

House Amendment to
Senate File 2378

S-5127

1 Amend Senate File 2378, as amended, passed, and reprinted by
2 the Senate, as follows:

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

5 <Section 1. Section 22.7, Code 2022, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. 75. Identifying information submitted
8 to the department of revenue from a distributor pursuant to
9 section 455C.2, subsection 2, paragraph "b". However, this
10 subsection shall not be construed to prohibit the dissemination
11 of aggregated information that does not identify a specific
12 distributor.

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

15 1. "Beverage" means wine as defined in section 123.3,
16 subsection 54, alcoholic liquor as defined in section 123.3,
17 subsection 5, beer as defined in section 123.3, subsection
18 7, high alcoholic content beer as defined in section 123.3,
19 subsection 22, canned cocktail as defined in section 123.3,
20 subsection 11, mineral water, soda water, and similar
21 carbonated soft drinks in liquid form and intended for human
22 consumption.

23 6. "Dealer agent" means a person who solicits or picks up
24 empty beverage containers ~~from a dealer~~ for the purpose of
25 returning the empty beverage containers to a distributor or
26 manufacturer.

27 Sec. 3. Section 455C.1, Code 2022, is amended by adding the
28 following new subsections:

29 NEW SUBSECTION. 11A. "Mobile redemption system" means a
30 redemption center location at which a consumer may return empty
31 beverage containers on which a refund value has been paid that
32 uses innovative technology to process empty beverage containers
33 and return the amount of the refund value to consumers.

34 NEW SUBSECTION. 12A. "Participating dealer" means a dealer
35 who accepts the return of empty beverage containers from a

1 consumer.

2 Sec. 4. Section 455C.2, Code 2022, is amended to read as
3 follows:

4 **455C.2 Refund values.**

5 1. A refund value of ~~not less than~~ five cents shall be paid
6 by the consumer on each beverage container sold in this state
7 by a dealer for consumption off the premises. Upon return of
8 the empty beverage container upon which a refund value has
9 been paid to ~~the~~ a participating dealer or person operating
10 a redemption center and acceptance of the empty beverage
11 container by the participating dealer or person operating a
12 redemption center, the participating dealer or person operating
13 a redemption center shall return the amount of the refund value
14 to the consumer within a reasonable time not to exceed ten
15 days.

16 2. a. In addition to the refund value provided in
17 subsection ~~1 of this section~~, ~~a dealer, or person operating a~~
18 ~~redemption center who redeems empty beverage containers or a~~
19 ~~dealer agent shall be reimbursed by the distributor required~~
20 ~~to accept the empty beverage containers~~ under section 455C.3
21 shall provide reimbursement in an amount which that is one
22 cent per container for containers accepted from a dealer agent
23 and three cents per container for containers accepted from a
24 participating dealer or redemption center. A dealer, dealer
25 agent, or ~~person operating a~~ redemption center may compact
26 empty metal beverage containers with the approval of the
27 distributor required to accept the containers.

28 b. A distributor who pays a handling fee for beverage
29 containers that used to contain beer, including high-alcoholic
30 content beer, may claim a refund of the barrel tax established
31 in section 123.136 paid by the distributor in the amount of one
32 cent for each such beverage container accepted. The department
33 of revenue shall prescribe forms for a distributor to use to
34 claim a refund under this paragraph. Identifying information
35 collected by the department of revenue pursuant to this

1 paragraph that can be used to identify a specific distributor
2 shall be considered confidential information pursuant to
3 section 22.7, subsection 75.

4 Sec. 5. Section 455C.3, subsections 1, 2, and 4, Code 2022,
5 are amended to read as follows:

6 1. A participating dealer shall not refuse to accept from a
7 consumer any empty beverage container of the kind, size, and
8 brand sold by the participating dealer, or refuse to pay to the
9 consumer the refund value of a beverage container as provided
10 under [section 455C.2](#).

11 2. A distributor shall accept and pick up from a
12 participating dealer served by the distributor or a redemption
13 center for a dealer served by the distributor at least weekly,
14 or when the distributor delivers the beverage product if
15 deliveries are less frequent than weekly, any empty beverage
16 container of the kind, size, and brand sold by the distributor,
17 and shall pay to the participating dealer or ~~person operating~~
18 a redemption center the refund value of a beverage container
19 and the reimbursement as provided under [section 455C.2](#) within
20 one week following pickup of the containers or when the
21 participating dealer or ~~redemption center~~ normally pays the
22 distributor for the deposit on beverage products purchased from
23 the distributor if less frequent than weekly. A distributor
24 or employee or agent of a distributor is not in violation
25 of [this subsection](#) if a redemption center is closed when the
26 distributor attempts to make a ~~regular delivery or~~ a regular
27 pickup of empty beverage containers. [This subsection](#) does
28 not apply to a distributor selling alcoholic liquor to the
29 alcoholic beverages division of the department of commerce.

30 4. A distributor shall accept from a dealer agent any
31 empty beverage container of the kind, size, and brand sold by
32 the distributor and ~~which~~ that was picked up by the dealer
33 agent ~~from a dealer~~ within the geographic territory served
34 by the distributor and the distributor shall pay the dealer
35 agent the refund value of the empty beverage container and the

1 reimbursement as provided in [section 455C.2](#).

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

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

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

10 2. a. A dealer may refuse to accept and to pay the
11 refund value of any empty beverage container if ~~the place of~~
12 ~~business of the dealer and the kind and brand of empty beverage~~
13 ~~containers are included in an order of the department approving~~
14 ~~a redemption center under [section 455C.6](#)~~ any of the following
15 apply:

16 (1) The dealer holds a food establishment license under
17 chapter 137F to prepare or serve food, has a certified food
18 protection manager as required by the 2017 United States food
19 and drug administration food code and supplement, and sells
20 time/temperature control for safety food as defined in section
21 137F.2.

22 (2) The dealer has entered an agreement with an approved
23 redemption center for the operation of a mobile redemption
24 system and all of the following apply:

25 (a) The dealer provides adequate space, utilities, and
26 internet connection to operate the mobile redemption system.

27 (b) The agreement does not require additional payment to the
28 dealer or the mobile redemption system.

29 (3) The dealer's place of business is in a county with a
30 population of more than thirty thousand and within ten miles
31 of an approved redemption center or if the dealer's place of
32 business is in a county with a population of thirty thousand
33 or fewer and within fifteen miles of an approved redemption
34 center.

35 b. A dealer who refuses to accept and to pay the refund

1 value on any empty beverage container pursuant to this
2 subsection shall conspicuously display on the front door of
3 the dealer's place of business a notice that the dealer does
4 not accept empty beverage containers. The notice shall also
5 provide the location of the nearest approved redemption center
6 to the dealer's place of business. After the department has
7 made available an electronic method for locating approved
8 redemption centers pursuant to paragraph "c", a dealer may
9 direct consumers to such electronic method instead of providing
10 the location of the nearest approved redemption center on the
11 notice.

12 c. The department shall make available to the public an
13 electronic method of locating approved redemption centers.

14 d. A dealer who provides space for a mobile redemption
15 system pursuant to paragraph "a", subparagraph (2), shall not be
16 considered to be in violation of any county or city ordinance
17 that would otherwise limit the ability of the dealer to provide
18 such space as long as the mobile redemption system operates
19 in a location that is not zoned primarily for residential
20 purposes.

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

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

34 ~~5.~~ 4. A manufacturer or distributor may refuse to accept
35 and to pay the refund value and reimbursement as provided in

1 section 455C.2 on any empty beverage container that was picked
2 up by a dealer agent ~~from a dealer~~ outside the geographic
3 territory served by the manufacturer or distributor.

4 Sec. 7. Section 455C.5, subsection 1, Code 2022, is amended
5 to read as follows:

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

13 b. The department of revenue shall require the registration
14 of the universal product code for each beverage container
15 using a method of registration determined by the department of
16 revenue.

17 Sec. 8. Section 455C.6, subsection 1, Code 2022, is amended
18 to read as follows:

19 1. To facilitate the return of empty beverage containers
20 and to serve dealers of beverages, any person may establish a
21 redemption center, subject to the approval of the department,
22 at which consumers may return empty beverage containers
23 and receive payment of the refund value of such beverage
24 containers. A participating dealer may act as a redemption
25 center for purposes of this chapter.

26 Sec. 9. Section 455C.12, subsections 2 and 3, Code 2022, are
27 amended to read as follows:

28 2. A distributor who collects or attempts to collect
29 a refund value on an empty beverage container when the
30 distributor has paid the refund value on the container to a
31 participating dealer, redemption center, or consumer is guilty
32 of a fraudulent practice.

33 3. Any person who does any of the following acts is guilty
34 of a fraudulent practice:

35 a. Collects or attempts to collect the refund value on the

1 container a second time, with the knowledge that the refund
2 value has once been paid by the distributor to a participating
3 dealer, redemption center, or consumer.

4 *b.* Manufactures, sells, possesses, or applies a false or
5 counterfeit label or indication ~~which~~ that shows or purports to
6 show a refund value for a beverage container, with intent to
7 use the false or counterfeit label or indication.

8 *c.* Collects or attempts to collect a refund value on
9 a container with the use of a false or counterfeit label
10 or indication showing a refund value, knowing the label or
11 indication to be false or counterfeit.

12 Sec. 10. Section 455C.12, Code 2022, is amended by adding
13 the following new subsections:

14 NEW SUBSECTION. 6. A person who knowingly attempts to
15 redeem a beverage container that is not properly marked as
16 required by section 455C.5, subsection 1, shall be subject to a
17 civil penalty not to exceed ten dollars per improperly marked
18 beverage container, but not to exceed five thousand dollars
19 total per attempted transaction.

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

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

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

1 commission may affirm, modify, or vacate the order of the
2 director.

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

4 Judicial review of any order or other action of the
5 commission or director may be sought in accordance with the
6 terms of chapter 17A. Notwithstanding the terms of chapter
7 17A, petitions for judicial review may be filed in the district
8 court of the county in which the alleged offense was committed.

9 Sec. 13. NEW SECTION. **455C.12C Civil actions for compliance**
10 **— penalties.**

11 1. The attorney general, on request of the department, shall
12 institute any legal proceedings necessary to obtain compliance
13 with an order of the commission or the director, including
14 proceedings for a temporary injunction, or prosecuting any
15 person for a violation of an order of the commission or the
16 director, the provisions of this chapter, or any rules adopted
17 or permit or order issued pursuant to this chapter.

18 2. Any person who violates any order issued pursuant to
19 section 455C.12A shall be subject to a civil penalty not to
20 exceed two thousand dollars for each day of such violation.

21 Sec. 14. NEW SECTION. **455C.12D Bottle bill fund.**

22 A bottle bill fund is established in the state treasury
23 under the control of the department. The fund shall consist
24 of moneys deposited in the fund pursuant to section 455C.12,
25 subsection 7, and any other moneys appropriated to or deposited
26 in the fund. Moneys in the fund are appropriated to the
27 department for purposes of administering and enforcing this
28 chapter, including reimbursing the attorney general for costs
29 incurred by the attorney general in enforcing this chapter.
30 Notwithstanding section 8.33, moneys in the fund that remain
31 unencumbered or unobligated at the close of a fiscal year shall
32 not revert but shall remain available for expenditure for the
33 purposes designated. Notwithstanding section 12C.7, subsection
34 2, interest or earnings on moneys in the fund shall be credited
35 to the fund.

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

3 **455C.13 ~~Distributors'~~ Collection and disposal agreements**
4 **authorized.**

5 1. A distributor, dealer, or redemption center may enter
6 into a contract or agreement with any other distributor,
7 manufacturer, or person for the purpose of collecting or ~~paying~~
8 ~~the refund value on,~~ or disposing of, beverage containers as
9 provided in this chapter.

10 2. For purposes of this chapter, any contracts entered into
11 pursuant to this section for the collection or disposal of
12 empty beverage containers shall not be deemed to interfere with
13 the refund value pursuant to section 455C.2.

14 Sec. 16. Section 455C.16, Code 2022, is amended to read as
15 follows:

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

18 ~~Beginning July 1, 1990, the~~ The final disposal of beverage
19 containers ~~by a dealer, distributor, or manufacturer, or~~
20 ~~person operating a redemption center, in a sanitary landfill,~~
21 ~~is prohibited. Beginning September 1, 1992, including the~~
22 final disposal of beverage containers that used to contain
23 alcoholic liquor as defined in section 123.3, subsection 5,
24 by a participating dealer, distributor, ~~or~~ manufacturer, or
25 ~~person operating a redemption center in a sanitary landfill,~~
26 is prohibited.

27 Sec. 17. NEW SECTION. **455C.18 Unclaimed refund value and**
28 **handling fees.**

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

33 Sec. 18. **LEGISLATIVE FISCAL COMMITTEE REVIEW.**

34 1. The legislative fiscal committee established in section
35 2.45 shall hold a meeting during the legislative interim

1 immediately preceding the 2026 regular legislative session.
2 During the meeting, the committee shall review the enforcement
3 of chapter 455C by the department of natural resources,
4 including the collection of civil penalties, the report
5 submitted by the attorney general pursuant to subsection 2,
6 whether and how many redemption centers have been approved
7 by the department, the adequacy of the reimbursement amount
8 under section 455C.2, and any other information the committee
9 deems important. The committee shall submit a report of its
10 findings and recommendations to the general assembly no later
11 than January 31, 2026.

12 2. The attorney general shall submit a report to the
13 general assembly prior to the legislative fiscal committee's
14 meeting under subsection 1. The report shall detail any legal
15 proceedings arising under chapter 455C since January 1, 2023.

16 Sec. 19. REFUSAL TO ACCEPT BEVERAGE CONTAINERS.

17 1. A dealer may refuse to accept beverage containers before
18 January 1, 2023, if any of the following apply:

19 a. The dealer has entered an agreement with an approved
20 redemption center for the operation of a mobile redemption
21 system and all of the following apply:

22 (1) The dealer provides adequate space, utilities, and
23 internet connection to operate the mobile redemption system.

24 (2) The agreement does not require additional payment to the
25 dealer or the mobile redemption system.

26 b. The dealer's place of business is in a county with a
27 population of more than thirty thousand and within ten miles
28 of an approved redemption center or if the dealer's place of
29 business is in a county with a population of thirty thousand
30 or fewer and within fifteen miles of an approved redemption
31 center.

32 2. A dealer who refuses to accept beverage containers
33 pursuant to this section shall conspicuously display on the
34 front door of the dealer's place of business a notice that
35 the dealer does not accept empty beverage containers. The

1 notice shall also provide the location of the nearest approved
2 redemption center to the dealer's place of business.

3 Sec. 20. EFFECTIVE DATE.

4 1. Except as provided in subsections 2 or 3, this Act takes
5 effect January 1, 2023.

6 2. The section of this Act amending section 455C.5,
7 subsection 1, takes effect November 15, 2023.

8 3. The section of this Act allowing a dealer to refuse to
9 accept beverage containers before January 1, 2023, being deemed
10 of immediate importance, takes effect upon enactment.>

11 2. Title page, by striking lines 1 through 4 and inserting
12 <An Act relating to beverage containers control provisions,
13 including handling fees, refund value, applicability to certain
14 beverages, and acceptance of beverage containers, providing
15 penalties, and including effective date provisions.>