

2007 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: SB 707

STATUS: B-Engrossed

SUBJECT: Modifies beverage container refund provisions and establishes the Bottle Bill Task Force

GOVERNMENT UNIT AFFECTED: Department of Environmental Quality and Legislative Administration

PREPARED BY: Dawn Farr

REVIEWED BY: Paul Siebert and Theresa McHugh

DATE: May 17, 2007

EXPENDITURES: See Comments.

REVENUES: See Comments.

EFFECTIVE DATE: On passage.

GOVERNOR'S BUDGET: This bill is not anticipated by the Governor's recommended budget.

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

COMMENTS: The bill expands the type of beverage containers subject to deposit provisions in the Bottle Bill; establishes conditions on which dealers might accept and refuse beverage containers and requires dealers to post the conditions; makes manufacturer, distributor or importer liable to dealer for failure to pay refund value or collect containers; and, creates the Bottle Bill Task Force. The task force is directed to study and make recommendations pm beverage container collection and refund matters. The task force is to report to interim legislative committees on or before November 1, 2008. Task force staffing is to be provided by the Legislative Administration Committee (LAC) with support from the Department of Environmental Quality (DEQ). Members of the task force are not entitled to compensation or reimbursement for expenses and serve as volunteers.

The fiscal impacts associated with task force staffing and support functions are dependent upon a number of variables such as number of meetings, scope of project, duration, and product expectations. LAC support to the Bottle Bill Task Force for meeting coordination, research, project management, and report writing could conservatively require ½ the time of a Committee Administrator for 16 months, August 2007 to November 2008. This is equivalent to .34 FTE and approximately \$62,000 for the 2007-09 biennium. The LAC Budget contains funds for 8 interim committee administrators and 6 committee assistants, which can be allocated as staff to interim committees and task forces. If this task force creates a workload beyond the levels assumed in the LAC Budget, or if the cumulative effect of workload from the enactment of other bills exceeds levels assumed in the LAC Budget, additional General Fund resources may be required.

The Department of Environmental Quality indicates that supporting the task force may include providing assistance in defining the task force's scope of work, conducting research, reporting data, selecting members and participating in the task force. The Department expects that this increased workload will require that an existing Natural Resource Specialist 4 position dedicate ¼ of their time to the task force from August 2007 through October 2008, which is equivalent to 0.16 FTE for the 2007-09 biennium. The Department indicates that they can assume this additional workload with existing resources.

The Oregon Liquor Control Commission indicates that their role in the approval and oversight of beverage redemption centers is minimal. The Department indicates that any process changes or workload impacts resulting from the bill would be minimal and absorbable with existing resources.