

Comment Report

HF 2524

A bill for an act relating to beverage containers control provisions, including handling fees, refund value, applicability to certain beverages, and acceptance of beverage containers, and providing penalties. (Formerly HSB 709; See HF 2571.)

Subcommittee Members: Lohse-CH, Hein, Isenhardt, Nielsen, Nordman

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Comment: Iowans have patiently waited years for lawmakers to modernize the states popular bottle bill 84% of Iowans favor the law while only 12 percent say the bill is bad. Another 80 percent say the state should keep the law or expand it to add more containers and retail locations where containers can be redeemed 19% keep the law as it is; 61% expand the law. HF2524 amendment proposes expanding only two types of beverages canned cocktails, introduced during the COVID19 pandemic, and high alcohol content beers but not beverages that represent the major beverage growth areas bottled waters, noncarbonated sports drinks, other togo beverages invented since the original bill was passed in the 1970s. To have a truly effective bottle bill law, dealers should be required to redeem all the beverage brands they sell. The amendment however proposes mobile redemption centers introduced to the public by Doug Webb, Droppett CEO and president, in his Jan. 6 guest editorial in The Gazette. Droppett is owned by CRINC, which is owned by Doll Distributors (Budweiser) and Iowa Beverage Systems (Miller/Coors). The amendment further indicates that dealers (grocery/retail) are not in violation of country or city ordinances to operate mobile redemption centers on their premises. However, no mention is made of using reverse vending machines that are used throughout the world. This amendment allows dealers to refuse to accept and pay the refund value of empty beverage containers if the dealer sells few than 3,500 containers each year. A dealer is also exempt if it sells prepared foods or fresh produce; has an agreement with a mobile redemption system and provides space, utilities and internet connection to operate; does not require additional payment to the dealer or mobile redemption system; or if the business is in a county with a population of more than 30,000 and within 10 miles of a redemption center (only 22 Iowa counties have more than 30,000 population) or a county of less than 30,000 and within 15 miles of a redemption center (77 Iowa counties have a population fewer than 30,000). Driving to redeem is a disincentive for consumers a 30mile roundtrip will likely consume a gallon of gas. The amendment doesnt specify if the bill will continue transparency and reporting requirements from distributors and dealers contained in SF2122; or if an advisory group composed of all parties (recommended at a House subcommittee meeting) will be initiated to prepare a fiveyear plan and annual reports. Its also unclear why lawmakers who have followed Dr. Dermot Hayes bottle bill reports are reluctant to follow his recommendations to increase handling and deposit fees. Theres a reason to increase fees states that have bottle bill laws put a cash value on each container that make it more likely that containers will be redeemed. Both Connecticut and Michigan have increased their deposit fees to 10 cents to increase the redemption rates for beverage containers. Because the material has a cash value, people are less likely to litter. Containers that have a value means those left in public places are picked up by people who collect them for their refund value. Bottle bill states have higher containerredemption rates because the material is collected separately from other materials (especially other plastics), which means the material

is less likely to be contaminated and a higher quality than material collected curbside. Recycling, while good, is a cost to communities and property taxpayers. Its important to keep containers in the supply chain a shortage is predicted by 2023. The amendment does establish a bottle bill fund which is good and provides that the fund remain intact at the close of the fiscal year, shall not revert and remain available to cover costs of administration and enforcement including reimbursing the attorney general for costs incurred. There's no question that Iowas bottle bill must be modernized. A bill should not patronize those who profit from the sale of beverages distributors and dealers. Nor should a bill punish consumers. The best option for consumers is to have access to clean, modern and convenient redemption facilities where they shop.