

REVENUE: Minimal revenue impact, no statement issued

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass
Vote:	9 - 1 - 0
Yeas:	Barnhart, Berger, Beyer, Esquivel, Freeman, Garrett, Holvey, Wingard, Kotek
Nays:	Olson
Exc.:	0
Prepared By:	Cheyenne Ross, Administrator
Meeting Dates:	2/28

WHAT THE MEASURE DOES: Allows two or more beverage distributors to establish a cooperative for purpose of collecting refund value of beverage containers and refunding to dealers amount paid for refund value of empty containers; paying refund value for containers sold in state; and processing containers sold in state. Stipulates that, if cooperative is established, dealer using cooperative is not required to return containers to distributor or importer who does not participate in cooperative if accounting is provided to distributor or importer by dealer. Requires that, upon receipt of accounting, dealer or importer must pay refund value to dealer or cooperative that provided accounting. Establishes that “beverage container return data” is the number of beverage containers with a deposit returned during a calendar year and the number of beverage containers sold during a calendar year, calculated separately. Requires distributor cooperative and distributor or importer not participating in a cooperative to provide Oregon Liquor Control Commission (OLCC) with a report of beverage container return data by July 1 of each year, calculated separately for metal, glass and plastic containers. Prohibits OLCC from disclosing return data from cooperative, distributor or importer not participating in cooperative. Establishes violation of reporting requirement as Class A misdemeanor. Authorizes OLCC or Oregon Department of Agriculture to revoke or suspend license of person who willfully violates reporting requirement. Requires first reports by July 1, 2013. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- History of bottle bill and context for measure
- Need to implement changes to bottle bill
- Acceptance of possibility for antitrust litigation

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: The Oregon Bottle Bill was passed in 1971 with the goal of reducing litter and increasing recycling. The 2007 Legislative Assembly expanded coverage of 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. In 2011, the Legislative Assembly passed House Bill 3145, which expanded the beverage containers subject to the deposit, set a trigger for the deposit to increase to 10 cents if the recycling rate falls below 80 percent for two consecutive years, but not before 2017, and set up a redemption center pilot project. Senate Bill 1508A would allow two or more beverage distributors to establish a cooperative and require cooperatives, distributors and importers to report information on bottle returns to OLCC.