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:
Section 1. Section 455C.1, subsections 1 and 2, Code 2018, are amended to read as follows:

1. a. “Beverage” means:

    (1) Wine as defined in section 123.3, subsection 47.
    (2) Alcoholic liquor or intoxicating liquor as defined in section 123.3, subsection 5.
    (3) Beer as defined in section 123.3, subsection 7.
    (4) Mineral water, soda water, and similar carbonated soft drinks in liquid form and intended for human consumption.

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

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

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

b. For the purpose of this chapter, the term “beverage” excludes the following:

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

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

    (3) A liquid that is designed and consumed only as a dietary supplement and not as a beverage as defined in the Dietary Supplement Health and Education Act of 1994, Pub. L. No. 103-417.
(4) Instant drink powders.
(5) Milk, or any product marketed as a plant-based milk, and all other dairy-derived products, except tea and coffee drinks included in paragraph "a", subparagraph (6), of this subsection.

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

Sec. 2. Section 455C.2, subsection 2, Code 2018, is amended to read as follows:

2. In addition to the refund value provided in subsection 1 of this section, a dealer, or person operating a redemption center who redeems empty beverage containers or a dealer agent shall be reimbursed by the distributor required to accept the empty beverage containers an amount which is one-cent two cents per container. A dealer, dealer agent, or person operating a redemption center may compact empty metal beverage containers with the approval of the distributor required to accept the containers.

EXPLANATION

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

Current law limits beverage containers subject to beverage containers control deposit and refund provisions to any sealed glass, plastic, or metal bottle, can, jar, or carton holding wine, alcoholic liquor, beer, mineral water, soda water, and carbonated soft drinks. When a distributor sells beverages in eligible containers to a dealer, the distributor attaches an extra 5 cents per eligible container to the sale price. When a dealer sells beverages in eligible containers to a consumer, the dealer passes on the 5-cent deposit to the sale price. A consumer can take eligible beverage containers to a dealer, dealer agent, or a redemption center and receive a 5-cent refund for every eligible beverage container that the consumer
1 returns. A distributor collects eligible containers from a
dealer, dealer agent, or redemption center, at which time
the distributor pays the dealer, dealer agent, or redemption
center 5 cents per eligible container plus a handling fee of an
additional 1 cent per empty container.
This bill expands the definition of "beverage" and excludes
certain substances from that definition. The bill removes jars
and cartons from the definition of "beverage container" and
instead excludes jars, cartons, foil pouches, and drink boxes.
The bill also increases the handling fee that a dealer, dealer
agent, or redemption center will charge a distributor from 1
cent to 2 cents.