

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass as Amended and Be Printed Engrossed

Vote: 4 - 0 - 2

Yeas: Courtney, Hansell, Hass, Dingfelder

Nays: 0

Exc.: Bates, Olsen

Prepared By: Beth Reiley, Administrator

Meeting Dates: 2/13, 4/8

WHAT THE MEASURE DOES: Removes pilot project designation from statutes addressing beverage container redemption centers (center). Authorizes Oregon Liquor Control Commission (Commission) to approve one or more additional centers. Requires center provide hand counting of up to 50 individual beverage containers. Authorizes center to provide drop off services and accounting mechanism for at least 125 beverage containers. Requires Commission base convenience zones on proposals submitted by center to greatest extent possible. Increases first convenience zone to a radius of not more than two miles around center and second convenience zone to not more than three and one-half miles around center. Clarifies authority for center to charge cost of participation to dealers that occupy space of 5,000 or more square feet doing business in either convenience zone. Requires dealers that occupy space of 5,000 or more square feet doing business in either convenience zone not participating with center to: (1) provide equivalent services to those provided by center; (2) post sign containing list of services provided; and (3) use two automated reverse vending machines or one automated reverse vending machine for each 500,000 beverage containers sold by dealer in previous calendar year. Requires Commission to submit report to Legislature no later than March 1 of each odd-numbered year with certain information. Repeals Commission’s reporting requirement on January 2, 2022. Declares emergency, effective upon passage.

ISSUES DISCUSSED:

- Recent history of pilot projects
- Efforts to ensure redemption rate increases

EFFECT OF COMMITTEE AMENDMENT: Replaces measure.

BACKGROUND: In 1971, Oregon enacted the “bottle bill.” Within two years of its implementation, more than 90 percent of all carbonated beverage containers were being recycled and more than 80 percent of the roadside container litter was eliminated. The 2007 Legislative Assembly expanded coverage of the five-cent beverage container deposit to include water and flavored water beverage containers. In 2011, the Legislative Assembly passed House Bill 3145, which expanded the types of 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. In 2012, the Legislative Assembly passed Senate Bill 1508 which allowed two or more beverage distributors to establish a cooperative and required cooperatives, distributors and importers to report information on bottle returns to the Commission. Senate Bill 117 A would modify the redemption center program and remove its status as a pilot program.

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