

**REVENUE:** No revenue impact

**FISCAL:** Minimal fiscal impact, no statement issued

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<b>Action:</b>	Do Pass as Amended and Be Printed Engrossed
<b>Vote:</b>	7 - 1 - 0
<b>Yeas:</b>	Barnhart, Berger, Freeman, Garrett, Holvey, Hunt, Olson
<b>Nays:</b>	Wingard
<b>Exc.:</b>	-
<b>Prepared By:</b>	Jim Stembridge, Administrator
<b>Meeting Dates:</b>	5/2

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**WHAT THE MEASURE DOES:** Expands Oregon’s bottle deposit law to cover any beverage in quantity less than or equal to 1.5 liters 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. Excludes liquor, wine, dairy products, and any liquid in metal container requiring a tool to open. Authorizes OLCC to define further exceptions by administrative rule. Increases deposit and refund value of beverage containers to not less than 10 cents beginning January 1 of calendar year that is at least eight months 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. Directs OLCC to approve one beverage container redemption center pilot project in a city other than Portland. Requires pilot project redemption center to accept and pay refund value on up to 300 individual empty beverage containers per person per day. Establishes convenience zone centered around pilot project redemption center. Identifies which dealers, based on square footage and distance from redemption center, may participate in pilot project. Allows participating dealers within one-and-one-half miles of pilot-project-redemption-center to refuse to accept return containers. Imposes obligations on dealers larger than 5,000 square feet located in convenience zones and not participating in pilot project.

**ISSUES DISCUSSED:**

- Provisions of the measure
- Provisions of the proposed amendment

**EFFECT OF COMMITTEE AMENDMENT:** Clarifies application of the measure limited to beverages (rather than “liquids”). Authorizes OLCC to define further exceptions by administrative rule. Adds minimum months (at least eight) prior to change to 10-cent deposit following OLCC 80-percent determination. Requires OLCC approval of redemption center for pilot project.

**BACKGROUND:** The Oregon “Bottle Bill” – ORS 459A.700 to 459A.740 – was passed in 1971 with the goal of reducing litter and increasing recycling of carbonated beverage bottles and cans. 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-B applies a refund value to additional beverage containers under specified circumstances or no earlier than January 1, 2018 and authorizes the increase of the redemption value to 10 cents after January 1, 2016 if beverage-container return rates fall below a specified level.

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*This summary has not been adopted or officially endorsed by action of the committee.*