

STAFF MEASURE SUMMARY

CARRIER: Sen. Riley

Senate Committee On Business and Transportation

Fiscal: Fiscal impact issued
Revenue: No revenue impact, statement issued (Indeterminate Impact)

Action Date: 05/18/15

Action: Do Pass The A-Eng Bill.

Meeting Dates: 05/18

Vote:

Yeas: 3 - Beyer, Girod, Riley

Exc: 2 - Monroe, Thomsen

Prepared By: James LaBar, Committee Administrator

WHAT THE MEASURE DOES:

Provides information that must be included in order issued by Oregon Liquor Control Commission approving beverage container redemption center. Requires Commission to provide notice of program requirements to each dealer identified in order as dealer within convenience zones not to be served by or not participating in the redemption center. Requires larger dealers within convenience zone that do not participate in redemption center to meet certain requirements. Requires Commission to ensure compliance of larger dealers who choose not to participate in redemption center. Specifies that dealers exempt for reason that fewer than 100,000 beverage containers were sold in previous year to report to Commission regarding the number of containers sold. Requires dealer who begins business in either convenience zone after redemption center begins operating to report to Commission regarding participation in redemption center or, if claiming exemption, to provide estimate of beverage container sales for first calendar year in business and documentation of compliance. Grants Commission authority to inspect any space occupied by dealer to ensure compliance. Requires Commission to impose civil penalty of at least \$200 for violations per day after providing written notice and 60 days for dealer to cure violation.

ISSUES DISCUSSED:

- Recent history of the “bottle bill”
- Clarifying legislation needed for compliance purposes
- Popularity of redemption centers

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 the program to include water and flavored water beverage containers. In 2011, House Bill 3145 again expanded the types of beverage containers subject to the deposit, set a trigger for the deposit to increase from five cents to ten 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, Senate Bill 1508 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.

In 2013, Senate Bill 117 modified the redemption center program, removed its status as a pilot program, and allowed approval of additional beverage container redemption centers. The Oregon Liquor Control Commission administers and enforces the bottle bill and redemption centers.

House Bill 2803A modifies the beverage container redemption program and provides penalty for violations.