



STATE OF IOWA

CHESTER J. CULVER, GOVERNOR
PATTY JUDGE, LT. GOVERNOR

DEPARTMENT OF NATURAL RESOURCES
RICHARD A. LEOPOLD, DIRECTOR

MEMO

TO: BEVERAGE CONTAINER REDEMPTION CENTERS
FROM: BILL BLUM, IDNR LAND QUALITY BUREAU
CC: AL GOLDBERG, JIM BODENSTEINER, SHARON TAHTINEN, ANGIE CLARK,
IOWA RECYCLING ASSOCIATION, IOWA BOTTLE BILL COALITION, IOWA LEAGUE OF
WOMEN VOTERS
DATE: JUNE 26, 2008

SUBJECT: GRANTS PROGRAM FOR INDEPENDENT REDEMPTION CENTERS

A bill (*copy on next page*) was passed and signed into law at the end of this just past State Legislative Session, creating a program to award grants for improvements to independent beverage container redemption centers that were in existence prior to July 1, 2008. The legislature appropriated \$1 million to fund the program, and no grant can exceed \$15,000. The new statute directs the Department of Natural Resources (DNR) to administer the program.

Accordingly, the DNR is drafting formal Administrative Rules so that clear criteria and procedures are in place to make the application process as simple as possible and the awarding of grants fair. A copy of the draft Rules should be published in a few weeks, with a public comment period to follow. It is the DNR's intent to make awards as soon as we can. The Administrative Rules process, however, can take up to four months to complete. Given that, the DNR intends to have grant applications ready to mail to redemption centers by early October.

If you have questions, please contact me at (515) 281-8176, e-mail address - bill.blum@dnr.iowa.gov. If you have access to the Internet, you should be able to monitor the status of the Grants Program at <http://www.iowadnr.com/waste/recycling/bottle.html>.

Also, please notify me if you have received this memo in error or your redemption center is no longer in existence.

House File 2700 sections 78 & 88, 2008 legislative session, as signed 5/15/08

46 32 Sec. 78. NEW SECTION. 455C.17 **GRANTS FOR INDEPENDENT**
46 33 **REDEMPTION CENTERS.**

46 34 1. An independent redemption center grant program shall be
46 35 established by the department to award grants for improvements
47 1 to independent redemption centers. An "independent redemption
47 2 center" is a redemption center that is also a nonprofit or a
47 3 for-profit facility that has existed prior to July 1, 2008,
47 4 and that is not affiliated with or in any way a subsidiary of
47 5 a dealer, a distributor, or a manufacturer.

47 6 2. a. An independent redemption center grant fund is
47 7 established in the state treasury under the authority of the
47 8 department. The fund shall consist of moneys appropriated to
47 9 the fund or appropriated to the department for purposes of the
47 10 grant program. Moneys in the fund are appropriated to the
47 11 department to be used for the grant program.

47 12 b. Notwithstanding section 8.33, moneys in the fund at the
47 13 close of any fiscal year shall not revert to any other fund
47 14 but shall remain in the fund for the subsequent fiscal year to
47 15 be used for purposes of the fund.

47 16 3. a. Moneys in the grant fund shall be used by the
47 17 department to provide grants to independent redemption centers
47 18 for purposes of making improvements to such centers. The
47 19 department shall not award grants in a fiscal year in an
47 20 aggregate of more than one million dollars. A grant shall not
47 21 exceed fifteen thousand dollars for any independent redemption
47 22 center.

48 2 b. The department shall not pay administrative costs
48 3 relating to the management of the grant program in excess of
48 4 three and one-half percent of the moneys in the fund in a
48 5 fiscal year.

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56 7 Sec. 88. **INDEPENDENT REDEMPTION CENTER GRANT FUND.** There
56 8 is appropriated from the general fund of the state to the
56 9 department of natural resources for the fiscal year beginning
56 10 July 1, 2008, and ending June 30, 2009, the following amount,
56 11 or so much thereof as is necessary, to be used for the purpose
56 12 designated:

56 13 For deposit in the independent redemption center fund
56 14 created in section 455C.17, as enacted in this division of
56 15 this Act:

56 16 \$ 1,000,000