

SB 847 A STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

Action Date: 03/30/21

Action: Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).

Vote: 5-0-0-0

Yeas: 5 - Beyer, Dembrow, Findley, Robinson, Taylor

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Beth Reiley, LPRO Analyst

Meeting Dates: 3/16, 3/30

WHAT THE MEASURE DOES:

Establishes 15-member **Bottle Bill Expansion, Access and Transparency Task Force** (Task Force). Requires the President of the Senate and the Speaker of the House to each appoint a legislator from their respective chambers to serve in an advisory role as a nonvoting Task Force member. Requires the Director of the Department of Environmental Quality (DEQ) to appoint one member to represent DEQ and the administrator of the Oregon Liquor Control Commission (OLCC) to appoint remaining 12 members representing certain entities or interests. Establishes, within the Task Force, the Bottle Bill Expansion Subcommittee and the Bottle Bill Access and Transparency Subcommittee comprised of Task Force Members. Requires the **Bottle Bill Expansion Subcommittee** to evaluate and make recommendations to the Task Force on establishing a beverage container refund value for exempt beverages and containers including: wine in metal cans or glass bottles, distilled liquor, premixed beverages containing distilled liquor, and water in a quantity of more than three liters. Requires **Bottle Bill Access and Transparency Subcommittee** to study, evaluate, and make recommendations to the Task Force for: convenient zone requirements in markets where the volume of redeemed containers exceeds capacity; options to create incentives for increasing redemption rates and options to remove or avoid private or public disincentives should the redemption rate of a distributor cooperative fall below 80 percent; strategies to eliminate redemption center siting barriers; detailed accounting requirements for distributor cooperatives; strategies to improve access, efficiency, and experience; and a distributor nonparticipation fee if in a comparison it is determined the fee would be appropriate. Requires the Bottle Bill Access and Transparency Subcommittee, in consultation with the Container Recycling Institute, to study, evaluate, and report to the Task Force on beverage container redemption and recycling systems operational models. Requires Task Force to approve or reject subcommittee recommendations. Requires final report and recommendations for legislation be provided to legislative committees related to the environment no later than January 1, 2022. Requires OLCC to provide staff support. Sunsets December 31, 2022. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Recycling rates
- Legacy of the bottle bill
- Including wine and liquor as a redeemable product
- Changing customer needs
- Impact of redemption center on surrounding community

EFFECT OF AMENDMENT:

Clarifies that Bottle Bill Expansion Subcommittee recommendations may not include establishing a refund for liquids that are not beverages. Requires Bottle Bill Access and Transparency Subcommittee to study, evaluate, and make recommendations on options to create incentives for increasing redemption rates and options to remove or avoid private or public disincentives should the redemption rate of a distributor cooperative fall below 80 percent.

SB 847 A STAFF MEASURE SUMMARY

Removes preliminary reporting requirement and requires final report and recommendations for legislation be provided to legislative committees related to the environment no later than January 1, 2022, rather than September 15, 2022. Declares emergency, effective on passage.

BACKGROUND:

The original Bottle Bill legislation was enacted in 1971, and it is the nation's longest-standing beverage container deposit law. Since its passage, nine other states have enacted similar programs. Since enactment, the Bottle Bill has undergone multiple updates and changes. In 2007, the Oregon Legislative Assembly enacted Senate Bill 707 which created the Bottle Bill Task Force with the purpose of making recommendations to the legislature on ways the Oregon Bottle Bill systems could be improved. Legislation enacted in 2013 authorized a redemption center program to improve customer convenience and reduce the burden on retailers to accept and process empty containers, known as "BottleDrops." In addition, the Legislative Assembly expanded coverage to include additional containers and, in 2017, increased the deposit from five to 10 cents. Under the current law, people pay a 10-cent container deposit when they buy beverage containers three liters or less in size, except distilled liquor, wine, dairy or plant-based milk, and infant formula. Consumers can return the empty containers to stores and BottleDrops and receive the 10-cent refund value for each container returned.

Senate Bill 847 A establishes the Bottle Bill Expansion, Access and Transparency Task Force (Task Force), and the Bottle Bill Expansion and the Bottle Bill Access and Transparency Subcommittees within the Task Force. The Act requires the Task Force to submit the final report to an interim committee of the Legislative Assembly no later than January 1, 2022.