

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: SB 582 - 9**

81st Oregon Legislative Assembly – 2021 Regular Session  
Legislative Fiscal Office

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

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**Measure Description:**

Directs Department of Environmental Quality to take certain actions to modernize Oregon's recycling system.

**Government Unit(s) Affected:**

Department of Environmental Quality (DEQ), Cities, Counties, Special Districts, Department of Administrative Services (DAS), Department of Justice (DOJ)

**Analysis:**

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Energy and Environment to the Joint Committee on Ways and Means.

The measure directs the Department of Environmental Quality (DEQ) to take various actions to help modernize Oregon’s recycling system, including approval and oversight of producer responsibility organizations and creation of a uniform statewide collection list. DEQ is directed to study if covered products are compostable; equity in Oregon’s recycling system; and challenges in recycling for residents of multifamily housing. DEQ is also to establish a program to reduce environmental impacts of covered products and may provide grants or loans under this program. DEQ is provided with certain enforcement capabilities.

The Environmental Quality Commission is directed to adopt a contamination management fee and a processor commodity risk fee to be paid by producer responsibility organizations to commingled recycling processing facilities. The Commission is also to set a one-time producer responsibility program plan review fee and an annual producer responsibility organization fee, to be paid to DEQ; and a waste prevention and reuse fee to support waste prevention and reuse programs. This measure establishes a Producer Responsibility Fund and a Waste Prevention and Reuse Fund, both separate and distinct from the General Fund with moneys continuously appropriated to DEQ for certain purposes.

The measure also establishes the Oregon Recycling System Advisory Council, to advise DEQ and producer responsibility programs. Additionally, this measure establishes the Truth in Labeling Task Force to study and evaluate misleading claims about recyclability of products. The measure outlines responsibilities of local governments and commingled recycling processing facilities, and sets goals for the statewide plastic recycling rate. Finally, this measure directs the Department of Administrative Services, with DEQ, to study and assess state procurement practices as they relate to recycled materials.

Initial estimates from DEQ are that this measure will require approximately \$1.8 million total funds and seven positions in 2021-23, and \$10.8 million total funds and 11 positions in 2023-25. These numbers are estimates only until further analysis of the fiscal impact of this measure can be completed; and are not inclusive of costs to other state agencies potentially impacted by this measure. Some of these positions and funding are included in the DEQ 2021-23 agency budget in Policy Option Package 131 (Modernizing Oregon’s Recycling System).

A more complete fiscal analysis on the measure will be prepared as the measure is considered in the Joint Committee on Ways and Means.

*Further Analysis Required*