

A-Engrossed
Senate Bill 117

Ordered by the Senate April 12
Including Senate Amendments dated April 12

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SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Provides that beverage container redemption center approved as pilot project is approved for certain purposes. Allows Oregon Liquor Control Commission to approve additional beverage container redemption centers. Specifies operating procedures for beverage container redemption centers.

Requires commission to report to Legislative Assembly regarding beverage container redemption centers.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to beverage containers; creating new provisions; amending ORS 459A.735 and 459A.737; and
3 declaring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. The beverage container redemption center approved by the Oregon Liquor**
6 **Control Commission as a pilot project pursuant to ORS 459A.737 before the effective date of**
7 **this 2013 Act is deemed approved by the commission for the purposes of ORS 459A.737, as**
8 **amended by section 2 of this 2013 Act.**

9 **SECTION 2. ORS 459A.737 is amended to read:**

10 459A.737. (1)(a) Pursuant to the provisions of ORS 459A.735, the Oregon Liquor Control Com-
11 mission:

12 (A) Shall approve one beverage container redemption center [*pilot project*] in a city having a
13 population of less than 300,000, operated by a distributor cooperative serving a majority of the
14 dealers in this state[.]; **and**

15 **(B) May approve one or more additional beverage container redemption centers.**

16 (b) Notwithstanding any other provision of ORS 459A.700 to 459A.740, [*the*] a beverage container
17 redemption center [*operated under the pilot project*]:

18 (A) May not refuse to accept and to pay the refund value of up to [*300*] **350** individual empty
19 beverage containers, as established by ORS 459A.705, returned by any one person during one
20 day[.];

21 (B) **Must provide hand counting of up to 50 individual empty beverage containers re-**
22 **turned by any one person during one day for the refund value established by ORS 459A.705;**

23 (C) **May provide drop off service for at least 125 individual empty beverage containers**
24 **returned by any one person during one day for the refund value established by ORS 459A.705,**

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

1 **and may provide an accounting mechanism by which the person may redeem the refund**
 2 **value of the beverage containers at a later date; and**

3 **(D) May provide other services as determined necessary by the person responsible for the**
 4 **operation of the beverage container redemption center.**

5 (2)(a) **For each beverage container redemption center**, the commission shall specify **up to**
 6 **two convenience zones** [*for the pilot project*]. The first convenience zone shall be the sector within
 7 [*the one and one-half mile radius*] **a radius of not more than two miles** around the beverage con-
 8 **tainer redemption center** [*pilot project, and*]. The second convenience zone shall be the sector [*within*
 9 *the three mile radius*] **beginning at the border of the first convenience zone and continuing to**
 10 **a radius of not more than three and one-half miles** around the beverage container redemption
 11 **center** [*pilot project*]. **The convenience zones shall be based to the greatest extent practicable**
 12 **upon the proposals submitted as part of the application for approval of the redemption center**
 13 **under ORS 459A.735.**

14 (b) All dealers doing business within the first convenience zone that occupy a space of 5,000 or
 15 more square feet in a single area may participate in, [*and*] be served by[,], **and be charged the cost**
 16 **of participation in the** [*pilot project*] **beverage container redemption center** and, if such a dealer
 17 participates in, [*and*] is served by[,], **and pays the cost of participation in the** [*pilot project*] **re-**
 18 **demption center**, the dealer may, notwithstanding any other provision of ORS 459A.700 to
 19 459A.740, refuse to accept and to pay the refund value of empty beverage containers.

20 (c) All dealers doing business within the second convenience zone that occupy a space of 5,000
 21 or more square feet in a single area may participate in, [*and*] be served by[,], **and be charged the**
 22 **cost of participation in the** [*pilot project*] **beverage container redemption center** and, if such a
 23 dealer participates in, [*and*] is served by[,], **and pays the cost of participation in the** [*pilot*
 24 *project*] **redemption center**, the dealer may, notwithstanding any other provision of ORS 459A.700
 25 to 459A.740, refuse to accept and to pay the refund value of more than 24 individual empty beverage
 26 containers returned by any one person during one day.

27 (d) All dealers doing business within either convenience zone that occupy a space of less than
 28 5,000 square feet in a single area may, notwithstanding any other provision of ORS 459A.700 to
 29 459A.740, refuse to accept and to pay the refund value of more than 24 individual empty beverage
 30 containers returned by any one person during one day.

31 (e)(A) Any dealer doing business in either convenience zone that occupies a space of 5,000 or
 32 more square feet in a single area that does not participate in, and is not served by, the [*pilot*
 33 *project*] **beverage container redemption center** may not refuse to accept and to pay the refund
 34 value of up to [300] **350** individual empty beverage containers, as established by ORS 459A.705, re-
 35 turned by any one person during one day and must provide services [*similar*] **equivalent** to those
 36 provided by the **redemption center under subsection (1)(b) of this section** [*pilot project*], includ-
 37 ing hand counting [*of individual empty beverage containers that are returned for the refund value es-*
 38 *established by ORS 459A.705*] **and drop off service.**

39 **(B) In addition to complying with the requirements specified in subparagraph (A) of this**
 40 **paragraph, a dealer described in subparagraph (A) of this paragraph must:**

41 (i) **Post in each area where beverage containers are received a clearly visible and legible**
 42 **sign that contains the list of services that must be provided by the dealer; and**

43 (ii) **Provide two automated reverse vending machines capable of processing metal, plastic**
 44 **and glass beverage containers, or one automated reverse vending machine capable of pro-**
 45 **cessing metal, plastic and glass beverage containers for each 500,000 beverage containers sold**

1 by the dealer in the previous calendar year, whichever is greater.

2 (C) The provisions of subparagraphs (A) and (B) of this paragraph do not apply to a dealer
3 described in subparagraph (A) of this paragraph if the dealer sold fewer than 100,000 beverage
4 containers in the previous calendar year.

5 (3) The provisions of subsection (2) of this section do not apply to any dealer for which
6 the driving distance from the place of business of the dealer to the beverage container re-
7 demption center, calculated using the shortest route, is more than two times the radius
8 specified for the second convenience zone or, if only one convenience zone is specified by the
9 commission, two times the radius specified for that convenience zone.

10 [(3)] (4) The commission may adopt all rules necessary to implement and administer the pro-
11 visions of this section.

12 **SECTION 3.** ORS 459A.735 is amended to read:

13 459A.735. (1) To facilitate the return of empty beverage containers and to serve dealers of
14 beverages, any person may establish a redemption center, subject to the approval of the Oregon
15 Liquor Control Commission, at which any person may return empty beverage containers and receive
16 payment of the refund value of such beverage containers.

17 (2) Application for approval of a redemption center shall be filed with the commission. The ap-
18 plication shall state the name and address of the person responsible for the establishment and op-
19 eration of the redemption center, the kind of beverage containers that will be accepted at the
20 redemption center, [and] the names and addresses of the dealers to be served by the redemption
21 center **and proposals for up to two convenience zones described in ORS 459A.737.** The appli-
22 cation shall include such additional information as the commission may require.

23 (3) The commission shall approve a redemption center if it finds the redemption center will
24 provide a convenient service to persons for the return of empty beverage containers. The order of
25 the commission approving a redemption center shall state the dealers to be served by the redemption
26 center and the kind of empty beverage containers that the redemption center must accept. The
27 order may contain such other provisions to ensure the redemption center will provide a convenient
28 service to the public as the commission may determine.

29 (4) The commission may review at any time approval of a redemption center. After written no-
30 tice to the person responsible for the establishment and operation of the redemption center, and to
31 the dealers served by the redemption center, the commission may, after hearing, withdraw approval
32 of a redemption center if the commission finds there has not been compliance with its order ap-
33 proving the redemption center, or if the redemption center no longer provides a convenient service
34 to the public.

35 **SECTION 4.** No later than March 1 of each odd-numbered year, the Oregon Liquor Con-
36 trol Commission shall submit a report to the Legislative Assembly regarding beverage con-
37 tainer redemption centers approved pursuant to the provisions of ORS 459A.737. The report
38 must include, for the two previous calendar years:

39 (1) The number of beverage containers that are returned for refund value as a percentage
40 of the total number of beverage containers sold in this state.

41 (2) The number of beverage container redemption centers operating in this state and the
42 number of redemption centers for which applications are pending with the commission.

43 (3) The number of beverage containers that are returned for refund value in areas des-
44 ignated by the commission and the number of beverage containers returned for refund value
45 in each area in the year before the beverage container redemption center began operation.

1 **(4) The number of beverage containers that are returned for refund value to beverage**
2 **container redemption centers in this state and the number of beverage containers that are**
3 **returned for refund value to dealers in this state.**

4 **SECTION 5.** Section 4 of this 2013 Act is repealed on January 2, 2022.

5 **SECTION 6.** (1) The additional requirements for beverage container redemption centers
6 **imposed by the amendments to ORS 459A.737 by section 2 of this 2013 Act apply to all**
7 **beverage container redemption centers, whether approved before, on or after the effective**
8 **date of this 2013 Act.**

9 (2) The amendments to ORS 459A.735 by section 3 of this 2013 Act apply to applications
10 **for approval filed with the Oregon Liquor Control Commission on or after the effective date**
11 **of this 2013 Act.**

12 **SECTION 7.** This 2013 Act being necessary for the immediate preservation of the public
13 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
14 **on its passage.**