

**House File 181 - Introduced**

HOUSE FILE 181

BY MCKEAN

**A BILL FOR**

1 An Act relating to the applicability of beverage containers  
2 control provisions and the handling fees pursuant to those  
3 provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 455C.1, subsections 1 and 2, Code 2019,  
2 are amended to read as follows:

3 1. a. "Beverage" means wine all of the following:

4 (1) Wine as defined in section 123.3, subsection 48,  
5 alcoholic.

6 (2) Alcoholic liquor or intoxicating liquor as defined in  
7 section 123.3, subsection 5, beer.

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

9 (4) Mineral water, soda water and similar carbonated soft  
10 drinks in liquid form and intended for human consumption.

11 (5) Any liquid identified through the use of letters,  
12 words, or symbols on its product label as a type of water,  
13 including any flavored water or nutritionally enhanced water,  
14 in a container more than or equal to four fluid ounces and less  
15 than three liters.

16 (6) Tea and coffee drinks, regardless of dairy-derived  
17 content, in a container more than or equal to four fluid ounces  
18 and less than three liters.

19 (7) Any other liquid that is intended for human consumption  
20 and is in a container more than or equal to four fluid ounces  
21 and less than three liters.

22 b. For the purpose of this chapter, the term "beverage"  
23 excludes the following:

24 (1) A liquid that is a syrup, in a concentrated form, or  
25 typically added as a minor flavoring ingredient in food or  
26 drink, such as but not limited to extracts, cooking additives,  
27 sauces, or condiments, and has more than twenty percent juice  
28 content.

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

32 (3) A liquid that is designed and consumed only as a dietary  
33 supplement and not as a beverage as defined in the Dietary  
34 Supplement Health and Education Act of 1994, Pub. L. No.  
35 103-417.

1     (4) Instant drink powders.

2     (5) Milk, or any product marketed as a plant-based milk,  
3 and all other dairy-derived products, except tea and coffee  
4 drinks included in paragraph "a", subparagraph (6), of this  
5 subsection.

6     2. "*Beverage container*" means any sealed glass, plastic,  
7 or metal bottle, or can, jar or carton containing a beverage.  
8 "Beverage container" does not include jars, cartons, foil  
9 pouches, and drink boxes.

10     Sec. 2. Section 455C.2, subsection 2, Code 2019, is amended  
11 to read as follows:

12     2. In addition to the refund value provided in subsection  
13 1 of [this section](#), a dealer, or person operating a redemption  
14 center who redeems empty beverage containers or a dealer agent  
15 shall be reimbursed by the distributor required to accept the  
16 empty beverage containers an amount which is ~~one-cent~~ two cents  
17 per container. A dealer, dealer agent, or person operating a  
18 redemption center may compact empty metal beverage containers  
19 with the approval of the distributor required to accept the  
20 containers.

21

#### EXPLANATION

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

24     Current law limits beverage containers subject to beverage  
25 containers control deposit and refund provisions to any sealed  
26 glass, plastic, or metal bottle, can, jar, or carton holding  
27 wine, alcoholic liquor, beer, mineral water, soda water, and  
28 carbonated soft drinks. When a distributor sells beverages in  
29 eligible containers to a dealer, the distributor attaches an  
30 extra 5 cents per eligible container to the sale price. When a  
31 dealer sells beverages in eligible containers to a consumer,  
32 the dealer passes on the 5-cent deposit to the sale price. A  
33 consumer can take eligible beverage containers to a dealer,  
34 dealer agent, or a redemption center and receive a 5-cent  
35 refund for every eligible beverage container that the consumer

1 returns. A distributor collects eligible containers from a  
2 dealer, dealer agent, or redemption center, at which time  
3 the distributor pays the dealer, dealer agent, or redemption  
4 center 5 cents per eligible container plus a handling fee of an  
5 additional 1 cent per empty container.

6 This bill expands the definition of "beverage" and excludes  
7 certain substances from that definition. The bill removes jars  
8 and cartons from the definition of "beverage container" and  
9 instead excludes jars, cartons, foil pouches, and drink boxes.  
10 The bill also increases the handling fee that a dealer, dealer  
11 agent, or redemption center will charge a distributor from 1  
12 cent to 2 cents.