

HOUSE FILE _____
BY PAUSTIAN

A BILL FOR

1 An Act providing for the repeal of the beverage containers
2 control program, and including effective date provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

BEVERAGE CONTAINER DEPOSIT REPEAL

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35

Section 1. Section 123.26, Code 2021, is amended to read as follows:

123.26 Restrictions on sales — seals — labeling.

Alcoholic liquor shall not be sold by a class "E" liquor control licensee except in a sealed container with identifying markers as prescribed by the administrator and affixed in the manner prescribed by the administrator, and no such container shall be opened upon the premises of a state warehouse. ~~The division shall cooperate with the department of natural resources so that only one identifying marker or mark is needed to satisfy the requirements of this section and section 455C.5, subsection 1.~~ Possession of alcoholic liquors which that do not carry the prescribed identifying markers is a violation of this chapter except as provided in section 123.22.

Sec. 2. Section 123.187, subsection 3, paragraph e, Code 2021, is amended by striking the paragraph.

Sec. 3. Section 455C.1, subsection 1, Code 2021, is amended to read as follows:

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

Sec. 4. Section 455C.2, subsection 1, Code 2021, is amended to read as follows:

1. ~~A refund value of not less than 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 an empty beverage container upon which a refund value has been paid to the a dealer or person operating a redemption~~

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

5 Sec. 5. REPEAL. Sections 455C.5, 455C.6, 455C.7, and
6 455C.10, Code 2021, are repealed.

7 Sec. 6. EFFECTIVE DATE. This division of this Act, being
8 deemed of immediate importance, takes effect upon enactment.

9 DIVISION II

10 BEVERAGE CONTAINER REDEMPTION REPEAL

11 Sec. 7. Section 123.24, subsection 2, paragraph d, Code
12 2021, is amended to read as follows:

13 *d.* A bottle surcharge in an amount sufficient, ~~when~~
14 ~~added to the amount not refunded to class "E" liquor control~~
15 ~~licensees pursuant to section 455C.2,~~ to pay the costs incurred
16 by the division for collecting and properly disposing of the
17 liquor containers. The amount collected pursuant to this
18 paragraph, ~~in addition to any amounts not refunded to class "E"~~
19 ~~liquor control licensees pursuant to section 455C.2,~~ shall be
20 deposited in the beer and liquor control fund established under
21 section 123.17.

22 Sec. 8. Section 423.6, subsection 3, paragraph a, Code 2020,
23 is amended to read as follows:

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

31 Sec. 9. Section 455A.6, subsection 6, paragraph d, Code
32 2021, is amended to read as follows:

33 *d.* Approve the budget request prepared by the director
34 for the programs authorized by chapters 455B, 455C, 455E,
35 455F, 455H, and 459, subchapters II and III. The commission

1 shall approve the budget request prepared by the director for
2 programs subject to the rulemaking authority of the commission.
3 The commission may increase, decrease, or strike any item
4 within the department budget request for the specified programs
5 before granting approval.

6 Sec. 10. Section 455C.1, subsections 3, 4, 6, 7, 8, 10, and
7 12, Code 2021, are amended by striking the subsections.

8 Sec. 11. REPEAL. Sections 455C.2, 455C.3, 455C.4, 455C.9,
9 455C.12, 455C.13, and 455C.14, Code 2021, are repealed.

10 Sec. 12. EFFECTIVE DATE. This division of this Act takes
11 effect six months after enactment.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This bill provides for the repeal of the beverage containers
16 control program, commonly referred to as the "bottle bill".

17 Under current law, when a distributor sells beverages in
18 eligible containers to a dealer, the distributor adds 5 cents
19 per eligible container to the sale price. When a dealer sells
20 beverages in eligible containers to a consumer, the dealer
21 charges the 5-cent deposit on each beverage container. A
22 consumer can take eligible beverage containers to a dealer,
23 dealer agent, or redemption center and receive a 5-cent
24 refund for every eligible beverage container that the consumer
25 returns. A distributor collects eligible containers from a
26 dealer, dealer agent, or redemption center, at which time
27 the distributor pays the dealer, dealer agent, or redemption
28 center 5 cents per eligible container plus a handling fee of an
29 additional 1 cent per empty container.

30 Upon enactment, the bill strikes the provision of the
31 beverage containers control program that requires a dealer to
32 charge a consumer the refund value for each beverage container.
33 Six months thereafter, the provisions of the program that
34 allow a consumer to return beverage containers in exchange
35 for the refund value and that allow a dealer or a person

H.F. _____

1 operating a redemption center to return beverage containers to
2 a distributor in exchange for the refund value and handling fee
3 are repealed.

4 The bill amends various Code provisions to conform with
5 changes to the beverage containers control program as changes
6 to the program become effective.