



Testimony on SB 247-1
Submitted by Dan Jarman
Senate Environment & Natural Resources Committee
April 4, 2019

Senator Dembrow and members of the committee, on behalf of KYLA Hard Kombucha, we respectfully ask that you add the -1 amendments to SB 247 and pass the bill. A very special thanks to the Oregon Liquor Control Committee (OLCC) and the Oregon Beverage Recycling Cooperative (OBRC) for letting us add this important amendment to SB 247.

The amendment is very simple. It adds **hard kombucha** to Oregon's Bottle Bill.

As background, kombucha drinks are becoming more popular throughout the nation and with Oregonians. Kombucha is a carbonated beverage produced by fermenting tea and sugar with living cultures of yeast and bacteria. It is low calorie, vegan and gluten free, and because it has live cultures, it is good for gut health. Because of the fermentation process, all kombucha contains some small amount of alcohol.

Kombucha also can be produced with higher levels of alcohol – around 4.5% alcohol by volume (ABV) – which is called “hard kombucha.” This lighter, refreshing beverage is becoming popular with younger adults, especially when used in cocktails. Hard kombucha is sold in retail aisles along with beer, wine and hard ciders.

The Oregon Bottle Bill program was expanded in 2018 to include energy and sports drinks, juices, coffee and tea products, hard cider **and regular kombucha**. At the time this was discussed, hard kombucha was not yet widely produced and therefore, it wasn't added to the Bottle Bill program.

From an environmental standpoint, identifying and capturing paths to increased recycling rates in Oregon is a worthwhile endeavor. Adding the deposit to hard kombucha products will help in that regard. Cans and bottles without redemption are more likely to end up in the landfill, or worse, tossed away in the general environment because they have no recycle value. Further, from a consumer standpoint, ensuring consistency of the recycling message across all products in a product category should improve overall recycling rates and improve consumer adoption. Currently, since one type of kombucha product is in the Bottle Bill and one type is excluded, we are seeing more confusion with consumers, distributors and retailers. It also means higher costs for kombucha producers who must use different can tops for each product type (because redemption information is required by law on can tops).

It makes good sense to have all kombucha products added to Oregon's Bottle Bill. The current redemption system can support it, and it will be less confusing for consumers, many of whom think hard kombucha is already part of the Bottle Bill.

Adding hard kombucha to the Bottle Bill is supported by the OLCC, Oregon Beverage Recycling Cooperative, NW Grocery Association (NWGA) and Oregon Beer & Wine Distributors Association (OBWDA).

Thank you, and we ask for your support.