

B-Engrossed
House Bill 2184

Ordered by the House May 1
Including House Amendments dated April 7 and May 1

Ordered printed by the Speaker pursuant to House Rule 12.00A (5). Pre-session filed (at the request of Governor Theodore R. Kulongoski for Department of Environmental Quality)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Establishes goal for beverage container return rate. Changes definition of "beverage." [*Authorizes Oregon Liquor Control Commission to establish standards for redemption of beverage containers.*] Requires Department of Environmental Quality to report to Seventy-ninth Legislative Assembly on certain matters related to beverage containers. Increases refund value for beverage containers upon department's determination that less than 80 percent of containers have been returned during previous calendar year. [*Requires dealers served by redemption centers to accept for refund at dealer's location certain amount of beverage containers.*]

A BILL FOR AN ACT

1
2 Relating to beverage containers; creating new provisions; and amending ORS 459A.700, 459A.705 and
3 471.501.

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

5 **SECTION 1. (1) The Legislative Assembly establishes an annual beverage container re-**
6 **turn rate goal of at least 80 percent to be achieved no later than calendar year 2015 and ev-**
7 **ery year thereafter.**

8 **(2) The Department of Environmental Quality shall determine the beverage container**
9 **return rate for each calendar year by dividing the number of beverage containers sold in**
10 **Oregon by the number of beverage containers returned for the refund value specified in ORS**
11 **459A.705.**

12 **SECTION 2.** ORS 459A.700, as amended by section 1, chapter 303, Oregon Laws 2007, is
13 amended to read:

14 459A.700. As used in ORS 459.992 (3) and (4) and 459A.700 to 459A.740, unless the context re-
15 quires otherwise:

16 (1) "Beverage" means **any of the following in liquid form and intended for human con-**
17 **sumption:**

18 (a) Water and flavored water[.];

19 (b) Beer or other malt beverages [*and*];

20 (c) Mineral waters, soda water and similar carbonated soft drinks [*in liquid form and intended*
21 *for human consumption*]; **and**

22 (d) **Sports drinks, coffee, tea, juice and similar noncarbonated drinks.**

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

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

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

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

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

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

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

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

10 (8) "In this state" means within the exterior limits of the State of Oregon and includes all ter-
11 ritory within these limits owned by or ceded to the United States of America.

12 (9) "Manufacturer" means every person bottling, canning or otherwise filling beverage contain-
13 ers for sale to distributors, importers or dealers.

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

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

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

21 **SECTION 3.** ORS 459A.705 is amended to read:

22 459A.705. (1) Except as provided in subsection [(2)] (3) of this section, every beverage container
23 sold or offered for sale in this state shall have a refund value of not less than five cents.

24 **(2) Notwithstanding subsection (1) of this section, if the Department of Environmental**
25 **Quality determines pursuant to section 1 of this 2009 Act that in the previous calendar year**
26 **the annual beverage container return rate is not at least 80 percent, every beverage con-**
27 **tainer sold or offered for sale in this state on or after January 1 of the calendar year next**
28 **following the calendar year in which the determination is made shall have a refund value of**
29 **not less than 10 cents. Once the refund value increases under the provisions of this sub-**
30 **section, it shall remain at not less than 10 cents.**

31 [(2)] (3) Every beverage container certified as provided in ORS 459A.725, sold or offered for sale
32 in this state, shall have a refund value of not less than two cents.

33 **SECTION 4.** ORS 471.501 is amended to read:

34 471.501. Nothing in this chapter prevents a brewery licensed under ORS 471.220 or a brewery-
35 public house licensed under ORS 471.200 from establishing a refund value for malt beverage con-
36 tainers **in excess of the amount specified** under the provisions of ORS 459A.705 [*that is in excess*
37 *of five cents*] per container for the purpose of encouraging purchasers to return the containers di-
38 rectly to the brewery or brewery-public house. A refund value in excess of [*five cents*] **the amount**
39 **specified under ORS 459A.705** per container may be paid under this section only to persons who
40 are not licensed under this chapter and who return the containers directly to the brewery or
41 brewery-public house.

42 **SECTION 5. The Department of Environmental Quality, in consultation with dealers,**
43 **distributors, manufacturers and the Oregon Liquor Control Commission, shall report to the**
44 **Seventy-ninth Legislative Assembly, no later than February 1, 2017, in the manner provided**
45 **in ORS 192.245 regarding:**

- 1 **(1) Annual beverage container return rates;**
- 2 **(2) Success in achieving the annual beverage container return rate goal established by**
- 3 **section 1 of this 2009 Act;**
- 4 **(3) Whether a state-run redemption center system is necessary;**
- 5 **(4) Collecting and utilizing the refund value of beverage containers that are not returned;**
- 6 **and**
- 7 **(5) Any other recommendations to help improve the return of beverage containers in this**
- 8 **state.**

9 **SECTION 6. Section 1 of this 2009 Act is added to and made a part of ORS 459A.700 to**

10 **459A.740.**

11 **SECTION 7. (1) The amendments to ORS 459A.700 by section 2 of this 2009 Act become**

12 **operative January 1, 2013.**

13 **(2) The amendments to ORS 459A.705 and 471.501 by sections 3 and 4 of this 2009 Act**

14 **become operative January 1, 2016.**

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