 name of each certified collector receiving the materials.

25 (b) A certified redemption center or certified redemption center depot
26 that wishes to cancel redeemed deposit beverage containers as part of its
27 handling procedures shall apply for and receive authorization to do so from
28 the office and shall perform and document the cancellations in a form and
29 manner prescribed by the office.

30 (c) A certified redemption center depot shall, before accepting
31 nondeposit recyclable material, enter into a written agreement with the
32 appropriate receiving entity or entities, stipulating prescribed collection,
33 handling, labeling, storage, documentation, transfer, transportation, and
34 other requirements, and stipulating the terms of payment, if any, to be made
35 by the receiving entity or entities to the certified redemption center depot.

36 (d) In order to be certified as a certified redemption center depot, a

1 certified redemption center shall:

2 (1) Comply with all applicable requirements and rules for each
3 type of nondeposit recyclable material accepted;

4 (2) Meet minimum requirements for property size, access,
5 storage, and other criteria for each type of nondeposit recyclable material
6 authorized for acceptance, according to rules promulgated by the office;

7 (3) Accept nondeposit recyclable materials during operating
8 hours only; and

9 (4) Accept nondeposit glass containers, including without
10 limitation deposit beverage containers from other states, deposit beverage
11 containers on which no Arkansas deposit was paid, and deposit beverage
12 containers not bearing the Arkansas five-cent indicia.

13 (e)(1) Every certified redemption center or certified redemption
14 center depot in the state shall:

15 (A) Be owned or operated by a charity, community
16 organization, social service agency, or other nonprofit entity operating in
17 Arkansas; or

18 (B) Maintain an ongoing beneficial relationship with at
19 least one (1) entity listed in subdivision (e)(1)(A) of this section.

20 (2)(A) As used in subdivision (e)(1) of this section, "ongoing
21 beneficial relationship" shall be determined by the office but shall include
22 such measures as hosting bottle drives or maintaining a donation bin with
23 proceeds earmarked for the nonprofit entity.

24 (B) The method for verifying that the requirement under
25 subdivision (e)(2)(A) of this section is met shall be determined by the
26 office.

27 (f) The office shall:

28 (1)(A) Issue payment to certified redemption centers in the sum
29 of the following:

30 (i) The collective refund values of the redeemed
31 deposit beverage containers received at the certified redemption center or
32 certified redemption center depot;

33 (ii) The overhead allowance due under § 8-9-721; and

34 (iii) Payment for the deposit beverage redemption
35 cost incurred.

36 (B) Payment shall be made to the certified redemption

1 center or certified redemption center depot within ten (10) business days
2 unless a significant discrepancy exists pursuant to § 8-9-720(c)(3), in which
3 case payment may be withheld pending the outcome of an investigation by the
4 office;

5 (2) Provide to the certified redemption center or certified
6 redemption center depot a transaction receipt, prepared in a form and manner
7 prescribed by the office and including, at a minimum, the following
8 information:

9 (A) The unit quantities, by deposit beverage container
10 type and collectively, of deposit beverage containers managed by the
11 certified redemption center or certified redemption center depot, and whether
12 quantities were determined by manual count, electronic scan, volume, weight,
13 or a combination of manual count, electronic scan, volume, and weight;

14 (B) The weight, by deposit beverage container type and
15 collectively, of deposit beverage containers managed by the certified
16 redemption center or certified redemption center depot;

17 (C) The amounts paid in refund values by the certified
18 redemption center or certified redemption center depot, by deposit beverage
19 container type and collectively; and

20 (D) The amount paid as overhead allowance to the certified
21 redemption center or certified redemption center depot;

22 (3) Submit to the office, in a form and manner prescribed by the
23 office, an invoice for reimbursement of refund values, overhead allowances,
24 and payment of administrative allowances due;

25 (4)(A) For a refillable beverage container received, reimburse
26 the manufacturer's refund value to the certified redemption center or
27 certified redemption center depot and ensure that the refillable beverage
28 container is conveyed to the originating refillable beverage distributor or
29 sold to a purchaser.

30 (B) The certified redemption center may negotiate a
31 reasonable fee with the originating deposit beverage distributor or purchaser
32 to cover the cost of accepting and handling the refillable beverage
33 containers.

34
35 8-9-714. Certified redemption center or certified redemption center
36 depot – Refillable beverage containers.

1 A certified redemption center or certified redemption center depot that
2 wishes to accept refillable beverage containers from consumers shall:

3 (1) Pay to the consumer the manufacturer's refund value for the
4 refillable beverage container;

5 (2) Record the transaction in the consumer transaction log; and

6 (3)(A) Ensure that the refillable beverage container is received
7 by a certified processor or the originating deposit beverage distributor, who
8 shall reimburse the manufacturer's refund value to the certified redemption
9 center or certified redemption center depot.

10 (B) The certified redemption center or certified
11 redemption center depot may negotiate with the receiving entity a reasonable
12 fee to cover the cost of accepting and handling refillable beverage
13 containers.

14
15 8-9-715. Certified redemption center or certified redemption center
16 depot – Nondeposit glass containers.

17 (a) A certified redemption center that wishes to accept nondeposit
18 glass containers or other items on a list of specified nondeposit recyclable
19 materials as a convenience to consumers, as an additional source of revenue,
20 or to advance the solid waste management goals of the state or the Arkansas
21 Department of Environmental Quality, may apply to the Office of Sustainable
22 Materials to be certified as a certified redemption center depot.

23 (b) The list of specified nondeposit recyclable materials shall be
24 determined by the office and may be updated as often as needed.

25 (c)(1) A nondeposit recyclable material, including without limitation
26 glass beverage containers on which no Arkansas deposit was paid, is not
27 eligible for a refund under this subchapter.

28 (2) However, a certified redemption center depot may pay
29 consumers an amount reflecting all or some of the nondeposit recyclable
30 material's market value.

31
32 8-9-716. Certified collector.

33 (a)(1) Before participating in the deposit beverage container
34 recycling program, a collector shall be certified by and registered with the
35 Office of Sustainable Materials according to rules established by the office.

36 (2) The rules under subdivision (a)(1) of this section shall

1 require that all information submitted to the office be under penalty of
2 perjury.

3 (3) An application for certification and an application for
4 registration shall be filed with the office, in a form and manner prescribed
5 by the Associate Director of the Office of Sustainable Materials.

6 (b)(1) At any time the office may review the certification of a
7 certified collector.

8 (2) After written notice to the person of record responsible for
9 the establishment and operation of the certified collector, the office, after
10 the office has afforded the certified collector a hearing, may withdraw the
11 certification of the certified collector if the office finds that there has
12 not been compliance with applicable laws, rules, permit conditions, or
13 certification requirements.

14 (c) The office shall award a contract to a certified collector to
15 collect materials from a certified redemption center and a certified
16 redemption depot and deliver to a certified processor in accordance with the
17 Arkansas Procurement Law, § 19-11-201 et seq.

18 (d) A certified collector shall be paid by the mile, at a rate
19 determined by the office, to collect materials from a certified redemption
20 center and a certified redemption depot and deliver to a certified processor.

21
22 8-9-717. Reports – Municipal or county governments.

23 The type and tonnage of material collected by a certified redemption
24 center or certified redemption center depot and subsequently recycled shall
25 be reported and credited to the municipal or county government where the
26 certified redemption center or certified redemption center depot is located,
27 for purposes of calculating solid waste diversion amounts and meeting
28 regional solid waste reduction goals.

29
30 8-9-718. Reverse vending machine.

31 A reverse vending machine may be used to satisfy the requirements of §
32 8-9-713 if the reverse vending machine:

33 (1) Accepts all types of empty deposit beverage containers that
34 bear a valid Arkansas refund value;

35 (2) Is routinely serviced to ensure proper operation and
36 continuous acceptance of deposit beverage containers and payment of refunds;

1 (3) Is monitored during operating hours by an attendant who is
2 authorized to issue refunds should the reverse vending machine fail to
3 accept, recognize, or process a valid Arkansas deposit beverage container;
4 and

5 (4) Displays a toll-free telephone number and a website or
6 mailing address that a consumer may contact should an attendant be unable to
7 provide assistance.

8
9 8-9-719. Refusal to pay refund value.

10 A certified redemption center or certified redemption center depot may
11 refuse to pay the refund value on a deposit beverage container that:

12 (1) Does not properly indicate an Arkansas refund value;

13 (2) Is broken, corroded, dismembered, or flattened;

14 (3) Contains more than trace amounts of liquid; or

15 (4) Contains a significant amount of foreign material.

16
17 8-9-720. Processor – Certification and registration.

18 (a)(1) Before participating in the deposit beverage container
19 recycling program, a processor shall be certified by and registered with the
20 Office of Sustainable Materials according to rules established by the office.

21 (2) The rules under subdivision (a)(1) of this section shall
22 require that all information submitted to the office be under penalty of
23 perjury.

24 (3) An application for certification shall be filed with the
25 office, in a form and manner prescribed by the Associate Director of the
26 Office of Sustainable Materials.

27 (4) An application for registration shall be filed with the
28 office, in a form and manner prescribed by the Associate Director of the
29 Office of Sustainable Materials.

30 (b)(1) At any time the office may review the certification of a
31 certified processor.

32 (2) After written notice to the person of record responsible for
33 the establishment and operation of the certified processor, the office, after
34 the office has afforded the certified processor operator a hearing, may
35 withdraw the certification of the certified processor if the office finds
36 that there has not been compliance with applicable laws, rules, permit

1 conditions, or certification requirements.

2 (c) A certified processor shall:

3 (1)(A) Accept from a certified redemption center or certified
4 redemption center depot deposit beverage containers that have been redeemed,
5 quantified, sorted, and, if applicable, canceled according to deposit
6 beverage container recycling program rules and that are accompanied by a
7 shipping report prepared by the certified redemption center or certified
8 redemption center depot according to deposit beverage container recycling
9 program rules.

10 (B) A certified processor shall accept all types of
11 deposit beverage containers from a certified redemption center or certified
12 redemption center depot being serviced unless arrangements have been made for
13 another receiving entity to receive a particular deposit beverage container
14 type, such as glass, from that certified redemption center or certified
15 redemption center depot;

16 (2) Perform a random sampling or samplings, in a form and manner
17 prescribed by the office, of the redeemed deposit beverage containers to
18 ascertain that they were eligible for redemption;

19 (3)(A) Independently determine quantities of each type of
20 deposit beverage container, either by manual count, electronic scan, volume,
21 weight, or a combination of these methods, according to standards, averages,
22 and rules prescribed by the office, and document the quantities in a form and
23 manner prescribed by the office.

24 (B) If a significant discrepancy exists between the
25 quantities determined by the certified processor and the quantities stated on
26 the shipping report prepared by the certified redemption center or certified
27 redemption center depot, or if a random sampling of redeemed deposit beverage
28 containers shows a significant proportion of deposit beverage containers that
29 were not eligible for redemption, the certified processor shall notify the
30 office for further investigation by the office, according to procedures
31 prescribed by the office.

32 (C)(i) The office shall establish by rule what constitutes
33 a significant discrepancy and significant proportion.

34 (ii) However, in establishing what constitutes a
35 significant discrepancy and significant proportion, the office shall consider
36 the following in addition to the factors identified by the office:

1 (a) The amount of deposit beverage containers
2 that have been redeemed, quantified, sorted, and canceled by the certified
3 redemption center or certified redemption center depot; and

4 (b) The past performance of the certified
5 redemption center, certified redemption center depot, or certified processor;

6 (4) Cancel the redeemed deposit beverage containers, if they
7 have not already been canceled;

8 (5)(A)(i) Process the deposit beverage containers as needed for
9 remanufacturing or for sale to or receipt by a manufacturer, secondary
10 certified processor, or other end user.

11 (ii) If, after making a good-faith effort, a certified
12 processor is unable to locate a purchaser or recipient of a specific deposit
13 beverage container material, the certified processor may apply to the office
14 for permission to dispose of the deposit beverage container material in a
15 form and manner prescribed by the office, with reasonable disposal costs to
16 be reimbursed by the deposit beverage container recycling program.

17 (B)(i) The office shall establish by rule what constitutes
18 a good-faith effort and reasonable disposal costs relative to this section.

19 (ii) The office shall consider past conduct and
20 performance when establishing what constitutes a good-faith effort and
21 reasonable disposal costs under this section;

22 (6)(A) Maintain a copy of documentation, including without
23 limitation shipping reports, weight tickets, and transaction receipts.

24 (B) Documents under subdivision (c)(6)(A) of this section
25 shall be made available, upon request, to the office; and

26 (7) Report to the office on the type and tonnage of material
27 collected and subsequently recycled for purposes of calculating solid waste
28 diversion amounts and meeting regional solid waste reduction goals.

29 (d) Certified processors may create or make use of a collection
30 service that picks up redeemed deposit beverage containers or refillable
31 beverage containers from certified redemption centers or certified redemption
32 center depots and transports them to a certified processor.

33
34 8-9-721. Overhead allowance.

35 (a) The Office of Sustainable Materials shall pay to a certified
36 redemption center or certified redemption center depot, by agency of a

1 certified processor under § 8-9-720, an overhead allowance for each
2 transaction conducted according to rules established by the office.

3 (b) The overhead allowance shall be the total of an amount not to
4 exceed one and six tenths of a cent (1.6¢) multiplied by the number of
5 deposit beverage containers received in the transaction, as reported to the
6 office in the certified redemption center's invoice under § 8-9-722, and
7 shall remain at that level until changed by the General Assembly.

8 (c) The overhead allowance shall be paid out of the Deposit Beverage
9 Container Fund.

10
11 8-9-722. Certified redemption center – Invoice requirements.

12 (a) For every completed transaction with a certified redemption center
13 or certified redemption center depot, a certified redemption center or
14 certified redemption center depot shall submit to the Office of Sustainable
15 Materials an invoice for an amount equal to the sum of all of the following:

16 (1) The total amount of refund values paid by the certified
17 redemption center or certified redemption center depot under § 8-9-713; and

18 (2) The overhead allowance to be paid to the certified
19 redemption center or certified redemption center depot under § 8-9-721.

20 (b) The certified redemption center or certified redemption center
21 depot's invoice shall be accompanied by supporting documentation that shall
22 include without limitation:

23 (1) A copy of the transaction receipt prepared by the certified
24 redemption center or certified redemption center depot;

25 (2) A copy of the shipping report prepared by the certified
26 redemption center or certified redemption center depot; and

27 (3) When applicable, a printout of electronic transaction logs.

28 (c) The office shall issue payment to the certified processor within
29 ten (10) business days after receipt of a properly submitted invoice unless a
30 discrepancy exists under § 8-9-713(f)(1)(B), in which case payment may be
31 withheld pending investigation by the office according to procedures
32 prescribed by the office.

33 (d) The office shall make all reports created by or provided to the
34 office available online.

35 8-9-723. Inspections.

36 Deposit beverage distributors, certified redemption centers and

1 certified redemption center depots, and certified processors shall, upon
2 request and under penalty of perjury, make their records available for
3 inspection by the Office of Sustainable Materials, the Treasurer of State, or
4 an auditor of the Treasurer of State.

5
6 8-9-724. Reports – Deposit beverage container recycling program.

7 (a) The Office of Sustainable Materials shall compile a report on the
8 deposit beverage container recycling program for each fiscal year.

9 (b)(1) The report required under subsection (a) of this section shall
10 be delivered to the General Assembly and the Governor on January 2 following
11 the end of the preceding reporting period.

12 (2) Reports shall include without limitation:

13 (A) Performance indicators;

14 (B) Revenues and expenditures;

15 (C) Measures of effectiveness, including without
16 limitation redemption rates and impacts on litter;

17 (D) Measures of access and convenience, including without
18 limitation numbers, types, locations, and distribution of certified
19 redemption centers, and efforts and expenditures to ensure that certified
20 redemption centers are established in areas defined as underserved areas
21 under § 8-9-711;

22 (E) Measures of benefits to nonprofit organizations,
23 including without limitation the amount of donated refunds; and

24 (F) Economic impacts, including without limitation the
25 number of jobs supported or created, and tonnage, market value, and end uses
26 of recovered materials.

27
28 8-9-725. Advisory committee.

29 (a) The Office of Sustainable Materials shall convene an advisory
30 committee to make recommendations to the office in developing rules needed to
31 implement this subchapter and to advise the deposit beverage container
32 recycling program.

33 (b) The Associate Director of the Office of Sustainable Materials
34 shall select members of the advisory committee so as to obtain input from
35 state agencies, as well as from representatives of the following:

36 (1) Bottlers;

- 1 (2) Consumers;
2 (3) Counties, including without limitation county sheriffs'
3 departments;
4 (4) Dealers;
5 (5) Deposit beverage distributors;
6 (6) Importers;
7 (7) The Keep Arkansas Beautiful Commission;
8 (8) Manufacturers and end users;
9 (9) Municipalities;
10 (10) Nonprofit organizations;
11 (11) Recyclers, including without limitation scrap dealers and
12 providers of curbside recycling;
13 (12) Certified redemption centers and certified redemption
14 center depots;
15 (13) Redemption service providers;
16 (14) Solid waste professionals; or
17 (15) Others as recommended by the associate director.

18 (c)(1) Members of the advisory committee shall serve at the associate
19 director's pleasure.

20 (2) A majority of the advisory committee members shall
21 constitute a quorum for the purposes of recommending rules and providing
22 input to the associate director.

23 (d) The office shall make all advisory committee meeting notices,
24 minutes, reports, meeting recordings, and related documents of the committee
25 available online.

26 8-9-726. Violations.

27 (a) Except as provided in § 8-9-727, a person that violates this
28 subchapter or a rule adopted under this subchapter shall be assessed a civil
29 penalty of not more than ten thousand dollars (\$10,000) for each separate
30 offense.

31 (b) The civil penalty described in subsection (a) of this section
32 shall be assessed by the Associate Director of the Office of Sustainable
33 Materials pursuant to § 8-9-727.

34 (c) Each day of each violation shall constitute a separate offense.

35 (d) Any action taken to impose or collect the civil penalty provided
36 for in this section shall be made through administrative or civil actions.

1
2 8-9-727. Penalties.

3 (a) If the Associate Director of the Office of Sustainable Materials
4 determines that a person has violated or is violating this subchapter, a rule
5 adopted under this subchapter, or a term or condition of a certification or
6 permit issued under this subchapter, the associate director may do one (1) or
7 more of the following:

8 (1) Issue a field citation assessing a civil penalty and
9 ordering corrective action immediately or within a specified time;

10 (2) Issue an order assessing a civil penalty for a past or
11 current violation;

12 (3) Require compliance immediately or within a specified time;
13 or

14 (4) Commence a civil action in Pulaski County Circuit Court, to
15 seek appropriate relief, including without limitation a temporary,
16 preliminary, or permanent injunction against violations of this subchapter,
17 the imposition and collection of civil penalties, or other relief.

18 (b) An order issued under this section may include a suspension,
19 modification, or revocation of a certification or permit issued under this
20 subchapter and shall state with reasonable specificity the nature of the
21 violation.

22 (c)(1) An order issued under this subchapter shall become final unless
23 the person named in the order requests in writing a hearing before the office
24 no later than twenty (20) days after the notice of order is served.

25 (2) A civil penalty imposed under this subchapter shall become
26 due and payable twenty (20) days after the notice of the civil penalty is
27 served unless the person named in the order requests in writing a hearing
28 before the office.

29 (3) Whenever a hearing is requested on a civil penalty imposed
30 under this subchapter, the civil penalty shall become due and payable upon
31 the issuance of a final order confirming the civil penalty in whole or in
32 part.

33 (d) If, after a hearing held under this section, the office finds that
34 a violation or violations have occurred, the office shall:

35 (1) Affirm or modify a civil penalty imposed or modify or affirm
36 the order previously issued; or

1 (2) Issue an appropriate order or orders for the prevention or
2 control of the violation involved, or for the taking of other corrective
3 action as may be appropriate.

4 (e)(1) If, after a hearing on an order or civil penalty contained in a
5 notice, the office finds that no violation has occurred or is occurring, the
6 office shall rescind the order or civil penalty.

7 (2) An order issued after a hearing may prescribe the date or
8 dates by which the violation or violations shall cease and may prescribe
9 timetables for necessary action in preventing, abating, or controlling the
10 violation.

11 (f)(1) If the amount of a civil penalty is not paid to the office
12 within thirty (30) days after an order becomes final, the associate director
13 may institute a civil action in the name of the state to collect the final
14 civil penalty amount.

15 (2) In a proceeding to collect the civil penalty imposed, the
16 office shall show that:

17 (A) Notice was given;

18 (B) A hearing was held or the time granted for requesting
19 a hearing expired without a request for a hearing;

20 (C) The civil penalty was imposed; and

21 (D) The civil penalty remains unpaid.

22 (g) In connection with a hearing held under this section, the office
23 shall have the power to subpoena the attendance of witnesses and the
24 production of evidence on behalf of all parties.

25
26 8-9-728. Application.

27 (a) The obligation to accept empty deposit beverage containers and pay
28 the refund value as described in this subchapter applies only to deposit
29 beverage containers originally sold in this state as filled deposit beverage
30 containers.

31 (b)(1) It is a violation of this subchapter for a person to tender or
32 attempt to tender to a certified redemption center or certified redemption
33 center depot during a single transaction more than twenty-four (24) empty
34 deposit beverage containers that the person knows or has reason to know were
35 not originally sold in Arkansas as filled deposit beverage containers.

36 (2) A violation of subdivision (b)(1) of this section may be

1 punishable by a fine as provided in subsection (d) of this section.

2 (c) Certified redemption centers and certified redemption center
3 depots must conspicuously display a sign in letters that are at least one
4 inch (1") in height with the following information:

5 "WARNING: Persons tendering containers for redemption that were not
6 originally purchased in Arkansas may be subject to a fine of the greater of
7 one hundred dollars (\$100) per container or twenty-five thousand dollars
8 (\$25,000) for each tender."

9 (d) A person who violates this section is subject to a fine of up to
10 the greater of one hundred dollars (\$100) for each container or twenty-five
11 thousand dollars (\$25,000) for each tender of more than twenty-four (24)
12 containers.

13 (e) The balance of each fine collected under this section, after
14 deducting court costs, shall be deposited into the Deposit Beverage Container
15 Fund and shall remain in the fund to be expended for activities authorized by
16 this subchapter, with the exception that if the violation was detected and
17 reported by a certified redemption center or certified redemption center
18 depot or a certified processor, then the fine shall be disposed of as
19 follows:

20 (1) Fifty percent (50%) of the fine shall remain in the fund to
21 be expended for activities authorized by this subchapter; and

22 (2) Fifty percent (50%) of the fine shall be awarded to the
23 certified redemption center or certified redemption center depot or the
24 certified processor that reported the violation, as an incentive to be
25 vigilant for and responsive to illegal tenders or attempts to otherwise
26 defraud the deposit beverage container recycling program through fraudulent
27 returns.

28
29 8-9-729. Rules.

30 Unless otherwise provided in this subchapter, the Office of Sustainable
31 Materials shall promulgate rules to carry out this subchapter.

32
33 *SECTION 3.* Arkansas Code § 19-6-301, concerning special revenues, is
34 amended to add an additional subdivision to read as follows:

35 (263) Fees collected under the Arkansas Litter Reduction and
36 Deposit Beverage Container Recycling Act, § 8-9-701 et seq.

1
2 SECTION 4. Arkansas Code Title 19, Chapter 6, Subchapter 8, is amended
3 to add an additional section to read as follows:

4 19-6-840. Deposit Beverage Container Fund.

5 (a) There is created on the books of the Treasurer of State, the
6 Auditor of State, and the Chief Fiscal Officer of the State a special revenue
7 fund to be known as the "Deposit Beverage Container Fund".

8 (b) The fund shall consist of:

9 (1) The special revenues collected under §§ 8-9-705 – 8-9-708,
10 to be deposited by the Office of Sustainable Materials into the State
11 Treasury to the credit of the fund;

12 (2) Monetary civil penalties assessed and collected under the
13 Arkansas Litter Reduction and Deposit Beverage Container Recycling Act, § 8-
14 9-701 et seq.;

15 (3) United States Government moneys designated for deposit into
16 the fund;

17 (4) A gift or donation to the fund; and

18 (5) Interest, earnings, and other revenues as may be authorized
19 by law.

20 (c) The fund shall be administered by the office, which shall
21 authorize distributions and administrative expenditures from the fund to:

22 (1) Reimburse refund values for deposit beverage containers
23 redeemed by certified redemption centers and certified redemption center
24 depots under § 8-9-713;

25 (2) Pay overhead allowances to certified redemption centers and
26 certified redemption center depots under § 8-9-721;

27 (3) Pay certified redemption centers or certified redemption
28 center depots their share of fines collected under § 8-9-728;

29 (4) Fund all administrative, accounting, auditing, and
30 compliance activities associated with the deposit beverage container
31 recycling program under the Arkansas Litter Reduction and Deposit Beverage
32 Container Recycling Act, § 8-9-701 et seq.;

33 (5) Employ personnel to oversee the implementation of the
34 deposit beverage container recycling program under the Arkansas Litter
35 Reduction and Deposit Beverage Container Recycling Act, § 8-9-701 et seq.,
36 including permitting and enforcement activities;

1 (6) Defray office expenses associated with implementation of the
2 Arkansas Litter Reduction and Deposit Beverage Container Recycling Act, § 8-
3 9-701 et seq.; and

4 (7) Fund other distributions and administrative expenditures as
5 necessary to administer the Arkansas Litter Reduction and Deposit Beverage
6 Container Recycling Act, § 8-9-701 et seq.

7 (d) Moneys deposited into the fund shall also be used to:

8 (1) Identify, enlist, or contract with vendors of microsite
9 certified redemption centers under § 8-9-711;

10 (2) Provide training, guidance, and other resources to certified
11 redemption centers or certified redemption center depots, especially
12 certified redemption centers or depots owned or operated by nonprofit
13 entities;

14 (3) Produce educational campaigns and materials to ensure public
15 awareness of and compliance with the deposit beverage container recycling
16 program under the Arkansas Litter Reduction and Deposit Beverage Container
17 Recycling Act, § 8-9-701 et seq.; and

18 (4) Provide grants to local governments for water infrastructure
19 and to the Arkansas Department of Transportation for state aid to county
20 roads for improvements to county roads and grants to nonprofit organizations
21 or other entities to support solid waste management, recycling, curbside
22 recycling, litter control, and other programs and activities related to the
23 purposes of this subchapter

24
25 SECTION 5. DO NOT CODIFY. Effective Dates.

26 (a) Section 8-9-703(a) in Section 1 of this act is effective on and
27 after September 1, 2019.

28 (b) Sections 8-9-705 and 8-9-706 in Section 1 of this act are
29 effective on and after March 1, 2020.

30 (c) Sections 8-9-707, 8-9-708, 8-9-721, and 8-9-722 in Section 1 of
31 this act are effective on and after April 1, 2020.

32 (d) The first report required under § 8-9-724(a) in Section 1 of this
33 act shall be for the period from October 1, 2019, through June 30, 2021.

34
35 /s/V. Flowers
36