SB 276 A STAFF MEASURE SUMMARY

Senate Committee On Environment and Natural Resources

| Action Date: | 04/09/19 |
|----------------|-----------------------------------------------------------------------------|
| Action: | Do pass with amendments and requesting referral to Ways and Means. (Printed |
| | A-Engrossed.) |
| Vote: | 3-2-0-0 |
| Yeas: | 3 - Dembrow, Prozanski, Roblan |
| Nays: | 2 - Bentz, Olsen |
| Fiscal: | Fiscal impact issued |
| Revenue: | Revenue impact issued |
| Prepared By: | Beth Patrino, LPRO Analyst |
| Meeting Dates: | 4/4, 4/9 |

WHAT THE MEASURE DOES:

Defines "mattress stewardship program" to mean a statewide program for the collection and environmentally sound management of discarded mattresses that is operated by a stewardship organization pursuant to a plan approved by the Department of Environmental Quality (DEQ) under this Act. Defines "stewardship organization" as a nonprofit organization designated by a producer or group of producers to implement a mattress stewardship program. Prohibits a producer, renovator, or retailer from selling or offering for sale any mattress unless registered with a stewardship organization. Requires retailer: (1) only purchase mattresses from a producer or renovator registered with a stewardship organization as of the date of purchase, (2) collect, at the point of sale to the consumer, the mattress stewardship assessment established pursuant to plan approved by DEQ and to remit the assessment to the stewardship organization, and (3) provide to consumers, at the point of sale, information on available collection opportunities for discarded mattresses through the program. Specifies information stewardship organization must make available on organization's website. Requires retailer to identify mattress stewardship assessment as a separate line item on mattress receipt. Allows stewardship organization to use assessment funds only to pay costs necessary to plan, implement, administer, and operate stewardship program in Oregon. Prohibits use of funds to pay any civil penalties. Requires DEQ to maintain on its website a list of all producers, renovators, and retailers in compliance with Act. Requires stewardship organization to submit to DEQ a plan for development and implementation of stewardship program. Lists plan components. Requires plan to provide for convenient service and lists minimum standards for such service. Lists requirements for operation of stewardship program. Requires DEQ to approve, reject, or request additional information for plan or plan amendment no later than 90 days after receipt. Requires DEQ to post plan or plan amendment on website, hold a hearing, and provide public comment period of no less than 30 days before acting on plan. Delineates plan and plan amendment review process. Prohibits DEQ from requesting plan amendment until two years after implementation of a program. Establishes that plan is valid for seven years, except initial plan is valid for five years. Establishes reporting requirements. Requires Environmental Quality Commission (EQC) to adopt by rule an annual fee to be paid by stewardship organization to cover the costs to DEQ to administer, implement, and enforce Act. Requires stewardship organization to conduct, during third year of program, in consultation with community organizations, a study evaluating most effective provision of mattress collection services to low-income individuals and multifamily housing structures. Prohibits disclosure by DEQ of any confidential proprietary information obtained by DEQ under specified sections of Act. Requires DEQ director to appoint a mattress stewardship program advisory committee of not more than 10 members. Authorizes DEQ to enter upon and inspect property to investigate violation of Act. Establishes Mattress Stewardship Fund. Declares intent of Legislative Assembly to exempt from state anti-trust laws, and to provide immunity from federal anti-trust laws, the development, implementation, and operation of mattress stewardship program. Directs DEQ to actively

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supervise conduct of stewardship organization. Authorizes DEQ to adopt rules to implement Act. Applies provisions of Act to all producers, renovators, and retailers selling or offering to sell mattresses on or after January 1, 2020. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Existing opportunities to recycle mattresses
- Mattress stewardship program in California, Connecticut, and Rhode Island
- Additional cost on sale of new mattress
- Most discarded mattresses are sent to a landfill

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

The Department of Environmental Quality (DEQ) describes product stewardship as "an environmental management strategy in which all parties involved in the design, production, sale and use of a product take responsibility for minimizing the product's environmental impact throughout all stages of the product's life." DEQ currently administers two products stewardship programs that involve product stewardship organizations: the Oregon E-Cycles program for televisions, monitors, and computers and Oregon PaintCare for unwanted, leftover paint.

Senate Bill 276-A would establish a product stewardship program for mattresses.