Enrolled Senate Bill 707

Sponsored by Senators VERGER, COURTNEY, AVAKIAN, Representatives BERGER, MERKLEY, DINGFELDER

CHAPTER

AN ACT

Relating to beverage containers; creating new provisions; amending ORS 459A.700, 459A.710, 459A.715 and 459A.735; and declaring an emergency.

Be It Enacted by the People of the State of Oregon:

SECTION 1. ORS 459A.700 is amended to read:

459A.700. As used in ORS 459.992 (3) and (4) and 459A.700 to 459A.740, unless the context requires otherwise:

(1) "Beverage" means water and flavored water, beer or other malt beverages and mineral waters, soda water and similar carbonated soft drinks in liquid form and intended for human consumption.

(2)(a) "Beverage container" means [the] an individual, separate, sealed glass, metal or plastic [bottle, can, jar, or carton] bottle or can containing a beverage in a quantity less than or equal to three fluid liters.

(b) "Beverage container" does not include cartons, foil pouches and drink boxes.

(3) "Commission" means the Oregon Liquor Control Commission.

(4) "Consumer" means every person who purchases a beverage in a beverage container for use or consumption.

(5) "Dealer" means every person in this state who engages in the sale of beverages in beverage containers to a consumer, or means a redemption center certified under ORS 459A.735.

(6) "Distributor" means every person who engages in the sale of beverages in beverage containers to a dealer in this state including any manufacturer who engages in such sales.

(7) "Importer" means any dealer or manufacturer who directly imports beverage containers into this state.

[(7)] (8) "In this state" means within the exterior limits of the State of Oregon and includes all territory within these limits owned by or ceded to the United States of America.

[(8)] (9) "Manufacturer" means every person bottling, canning or otherwise filling beverage containers for sale to distributors, **importers** or dealers.

[(9)] (10) "Place of business of a dealer" means the location at which a dealer sells or offers for sale beverages in beverage containers to consumers.

[(10)] (11) "Use or consumption" includes the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale or the keeping or retention of a beverage for the purposes of sale.

(12) "Water and flavored water" means any beverage identified through the use of letters, words or symbols on its product label as a type of water.

Enrolled Senate Bill 707 (SB 707-B)

SECTION 2. ORS 459A.710 is amended to read:

459A.710. Except as provided in ORS 459A.715:

(1)(a) Except as provided in paragraph (b) of this subsection, a dealer [*shall*] may not refuse to accept from any person any empty beverage containers [*of*] that contained the kind[, *size and brand*] of beverage sold by the dealer, or refuse to pay to that person the refund value of a beverage container as established by ORS 459A.705.

(b) A dealer that occupies a space of less than 5,000 square feet in a single area may refuse to accept from any person any empty beverage containers of the kind, size and brand that the dealer does not sell.

(2) A distributor [*shall*] **or importer may** not refuse to accept from a dealer any empty beverage containers of the kind, size and brand sold by the distributor **or importer**, or refuse to pay the dealer the refund value of a beverage container as established by ORS 459A.705.

(3) The manufacturer, distributor or importer of any beverage sold in this state shall ensure that all dealers or redemption centers in this state that redeem beverage containers are paid the refund value for those beverage containers and that those beverage containers are collected from the dealer or redemption center in a timely manner.

SECTION 3. ORS 459A.715 is amended to read:

459A.715. (1) A dealer may refuse to accept from any person, and a distributor may refuse to accept from a dealer, any empty beverage container that does not state thereon a refund value as established by ORS 459A.705.

(2) A dealer may refuse to accept and to pay the refund value of:

(a) Empty beverage containers if the place of business of the dealer and the kind [and brand] of empty beverage containers are included in an order of the Oregon Liquor Control Commission approving a redemption center under ORS 459A.735.

(b) Any beverage container visibly containing or contaminated by a substance other than water, residue of the original contents or ordinary dust.

(c)(A) More than 144 individual beverage containers returned by any one person during one day, if the dealer occupies a space of 5,000 or more square feet in a single area.

(B) More than 50 individual beverage containers returned by any one person during one day, if the dealer occupies a space of less than 5,000 square feet in a single area.

(d) Any beverage container that is damaged to the extent that the brand appearing on the container cannot be identified.

(3)(a) In order to refuse containers under subsection (2)(b), (c)(A) or (d) of this section, if a dealer occupies a space of 5,000 or more square feet in a single area, the dealer must post in each area where containers are received a clearly visible and legible sign containing the following information:

NOTICE:

Oregon Law allows a dealer to refuse to accept:

1. Beverage containers visibly containing or contaminated by a substance other than water, residue of the original contents or ordinary dust;

2. More than 144 individual beverage containers from any one person during one day; or

3. Beverage containers that are damaged to the extent that the brand appearing on the container cannot be identified.

(b) In order to refuse containers under subsection (2)(b), (c)(B) or (d) of this section, if a dealer occupies a space of less than 5,000 square feet in a single area, the dealer must post in each area where containers are received a clearly visible and legible sign containing the following information:

Enrolled Senate Bill 707 (SB 707-B)

NOTICE:

Oregon Law allows a dealer to refuse to accept:

1. Beverage containers visibly containing or contaminated by a substance other than water, residue of the original contents or ordinary dust;

2. More than 50 individual beverage containers from any one person during one day; or

3. Beverage containers that are damaged to the extent that the brand appearing on the container cannot be identified.

SECTION 4. ORS 459A.715, as amended by section 3 of this 2007 Act, is amended to read:

459A.715. (1) A dealer may refuse to accept from any person, and a distributor **or importer** may refuse to accept from a dealer, any empty beverage container that does not state thereon a refund value as established by ORS 459A.705.

(2) A dealer may refuse to accept and to pay the refund value of:

(a) Empty beverage containers if the place of business of the dealer and the kind of empty beverage containers are included in an order of the Oregon Liquor Control Commission approving a redemption center under ORS 459A.735.

(b) Any beverage container visibly containing or contaminated by a substance other than water, residue of the original contents or ordinary dust.

(c)(A) More than 144 individual beverage containers returned by any one person during one day, if the dealer occupies a space of 5,000 or more square feet in a single area.

(B) More than 50 individual beverage containers returned by any one person during one day, if the dealer occupies a space of less than 5,000 square feet in a single area.

(d) Any beverage container that is damaged to the extent that the brand appearing on the container cannot be identified.

(3)(a) In order to refuse containers under subsection (2)(b), (c)(A) or (d) of this section, if a dealer occupies a space of 5,000 or more square feet in a single area, the dealer must post in each area where containers are received a clearly visible and legible sign containing the following information:

NOTICE:

Oregon Law allows a dealer to refuse to accept:

1. Beverage containers visibly containing or contaminated by a substance other than water, residue of the original contents or ordinary dust;

2. More than 144 individual beverage containers from any one person during one day; or

3. Beverage containers that are damaged to the extent that the brand appearing on the container cannot be identified.

(b) In order to refuse containers under subsection (2)(b), (c)(B) or (d) of this section, if a dealer occupies a space of less than 5,000 square feet in a single area, the dealer must post in each area where containers are received a clearly visible and legible sign containing the following information:

NOTICE:

Oregon Law allows a dealer to refuse to accept:

Enrolled Senate Bill 707 (SB 707-B)

1. Beverage containers visibly containing or contaminated by a substance other than water, residue of the original contents or ordinary dust;

2. More than 50 individual beverage containers from any one person during one day; or

3. Beverage containers that are damaged to the extent that the brand appearing on the container cannot be identified.

SECTION 5. ORS 459A.735 is amended to read:

459A.735. (1) To facilitate the return of empty beverage containers and to serve dealers of beverages, any person may establish a redemption center, subject to the approval of the Oregon Liquor Control Commission, at which any person may return empty beverage containers and receive payment of the refund value of such beverage containers.

(2) Application for approval of a redemption center shall be filed with the commission. The application shall state the name and address of the person responsible for the establishment and operation of the redemption center, the kind [and brand names of the] of beverage containers [which] that will be accepted at the redemption center and the names and addresses of the dealers to be served by the redemption center. The application shall include such additional information as the commission may require.

(3) The commission shall approve a redemption center if it finds the redemption center will provide a convenient service to persons for the return of empty beverage containers. The order of the commission approving a redemption center shall state the dealers to be served by the redemption center and the kind [and brand names] of empty beverage containers [which] that the redemption center must accept. The order may contain such other provisions to [insure] ensure the redemption center will provide a convenient service to the public as the commission may determine.

(4) The commission may review at any time approval of a redemption center. After written notice to the person responsible for the establishment and operation of the redemption center, and to the dealers served by the redemption center, the commission may, after hearing, withdraw approval of a redemption center if the commission finds there has not been compliance with its order approving the redemption center, or if the redemption center no longer provides a convenient service to the public.

SECTION 6. Section 7 of this 2007 Act is added to and made a part of ORS 459A.700 to 459A.740.

<u>SECTION 7.</u> Any manufacturer, distributor or importer that fails to pay to a dealer or redemption center the refund value of beverage containers and to collect beverage containers as required by ORS 459A.710 (3) is liable to the dealer or redemption center for treble the unpaid refund value and treble the collection costs incurred by the dealer or redemption center for any beverage containers that were not collected as required.

<u>SECTION 8.</u> (1) There is created the Bottle Bill Task Force, consisting of nine members appointed as follows:

(a) The President of the Senate shall appoint one member from among members of the Senate.

(b) The Speaker of the House of Representatives shall appoint one member from among members of the House of Representatives.

(c) The Governor shall appoint seven members based upon their ability to represent the best interests of Oregon as a whole. No more than three members of the task force appointed by the Governor may receive or have previously received a substantial portion of their own income or their family's income from the beverage container industry.

(2) The task force shall study and make recommendations on beverage container collection and refund matters, including but not limited to:

(a) Establishing and paying for redemption centers to redeem beverage containers;

(b) Expanding the list of beverages to be included in the definition of "beverage" in ORS 459A.700;

(c) Increasing the refund value to be paid when redeeming beverage containers;

(d) Limiting the redemption of beverage containers that are purchased out of state; and

(e) Collecting and utilizing the refund value of unredeemed beverage containers.

(3) A majority of the members of the task force constitutes a quorum for the transaction of business.

(4) Official action by the task force requires the approval of a majority of the members of the task force.

(5) The Governor shall designate one member of the Bottle Bill Task Force to serve as chairperson, who shall serve as chairperson at the pleasure of the Governor.

(6) If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective.

(7) The task force shall meet at times and places specified by the call of the chairperson or of a majority of the members of the task force.

(8) The task force may adopt rules necessary for the operation of the task force.

(9) The task force shall submit a report, and shall include recommendations for legislation, to the interim legislative committees on environment and natural resources on or before November 1, 2008.

(10) The Legislative Administrator shall provide staff support to the task force, with the support of the Department of Environmental Quality.

(11) Members of the task force are not entitled to compensation or reimbursement for expenses and serve as volunteers on the task force.

(12) All agencies of state government, as defined in ORS 174.111, are directed to assist the task force in the performance of its duties and, to the extent permitted by laws relating to confidentiality, to furnish such information and advice as the members of the task force consider necessary to perform their duties.

(13) For the purposes of this section, "beverage" and "beverage container" have the meanings given those terms in ORS 459A.700.

SECTION 9. Section 8 of this 2007 Act is repealed on July 1, 2009.

SECTION 10. Sections 6 and 7 of this 2007 Act and the amendments to ORS 459A.700, 459A.710, 459A.715 and 459A.735 by sections 1, 2, 4 and 5 of this 2007 Act become operative January 1, 2009.

SECTION 11. This 2007 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2007 Act takes effect on its passage.

| Passed by Senate April 23, 2007 | Received by Governor: |
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| Repassed by Senate May 25, 2007 | |
| | Approved: |
| Secretary of Senate | |
| President of Senate | Governor |
| Passed by House May 24, 2007 | Filed in Office of Secretary of State: |
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| Speaker of House | |
| | Secretary of State |