

## MEMORANDUM

**To:** Redemption Centers, Dealers, and County Attorneys

**From:** Iowa Department of Natural Resources

**Date:** April 18, 2006

**Re: Reimbursing Only 4 Cents is Illegal and Container Limits**

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The Department of Natural Resources has received many telephone calls, e-mails, and letters from consumers, redemption center operators, dealers, and the media asking whether redemption centers can reimburse consumers less than the full refund amount on a redeemed beverage container.

Redemption centers and dealers (stores) are **required to provide the full refund amount to consumers**. Code of Iowa chapter 455C.2(1) clearly states that the consumer must receive the full refund amount.

455C.2(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 empty beverage container upon which a refund value has been paid to the dealer or person operating a redemption center and acceptance of the empty beverage container by the dealer or person operating a redemption center, **the dealer or person operating a redemption center shall return the amount of the refund value to the consumer.**

Any dealer or redemption center not paying the full refund amount is in violation of the law and is subject to criminal penalties as described in Code of Iowa chapter 455C.12 and withdrawal of any Department issued approval orders in accordance with Iowa Code chapter 455C.6.

The Department has also received complaints and questions regarding the legality of redemption centers and dealers to limit the number of containers a consumer can redeem. All dealers (stores) are required by Code of Iowa chapter 455C.2 and 455C.3 to accept from consumers any empty beverage container of the kind, size, and brand sold by the dealer unless the dealer has been exempted by the Department of Natural Resources. **All dealers, including convenience stores, are required to accept at least 120 containers per person per 24-hour period.** Any dealer limiting consumers to less than 120 containers is in violation of Iowa Administrative Code chapter 107.8(5), is in violation of the Code of Iowa and is subject to criminal penalties. A list of department approved redemption centers and therefore, currently exempt dealers is online at [www.iowadnr.com/waste/recycling/files/approvecounty.pdf](http://www.iowadnr.com/waste/recycling/files/approvecounty.pdf)

Redemption centers are required to accept at least 500 containers per person per 24-hour period. Any redemption center limiting consumers to less than 500 containers is in violation of Iowa law and is subject to criminal penalties and withdrawal of any Department issued approval orders. The Department has previously indicated that a redemption center might be able to charge a fee in regard to containers accepted in excess of the 500 container limit. Upon further consideration of this issue, and in light of additional information that has been received, it is the position of the Department that **charging any type of fee to consumers or paying consumers anything less than the full refund amount regardless of the number of containers redeemed is illegal.**