## CHAPTER 455C

### BEVERAGE CONTAINERS CONTROL

Referred to in §123.187, 423.6, 455A.4, 455A.6

Attorney general report to legislative fiscal committee required; legislative fiscal committee meeting and report to general assembly required by January 31, 2026; 2022

Acts, ch 1139, §18

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#### 455C.1 Definitions.

As used in this chapter unless the context otherwise requires:

- 1. "Beverage" means wine as defined in section 123.3, subsection 53, alcoholic liquor as defined in section 123.3, subsection 4, beer as defined in section 123.3, subsection 6, high alcoholic content beer as defined in section 123.3, subsection 22, canned cocktail as defined in section 123.3, subsection 10, mineral water, soda water, and similar carbonated soft drinks in liquid form and intended for human consumption.
- 2. "Beverage container" means any sealed glass, plastic, or metal bottle, can, jar, or carton containing a beverage.
  - 3. "Commission" means the environmental protection commission of the department.
- 4. "Consumer" means any person who purchases a beverage in a beverage container for use or consumption.
- 5. "Dealer" means any person who engages in the sale of beverages in beverage containers to a consumer.
- 6. "Dealer agent" means a person who solicits or picks up empty beverage containers for the purpose of returning the empty beverage containers to a distributor or manufacturer.
  - 7. "Department" means the department of natural resources created under section 455A.2.
  - 8. "Director" means the director of the department.
- 9. "Distributor" means any person who engages in the sale of beverages in beverage containers to a dealer in this state, including any manufacturer who engages in such sales.
- 10. "Geographic territory" means the geographical area within a perimeter formed by the outermost boundaries served by a distributor.
- 11. "Manufacturer" means any person who bottles, cans, or otherwise fills beverage containers for sale to distributors or dealers.
- 12. "Mobile redemption system" means a redemption center location at which a consumer may return empty beverage containers on which a refund value has been paid that uses innovative technology to process empty beverage containers and return the amount of the refund value to consumers.
- 13. "Nonrefillable beverage container" means a beverage container not intended to be refilled for sale by a manufacturer.
- 14. "Participating dealer" means a dealer who accepts the return of empty beverage containers from a consumer.

15. "Redemption center" means a facility at which consumers may return empty beverage containers and receive payment for the refund value of the empty beverage containers.

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[C79, 81, §455C.1; 82 Acts, ch 1199, §71, 96]
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85 Acts, ch 32, §111; 86 Acts, ch 1245, §1899C, 1899D; 87 Acts, ch 22, §12; 88 Acts, ch 1200, §1; 89 Acts, ch 272, §34, 42; 90 Acts, ch 1261, §43, 44; 91 Acts, ch 268, §433, 442, 443; 92 Acts, ch 1242, §40, 47; 2022 Acts, ch 1139, §2, 3, 20

Referred to in §455B.313

Section not amended; internal reference changes applied

#### 455C.2 Refund values.

- 1. A refund value of five cents shall be paid by the consumer on each beverage container sold in this state by a dealer for consumption off the premises. Upon return of the empty beverage container upon which a refund value has been paid to a participating dealer or redemption center and acceptance of the empty beverage container by the participating dealer or redemption center, the participating dealer or redemption center shall return the amount of the refund value to the consumer within a reasonable time not to exceed ten days.
- 2. a. In addition to the refund value provided in subsection 1, the distributor required to accept the empty beverage containers under section 455C.3 shall provide reimbursement in an amount that is one cent per container for containers accepted from a dealer agent and three cents per container for containers accepted from a participating dealer or redemption center. A dealer, dealer agent, or redemption center may compact empty metal beverage containers with the approval of the distributor required to accept the containers.
- b. A distributor who pays a handling fee for a beverage container that was sold for consumption off the premises and that used to contain beer, including high-alcoholic content beer, may claim a refund of the barrel tax established in section 123.136 paid by the distributor in the amount of one cent for each such beverage container accepted by the distributor. The department of revenue shall prescribe forms for a distributor to use to claim a refund under this paragraph. Identifying information collected by the department of revenue pursuant to this paragraph that can be used to identify a specific distributor shall be considered confidential information pursuant to section 22.7, subsection 75.

[C79, 81, §455C.2]

87 Acts, ch  $22,\,\$13;\,88$  Acts, ch  $1200,\,\$2;\,89$  Acts, ch  $272,\,\$35,\,42;\,90$  Acts, ch  $1261,\,\$43,\,44;\,91$  Acts, ch  $268,\,\$434,\,442,\,443;\,92$  Acts, ch  $1242,\,\$34,\,38,\,39,\,40,\,47;\,2022$  Acts, ch  $1139,\,\$4,\,20;\,2022$  Acts, ch  $1153,\,\$51,\,52$  Referred to in  $\$22.7(75),\,123.24,\,455\text{C}.3,\,455\text{C}.4,\,455\text{C}.12,\,455\text{C}.13}$ 

# 455C.3 Payment of refund value.

Except as provided in section 455C.4:

- 1. A participating dealer shall not refuse to accept from a consumer any empty beverage container of the kind, size, and brand sold by the participating dealer, or refuse to pay to the consumer the refund value of a beverage container as provided under section 455C.2.
- 2. A distributor shall accept and pick up from a participating dealer served by the distributor or a redemption center for a dealer served by the distributor at least weekly, or when the distributor delivers the beverage product if deliveries are less frequent than weekly, any empty beverage container of the kind, size, and brand sold by the distributor, and shall pay to the participating dealer or redemption center the refund value of a beverage container and the reimbursement as provided under section 455C.2 within one week following pickup of the containers or when the participating dealer normally pays the distributor for the deposit on beverage products purchased from the distributor if less frequent than weekly. A distributor or employee or agent of a distributor is not in violation of this subsection if a redemption center is closed when the distributor attempts to make a regular pickup of empty beverage containers. This subsection does not apply to a distributor selling alcoholic liquor to the department of revenue.
- 3. A distributor shall not be required to pay to a manufacturer a deposit or refund value on a nonrefillable beverage container.
- 4. A distributor shall accept from a dealer agent any empty beverage container of the kind, size, and brand sold by the distributor and that was picked up by the dealer agent within the

geographic territory served by the distributor and the distributor shall pay the dealer agent the refund value of the empty beverage container and the reimbursement as provided in section 455C.2.

5. The department of revenue shall provide for the disposal of empty beverage containers as required under subsection 2. The department of revenue shall give priority consideration to the recycling of the empty beverage containers to the extent possible, before any other appropriate disposal method is considered or implemented.

[C79, 81, §455C.3]

83 Acts, ch 84, \$1; 88 Acts, ch 1200, \$3; 89 Acts, ch 272, \$36, 42; 90 Acts, ch 1261, \$43, 44; 91 Acts, ch 268, \$442, 443; 92 Acts, ch 1242, \$35, 38, 39, 40, 47; 2022 Acts, ch 1139, \$5, 20; 2023 Acts, ch 19, \$2467 Referred to in \$455C.2, 455C.12 Subsections 2 and 5 amended

# 455C.4 Refusal to accept containers.

- 1. Except as provided in section 455C.5, subsection 3, a dealer, a redemption center, a distributor, or a manufacturer may refuse to accept any empty beverage container that does not have stated on it a refund value as provided under section 455C.2.
- 2. a. A dealer may refuse to accept and to pay the refund value of any empty beverage container if any of the following apply:
- (1) The dealer holds a food establishment license under chapter 137F to prepare or serve food, has a certified food protection manager as required by the 2017 United States food and drug administration food code and supplement, and sells time/temperature control for safety food as defined in section 137E2.
- (2) The dealer has entered an agreement with an approved redemption center for the operation of a mobile redemption system and all of the following apply:
- (a) The dealer provides adequate space, utilities, and internet connection to operate the mobile redemption system.
- (b) The agreement does not require additional payment to the dealer or the mobile redemption system.
- (3) The dealer's place of business is in a county with a population of more than thirty thousand and within ten miles of an approved redemption center or if the dealer's place of business is in a county with a population of thirty thousand or fewer and within fifteen miles of an approved redemption center.
- b. A dealer who refuses to accept and to pay the refund value on any empty beverage container pursuant to this subsection shall conspicuously display on the front door of the dealer's place of business a notice that the dealer does not accept empty beverage containers. The notice shall also provide the location of the nearest approved redemption center to the dealer's place of business. After the department has made available an electronic method for locating approved redemption centers pursuant to paragraph "c", a dealer may direct consumers to such electronic method instead of providing the location of the nearest approved redemption center on the notice.
- c. The department shall make available to the public an electronic method of locating approved redemption centers.
- d. A dealer who provides space for a mobile redemption system pursuant to paragraph "a", subparagraph (2), shall not be considered to be in violation of any county or city ordinance that would otherwise limit the ability of the dealer to provide such space as long as the mobile redemption system operates in a location that is not zoned primarily for residential purposes.
- 3. A class "E" retail alcohol licensee may refuse to accept and to pay the refund value on an empty alcoholic liquor container from a participating dealer or a redemption center or from a person acting on behalf of or who has received empty alcoholic liquor containers from a participating dealer or a redemption center.
- 4. A manufacturer or distributor may refuse to accept and to pay the refund value and reimbursement as provided in section 455C.2 on any empty beverage container that was

picked up by a dealer agent outside the geographic territory served by the manufacturer or distributor.

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[C79, 81, §455C.4]
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85 Acts, ch 32, §112; 87 Acts, ch 22, §14, 15; 88 Acts, ch 1200, §4; 89 Acts, ch 161, §9; 2022 Acts, ch 1099, §101, 102; 2022 Acts, ch 1139, §6, 20

Referred to in §455C.3

# 455C.5 Refund value stated on container — exceptions.

- 1. a. Each beverage container sold or offered for sale in this state by a dealer shall clearly indicate the refund value of the container by embossing or by a stamp, label, or other method securely affixed to the container. The department shall specify, by rule, the minimum size of the refund value indication on the beverage containers.
- b. The department of revenue shall require the registration of the universal product code for each beverage container using a method of registration determined by the department of revenue.
- 2. A person, except a distributor, shall not import into this state after July 1, 1979 a beverage container which does not have securely affixed to the container the refund value indication. The provisions of this subsection do not apply if:
- a. For beverage containers containing alcoholic liquor as defined in section 123.3, subsection 4, the total capacity of the containers is not more than one quart or, in the case of alcoholic liquor personally obtained outside the United States, one gallon.
- b. For beverage containers containing beer as defined in section 123.3, subsection 6, the total capacity of the containers is not more than two hundred eighty-eight fluid ounces.
- c. For all other beverage containers, the total capacity of the containers is not more than five hundred seventy-six fluid ounces.
- 3. The provisions of subsections 1 and 2 of this section do not apply to a refillable glass beverage container which has a brand name permanently marked on it and which has a refund value of not less than five cents, to any other refillable beverage container which has a refund value of not less than five cents and which is exempted by the director under rules adopted by the commission, or to a beverage container sold aboard a commercial airliner or passenger train for consumption on the premises.

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[C79, 81, §455C.5]

85 Acts, ch 32, §113; 87 Acts, ch 22, §16; 2022 Acts, ch 1139, §7, 20 Referred to in §123.26, 455C.4, 455C.12, 455C.14

2022 amendment to subsection 1 is effective November 15, 2023; 2022 Acts, ch 1139, §20 Subsection 1 amended
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### 455C.6 Redemption centers.

- 1. To facilitate the return of empty beverage containers and to serve dealers of beverages, any person may establish a redemption center, subject to the approval of the department, at which consumers may return empty beverage containers and receive payment of the refund value of such beverage containers. A participating dealer may act as a redemption center for purposes of this chapter.
- 2. An application for approval of a redemption center shall be filed with the department. The application shall state the name and address of the person responsible for the establishment and operation of the redemption center, the kind and brand names of the beverage containers which will be accepted at the redemption center, and the names and addresses of the dealers to be served by the redemption center. The application shall contain such other information as the director may reasonably require.
- 3. The department shall approve a redemption center if it finds that the redemption center will provide a convenient service to consumers for the return of empty beverage containers. The order of the department approving a redemption center shall state the dealers to be served by the redemption center and the kind and brand names of empty beverage containers which the redemption center must accept. The order may contain such other provisions to ensure that the redemption center will provide a convenient service to the public as the director may determine.
  - 4. The department may review the approval of any redemption center at any time.

After written notice to the person responsible for the establishment and operation of the redemption center, and to the dealers served by the redemption center, the commission may, after hearing, withdraw approval of a redemption center if the commission finds there has not been compliance with the department's order approving the redemption center, or if the redemption center no longer provides a convenient service to the public.

5. All approved redemption centers shall meet applicable health standards. [C79, 81, \$455C.6]

2019 Acts, ch 59, §138; 2022 Acts, ch 1139, §8, 20

### 455C.7 Unapproved redemption centers.

Any person may establish a redemption center which has not been approved by the department, at which a consumer may return empty beverage containers and receive payment of the refund value of the beverage containers. The establishment of an unapproved redemption center shall not relieve any dealer from the responsibility of redeeming any empty beverage containers of the kind and brand sold by the dealer.

[C79, 81, §455C.7]

**455C.8 Snap-top cans prohibited.** Repealed by 2013 Acts, ch 12, §26.

## 455C.9 Rules adopted.

The commission shall adopt, upon recommendation of the director, the rules necessary to carry out the provisions of this chapter, subject to the provisions of chapter 17A.

[C79, 81, §455C.9]

## 455C.10 Appeal.

Any person aggrieved by an order of the department relating to the approval or withdrawal of approval for a redemption center may seek judicial review of such order as provided in chapter 17A.

[C79, 81, §455C.10]

455C.11 Reserved.

#### 455C.12 Penalties.

- 1. Any person violating the provisions of section 455C.2, 455C.3, or 455C.5, or a rule adopted under this chapter, shall be guilty of a simple misdemeanor.
- 2. A distributor who collects or attempts to collect a refund value on an empty beverage container when the distributor has paid the refund value on the container to a participating dealer, redemption center, or consumer is guilty of a fraudulent practice.
  - 3. Any person who does any of the following acts is guilty of a fraudulent practice:
- a. Collects or attempts to collect the refund value on the container a second time, with the knowledge that the refund value has once been paid by the distributor to a participating dealer, redemption center, or consumer.
- b. Manufactures, sells, possesses, or applies a false or counterfeit label or indication that shows or purports to show a refund value for a beverage container, with intent to use the false or counterfeit label or indication.
- c. Collects or attempts to collect a refund value on a container with the use of a false or counterfeit label or indication showing a refund value, knowing the label or indication to be false or counterfeit.
- 4. As used in this section, a false or counterfeit label or indication means a label or indication purporting to show a valid refund value which has not been initially applied as authorized by a distributor.
- 5. Subsection 2 and subsection 3, paragraph "a", of this section have no application to empty beverage containers which are intended to be refillable and are in a standard of condition except for sanitization to be refillable by the manufacturer.
- 6. A person who knowingly attempts to redeem a beverage container that is not properly marked as required by section 455C.5, subsection 1, shall be subject to a civil penalty not to

exceed ten dollars per improperly marked beverage container, but not to exceed five thousand dollars total per attempted transaction.

7. Except as provided in subsection 6, a person who violates any provision of this chapter shall be subject to a civil penalty of two thousand dollars per violation, which shall be assessed and collected in the same manner as provided in section 455B.109. Any civil penalty collected under this chapter shall be deposited in the bottle bill fund established in section 455C.12D.

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[C79, 81, $455C.12] 2013 Acts, ch 12, $11; 2022 Acts, ch 1139, $9, 10, 20 Referred to in $455C.12D Fraudulent practices, see $714.8 - 714.14
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## 455C.12A Administrative enforcement — compliance orders.

The director may issue any order necessary to secure compliance with or prevent a violation of the provisions of this chapter or any rule adopted or permit or order issued pursuant to this chapter. The person to whom such compliance order is issued may cause to be commenced a contested case within the meaning of chapter 17A by filing within thirty days a notice of appeal to the commission. On appeal, the commission may affirm, modify, or vacate the order of the director.

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2022 Acts, ch 1139, §11, 20 Referred to in §455C.12C
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#### 455C.12B Judicial review.

Judicial review of any order or other action of the commission or director may be sought in accordance with the terms of chapter 17A. Notwithstanding the terms of chapter 17A, petitions for judicial review may be filed in the district court of the county in which the alleged offense was committed.

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2022 Acts, ch 1139, §12, 20
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#### 455C.12C Civil actions for compliance — penalties.

- 1. The attorney general, on request of the department, shall institute any legal proceedings necessary to obtain compliance with an order of the commission or the director, including proceedings for a temporary injunction, or prosecuting any person for a violation of an order of the commission or the director, the provisions of this chapter, or any rules adopted or permit or order issued pursuant to this chapter.
- 2. Any person who violates any order issued pursuant to section 455C.12A shall be subject to a civil penalty not to exceed two thousand dollars for each day of such violation.

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2022 Acts, ch 1139, §13, 20
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#### 455C.12D Bottle bill fund.

A bottle bill fund is established in the state treasury under the control of the department. The fund shall consist of moneys deposited in the fund pursuant to section 455C.12, subsection 7, and any other moneys appropriated to or deposited in the fund. Moneys in the fund are appropriated to the department for purposes of administering and enforcing this chapter, including reimbursing the attorney general for costs incurred by the attorney general in enforcing this chapter. Notwithstanding section 8.33, moneys in the fund that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

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2022 Acts, ch 1139, §14, 20 Referred to in §455C.12
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### 455C.13 Collection and disposal agreements authorized.

- 1. A distributor, dealer, or redemption center may enter into a contract or agreement with any other distributor, manufacturer, or person for the purpose of collecting or disposing of beverage containers as provided in this chapter.
  - 2. For purposes of this chapter, any contracts entered into pursuant to this section for the

collection or disposal of empty beverage containers shall not be deemed to interfere with the refund value pursuant to section 455C.2.

[C81, §455C.13] 2022 Acts, ch 1139, §15, 20

#### 455C.14 Redemption of refused nonrefillable metal beverage containers.

- 1. If the refund value indication required under section 455C.5 on an empty nonrefillable metal beverage container is readable but the redemption of the container is lawfully refused by a dealer or person operating a redemption center under other sections of this chapter or rules adopted pursuant to these sections, the container shall be accepted and the refund value paid to a consumer as provided in this section. Each beer distributor selling nonrefillable metal beverage containers in this state shall provide individually or collectively by contract or agreement with a dealer, person operating a redemption center, or another person, at least one facility in the county seat of each county where refused empty nonrefillable metal beverage containers having a readable refund value indication as required by this chapter are accepted and redeemed. In cities having a population of twenty-five thousand or more, the number of the facilities provided shall be one for each twenty-five thousand population or a fractional part of that population.
  - 2. A beer distributor violating this section is guilty of a simple misdemeanor. [C81, §455C.14]

455C.15 Plastic cans prohibited. Repealed by 2013 Acts, ch 12, §26.

# 455C.16 Beverage containers — disposal at sanitary landfill prohibited.

The final disposal of beverage containers, including the final disposal of beverage containers that used to contain alcoholic liquor as defined in section 123.3, subsection 4, by a participating dealer, distributor, manufacturer, or redemption center in a sanitary landfill is prohibited.

89 Acts, ch 272, §37; 91 Acts, ch 268, §435; 92 Acts, ch 1215, §14; 2022 Acts, ch 1139, §16, 20 Section not amended; internal reference change applied

**455C.17 Grants for independent redemption centers.** Repealed by 2018 Acts, ch 1023, §17.

## 455C.18 Unclaimed refund value and handling fees.

Any amount of refund value or handling fees possessed by a distributor after the distributor has made payments required pursuant to this chapter shall be considered the property of the distributor.

2022 Acts, ch 1139, §17, 20