

1 State of Arkansas
2 92nd General Assembly
3 Regular Session, 2019
4

As Engrossed: H3/25/19 H4/2/19

A Bill

HOUSE BILL 1771

5 By: Representatives V. Flowers, Clowney, D. Douglas, Glover, Murdock, Richardson, Scott, D. Whitaker
6 By: Senator G. Leding
7

For An Act To Be Entitled

9 AN ACT TO ESTABLISH THE ARKANSAS LITTER REDUCTION AND
10 DEPOSIT BEVERAGE CONTAINER RECYCLING ACT; TO REQUIRE
11 THE LABELING OF DEPOSIT BEVERAGE CONTAINERS SOLD IN
12 ARKANSAS; TO ESTABLISH THE DEPOSIT BEVERAGE CONTAINER
13 RECYCLING PROGRAM; AND FOR OTHER PURPOSES.
14
15

Subtitle

16 TO ESTABLISH THE ARKANSAS LITTER
17 REDUCTION AND DEPOSIT BEVERAGE CONTAINER
18 RECYCLING ACT; TO REQUIRE THE LABELING OF
19 DEPOSIT BEVERAGE CONTAINERS SOLD IN
20 ARKANSAS; TO ESTABLISH THE DEPOSIT
21 BEVERAGE CONTAINER RECYCLING PROGRAM.
22
23
24

25 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
26

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

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

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

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

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

36 *(4) According to the study, beverage container deposits were*



1 1 tied to both a reduction in costs for litter cleanup and a reduction in
2 injuries to children caused by glass container litter;

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

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

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

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

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

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

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

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

22 (13) Arkansas spends an estimated five million dollars
23 (\$5,000,000) each year to collect and remove litter from highways;

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

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

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

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

1 (b) The General Assembly intends by this act to alleviate issues in
2 the state related to litter, illegal dumping, and associated environmental
3 problems by incentivizing and increasing recycling of deposit beverage
4 containers.

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

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

10
11 8-9-701. Title.

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

14
15 8-9-702. Definitions.

16 As used in this subchapter:

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

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

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

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

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

1 (A) Has an operation, including without limitation an
2 attended operation, automated operation, or mechanical device, that has been
3 certified by the Office of Sustainable Materials:

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

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

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

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

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

15 (i) An individual;

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

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

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

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

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

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

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

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

35 (i) Beer, ale, or other drink produced by fermenting
36 malt, including without limitation flavored malt beverages, coolers, and

1 other malt-based beverages containing not more than fourteen percent (14%) of
2 alcohol by volume;

3 (ii) Nonalcoholic wine, beer, and ready-to-use
4 mixers such as margarita mix;

5 (iii) Carbonated soft drinks;

6 (iv) Carbonated and noncarbonated water, including
7 without limitation artificially and naturally flavored and sugared waters;

8 (v) Tea, kombucha, and coffee, including without
9 limitation lattes and other coffee drinks that contain milk;

10 (vi) Juices, including without limitation one
11 hundred percent (100%) juices, juice blends, coconut water, and drinking
12 vinegar;

13 (vii) Energy drinks and sports drinks;

14 (viii) Smoothies, protein shakes, and nutritional
15 supplements that are not marketed as a meal replacement;

16 (ix) Flavored malt beverages, coolers, and other malt-based beverages
17 containing not more than fourteen percent (14%) of alcohol by volume; and

18 (x) Single-serve wine and hard cider.

19 (B) "Deposit beverage" does not include:

20 (i) Milk and other dairy-derived products that
21 consist only of dairy milk and flavorings or nutritional additives, including
22 without limitation chocolate milk, cultured milk such as kefir and
23 buttermilk, and lactose-free milk;

24 (ii) Plant-based milk, including without limitation
25 almond milk and coconut milk;

26 (iii) Wine and distilled liquor;

27 (iv) Hard cider and unprocessed cider that is
28 considered a wine;

29 (v) A liquid that is:

30 (a) A syrup;

31 (b) In a concentrated form; or

32 (c) Typically added as a minor flavoring
33 ingredient in food or drink, such as extracts, cooking additives, sauces, or
34 condiments;

35 (vi) A liquid that is a drug, medical food, or
36 infant formula as defined by the Federal Food, Drug, and Cosmetic Act, 21

1 U.S.C. § 301 et seq., as it existed on January 1, 2019;

2 (vii) A liquid that is designed, marketed, and
3 consumed only as a dietary supplement or meal replacement and not as a
4 beverage as defined by the Dietary Supplement Health and Education Act of
5 1994, Pub. L. No. 103-417;

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

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

11 (x) Instant drink powder;

12 (xi) Soup or broth; or

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

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

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

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

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

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

34 (13) "Fraudulent return" means an effort, whether or not
35 successful or deliberate, to receive a refund on a deposit beverage container
36 that does not meet the requirements for a refund under this subchapter,

1 including without limitation a container:

2 (A) Purchased in another state;

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

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

6 (D) Redeemed previously; or

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

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

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

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

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

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

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

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

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

36 (22)(A) "Redemption rate" means the number of refunds paid out

1 by the Deposit Beverage Container Fund in a given period relative to the
2 number of deposits paid into the fund during the same period and expressed as
3 a percentage, with the numerator being the number of refunds paid out and the
4 denominator being the number of deposits paid in.

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

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

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

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

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

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

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

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

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

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

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

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

36 (d)(1) The office, the deposit beverage container recycling program,

1 or a contracted third-party administrator may produce brochures, websites,
2 videos, or other promotional materials that the office determines to be
3 necessary to inform the public about the goals, operations, benefits, and
4 outcomes of the deposit beverage container recycling program.

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

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

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

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

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

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

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

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

26
27 8-9-705. Deposit beverage distributor – Deposit required.

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

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

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

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

35 (c) Payment of the deposit shall be made simultaneously with, and
36 according to the same procedure as, payment of the program charge as required

1 in § 8-9-707.

2
3 8-9-706. Deposit beverage distributor – Overhead support fee.

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

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

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

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

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

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

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

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

23
24 8-9-707. Deposit beverage distributor – Program charge.

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

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

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

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

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

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

2
3 8-9-708. Deposit beverage container – Arkansas refund value.

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

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

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

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

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

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

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

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

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

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

32
33 8-9-709. Arkansas Legislative Audit – Annual audits.

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

1 ending in an even-numbered year.

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

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

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

11
12 8-9-710. Notice required.

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

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

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

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

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

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

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

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

1 is established in the underserved area.

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

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

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

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

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

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

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

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

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

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

1 of the certified redemption center or certified redemption center depot if
2 the office finds that there has not been compliance with applicable laws,
3 rules, permit conditions, or certification requirements.

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

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

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

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

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

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

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

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

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

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

36 (9) Take reasonable precautions to ensure that redeemed deposit

1 beverage containers are placed in a secure area while awaiting collection by
2 a certified collector;

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

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

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

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

12 (C) Refund values paid;

13 (D) Weight tickets, if applicable; and

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

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

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

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

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

1 (d) In order to be certified as a certified redemption center depot, a
2 certified redemption center shall:

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

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

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

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

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

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

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

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

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

28 (f) The office shall:

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

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

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

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

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

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

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

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

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

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

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

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

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

35
36 8-9-714. Certified redemption center or certified redemption center

1 depot – Refillable beverage containers.

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

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

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

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

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

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

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

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

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

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

32
33 8-9-716. Certified collector.

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

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

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

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

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

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

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

22
23 8-9-717. Reports – Municipal or county governments.

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

30
31 8-9-718. Reverse vending machine.

32 A reverse vending machine may be used to satisfy the requirements of §
33 8-9-713 if the reverse vending machine:

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

36 (2) Is routinely serviced to ensure proper operation and

1 continuous acceptance of deposit beverage containers and payment of refunds;

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

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

9
10 8-9-719. Refusal to pay refund value.

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

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

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

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

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

17
18 8-9-720. Processor – Certification and registration.

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

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

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

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

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

33 (2) After written notice to the person of record responsible for
34 the establishment and operation of the certified processor, the office, after
35 the office has afforded the certified processor operator a hearing, may
36 withdraw the certification of the certified processor if the office finds

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

3 (c) A certified processor shall:

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

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

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

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

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

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

35 (ii) However, in establishing what constitutes a
36 significant discrepancy and significant proportion, the office shall consider

1 the following in addition to the factors identified by the office:

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

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

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

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

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

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

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

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

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

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

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

34
35 8-9-721. Overhead allowance.

36 (a) The Office of Sustainable Materials shall pay to a certified

1 redemption center or certified redemption center depot, by agency of a
2 certified processor under § 8-9-720, an overhead allowance for each
3 transaction conducted according to rules established by the office.

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

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

11
12 8-9-722. Certified redemption center – Invoice requirements.

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

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

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

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

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

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

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

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

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

36 8-9-723. Inspections.

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

6
7 8-9-724. Reports – Deposit beverage container recycling program.

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

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

13 (2) Reports shall include without limitation:

14 (A) Performance indicators;

15 (B) Revenues and expenditures;

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

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

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

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

28
29 8-9-725. Advisory committee.

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

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

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

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

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

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

27 8-9-726. Violations.

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

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

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

36 (d) Any action taken to impose or collect the civil penalty provided

1 for in this section shall be made through administrative or civil actions.

2
3 8-9-727. Penalties.

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

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

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

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

14 or

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

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

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

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

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

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

36 (1) Affirm or modify a civil penalty imposed or modify or affirm

1 the order previously issued; or

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

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

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

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

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

18 (A) Notice was given;

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

21 (C) The civil penalty was imposed; and

22 (D) The civil penalty remains unpaid.

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

26
27 8-9-728. Application.

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

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

1 (2) A violation of subdivision (b)(1) of this section may be
2 punishable by a fine as provided in subsection (d) of this section.

3 (c) Certified redemption centers and certified redemption center
4 depots must conspicuously display a sign in letters that are at least one
5 inch (1") in height with the following information:
6 "WARNING: Persons tendering containers for redemption that were not
7 originally purchased in Arkansas may be subject to a fine of the greater of
8 one hundred dollars (\$100) per container or twenty-five thousand dollars
9 (\$25,000) for each tender."

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

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

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

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

29
30 8-9-729. Rules.

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

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

36 (263) Fees collected under the Arkansas Litter Reduction and

1 Deposit Beverage Container Recycling Act, § 8-9-701 et seq.

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

5 19-6-840. Deposit Beverage Container Fund.

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

9 (b) The fund shall consist of:

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

13 (2) Monetary civil penalties assessed and collected under the
14 Arkansas Litter Reduction and Deposit Beverage Container Recycling Act, § 8-
15 9-701 et seq.;

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

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

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

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

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

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

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

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

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

1 including permitting and enforcement activities;

2 (6) Defray office expenses associated with implementation of the
3 Arkansas Litter Reduction and Deposit Beverage Container Recycling Act, § 8-
4 9-701 et seq.; and

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

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

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

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

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

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

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

27 (a) Section 8-9-703(a) in Section 2 of this act is effective on and
28 after September 1, 2019.

29 (b) Sections 8-9-705 and 8-9-706 in Section 2 of this act are
30 effective on and after March 1, 2020.

31 (c) Sections 8-9-707, 8-9-708, 8-9-721, and 8-9-722 in Section 2 of
32 this act are effective on and after April 1, 2020.

33 (d) The first report required under § 8-9-724(a) in Section 2 of this
34 act shall be for the period from October 1, 2019, through June 30, 2021.

35
36 /s/V. Flowers