

House File 2571

H-8277

1 Amend House File 2571 as follows:

2 1. By striking everything after the enacting clause and
3 inserting:

4 <DIVISION I

5 CHANGES TO CURRENT BEVERAGE CONTAINERS CONTROL LAW

6 Section 1. Section 455C.1, subsections 1 and 6, Code 2022,
7 are amended to read as follows:

8 1. "*Beverage*" means wine as defined in section 123.3,
9 subsection 54, alcoholic liquor as defined in section 123.3,
10 subsection 5, beer as defined in section 123.3, subsection
11 7, high alcoholic content beer as defined in section 123.3,
12 subsection 22, canned cocktail as defined in section 123.3,
13 subsection 11, mineral water, soda water, and similar
14 carbonated soft drinks in liquid form and intended for human
15 consumption.

16 6. "*Dealer agent*" means a person who solicits or picks up
17 empty beverage containers ~~from a dealer~~ for the purpose of
18 returning the empty beverage containers to a distributor or
19 manufacturer.

20 Sec. 2. Section 455C.1, Code 2022, is amended by adding the
21 following new subsections:

22 NEW SUBSECTION. 12A. "*Participating dealer*" means a dealer
23 who accepts the return of empty beverage containers from a
24 consumer.

25 NEW SUBSECTION. 14. "*Redemption service provider*" means a
26 dealer agent or a registered redemption center.

27 Sec. 3. Section 455C.2, Code 2022, is amended to read as
28 follows:

29 **455C.2 Refund values.**

30 1. A refund value of ~~not less than~~ five cents shall be paid
31 by the consumer on each beverage container sold in this state
32 by a dealer for consumption off the premises. Upon return of
33 the empty beverage container upon which a refund value has
34 been paid to ~~the~~ a participating dealer or person operating
35 a redemption center and acceptance of the empty beverage

1 container by the participating dealer or ~~person operating a~~
2 redemption center, the participating dealer or ~~person operating~~
3 a redemption center shall return the amount of the refund value
4 to the consumer.

5 2. a. In addition to the refund value provided in
6 subsection 1 of ~~this section~~, a participating dealer, or ~~person~~
7 ~~operating a redemption center who redeems empty beverage~~
8 ~~containers~~ or a dealer agent shall be reimbursed by the
9 ~~distributor required to accept the empty beverage containers an~~
10 amount which that is one cent per container. A ~~dealer, dealer~~
11 ~~agent, or person operating a redemption center may compact~~
12 ~~empty metal beverage containers with the approval of the~~
13 ~~distributor required to accept the containers. A redemption~~
14 center shall be reimbursed an amount that is two cents per
15 container.

16 b. When a distributor delivers beverage containers to
17 a dealer, the dealer shall pay to the distributor as a
18 contribution to the reimbursement required under paragraph "a"
19 one-half of one cent per beverage container for each beverage
20 container delivered.

21 Sec. 4. Section 455C.3, subsections 1, 2, and 4, Code 2022,
22 are amended to read as follows:

23 1. A participating dealer shall not refuse to accept from a
24 consumer any empty beverage container of the kind, size, and
25 brand sold by the participating dealer, or refuse to pay to the
26 consumer the refund value of a beverage container as provided
27 under section 455C.2.

28 2. A distributor shall accept and pick up from a
29 participating dealer served by the distributor or a redemption
30 center for a dealer served by the distributor at least weekly,
31 or when the distributor delivers the beverage product if
32 deliveries are less frequent than weekly, any empty beverage
33 container of the kind, size, and brand sold by the distributor,
34 and shall pay to the participating dealer or ~~person operating~~
35 a redemption center the refund value of a beverage container

1 and the reimbursement as provided under [section 455C.2](#) within
2 one week following pickup of the containers or when the
3 participating dealer or redemption center normally pays the
4 distributor for the deposit on beverage products purchased from
5 the distributor if less frequent than weekly. A distributor
6 or employee or agent of a distributor is not in violation
7 of [this subsection](#) if a redemption center is closed when the
8 distributor attempts to make a regular delivery or a regular
9 pickup of empty beverage containers. [This subsection](#) does
10 not apply to a distributor selling alcoholic liquor to the
11 alcoholic beverages division of the department of commerce.

12 4. A distributor shall accept from a dealer agent any
13 empty beverage container of the kind, size, and brand sold by
14 the distributor and ~~which~~ that was picked up by the dealer
15 agent ~~from a dealer~~ within the geographic territory served
16 by the distributor and the distributor shall pay the dealer
17 agent the refund value of the empty beverage container and the
18 reimbursement as provided in [section 455C.2](#).

19 Sec. 5. Section 455C.4, Code 2022, is amended to read as
20 follows:

21 **455C.4 Refusal to accept containers.**

22 1. Except as provided in [section 455C.5, subsection 3](#),
23 a participating dealer, ~~a person operating a~~ or redemption
24 center, ~~a distributor or a manufacturer~~ may refuse to accept
25 any empty beverage container ~~which~~ that does not have stated on
26 it a refund value as provided under [section 455C.2](#).

27 2. a. A dealer may refuse to accept and to pay the
28 refund value of any empty beverage container if the ~~place of~~
29 ~~business of the dealer and the kind and brand of empty beverage~~
30 ~~containers are included in an order of the department approving~~
31 ~~a redemption center under~~ [section 455C.6](#) dealer enters a
32 contract with a redemption service provider who will accept
33 beverage containers on the dealer's behalf. A dealer may only
34 enter a contract with a registered redemption center under this
35 subsection if the dealer's place of business is in a county

1 with a population of more than thirty thousand and within five
2 miles of the redemption center or if the dealer's place of
3 business is in a county with a population of thirty thousand or
4 fewer and within ten miles of the redemption center.

5 b. A dealer who refuses to accept empty beverage containers
6 and enters a contract with a registered redemption center under
7 paragraph "a" shall prominently post on the premises of the
8 dealer's place of business a sign that includes the location
9 and hours of a registered redemption center with which the
10 dealer has contracted under paragraph "a".

11 c. A redemption service provider may require as a term of
12 a contract entered into under paragraph "a" that the dealer
13 shall make space available on the dealer's property for the
14 redemption service provider to collect beverage containers at
15 no cost to the redemption service provider.

16 d. Entering a contract with a dealer agent does not satisfy
17 the contract requirement in paragraph "a" unless the contract
18 requires the dealer agent to return refund value to consumers
19 in the form of cash at the time of return.

20 ~~3. A dealer or a distributor may refuse to accept and to pay~~
21 ~~the refund value of an empty wine or alcoholic liquor container~~
22 ~~which is marked to indicate that it was sold by a state liquor~~
23 ~~store. The alcoholic beverages division shall not reimburse~~
24 ~~a dealer or a distributor the refund value on an empty wine or~~
25 ~~alcoholic liquor container which is marked to indicate that the~~
26 ~~container was sold by a state liquor store.~~

27 ~~4. 3.~~ 3. A class "E" liquor control licensee may refuse to
28 accept and to pay the refund value on an empty alcoholic liquor
29 container from a participating dealer or a redemption center
30 or from a person acting on behalf of or who has received empty
31 alcoholic liquor containers from a participating dealer or a
32 redemption center.

33 ~~5. 4.~~ 4. A manufacturer or distributor may refuse to accept
34 and to pay the refund value and reimbursement as provided in
35 section 455C.2 on any empty beverage container that was picked

1 up by a dealer agent ~~from a dealer~~ outside the geographic
2 territory served by the manufacturer or distributor.

3 Sec. 6. Section 455C.5, subsection 1, Code 2022, is amended
4 to read as follows:

5 1. Each beverage container sold or offered for sale in
6 this state by a dealer shall clearly indicate the refund value
7 of the container by embossing or by a stamp, label, or other
8 method securely affixed to the container, ~~the refund value of~~
9 ~~the container~~. The department shall specify, by rule, the
10 minimum size of the refund value indication on the beverage
11 containers.

12 Sec. 7. Section 455C.6, subsections 1, 2, and 5, Code 2022,
13 are amended to read as follows:

14 1. To facilitate the return of empty beverage containers and
15 to serve dealers of beverages, any person may register with the
16 department pursuant to subsection 2 to establish a redemption
17 center, ~~subject to the approval of the department~~, at which
18 consumers may return empty beverage containers and receive
19 payment of the refund value of such beverage containers.

20 2. a. ~~An application for approval of~~ Written notice of
21 the operation of a redemption center shall be filed with the
22 department. ~~The application notice shall state the name and~~
23 ~~address of the person responsible for the establishment and~~
24 ~~operation of the redemption center, the kind and brand names~~
25 ~~of the beverage containers which will be accepted at the~~
26 ~~redemption center, and the names and addresses of the dealers~~
27 ~~to be served by the redemption center. The application shall~~
28 ~~contain such other information as the director may reasonably~~
29 ~~require~~ include the information listed in paragraph "b".
30 Upon filing a proper notice, the redemption center shall be
31 considered registered for purposes of this chapter.

32 b. A redemption center's notice filed under paragraph "a"
33 shall be considered proper if it includes all of the following:

34 (1) The name, address, and telephone number of the
35 redemption center.

1 (2) The name, address, and telephone number of the person or
2 persons responsible for the establishment and operation of the
3 redemption center.

4 (3) An indication that the redemption center will accept
5 all kinds, sizes, and brands of beverage containers sold by the
6 dealers served by the redemption center.

7 (4) The names and addresses of the distributors whose
8 beverage containers will be redeemed.

9 (5) The hours during which the redemption center will be
10 open.

11 (6) An indication that the redemption center will be in
12 operation and open to the public for the redemption of beverage
13 containers at least twenty hours per week, four hours of which
14 shall be between the hours of 6:00 p.m. and 10:00 p.m. or on
15 Saturday or Sunday, or a combination thereof.

16 5. All ~~approved~~ redemption centers shall meet applicable
17 health standards.

18 Sec. 8. Section 455C.12, subsection 2, Code 2022, is amended
19 to read as follows:

20 2. A distributor who collects or attempts to collect
21 a refund value on an empty beverage container when the
22 distributor has paid the refund value on the container to a
23 participating dealer, redemption center, or consumer is guilty
24 of a fraudulent practice.

25 Sec. 9. Section 455C.12, subsection 3, paragraphs a and b,
26 Code 2022, are amended to read as follows:

27 a. Collects or attempts to collect the refund value on the
28 container a second time, with the knowledge that the refund
29 value has once been paid by the distributor to a participating
30 dealer, redemption center, or consumer.

31 b. Manufactures, sells, possesses, or applies a false or
32 counterfeit label or indication ~~which~~ that shows or purports to
33 show a refund value for a beverage container, with intent to
34 use the false or counterfeit label or indication.

35 Sec. 10. Section 455C.12, Code 2022, is amended by adding

1 the following new subsection:

2 NEW SUBSECTION. 6. A person who violates any provision of
3 this chapter, or any rule, permit, or order adopted or issued
4 under this chapter, shall be subject to a civil penalty not
5 to exceed two thousand five hundred dollars for each day of
6 the violation. The department shall adopt rules establishing
7 a schedule of civil penalties based on the severity of the
8 violation. Any civil penalty collected under this chapter
9 shall be deposited in the bottle bill enforcement fund
10 established in section 455C.12D.

11 Sec. 11. NEW SECTION. **455C.12A Administrative enforcement**
12 **— compliance orders.**

13 1. The director may issue any order necessary to secure
14 compliance with or prevent a violation of the provisions of
15 this chapter or any rule adopted or permit or order issued
16 pursuant to this chapter. Any order issued pursuant to this
17 section may impose a civil penalty authorized pursuant to
18 section 455C.12, subsection 6, for a violation of the order,
19 to be collected administratively by the department. The
20 person to whom the compliance order is issued may cause to be
21 commenced a contested case within the meaning of chapter 17A by
22 filing within thirty days a notice of appeal to the director.
23 Following a contested case hearing and a proposed decision
24 issued by the department, the commission may affirm, modify, or
25 vacate the proposed decision.

26 2. If a person continues an alleged violation during the
27 appeals process and the commission affirms that the person has
28 committed a violation, the department may assess penalties for
29 each day the violation continued through the appeals process.

30 Sec. 12. NEW SECTION. **455C.12B Judicial review.**

31 Judicial review of any final order or other final action of
32 the commission or director may be sought in accordance with the
33 terms of chapter 17A. Notwithstanding the terms of chapter
34 17A, petitions for judicial review may be filed in the district
35 court of the county in which the alleged offense was committed.

1 Sec. 13. NEW SECTION. **455C.12C Civil actions for compliance**
2 **— penalties.**

3 The attorney general, on request of the department, shall
4 institute any legal proceedings necessary to obtain compliance
5 with an order of the commission or the director, including
6 proceedings for a temporary injunction, or prosecuting any
7 person for a violation of the provisions of this chapter or
8 any rules adopted or permit or order issued pursuant to this
9 chapter.

10 Sec. 14. NEW SECTION. **455C.12D Bottle bill enforcement**
11 **fund.**

12 A bottle bill enforcement fund is established in the state
13 treasury under the control of the department. The fund shall
14 consist of moneys deposited in the fund pursuant to section
15 455C.12, subsection 6, and any other moneys appropriated to or
16 deposited in the fund. Moneys in the fund are appropriated
17 to the department for purposes of administering and enforcing
18 this chapter. Notwithstanding section 8.33, moneys in the
19 fund that remain unencumbered or unobligated at the close of
20 a fiscal year shall not revert but shall remain available for
21 expenditure for the purposes designated. Notwithstanding
22 section 12C.7, subsection 2, interest or earnings on moneys in
23 the fund shall be credited to the fund.

24 Sec. 15. Section 455C.13, Code 2022, is amended to read as
25 follows:

26 **455C.13 ~~Distributors'~~ Collection and disposal agreements**
27 **authorized.**

28 1. A distributor, dealer, or redemption center may enter
29 into a contract or agreement with any other distributor,
30 manufacturer, or person for the purpose of collecting or paying
31 ~~the refund value on, or disposing of,~~ beverage containers as
32 provided in [this chapter](#).

33 2. For purposes of this chapter, any contracts entered into
34 pursuant to this section for the collection or disposal of
35 empty beverage containers shall not be deemed to interfere with

1 the refund value pursuant to section 455C.2.

2 Sec. 16. Section 455C.14, subsection 1, Code 2022, is
3 amended to read as follows:

4 1. If the refund value indication required under section
5 455C.5 on an empty nonrefillable metal beverage container
6 is readable but the redemption of the container is lawfully
7 refused by a participating dealer or ~~person operating a~~
8 redemption center under other sections of this chapter or
9 rules adopted pursuant to these sections, the container
10 shall be accepted and the refund value paid to a consumer
11 as provided in this section. Each beer distributor selling
12 nonrefillable metal beverage containers in this state shall
13 provide individually or collectively by contract or agreement
14 with a dealer, ~~person operating a redemption center,~~ or another
15 person, at least one facility in the county seat of each county
16 where refused empty nonrefillable metal beverage containers
17 having a readable refund value indication as required by
18 this chapter are accepted and redeemed. In cities having a
19 population of twenty-five thousand or more, the number of the
20 facilities provided shall be one for each twenty-five thousand
21 population or a fractional part of that population.

22 Sec. 17. Section 455C.16, Code 2022, is amended to read as
23 follows:

24 **455C.16 Beverage containers — disposal at sanitary landfill**
25 **prohibited.**

26 ~~Beginning July 1, 1990, the~~ The final disposal of beverage
27 containers by a ~~dealer, distributor, or manufacturer, or~~
28 ~~person operating a redemption center, in a sanitary landfill,~~
29 ~~is prohibited.~~ Beginning September 1, 1992, including the
30 final disposal of beverage containers that used to contain
31 alcoholic liquor as defined in section 123.3, subsection 5,
32 by a participating dealer, distributor, or manufacturer, or
33 ~~person operating a redemption center in a sanitary landfill,~~
34 is prohibited.

35

DIVISION II

1 REPEAL OF CURRENT BEVERAGE CONTAINERS CONTROL LAW

2 Sec. 18. Section 123.24, subsection 2, paragraph d, Code
3 2022, is amended by striking the paragraph.

4 Sec. 19. Section 123.26, Code 2022, is amended to read as
5 follows:

6 **123.26 Restrictions on sales — seals — labeling.**

7 Alcoholic liquor shall not be sold by a class "E" liquor
8 control licensee except in a sealed container with identifying
9 markers as prescribed by the administrator and affixed in the
10 manner prescribed by the administrator, and no such container
11 shall be opened upon the premises of a state warehouse. The
12 division shall ~~cooperate with the department of natural~~
13 ~~resources so~~ ensure that only one identifying marker or mark is
14 needed to satisfy the requirements of [this section](#) and section
15 ~~455C.5~~ [123B.4](#), subsection 1. Possession of alcoholic liquors
16 ~~which~~ that do not carry the prescribed identifying markers is a
17 violation of [this chapter](#) except as provided in [section 123.22](#).

18 Sec. 20. Section 123.187, subsection 3, paragraph e, Code
19 2022, is amended by striking the paragraph.

20 Sec. 21. Section 423.6, subsection 3, paragraph a, Code
21 2022, is amended to read as follows:

22 *a.* Any tangible personal property including containers
23 for which it is intended shall, by means of fabrication,
24 compounding, manufacturing, or germination, become an integral
25 part of other tangible personal property intended to be sold
26 ultimately at retail, and containers used in the collection,
27 recovery, or return of empty beverage containers subject to
28 chapter ~~455C~~ [123B](#).

29 Sec. 22. Section 455A.4, subsection 1, paragraph b, Code
30 2022, is amended to read as follows:

31 *b.* Provide overall supervision, direction, and coordination
32 of functions to be administered by the administrators under
33 chapters 321G, [321I](#), [455B](#), ~~455C~~, [456A](#), [456B](#), [457A](#), [458A](#), [459](#),
34 [459A](#), [459B](#), [461A](#), [462A](#), [462B](#), [464A](#), [465C](#), [473](#), [481A](#), [481B](#),
35 [483A](#), [484A](#), and [484B](#).

1 Sec. 23. Section 455A.6, subsection 6, paragraphs a, b, and
2 d, Code 2022, are amended to read as follows:

3 a. Establish policy for the department and adopt rules,
4 pursuant to chapter 17A, necessary to provide for the effective
5 administration of chapter 455B, ~~455C~~, or 459.

6 b. Hear appeals in contested cases pursuant to chapter 17A
7 on matters relating to actions taken by the director under
8 chapter ~~455C~~, 458A, 464B, or 473.

9 d. Approve the budget request prepared by the director
10 for the programs authorized by chapters 455B, ~~455C~~, 455E,
11 455F, 455H, and 459, subchapters II and III. The commission
12 shall approve the budget request prepared by the director for
13 programs subject to the rulemaking authority of the commission.
14 The commission may increase, decrease, or strike any item
15 within the department budget request for the specified programs
16 before granting approval.

17 Sec. 24. Section 455B.313, subsection 1, Code 2022, is
18 amended to read as follows:

19 1. A distributor ~~as defined in section 455C.1, subsection~~
20 ~~9~~, shall not sell or offer to sell any beverage container
21 if the beverage container is connected to another beverage
22 container by a device constructed of a material ~~which~~ that is
23 not biodegradable or photodegradable.

24 Sec. 25. Section 455B.313, Code 2022, is amended by adding
25 the following new subsection:

26 NEW SUBSECTION. 3. For purposes of this section,
27 "distributor" means any person who engages in the sale of
28 beverages in beverage containers to a dealer in this state,
29 as those terms are defined in section 123B.1, including any
30 manufacturer who engages in such sales.

31 Sec. 26. REPEAL. Chapter 455C, Code 2022, is repealed.

32 Sec. 27. TRANSITION PROVISIONS. Upon repeal of chapter
33 455C and the creation of the bottle bill deposit fund pursuant
34 to section 123B.11, as enacted by this Act, all moneys in the
35 bottle bill enforcement fund created in section 455C.12D, as

1 enacted by this Act, are transferred to the alcoholic beverages
2 division for deposit in the bottle bill deposit fund. Any
3 moneys credited to the bottle bill enforcement fund on and
4 after January 1, 2024, are transferred to the division for
5 deposit in the bottle bill deposit fund.

6 Sec. 28. EFFECTIVE DATE. This division of this Act takes
7 effect January 1, 2024.

8 DIVISION III

9 NEW BEVERAGE CONTAINERS CONTROL LAW

10 Sec. 29. NEW SECTION. 123B.1 Definitions.

11 As used in this chapter, unless the context otherwise
12 requires:

13 1. a. "Beverage" means any of the following:

14 (1) Wine as defined in section 123.3, subsection 54.

15 (2) Alcoholic liquor as defined in section 123.3,
16 subsection 5.

17 (3) Beer as defined in section 123.3, subsection 7.

18 (4) High alcoholic content beer as defined in section 123.3,
19 subsection 22.

20 (5) Canned cocktail as defined in section 123.3, subsection
21 11.

22 (6) Mineral water, soda water, and similar carbonated soft
23 drinks.

24 (7) Any liquid identified through the use of letters,
25 words, or symbols on its product label as a type of water,
26 including any flavored water or nutritionally enhanced water,
27 in a container greater than or equal to four fluid ounces and
28 less than three liters.

29 (8) Tea or coffee drinks, regardless of dairy-derived
30 content, in a container greater than or equal to four fluid
31 ounces and less than three liters.

32 (9) Juice derived from one or more fruits or vegetables that
33 is intended for direct human consumption and not as a base or
34 additive to any beverage or food, in a container greater than
35 or equal to four fluid ounces and less than three liters.

1 (10) Sports drinks, which are soft drinks designed or
2 marketed for consumption in conjunction with sporting activity
3 or strenuous exercise, and which typically contain electrolytes
4 such as sodium, potassium, and chloride, and a high percentage
5 of sugar to restore energy, in a container greater than or
6 equal to four fluid ounces and less than three liters.

7 (11) Any other liquid that is intended for human consumption
8 and is in a container greater than or equal to four fluid
9 ounces and less than three liters.

10 *b.* For purposes of this chapter, the term "*beverage*"
11 excludes all of the following:

12 (1) A liquid that is a syrup, in a concentrated form,
13 or typically added as a minor flavoring ingredient in food
14 or drink, including but not limited to extracts, cooking
15 additives, sauces, or condiments.

16 (2) A liquid that is a drug, medical food, or infant formula
17 as defined by the federal Food, Drug, and Cosmetic Act, 21
18 U.S.C. §301 et seq.

19 (3) A liquid that is designed and consumed only as a
20 dietary supplement as defined in the Dietary Supplement Health
21 and Education Act of 1994, Pub. L. No. 103-417, and not as a
22 beverage.

23 (4) Instant drink powders.

24 (5) Milk, or any product marketed as a plant-based milk, and
25 all other dairy-derived products, except tea or coffee drinks
26 included in paragraph "*a*", subparagraph (8).

27 2. "*Beverage container*" means any sealed glass, plastic,
28 or metal bottle, can, jar, or carton containing a beverage.
29 "*Beverage container*" does not include foil pouches or drink
30 boxes.

31 3. "*Commission*" means the alcoholic beverages commission
32 established in chapter 123.

33 4. "*Consumer*" means any person who purchases a beverage in a
34 beverage container for use or consumption.

35 5. "*Dealer*" means any person who engages in the sale of

1 beverages in beverage containers to a consumer.

2 6. "*Division*" means the alcoholic beverages division of the
3 department of commerce established in chapter 123.

4 7. "*Redemption center*" means a business that provides one or
5 more facilities at which consumers may return empty beverage
6 containers and receive payment for the refund value of the
7 empty beverage containers.

8 Sec. 30. NEW SECTION. 123B.2 Refund values — recycling
9 — reimbursement.

10 1. a. A refund value of five cents shall be paid by a
11 consumer to a dealer on each beverage container sold in this
12 state by the dealer for consumption off the premises.

13 b. On a monthly basis, a dealer shall submit to the
14 department of revenue, in a form and manner determined by
15 the department, receipts indicating the number of beverage
16 containers sold by the dealer and the five-cent refund value
17 collected for each beverage container sold by the dealer
18 pursuant to paragraph "a". The department of revenue shall
19 credit monthly to the treasurer of state for deposit in the
20 bottle bill deposit fund established in section 123B.11 the
21 refund value collected from dealers under this paragraph.

22 2. a. When a manufacturer transfers beverage containers to
23 a distributor, the manufacturer shall pay to the distributor
24 one-half of one cent per beverage container for each beverage
25 container transferred.

26 b. When a distributor delivers beverage containers to a
27 dealer, the dealer shall pay to the distributor one-half of
28 one cent per beverage container for each beverage container
29 delivered.

30 c. Within fourteen days of providing an invoice to a dealer
31 for beverage containers delivered to the dealer, a distributor
32 shall submit to the department of revenue, in a form and
33 manner determined by the department, receipts indicating the
34 number of beverage containers delivered to the dealer by the
35 distributor and payment in an amount equal to one and one-half

1 cents for each beverage container delivered to the dealer. The
2 department of revenue shall credit monthly to the treasurer of
3 state for deposit in the bottle bill deposit fund established
4 in section 123B.11 the moneys collected from a distributor
5 under this paragraph.

6 3. A consumer may only redeem the refund value by returning
7 a beverage container to a registered redemption center
8 facility. Upon return of the empty beverage container, upon
9 which a refund value has been paid, to a registered redemption
10 center facility and acceptance of the empty beverage container
11 by the redemption center, the redemption center shall pay the
12 amount of the refund value to the consumer within ten days.

13 4. A redemption center shall dispose of beverage containers
14 by transporting or causing the transport of the beverage
15 containers to a recycling site.

16 5. On a monthly basis, a redemption center shall be
17 reimbursed by the division from the bottle bill deposit fund
18 established in section 123B.11 the amount of refund value that
19 the redemption center has paid to consumers and the handling
20 fee. The division shall establish the handling fee by rule
21 in an amount that is three cents per beverage container,
22 except that the handling fee shall be one cent per beverage
23 container for a redemption center that does not provide refund
24 value to consumers in the form of cash at the time of return.
25 The division may establish accuracy standards to account for
26 discrepancies in the weight of recycled material and the number
27 of beverage containers the redemption center claims to have
28 been recycled.

29 **Sec. 31. NEW SECTION. 123B.3 Refusal to accept containers.**

30 A redemption center may refuse to accept any empty beverage
31 container that does not have stated on it a refund value as
32 provided under section 123B.4.

33 **Sec. 32. NEW SECTION. 123B.4 Refund value stated on**
34 **container — exceptions.**

35 1. Each beverage container sold or offered for sale in

1 this state by a dealer shall clearly indicate the refund
2 value of the container by embossing or by a stamp, label, or
3 other method securely affixed to the container. The division
4 shall specify, by rule, the minimum size of the refund value
5 indication on the beverage containers and require registration
6 of the universal product code for each beverage container in a
7 format required by the division.

8 2. A person, except a distributor, shall not import
9 into this state a beverage container that does not have
10 securely affixed to the container the refund value indication.
11 This subsection does not apply under any of the following
12 circumstances:

13 a. For beverage containers containing alcoholic liquor as
14 defined in section 123.3, subsection 5, the total capacity of
15 the containers is not more than one quart or, in the case of
16 alcoholic liquor personally obtained outside the United States,
17 one gallon.

18 b. For beverage containers containing beer as defined
19 in section 123.3, subsection 7, the total capacity of the
20 containers is not more than two hundred eighty-eight fluid
21 ounces.

22 c. For all other beverage containers, the total capacity of
23 the containers is not more than five hundred seventy-six fluid
24 ounces.

25 3. Subsections 1 and 2 do not apply to a refillable glass
26 beverage container that has a brand name permanently marked
27 on it and that has a refund value of five cents, to any other
28 refillable beverage container that has a refund value of five
29 cents and that is exempted by rules adopted by the commission,
30 or to a beverage container sold aboard a commercial airliner or
31 passenger train for consumption on the premises.

32 Sec. 33. NEW SECTION. 123B.5 **Redemption centers.**

33 1. To facilitate the return of empty beverage containers,
34 any person may register with the division to establish a
35 redemption center facility at which consumers may return empty

1 beverage containers and receive payment of the refund value of
2 such beverage containers.

3 2. a. Written notice of the operation of a redemption
4 center facility shall be filed with the division. The notice
5 shall include the information listed in paragraph "b". Upon
6 filing a proper notice, the redemption center facility shall be
7 considered registered for purposes of this chapter.

8 b. A notice filed under paragraph "a" shall be considered
9 proper if it includes all of the following:

10 (1) The name, address, and telephone number of the
11 redemption center facility.

12 (2) The name, address, and telephone number of the person or
13 persons responsible for the establishment and operation of the
14 redemption center facility.

15 (3) An indication that the redemption center facility will
16 accept all kinds, sizes, and brands of beverage containers
17 sold by all dealers within five miles of the redemption center
18 facility if the redemption center facility is in a county
19 with a population of more than thirty thousand or sold by all
20 dealers within ten miles of the redemption center facility if
21 the redemption center facility is in a county with a population
22 of thirty thousand or fewer.

23 (4) The names and addresses of the distributors whose
24 beverage containers will be redeemed.

25 (5) The hours during which the redemption center will be
26 open.

27 (6) An indication that the redemption center facility will
28 be in operation and open to the public for the redemption of
29 beverage containers at least twenty hours per week, four hours
30 of which shall be between the hours of 6:00 p.m. and 10:00 p.m.
31 or on Saturday or Sunday, or a combination thereof.

32 Sec. 34. NEW SECTION. 123B.6 Rules.

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

1 Sec. 35. NEW SECTION. **123B.7 Penalties.**

2 1. Except as provided in subsection 2, any person violating
3 the provisions of section 123B.2 or 123B.4, or a rule adopted
4 under this chapter, shall be guilty of a simple misdemeanor.

5 2. Any person who does any of the following acts is guilty
6 of a fraudulent practice under chapter 714:

7 a. Collects or attempts to collect the refund value on a
8 beverage container a second time, with the knowledge that the
9 refund value has once been paid by the redemption center to a
10 consumer.

11 b. Manufactures, sells, possesses, or applies a false or
12 counterfeit label or indication that shows or purports to show
13 a refund value for a beverage container, with intent to use the
14 false or counterfeit label or indication.

15 c. Collects or attempts to collect a refund value on
16 a container with the use of a false or counterfeit label
17 or indication showing a refund value, knowing the label or
18 indication to be false or counterfeit.

19 d. Intentionally submits to the division a request for
20 reimbursement of refund value that does not accurately reflect
21 the number of beverage containers collected and recycled by a
22 redemption center for the period that the redemption center
23 seeks reimbursement.

24 3. As used in this section, "*a false or counterfeit label*
25 *or indication*" means a label or indication purporting to show
26 a valid refund value that has not been initially applied as
27 authorized by a distributor.

28 4. Subsection 2, paragraph "a", does not apply to empty
29 beverage containers that are intended to be refillable
30 and are in a standard of condition to be refillable by the
31 manufacturer, notwithstanding any standard for sanitization.

32 5. A person who violates any provision of this chapter
33 shall be subject to a civil penalty that shall be established,
34 assessed, and collected by the division by rule, but shall not
35 exceed two thousand dollars per violation, except as provided

1 in section 123B.10. Any civil penalty collected under this
2 chapter shall be deposited in the general fund of the state.

3 **Sec. 36. NEW SECTION. 123B.8 Administrative enforcement —**
4 **compliance orders.**

5 1. The administrator of the division may issue any order
6 necessary to secure compliance with or prevent a violation of
7 the provisions of this chapter or any rule adopted or permit
8 or order issued pursuant to this chapter. The person to whom
9 the compliance order is issued may cause to be commenced a
10 contested case within the meaning of chapter 17A by filing
11 within thirty days a notice of appeal to the commission. On
12 appeal, the commission may affirm, modify, or vacate the order
13 of the administrator of the division.

14 2. If a person continues an alleged violation during the
15 appeals process and the commission affirms that the person has
16 committed a violation, the division may assess penalties for
17 each day the violation continued through the appeals process.

18 **Sec. 37. NEW SECTION. 123B.9 Judicial review.**

19 Judicial review of any order or other action of the
20 commission or administrator of the division may be sought in
21 accordance with the terms of chapter 17A. Notwithstanding the
22 terms of chapter 17A, petitions for judicial review may be
23 filed in the district court of the county in which the alleged
24 offense was committed.

25 **Sec. 38. NEW SECTION. 123B.10 Civil actions for compliance**
26 **— penalties.**

27 1. The attorney general, on request of the division, shall
28 institute any legal proceedings necessary to obtain compliance
29 with an order of the commission or the administrator of the
30 division, including proceedings for a temporary injunction,
31 or prosecuting any person for a violation of an order of
32 the commission or the administrator of the division or the
33 provisions of this chapter or any rules adopted or permit or
34 order issued pursuant to this chapter.

35 2. Any person who violates an order issued pursuant to

1 section 123B.8 shall be subject to a civil penalty, not to
2 exceed two thousand five hundred dollars for each day of such
3 violation.

4 Sec. 39. NEW SECTION. 123B.11 Refund value payment program
5 — fund created.

6 1. The division shall establish and administer a refund
7 value payment program. The purpose of the program shall be
8 to administer payments of refund value and handling fees to
9 redemption centers after the redemption centers accept empty
10 beverage containers from consumers. The program shall be
11 administered in accordance with rules adopted by the commission
12 pursuant to chapter 17A.

13 2. A bottle bill deposit fund is established in the state
14 treasury under the control of the division. The fund shall
15 consist of moneys deposited in the fund pursuant to section
16 123B.2 and any other moneys appropriated to or deposited in
17 the fund. Moneys in the fund are appropriated to the division
18 for purposes designated in subsection 4. Notwithstanding
19 section 8.33, moneys in the fund that remain unencumbered or
20 unobligated at the close of a fiscal year shall not revert
21 but shall remain available for expenditure for the purposes
22 designated. Notwithstanding section 12C.7, subsection 2,
23 interest or earnings on moneys in the fund shall be credited
24 to the fund.

25 3. A bottle bill cash reserve account is established
26 within the bottle bill deposit fund. Moneys in the bottle
27 bill deposit fund on July 1, 2025, shall be deposited in the
28 account. The division shall use moneys in the account in the
29 event that the other moneys in the bottle bill deposit fund
30 are insufficient to issue reimbursement and handling fees
31 to redemption centers. At the end of each fiscal year, the
32 account shall be replenished to the original amount deposited
33 on July 1, 2025, from the other moneys in the bottle bill
34 deposit fund if such other moneys are available.

35 4. Moneys in the fund shall be used by the division for all

1 of the following purposes:

2 *a.* Issuing reimbursement of refund value to a redemption
3 center after the redemption center accepts empty beverage
4 containers from and pays the refund value to a consumer.

5 *b.* Issuing the handling fee to a redemption center for each
6 beverage container that a redemption center accepts from a
7 consumer.

8 *c.* Covering administrative costs to administer the refund
9 value payment program in an amount determined by the commission
10 by rule.

11 *d.* Providing grants to expand redemption capacity in
12 underserved areas.

13 *e.* Providing grants to nonprofit organizations to engage in
14 litter collection in public areas.

15 *f.* Providing reimbursement for actual and necessary expenses
16 incurred by members of the committee established in section
17 123B.12 in the performance of their duties.

18 *g.* Replenishing the bottle bill cash reserve account when
19 necessary.

20 Sec. 40. NEW SECTION. 123B.12 **Bottle bill advisory**
21 **committee.**

22 1. The division shall establish a bottle bill advisory
23 committee. The division shall determine by rule how many
24 members shall serve on the committee and the length of terms
25 for the members. The committee shall include at least one
26 member involved in the manufacturing of beverages, one member
27 involved in the distribution of beverage containers, one
28 member involved in the sale of beverage containers, one member
29 involved in the redemption of beverage containers, one member
30 involved in the recycling of beverage containers, and one
31 member representing consumer interests.

32 2. The members of the committee shall be reimbursed for
33 actual and necessary expenses incurred in the performance of
34 their duties. Expenses shall be paid by the division from the
35 bottle bill deposit fund created in section 123B.11.

1 3. The committee shall meet at least once each year to
2 review the status of the beverage containers control law
3 as provided in this chapter. The committee shall submit
4 any recommended changes to the division and to the general
5 assembly.

6 Sec. 41. NEW SECTION. 123B.13 Auditing.

7 The auditor of state may establish rules to allow for
8 periodic auditing of entities receiving moneys under section
9 123B.11, subsection 4.

10 Sec. 42. NEW SECTION. 455D.9B Disposal of beverage
11 containers at sanitary landfill prohibited.

12 The final disposal of beverage containers, as defined in
13 section 123B.1, including the final disposal of beverage
14 containers that used to contain alcoholic liquor as defined in
15 section 123.3, subsection 5, by a redemption center, as defined
16 in section 123B.1, in a sanitary landfill is prohibited.

17 Sec. 43. EFFECTIVE DATE. This division of this Act takes
18 effect January 1, 2024.>

19 2. Title page, by striking lines 1 through 5 and inserting
20 <An Act relating to the applicability of the beverage
21 containers control program, including the redemption and
22 handling of beverage containers, providing penalties, making
23 appropriations, and including effective date and transition
24 provisions.>

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