

HB 3349 STAFF MEASURE SUMMARY

House Committee On Energy and Environment

Prepared By: Beth Reiley, LPRO Analyst

Meeting Dates: 4/12, 4/17

WHAT THE MEASURE DOES:

Requires the Oregon Liquor Control Commission to determine that an adequate number of redemption centers exist prior to expanding the eligibility of containers for redemption.

REVENUE: No revenue impact

FISCAL: Fiscal impact issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

BACKGROUND:

In 1971, Oregon enacted the “Bottle Bill” which is the nation’s longest-standing deposit law. In 2007, the Legislature expanded coverage of the five-cent beverage container deposit to include water and flavored water. In 2011, the Legislature passed House Bill 3145, which expanded the types of beverage containers subject to the deposit to include juices, teas and more; set a trigger for the deposit to increase to 10 cents if the recycling rate fell below 80 percent for two consecutive years; and set up a redemption center pilot project. In 2012, the Legislature passed Senate Bill 1508 to provide incentives for a more efficient system for distributors to collect empty containers from stores. In 2013, Senate Bill 117 modified the redemption center program by removing its status as a pilot program and authorized the Oregon Liquor Control Commission (OLCC) to approve additional centers. The redemption centers – known as “BottleDrops” – are operated and funded by the Oregon Beverage Recycling Cooperative in partnership with grocery retailers.

August 1, 2016, OLCC determined the redemption rate had been below 80 percent for two consecutive years, 68.26 percent in 2014 and 64.45 percent in 2015, triggering the increase of the refund value to 10 cents effective April 1, 2017. Additionally, when the OLCC determines that at least 60 percent of beverage containers are returned for refund value, or on January 1st, 2018, accepted containers for refund expands to include any non-dairy, non-liquor, non-wine beverage or non-plant-based milk container for human consumption at least 4 fluid ounces and less than 1 ½ fluid liters.

House Bill 3349 would require OLCC to ensure an adequate number of dealers and redemption centers exist in the state to provide convenient service to all persons in the state for the return of empty beverage containers prior to expanding the eligibility of containers for redemption.