

CS FOR HOUSE BILL NO. 264(CRA)

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered: 2/23/18

Referred: Labor and Commerce

Sponsor(s): REPRESENTATIVES JOSEPHSON, Drummond

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to a fee for disposable shopping bags; relating to the sale of reusable
2 shopping bags; relating to the recycling of disposable shopping bags; and providing for
3 an effective date."

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 43.98 is amended by adding a new section to read:

6 **Article 5. Disposable Shopping Bag Fees.**

7 **Sec. 43.98.080. Disposable shopping bag fees.** (a) Except as provided in (b),
8 (c), and (i) of this section, a fee of 20 cents is imposed for each disposable shopping
9 bag provided by a retail seller of goods or services to a purchaser to carry away or
10 protect goods purchased from, or serviced by, the retail seller.

11 (b) The fee established in (a) of this section does not apply to a disposable
12 shopping bag that is

13 (1) used only to contain a product that does not have other packaging,
14 including bulk grains, fruit, nuts, vegetables, meat, candy, bakery goods, prepared

1 foods, or other food products or small hardware items;

2 (2) used only to contain ice;

3 (3) used only to contain or wrap flowers;

4 (4) provided by a pharmacist for the sole purpose of containing
5 prescription drugs;

6 (5) used only to package an unconsumed portion of a bottle of wine in
7 compliance with AS 04.16.120;

8 (6) used only to contain a newspaper;

9 (7) sold in packages containing multiple bags intended for use as
10 garbage, pet waste, or yard waste bags;

11 (8) a reusable bag; or

12 (9) for resale, if the purchaser provides the retail seller with a
13 certificate of use on a form prescribed by the department.

14 (c) If a municipality imposes a fee or tax on a disposable shopping bag, the
15 department shall reduce the fee imposed under this section so that the combined tax or
16 fee imposed by the municipality and the fee imposed under this section equals 20
17 cents for each disposable shopping bag. If a municipality imposes a fee or tax on a
18 disposable shopping bag that equals or exceeds 20 cents, the fee under this section
19 does not apply.

20 (d) A retail seller

21 (1) shall add the amount of the fee imposed by this section to the total
22 price of the goods or services subject to the fees;

23 (2) shall state the fee separately on any sales receipt, invoice, or other
24 record of the sale or other transfer of the disposable shopping bags subject to this
25 section;

26 (3) shall post the amount of the fee imposed under this section
27 prominently at the point of sale of the retail seller;

28 (4) shall collect the fees imposed by this section from the purchaser;
29 and

30 (5) may not rebate or reimburse a purchaser the fee imposed by this
31 section.

1 (e) A retail seller shall file with the department a return on a form prescribed
2 by the department and shall file the return and remit the fees not later than 30 days
3 after the last day of the calendar quarter of the sale for the fees collected during the
4 previous calendar quarter.

5 (f) A retail seller shall keep a record of the number of disposable shopping
6 bags the retail seller has purchased, has been provided with, or has otherwise acquired,
7 and shall keep a record of the amount paid on disposable shopping bags subject to this
8 section that are provided or sold to purchasers on a quarterly basis. The retail seller
9 shall keep the records in the manner prescribed under AS 43.99.010 for at least three
10 years after the date of sale.

11 (g) The provisions of AS 43.05 and AS 43.10 apply to this section. In addition
12 to the penalties in AS 43.05, a retail seller that violates (a) or (d) of this section may be
13 subject to an administrative fine of up to

14 (1) \$250 for a first violation;

15 (2) \$500 for a second violation within one year; and

16 (3) \$750 for each violation after a second violation within one year.

17 (h) The department shall collect 75 percent of the fees imposed under this
18 section. The retail seller may retain the other 25 percent of the fees imposed under this
19 section. Fees that the retail seller retains under this subsection may be used to cover
20 expenses associated with recycling disposable shopping bags as required under
21 AS 46.06.145.

22 (i) This section does not apply to a retail seller in a municipality or an
23 unincorporated community if the municipality or unincorporated community has a
24 population of less than 5,500 people.

25 (j) In this section,

26 (1) "disposable shopping bag" means a bag, other than a reusable bag,
27 provided by a retail seller at a check-out stand, register, point of sale, or other point of
28 departure for the purpose of transporting food or merchandise out of the
29 establishment; a "disposable shopping bag" may be made of compostable or
30 biodegradable material;

31 (2) "retail seller" includes

1 (A) a market, grocery store, convenience store, drug store, or
2 similar establishment that

3 (i) is located in a permanent building;

4 (ii) sells at retail household supplies, perishable items,
5 or food merchandise, including meat, produce, dairy products, or snack
6 foods; or

7 (B) a retail establishment that has annual gross sales of
8 \$250,000 or more in the previous calendar year and that provides disposable
9 shopping bags;

10 (3) "reusable bag" means a bag that

11 (A) is designed and manufactured to withstand repeated use
12 over time;

13 (B) is machine washable or is made from material that can be
14 cleaned and disinfected regularly;

15 (C) if it is made from plastic, is made with plastic that is at
16 least four mils thick;

17 (D) has a minimum lifetime of 75 uses; and

18 (E) has the capacity to carry at least 18 pounds.

19 * **Sec. 2.** AS 46.06 is amended by adding a new section to read:

20 **Sec. 46.06.145. Recycling disposable shopping bags; reusable bag sales.** (a)

21 A retail seller that provides as a routine part of business a disposable shopping bag to a
22 purchaser shall, at the entrance of the retail establishment, accept clean disposable
23 shopping bags and arrange for the recycling of those bags.

24 (b) A disposable shopping bag that a retail seller provides to a purchaser must
25 have printed on the bag a recycling symbol and indication that the bag can be returned
26 to the retail seller for recycling. The retail seller shall ensure that a disposable
27 shopping bag is marked as required by this subsection.

28 (c) A retail seller shall make reusable bags available for purchase at the point
29 of sale of the retail establishment.

30 (d) A retail seller that violates this section may be subject to an administrative
31 fine of up to

- 1 (1) \$250 for a first violation;
- 2 (2) \$500 for a second violation within one year; and
- 3 (3) \$750 for each violation after a second violation within one year.

4 (e) This section does not apply to a retail seller in a municipality or an
5 unincorporated community if the municipality or unincorporated community has a
6 population of less than 5,500 people.

7 (f) In this section,

- 8 (1) "disposable shopping bag" has the meaning given in
9 AS 43.98.080(j);
- 10 (2) "retail seller" has the meaning given in AS 43.98.080(j);
- 11 (3) "reusable bag" has the meaning given in AS 43.98.080(j).

12 * **Sec. 3.** This Act takes effect January 1, 2019.