

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action: Do Pass

Vote: 8 - 0 - 1

Yeas: Bentz, Boone, Dembrow, Johnson, Reardon, Vega Pederson, Weidner, Bailey

Nays: 0

Exc.: Whitsett

Prepared By: Adam Crawford, Administrator

Meeting Dates: 5/2

WHAT THE MEASURE DOES: Removes pilot designation from beverage container redemption center (center) statutes. Allows Oregon Liquor Control Commission (OLCC) to approve one or more additional centers. Requires center provide hand counting of up to 50 individual beverage containers and provide drop off services and accounting mechanism for at least 125 beverage containers. Increases first convenience zone to radius of not more than two miles from center and second convenience zone to not more than three and a half miles from center. Clarifies authority for center to charge cost of participation to dealers that occupy 5,000 square feet or more. Requires dealers occupying 5,000 square feet or more doing business in either convenience zone not participating in center to provide equivalent services to those provided by center, post signage containing list of services provided and use two automated reverse vending machines or one automated reverse vending machine for every 500,000 beverage containers sold in the previous calendar year. Requires OLCC to submit report to Legislature no later than March 1 of each odd-number year. Repeals OLCC reporting requirement on January 2, 2022. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Existing redemption centers
- Redemption rates
- Future planned redemption centers
- Costs for customers and retailers of bottle redemption

EFFECT OF COMMITTEE AMENDMENT: No amendment.

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 OLCC. Senate Bill 117 A would modify the redemption center program and remove its status as a pilot program.