



# Oregon

Kate Brown, Governor

## Oregon Liquor Control Commission

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Testimony of Jesse Sweet, Policy Analyst, Oregon Liquor Control Commission  
Before the House Business and Labor Committee

House Bill 2803

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In addition to its responsibilities for regulating alcohol, and now recreational marijuana, the Oregon Liquor Control Commission (OLCC) is responsible for administering Oregon's Bottle Bill. OLCC ensures that retailers comply with the requirements of the Bottle Bill, provides education to consumers and approves sites for bottle redemption centers.

HB 2803 proposes significant changes to the requirements for retailers who do not participate in bottle redemption centers. A bottle redemption center is a facility where consumers may return containers subject to the Bottle Bill. There can be up to two "convenience zones" surrounding a redemption center. Participating retailers located in the convenience zone may refuse to accept any containers for redemption and participating retailers located in the second convenience zone may limit the number of containers they accept to 24 containers per person per day. Also, non-participating retailers in either zone that are larger than 5,000 square feet are required to provide services equivalent to those provided by the redemption center.

OLCC approves redemption centers if we determine that the redemption center will offer a convenient service to the public. Since 2010, OLCC has received twelve applications for redemption centers, with 9 of these applications being received in the last two years. Thus far, we have been able to achieve compliance among non-participating retailers without resorting to formal enforcement measures.

OLCC's primary mission is public safety and we have less than one FTE devoted to administration of the Bottle Bill. Since 2011, statutory changes have increased OLCC's responsibilities in administering the Bottle Bill, including obtaining data to calculate the statewide redemption rate, submitting a report to the Legislative Assembly, as well as contacting retailers that do not participate in redemption centers regarding their compliance with redemption requirements. OLCC currently faces challenges in administering the Bottle Bill include siting redemption centers in densely populated areas, inadequate resources to devote to Bottle Bill enforcement, and addressing a potential increase in the refund value from 5 to 10 cents in 2017.

HB2803 imposes additional requirements on the OLCC. Under the bill, OLCC would be required to provide notice of redemption requirements to all retailers not participating in a redemption center within five days of approving a redemption center and OLCC must inspect these retailers within 30 days to determine compliance with redemption requirements. Additionally, OLCC would be required to obtain and track data from retailers who sell less than 100,000 containers per year. OLCC anticipates that, without additional resources, these additional requirements will have a significant effect on our ability to adequately administer the Bottle Bill.

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Not all retailers in Oregon possess liquor licenses. OLCC may lack sufficient authority to inspect non-licensees and the suspensions proposed in HB2803 for noncompliance with redemption requirements apply only to retailers who hold a liquor license.