

SB 247 A STAFF MEASURE SUMMARY

Carrier: Sen. Prozanski

Senate Committee On Environment and Natural Resources

Action Date: 04/08/19

Action: Do pass with amendments. (Printed A-Eng.)

Vote: 5-0-0-0

Yeas: 5 - Bentz, Dembrow, Olsen, Prozanski, Roblan

Fiscal: Fiscal impact issued

Revenue: No revenue impact

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Meeting Dates: 4/4, 4/8

WHAT THE MEASURE DOES:

Requires person responsible for operation of a redemption center to register by July 1 each year with the Oregon Liquor Control Commission and pay an annual \$3,000 fee for each redemption center operated. Specifies information required in registration. Establishes Bottle Bill Fund and authorizes use of moneys to pay costs of OLCC in carrying out responsibilities under the Bottle Bill statutes (ORS 459A.700 - 459A.740).

ISSUES DISCUSSED:

- Fee revenue will allow Oregon Liquor Control Commission to provide more Bottle Bill-related services
- Regular kombucha containers already subject to Bottle Bill; measure would add hard kombucha

EFFECT OF AMENDMENT:

Defines "kombucha" as a fermented beverage that is made from tea and contains not more than 21 percent of alcohol by volume. Adds "kombucha" to types of beverage containers covered by the Bottle Bill.

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, expanding the types of beverage containers subject to the deposit to include juices, teas, and more; the measure also 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 authorizing 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. The bottle deposit increased to 10 cents on April 1, 2017.

Senate Bill 247-A would require bottle redemption center operators to submit an annual registration and fee to the OLCC and would add hard kombucha to beverage containers subject to the Bottle Bill.