



# Oregon

Kate Brown, Governor

**Liquor Control Commission**

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Testimony to the Senate Committee on Environment and Natural Resources

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Oregon Liquor Control Commission

HB 2746

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The OLCC has not had an opportunity to take a position on HB 2746; however, the bill addresses a key requirement in the agency's administration of Oregon's Bottle Bill.

Oregon's Bottle Bill was introduced in 1971 as the very first bottle bill in the U.S. The bill was created to address a growing litter problem along Oregon beaches, highways and other public areas. OLCC has statutory authority to administer and enforce the Bottle Bill. The OLCC works with distributors, retailers, redemption centers, and consumers to make sure they are complying with state laws. However, the agency does not play a role in setting policy around the Bottle Bill and the OLCC has limited authority to adopt administrative rules governing the Bottle Bill. The OLCC's responsibilities include approving redemption centers and ensuring compliance with statutory requirements.

The redemption value on containers will increase from 5 cents to 10 cents beginning April 1, 2017. ORS 459A.705 required OLCC to evaluate state-wide redemption data for each of the two previous calendar years to determine if the number of beverage containers returned for the refund value was less than 80% of the total number of beverage containers that were sold in Oregon. Because the redemption rates for 2014 and 2015 were below 80%, the statute requires the refund value to increase to 10¢. The refund value will increase to 10 cents, effective April 1, 2017. The OLCC has calculated the statewide redemption rate for 2012 at 70.95%, for 2013 at 70.97%, 2014 at 68.26% and 2015 at 64.45%.

On January 1, 2018, additional beverage containers will be added to the Bottle Bill as required by ORS 459A.702. This expansion covers any beverage intended for human consumption except distilled spirits, wine, milk and infant formula.

The increase in deposit as well as the expansion to additional container types pose practical challenges for retailers and distributors who have containers in stock that are labelled under the prior requirements. HB 2746 allows these parties flexibility in meeting label requirements, but does not affect the redemption value for containers established in current law.