

SB 1576 STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

Prepared By: Beth Reiley, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/2, 2/7

WHAT THE MEASURE DOES:

Prohibits a producer, renovator, or retailer from selling or offering for sale any mattress to any person in this state unless registered with a stewardship organization and that has approved plan by the Department of Environmental Quality (DEQ). Requires retailer to purchase mattress only from producer or renovator registered with stewardship organization, collect mattress stewardship assessment at the point of sale and remit funds to the stewardship organization, and provide information to consumers at the point of sale about discarding mattresses through stewardship program. Requires assessment be identified as separate line item on receipt. Dedicates assessment funds received by stewardship organization to planning, implementation, and administration of the stewardship program. Requires stewardship organization to submit plan for development and implementation of mattress stewardship program to DEQ, including proposed stewardship assessment amount. Establishes requirements for stewardship organization plan, including minimum collection service levels based on county population. Requires DEQ to post plan or amendment to website, hold hearing, and provide for public comment period before taking action on proposed plan. Establishes that plan approved by DEQ is valid for five years, requires stewardship organization to submit plan to DEQ for reapproval at least 180 days prior to expiration, and requires plan submitted for reapproval to include proposed improvements based on third-year program study required to be completed by stewardship organization with approved plan to evaluate service delivery and program effectiveness. Requires stewardship program with approved plan to submit annual report to DEQ and pay annual fee established by DEQ to cover costs of program administration. Allows DEQ to require performance audit. Requires Director of DEQ to appoint mattress stewardship program advisory committee to represent interests of identified stakeholders. Requires advisory committee to meet at least once annually, consult with stewardship organizations operating programs, and advise DEQ regarding review and approval of plans, amendments, and annual reports. Authorizes DEQ to enter and inspect property for purposes of investigating actual or suspected violations. Requires stewardship organization to maintain and provide records upon request to DEQ. Establishes Mattress Stewardship Fund and dedicates funds to DEQ for administration, implementation, and enforcement of program. States intent to exempt assessment from state and federal antitrust laws and requires DEQ to actively supervise conduct of stewardship organization in establishing, administering, collecting, and disbursing assessment funds. Allows Environmental Quality Commission to adopt rules as necessary to implement program. Establishes civil penalties for violations. Requires initial plans to be submitted to DEQ no later than October 1, 2023, and stewardship organization to implement approved program no later than seven months after initial plan approval. Makes assessment and prohibition on sales without assessment operative January 1, 2023. Takes effect on 91st day following adjournment sine die.

REVENUE: *No revenue impact*

FISCAL: *Fiscal impact issued*

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2009, Oregon became the first state in the nation to enact a law requiring architectural paint manufacturers to implement a program to reduce waste, increase reuse and recycling, and safely dispose of remaining unusable paint and other coatings. The paint product stewardship program is paid for by consumers who pay an assessment on each container of paint product registered for sale in Oregon. Retailers remit the assessment back to manufacturers, who pay a stewardship organization to manage collections and provide outreach and education to consumers on how to estimate the right amount to purchase, and how to reuse and recycle paint products. At least three states have a mattress stewardship program. The programs aim to provide easy options for recycling, upcycling, and discarding the various materials found in mattresses. The California, Connecticut and Rhode Island programs require mattress manufacturers to implement statewide recycling programs. Similar to other product stewardship programs, the program is financed by an assessment at the point of sale which is remitted to a product stewardship organization that is responsible for offering collection and recycling services and consumer education. According to the National Conference of State Legislatures, fees range from \$9 to \$16 per mattress purchase.

Senate Bill 1576 would establish a statewide mattress product stewardship program for the recovery and recycling of used mattresses. The measure requires the Department of Environmental Quality (DEQ) to certify a stewardship organization to implement and administer the program, which is financed by an assessment at the point of sale. The amount of the assessment must be proposed by the organization and approved by DEQ. Producers, renovators, and retailers would be required to register with the stewardship organization and remit assessment funds to the organization. The organization would be required to provide free collection and recycling service throughout the state and report annually to DEQ.