76th OREGON LEGISLATIVE ASSEMBLY – 2011 Regular Session MEASURE: HB 3145 A CARRIER: Rep. Cannon

House Committee on Energy, Environment and Water Rep. Berger

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Rescind the Subsequent Referral to the

Committee on Ways and Means

Vote: 7 - 1 - 0

Yeas: Bailey, Boone, Krieger, Thompson, Witt, Cannon, Gilliam

Nays: Bentz Exc.: 0

Prepared By: Liz Puskar, Administrator

Meeting Dates: 4/7, 4/21

WHAT THE MEASURE DOES: Provides that, beginning January 1, 2018 or one year after Oregon Liquor Control Commission (OLCC) determines that at least 60 percent of beverage containers returned for refund are returned to approved redemption center, whichever comes first, ORS 459A.700 to 459A.740 will apply to liquids and containers currently specified in those statutes as well as to any other liquid intended for human consumption in quantity less than or equal to 1.5 liters. Excludes cough syrup, caramel syrup, liquor, wine, dairy products, dairy equivalents, and any liquid in metal container requiring tool to open. Provides that, beginning January 1 of calendar year following determination by OLCC that, in each of two previous calendar years, less than 80 percent of beverage containers sold in state were returned for refund, all beverage containers will have refund value of not less than 10 cents. Prohibits OLCC from making determination regarding this 80 percent threshold prior to January 1, 2016 and from including in its determination any beverage or beverage container to which ORS 459A.700 to 459A.740 does not apply until January 1, 2018 or one year after OLCC determines that at least 60 percent of beverage containers returned for refund are returned to approved redemption center, whichever comes first. Authorizes OLCC to approve one beverage container redemption center pilot project in city having population of less than 300,000. Prohibits pilot project redemption center from refusing to accept and pay refund value on up to 300 individual empty beverage containers, per person, per day. Establishes convenience zones centered around pilot project redemption center. Identifies which dealers, based on square footage and distance from redemption center, may participate in pilot project. Imposes obligations on dealers larger than 5,000 square feet located in convenience zones and not participating in pilot project.

ISSUES DISCUSSED:

- Importance of Bottle Bill to Oregonians
- Lack of consumer knowledge regarding which containers may be returned for refund under current law
- Motivation of consumers to recycle and to return bottles for deposit
- Ability of distributors and grocers to process increasing numbers of returned bottles
- Difficulties involved with labeling beverage containers to indicate refund value

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: The Oregon "Bottle Bill" -- codified at ORS 459A.700 to 459A.740 -- was passed in 1971 with the goal of reducing litter and increasing recycling. Since its inception, the Bottle Bill's coverage has increased in regard to both the number and the types of single-serving beverage containers, though many types of containers remain non-refundable. In 2007, the Legislative Assembly expanded the five-cent beverage container deposit to include water and flavored water beverage containers and created a nine-member Bottle Bill Task Force to study issues associated with beverage container collection and refund, including redemption centers, the types of beverage containers subject to a deposit, refund value, redemption of beverage containers purchased out of state, and unredeemed beverage containers. The task force submitted its report to the Legislative Assembly in November 2008. House Bill 3145 A would apply a refund value to additional beverage containers under specified circumstances or no earlier than January 1, 2018 and authorize the increase of the redemption value to 10 cents after January 1, 2016 if beverage container return rates fall below a specified level.