

FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2020 Regular Session
Legislative Fiscal Office

Measure: SB 1564 - 1

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: February 4, 2020

Measure Description:

Establishes product stewardship program for mattresses.

Government Unit(s) Affected:

Department of Justice (DOJ), Department of Environmental Quality (DEQ), Oregon State Treasurer (OST)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

SB 1564 - 1 establishes a program to collect and manage discarded mattresses. The program is to be run by a stewardship organization, with oversight from the Department of Environmental Quality (DEQ). DEQ will be advised by a mattress stewardship program advisory committee that meets at least annually. To administer this program DEQ will:

- Approve a stewardship organization's plan for the discarded mattress program;
- Approve a fee that will be charged by mattress retailers when a mattress is sold, and transmitted to the stewardship organization to cover the costs of the discarded mattress program;
- Establish an annual fee that will be paid by the stewardship organization to cover the costs to administer, implement, and enforce the program;
- Maintain a list on their website of mattress producers, renovators and retailers that comply with the program;
- Review and approve annual reports and any plan changes submitted by the stewardship organization;
- Investigate program violations; and,
- Adopt rules to administer this act.

For this program, DEQ anticipates needing a full-time permanent Operations and Policy Analyst 2 position (0.50 FTE in 2019-21, 1.00 FTE in 2021-23) to oversee program activities. The total cost of this position and associated Services and Supplies is \$107,886 Other Funds in 2019-21 and \$215,772 Other Funds in 2021-23, plus any indirect cost changes.

While the program is intended to be self-supporting based on an annual fee paid by stewardship organizations, this fee will not be charged until a stewardship organization plan is approved in 2022. It is assumed existing Solid Waste Tipping Fees would be used to cover program costs for the remainder of the 2019-21 and early part of the 2021-23 biennium; and this fund would be reimbursed once the stewardship organization begins making payments.

There is no fiscal impact on the Oregon State Treasurer and a minimal fiscal impact on the Department of Justice.

This measure requires referral to the Joint Committee on Ways and Means for further consideration of any budgetary impacts.