

SB 992 -1 STAFF MEASURE SUMMARY

Senate Committee On Energy and Environment

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Meeting Dates: 2/17

WHAT THE MEASURE DOES:

Requires the Oregon Liquor and Cannabis Commission to study the modernization of the beverage container redemption and recycling law. Directs the commission to submit findings to the interim committees of the Legislative Assembly related to the environment by September 15, 2026.

REVENUE: May have revenue impact, but no statement yet issued

FISCAL: May have fiscal impact, but no statement yet issued

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-1 The measure authorizes the Oregon Liquor and Cannabis Commission to approve one or more Alternative Access Redemption Centers (Alternative Redemption Center) in order to expand opportunities for individuals who redeem empty beverage containers on a daily or near daily basis. The Act modifies the convenient zone requirements to only accept returns of beverage containers between 8 a.m. and 8 p.m.

Detailed Summary:

Replaces measure.

Authorizes Oregon Liquor and Cannabis Commission (Commission) to approve one or more **Alternative Access Redemption Centers** (Alternative Redemption Center), at which people may return empty beverage containers and receive payment of refund value in order to expand alternative redemption access opportunities for individuals who redeem empty beverage containers on a daily or near daily basis. Stipulates an Alternative Redemption Center:

- may not refuse to accept and to pay refund value of up to 350 beverage containers returned by any one person during one day;
- must provide hand counting of up to 50 individual beverage containers returned by any one person during one day; and
- is authorized to provide drop off service and an accounting mechanism by which the person may redeem the refund for at least 125 individual empty beverage containers returned by any one person during one day.

Authorizes a person operating Alternative Redemption Center to apply to Commission for approval of **mobile or satellite redemption sites** (Satellite Redemption Sites). Requires the satellite site to maintain consistent service hours and days at fixed points within specified convenience zone; and provide refund value in cash at the time of redemption. Authorizes Commission to adopt rules establishing standards for satellite redemption sites and requirements for dealers located in applicable convenience zone.

Requires Alternative Redemption Centers to be established and operated by a nonprofit that has entered into an agreement with a distributor cooperative to be a sponsor and located within a city with a population greater than 500,000. Requires **application** with certain information to be filed with Commission. Requires Commission to approve application if it is found that the Alternative Redemption Center will provide alternative redemption access opportunities. Requires order approving Alternative Redemption Center to include certain information. Specifies Alternative Redemption Center is not a recycling depot. Specifies that within five days of approving

This summary has not been adopted or officially endorsed by action of the committee.

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Alternative Redemption Center the Commission must provide notice, that includes certain information, to each identified dealer not to be served by or not participating in Alternative Redemption Center. Establishes process for Commission to review, provide notice and withdraw approval if Commission finds there has not been compliance or the Alternative Redemption Center no longer provides alternative redemption access opportunities.

Requires Commission to specify **convenience zones** for Alternative Redemption Center and Satellite Redemption Sites. Requires convenience zone for:

- Alternative Redemption Center to be contiguous area, and that boundaries do not exceed three and one-half miles from the Alternative Redemption Center; and
- Satellite Redemption Site be within an area that extends no more than five miles from the Alternative Redemption Center.

Specifies the following redemption requirements for dealers within the Alternative Redemption Center Convenience zone:

- Dealers that occupy 5,000 square feet or more that chose to participate in, be served by, and be charged the cost of participating in the Alternative Redemption Center do not have to accept and refund empty beverage containers.
- Dealers within the convenience zone that occupy a space less than 5,000 square feet must accept and refund 24 beverage containers per person per day.
- Dealers that occupy 5,000 square feet or more, other than dealers that operate a dealer bag drop, that choose to not participate in the Alternative Redemption Center must accept and refund up to 350 beverage containers per person per day, per person and must provide services equivalent to the Alternative Redemption Center. In addition, the dealer must post clearly visible and legible sign detailing the list of services provided and provide either two automated reverse vending machines or one automated reverse vending machine for every 500,000 beverage containers sold in the previous year, whichever is greater. Stipulates dealers that report and sell fewer than 100,000 beverages in the previous calendar year are exempt for the requirements.

Direct Commission classify two existing convenience zones as a single **low-impact convenience zone** if specific conditions are met. Specifies the following redemption requirements for dealers within the low-impact convenience zone:

- Dealers that occupy 5,000 square feet or more that chose to participate in, be served by, and be charged the cost of participating in full-service redemption center do not have to accept and refund empty beverage containers.
- Dealers that occupy a space less than 5,000 square feet must accept and refund 24 beverage containers per person per day.

Authorizes a dealer that occupies space of 5,000 square feet or more and is located within city with population of at least 500,000 to establish a **dealer bag drop**, with certain requirements. Stipulates that dealer that operates dealer bag drop may refuse to accept and to pay refund value of any individual beverage containers.

Requires Commission to **review each convenient zone** once every three years. Requires Commission, in consultation with distributor cooperative and association representing retail grocers to review each convenience zone and classify any convince zone as low-impact convenience zone if it meets specified criteria no later than January 1, 2026.

Establishes that dealer is only required to accept return of beverage containers between 8 a.m. and 8 p.m. Authorizes Commission to expand hours if Commission determines additional time for beverage returns is needed to provide convenient service to the public. Stipulates dealer that holds **winery** license may refuse to

accept and pay the refund for a beverage container that is of a kind, size and brand the dealer does not sell at the winery.

Requires the order the Commission issues approving a full-service redemption center shall state whether it will be located in an are zoned for industrial use. Requires applicant to notify state Senator and state Representative in whose districts the full-service redemption center will be located of the proposed full-service redemption center and the applicant’s plan for community engagement. Requires Commission to provide opportunity for public comment before concluding that a full-service redemption center provides a convenient service. Authorizes the Commission to deny or withdraw approval for full-service redemption center if the Commission determines that it would have or has had a negative impact on the livability of the surrounding area that outweighs any convenient service to the public.

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. 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 (with exception of wine in cans which will be included in the bottle bill July 1, 2025), dairy or plant-based milk, and infant formula. Consumers can return the empty containers to dealers and BottleDrops and receive the 10-cent refund value for each container returned.