

# House Bill 2766

Sponsored by Representative BONHAM (at the request of four Sisters High School students)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Imposes excise tax of five cents per bag on provision of single-use plastic checkout bags by establishments selling raw or processed food or alcohol at retail. Requires retail establishments to collect tax from customers and to remit moneys collected to Department of Environmental Quality. Provides exemption for certain customers. Requires retail establishments to provide single-use paper checkout bags and to have receptacle for return of single-use plastic checkout bags. Establishes Plastic Clean-Up and Recycling Fund and requires excise tax moneys collected by department to be deposited in fund. Directs Environmental Quality Commission to adopt rules necessary to implement excise tax. Allows department to impose civil penalties up to \$500 for violation of excise tax program.

Becomes operative July 1, 2020.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to plastic checkout bags; prescribing an effective date; and providing for revenue raising  
3 that requires approval by a three-fifths majority.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 to 6 of this 2019 Act are added to and made a part of ORS chapter**  
6 **459A.**

7 **SECTION 2. As used in sections 2 to 6 of this 2019 Act:**

8 (1)(a) **“Retail establishment” means any store in this state that sells or offers for sale**  
9 **raw or processed food or alcohol at retail.**

10 (b) **“Retail establishment” does not mean an establishment where the primary business**  
11 **is the preparation of food or drink:**

12 (A) **For consumption by the public;**

13 (B) **In a form or quantity that is consumable immediately, whether or not it is consumed**  
14 **within the confines of the place where prepared; or**

15 (C) **In consumable form for consumption outside the place where prepared.**

16 (2)(a) **“Single-use plastic checkout bag” means a bag made of plastic that is provided by**  
17 **a retail establishment to a customer at the time of checkout.**

18 (b) **“Single-use plastic checkout bag” does not mean a bag made of plastic that is provided**  
19 **by a retail establishment to a customer at a time other than the time of checkout.**

20 **SECTION 3. (1) An excise tax of five cents per bag is imposed on the provision of**  
21 **single-use plastic checkout bags.**

22 (2) **Notwithstanding subsection (1) of this section, the excise tax does not apply to the**  
23 **provision of single-use plastic checkout bags to:**

24 (a) **Customers who use a voucher issued under the Women, Infants and Children Pro-**  
25 **gram established in the Oregon Health Authority under ORS 413.500.**

26 (b) **Customers who use an electronic benefits transfer card issued by the Department of**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 **Human Services.**

2 (3) The retail establishment that provides the single-use plastic checkout bag shall add  
 3 the amount of the tax due to the customer's bill at the time of checkout and the amount  
 4 shall be separately identified on the receipt given to the customer.

5 (4) Retail establishments shall make single-use paper checkout bags available to cus-  
 6 tomers at the time of checkout.

7 (5) Each retail establishment must have at least one conveniently located receptacle  
 8 where customers may return single-use plastic checkout bags for recycling, reuse or other  
 9 form of disposal.

10 **SECTION 4.** (1)(a) A retail establishment shall remit to the Department of Environmental  
 11 Quality all moneys collected pursuant to the excise tax on the provision of single-use plastic  
 12 checkout bags imposed under section 3 of this 2019 Act.

13 (b) All moneys received by the department under this section shall be deposited in the  
 14 Plastic Clean-Up and Recycling Fund established under section 5 of this 2019 Act.

15 (2)(a) The Environmental Quality Commission shall adopt rules necessary to implement  
 16 sections 2 to 6 of this 2019 Act, including rules prescribing the method by which retail es-  
 17 tablishments shall remit all moneys collected pursuant to the excise tax on the provision of  
 18 single-use plastic checkout bags.

19 (b) Notwithstanding paragraph (a) of this subsection, the commission may not require a  
 20 retail establishment to remit moneys collected pursuant to the excise tax more often than  
 21 once each month.

22 (3) The department may require a retail establishment to provide, within a reasonable  
 23 time, information necessary to ensure compliance with this section and section 3 of this 2019  
 24 Act.

25 **SECTION 5.** The Plastic Clean-Up and Recycling Fund is established in the State Treas-  
 26 ury, separate and distinct from the General Fund. All moneys in the Plastic Clean-Up and  
 27 Recycling Fund are continuously appropriated to the Department of Environmental Quality  
 28 to be used for programs or activities that clean up plastic waste and promote plastic recy-  
 29 cling.

30 **SECTION 6.** (1) The Department of Environmental Quality may impose a civil penalty on  
 31 a retail establishment for a violation of any provision of section 3 of this 2019 Act or rules  
 32 adopted pursuant to section 4 of this 2019 Act.

33 (2) A civil penalty imposed under this section for a violation of section 3 of this 2019 Act  
 34 may not exceed \$500.

35 (3) Civil penalties described in this section shall be imposed in the manner provided in  
 36 ORS 183.745.

37 (4) All penalties recovered under this section shall be paid into the State Treasury and  
 38 credited to the Plastic Clean-Up and Recycling Fund established under section 5 of this 2019  
 39 Act.

40 **SECTION 7.** (1) Sections 2 to 6 of this 2019 Act become operative on July 1, 2020.

41 (2) Notwithstanding the operative date specified in subsection (1) of this section, a retail  
 42 establishment with fewer than 50 employees may not be subject to a civil penalty under  
 43 section 6 of this 2019 Act for a violation that occurs on or before January 1, 2021.

44 (3) The Environmental Quality Commission may adopt rules and take any other action  
 45 before the operative date specified in subsection (1) of this section that is necessary to im-

1 **plement, on or after the operative date specified in subsection (1) of this section, sections 2**  
2 **to 6 of this 2019 Act.**

3 **SECTION 8. This 2019 Act takes effect on the 91st day after the date on which the 2019**  
4 **regular session of the Eightieth Legislative Assembly adjourns sine die.**

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