

(Reprinted with amendments adopted on April 20, 2011)

FIRST REPRINT

A.B. 427

## ASSEMBLY BILL NO. 427—ASSEMBLYMAN OHRENSCHALL

MARCH 21, 2011

Referred to Committee on Natural Resources,  
Agriculture, and Mining

SUMMARY—Enacts provisions requiring the payment of deposits  
and refunds on certain beverage containers sold in  
this State. (BDR 40-1079)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in **bolded italics** is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to programs for recycling; enacting provisions  
requiring the payment of deposits and refunds on certain  
beverage containers sold in this State; and providing other  
matters properly relating thereto.

**Legislative Counsel's Digest:**

1 This bill establishes a program for requiring deposits to be paid and then  
2 refunded on certain recyclable beverage containers sold in this State. Under **section**  
3 **10** of this bill, every beverage container, with certain exceptions, has a refund value  
4 of 5 cents. **Section 11** of this bill requires every beverage container sold in this  
5 State to be clearly labeled with that refund value and with the word "Nevada" or the  
6 abbreviation "NV." **Section 12** of this bill requires a consumer to deposit the refund  
7 value of each beverage container when purchasing a filled container and requires a  
8 dealer who receives that deposit to submit the amount of the deposit to the Director  
9 of the State Department of Conservation and Natural Resources for deposit in the  
10 Beverage Container Recycling Fund. **Section 12** also authorizes a consumer to  
11 return the beverage container to a redemption center and requires the Division of  
12 Environmental Protection of the Department to adopt regulations for the  
13 certification of those redemption centers. **Section 13** of this bill provides for the  
14 refunding of the value of the empty beverage container to the consumer by a  
15 redemption center. **Section 14** of this bill prohibits a person from attempting to  
16 return for a refund more than a certain number of empty beverage containers that  
17 the person knows or has reason to know were not originally sold in this State.  
18 **Section 15** of this bill creates the Beverage Container Recycling Fund and requires  
19 the money in the Fund to be used for recycling and recycling promotion and  
20 education programs. **Section 16** of this bill requires certain reports to be made to  
21 the Director of the Department, and **section 17** of this bill requires the Division to  
22 adopt regulations necessary to carry out the provisions of this bill.



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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

**Section 1.** Chapter 444A of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 16, inclusive, of this act.

**Sec. 2.** *As used in sections 2 to 16, inclusive, of this act, the words and terms described in sections 3 to 9.5, inclusive, of this act have the meanings ascribed to them in those sections.*

**Sec. 3.** *“Beverage” means beer and other malt beverages, bottled water, mineral water, soda water, bottled or canned tea, bottled or canned energy drinks, flavored water and any other carbonated or noncarbonated drinks intended for human consumption. The term does not include milk or wine.*

**Sec. 4.** *“Beverage container” means any sealable bottle, can, jar or carton that is primarily composed of glass, metal or plastic or any combination thereof and is produced for the purpose of containing a beverage for a single use.*

**Sec. 5.** (Deleted by amendment.)

**Sec. 6.** *“Consumer” means a person who purchases a beverage in a beverage container for use or consumption with no intent to resell the beverage.*

**Sec. 7.** *“Dealer” means a person who engages in the sale of beverages in beverage containers. The term includes the operator of a vending machine that sells beverages.*

**Sec. 7.5.** *“Director” means the Director of the State Department of Conservation and Natural Resources.*

**Sec. 8.** *“Distributor” means a person who engages in the sale of beverages in beverage containers to a dealer.*

**Sec. 9.** *“Division” means the Division of Environmental Protection of the State Department of Conservation and Natural Resources.*

**Sec. 9.5.** *“Redemption center” means a facility that is certified by the Division pursuant to section 12 of this act to accept beverage containers from consumers.*

**Sec. 10. 1.** *Except as otherwise provided in subsection 2, every beverage container sold or offered for sale in this State has a refund value of 5 cents.*

**2.** *The following beverage containers do not have a refund value:*

*(a) A beverage container sold by a distributor for use by a common carrier in the conduct of interstate passenger service; and*



\* A B 4 2 7 R 1 \*

(b) A beverage container sold by a distributor for use by a gaming establishment, saloon, restaurant or resort that demonstrates to the satisfaction of the State Environmental Commission that:

(1) Of the beverage containers sold or given away by the gaming establishment, saloon, restaurant or resort, a percentage not less than that determined by the Division pursuant to subsections 3 and 4 contain beverages that will be consumed on the premises; and

(2) The gaming establishment, saloon, restaurant or resort has on the premises a program for recycling beverage containers.

3. The Division shall adopt regulations prescribing the method for determining the percentage of beverage containers sold or given away by a gaming establishment, saloon, restaurant or resort required for the exemption pursuant to paragraph (b) of subsection 2.

4. The regulations adopted pursuant to subsection 3 must provide for consideration by the Division of the size and nature of the gaming establishment, saloon, restaurant or resort and the purposes of sections 2 to 16, inclusive, of this act.

**Sec. 11.** A beverage container may not be sold in this State unless the beverage container is clearly labeled:

1. With the refund value of the beverage container; and
2. With the word "Nevada" or the abbreviation "NV."

**Sec. 12.** 1. For every filled beverage container that a consumer purchases from a dealer, the consumer shall deposit the refund value of the beverage container with the dealer.

2. Within 10 days after the end of each month, a dealer who receives a deposit from a consumer pursuant to subsection 1 shall submit the amount of the deposit to the Director for deposit pursuant to the provisions of section 15 of this act.

3. A consumer who deposits the refund value of a beverage container pursuant to subsection 1 may return the beverage container to a redemption center pursuant to section 13 of this act.

4. The Division shall adopt regulations concerning the issuance and renewal of certificates for redemption centers and the administration and enforcement of the provisions of sections 2 to 16, inclusive, of this act. The regulations must include, without limitation, provisions setting forth:

(a) The requirements for the issuance and renewal of those certificates;

(b) The fees, if any, for the issuance and renewal of those certificates;

(c) The manner in which deposits, refunds of deposits and reimbursements for deposits paid by redemption centers must be



\* A B 4 2 7 R 1 \*

1 *made from the Beverage Container Recycling Fund created by*  
2 *section 15 of this act; and*

3 *(d) Any other requirements specified by the Division to carry*  
4 *out the provisions of sections 2 to 16, inclusive, of this act.*

5 **Sec. 13.** 1. *Except as otherwise provided in subsections 2*  
6 *and 3, a redemption center shall:*

7 *(a) Accept from any person during normal business hours any*  
8 *empty beverage container of the type, size and brand sold by a*  
9 *dealer in this State; and*

10 *(b) Pay the person the refund value of each empty beverage*  
11 *container so returned.*

12 2. *A redemption center may refuse to accept a beverage*  
13 *container which contains material foreign to the normal contents*  
14 *of the beverage container other than water, soap or any similar*  
15 *cleaning material or solution.*

16 3. *A redemption center may refuse to accept empty beverage*  
17 *containers that the redemption center reasonably believes were not*  
18 *originally sold in this State as filled beverage containers.*

19 **Sec. 14.** *A person may not offer to return at one time to a*  
20 *redemption center more than 250 empty beverage containers that*  
21 *the person knows or has reason to know were not originally sold*  
22 *in this State as filled beverage containers.*

23 **Sec. 15.** 1. *The Beverage Container Recycling Fund is*  
24 *hereby created in the State Treasury as a special revenue fund.*

25 2. *All money received by a dealer pursuant to section 12 of*  
26 *this act must be deposited in the State Treasury for credit to the*  
27 *Fund. The Director may apply for and accept any gift, donation,*  
28 *bequest, grant or other source of money for use by the Fund. Any*  
29 *money so received must be deposited in the State Treasury for*  
30 *credit to the Fund.*

31 3. *The Fund is a continuing fund without reversion. The*  
32 *money in the Fund must be invested as the money in other state*  
33 *funds is invested. The interest and income earned on the money in*  
34 *the Fund, after deducting any applicable charges, must be credited*  
35 *to the Fund. Claims against the Fund must be paid as other claims*  
36 *against the State are paid.*

37 4. *The Director shall administer the Fund. The money in the*  
38 *Fund, after deducting any costs incurred by the Division in*  
39 *administering the provisions of sections 2 to 16, inclusive, of this*  
40 *act, must be used by the Division solely for recycling programs*  
41 *and programs promoting recycling and education concerning*  
42 *recycling.*

43 **Sec. 16.** *Not later than the 10th day of each month, each*  
44 *dealer and redemption center shall, as applicable, report to the*  
45 *Director, in the manner prescribed by the Director:*



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1     **1. The amount deposited with the dealer pursuant to section**  
2     **12 of this act during the immediately preceding month;**

3     **2. The amount refunded to a consumer pursuant to section**  
4     **13 of this act during the immediately preceding month; and**

5     **3. Any other information required by the Director.**

6     **Sec. 17.** The Division of Environmental Protection of the State  
7 Department of Conservation and Natural Resources shall, on or  
8 before December 31, 2012, adopt any regulations required or  
9 necessary to carry out the provisions of this act.

10    **Sec. 18.** This act becomes effective:

11    1. Upon passage and approval for the purpose of adopting any  
12 regulations and performing any other preparatory administrative  
13 tasks that are necessary to carry out the provisions of this act; and

14    2. On January 1, 2013, for all other purposes.

