

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2762 - 5**Seventy-Eighth Oregon Legislative Assembly – 2015 Regular Session  
Legislative Fiscal Office***Only Impacts on Original or Engrossed  
Versions are Considered Official***

---

Prepared by: Krista McDowell  
Reviewed by: Doug Wilson  
Date: 4/14/2015

---

**Measure Description:**

Requires school district to eliminate use of polystyrene foam plates, trays, food containers or food packaging in service of any meal.

**Government Unit(s) Affected:**

Department of Education, School Districts

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The bill directs school districts to establish a plan to reduce the use, each year, of polystyrene, if it is used in the service of meals during the 2014-15 school year. Effective July 1, 2021, a school district that provides breakfast or lunch at any school site may not use polystyrene foam plates, trays, food containers or food packaging in the service of any meal. Using criteria adopted by the State Board of Education by rule, the Oregon Department of Education (ODE) may provide an extension for compliance to any school district that is able to show a financial hardship experienced from complying with the requirements of this bill.

The entirety of the expense impact, associated with this bill, to school districts would occur beyond the two biennia scope of this fiscal impact. However, school districts do report varying degrees of increased costs that are attributable to replacement costs of food trays - both ongoing and on-time, increased manual labor costs associated with washing non-polystyrene food trays, as well as concerns regarding costs of acquiring (if such products exist) non-polypropylene food containers such as yogurt cups, bottles with flip-top lids, and plastic buckets.

The extended effective date on the ban of polystyrene as well as the allowable extension for compliance, and exemption from compliance given participation in a recycling program for the polystyrene, may ease financial impacts to some school districts however such determinations cannot be made for certain given the six-year implementation timeline of the bill. The fiscal impact to ODE, related to rule making costs, is minimal and absorbable within the existing parameters of the agency's budget.