Senate Bill 329

Sponsored by Senator GOLDEN; Representative GAMBA (Presession filed.)

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: This Act tells a cooperative and retail stores to expand the use of reusable cans or bottles. (Flesch Readability Score: 65.1).

Requires a distributor cooperative to implement a managed system for reusable beverage containers that achieves certain sales and return rates.

Requires certain beverage container dealers to provide shelf space for reusable beverage containers.

1

A BILL FOR AN ACT

2 Relating to reusable beverage containers; creating new provisions; and amending ORS 459A.718.

3 Be It Enacted by the People of the State of Oregon:

4 <u>SECTION 1.</u> Sections 2 and 3 of this 2025 Act are added to and made a part of ORS 5 459A.700 to 459A.744.

6 <u>SECTION 2.</u> (1) A distributor cooperative shall implement a managed system for reusable

beverage containers. The system shall achieve the following sales rates for reusable beverage
 containers:

9 (a) No later than January 1, 2031, at least five percent of all beverage containers sold in 10 this state must be reusable.

11 (b) No later than January 1, 2034, at least 10 percent of all beverage containers sold in 12 this state must be reusable.

- (c) No later than January 1, 2036, at least 25 percent of all beverage containers sold in
 this state must be reusable.
- 15 (2) The system shall achieve the following return rates:

16 (a) No later than January 1, 2034, at least 60 percent of reusable beverage containers in

17 the system must be returned for reuse.

(b) No later than January 1, 2036, at least 90 percent of reusable beverage containers in
 the system must be returned for reuse.

(c) No later than January 1, 2038, at least 95 percent of reusable beverage containers in
 the system must be returned for reuse.

<u>SECTION 3.</u> Dealers that occupy a space of more than 5,000 square feet must provide shelf space for reusable beverage containers sufficient to achieve the reusable beverage container sales rates set forth in section 2 of this 2025 Act, as determined by the Oregon Liquor and Cannabis Commission by rule.

26 **SECTION 4.** ORS 459A.718 is amended to read:

459A.718. (1) Two or more distributors or importers may establish a distributor cooperative for the purposes of:

(a) Collecting the refund value of beverage containers specified in ORS 459A.705 from distribu-1 2 tors or importers and refunding to dealers the amount the dealers paid for the refund value of empty 3 beverage containers;

(b) Paying the refund value specified in ORS 459A.705 for beverage containers sold in this state; 4 5

(c) Processing beverage containers sold in this state; and

(d) Maintaining a registry of all beverage containers sold and redeemed in this state. 6

(2) A distributor cooperative established under this section must service a majority of the deal-7 ers in this state. 8

9 (3) If a distributor cooperative is established, a dealer that uses the distributor cooperative to 10 redeem and process beverage containers sold in this state is not required to return beverage containers to a distributor or importer that does not participate in the distributor cooperative, provided 11 12 that the dealer or the distributor cooperative provides an accounting to the distributor or importer 13 of the beverage containers by brand and kind that were distributed by the distributor or importer and subsequently redeemed by the dealer or distributor cooperative. 14

15 (4) Upon receipt of the accounting required by subsection (3) of this section, a distributor or importer that does not participate in the distributor cooperative must pay the refund value of the 16 17 redeemed beverage containers specified in the accounting to the dealer or distributor cooperative 18 that provided the accounting.

19 (5) A distributor or importer that does not participate in a distributor cooperative to redeem and process beverage containers shall register with the distributor cooperative as a nonparticipating 20distributor or importer and shall report, in a form and manner as required by the distributor coop-2122erative, information necessary for the distributor cooperative to maintain the beverage container 23registry described in subsection (6) of this section.

(6) A distributor cooperative shall maintain a registry of all types of beverage containers sold 94 and redeemed in this state for all registered entities that describes the beverage containers using 25the following information for each beverage container: 26

(a) The name of the beverage contained in the beverage container as identified through the use 27of letters, words or symbols on the product label affixed to the beverage container; 28

(b) The type of beverage contained in the beverage container using an appropriate categori-2930 zation method for beverages as determined by the distributor cooperative;

31 (c) The size of the beverage container;

32(d) Whether the beverage container is glass, metal or plastic; [and]

(e) Whether the beverage container is single-use or reusable; and

34 [(e)] (f) If applicable, the universal product code or European article number on the product la-35bel affixed to the beverage container.

(7)(a) For purposes of this subsection, beverage container return data is the number of beverage 36 containers returned for the refund value specified in ORS 459A.705 in Oregon during the calendar 37 38 year and the number of beverage containers that carry a refund value specified in ORS 459A.705 sold in Oregon during the calendar year, calculated separately. 39

40 (b) By July 1 of each calendar year, a distributor cooperative shall provide the Oregon Liquor and Cannabis Commission with a report that lists, in aggregate form: 41

(A) For all distributors and importers that participate in the distributor cooperative, the previ-42 ous calendar year's beverage container return data, calculated separately for glass, metal and plas-43 tic beverage containers; and 44

45

33

(B) The registry of all beverage containers sold and redeemed in this state during the previous

1 calendar year.

2 (c) By July 1 of each calendar year, a distributor or importer that does not participate in a 3 distributor cooperative shall provide the commission with a report that lists the distributor's or the 4 importer's beverage container return data for the previous calendar year, calculated separately for 5 glass, metal and plastic beverage containers.

6 (8)(a) By August 1 of each calendar year, using the beverage container return data provided in 7 subsection (7)(b) of this section, the Oregon Liquor and Cannabis Commission shall calculate the 8 previous calendar year's percentage of beverage containers returned for the refund value specified 9 in ORS 459A.705 for each distributor cooperative. The commission shall carry out the calculation 10 separately for glass, metal and plastic beverage containers and shall post the percentages on the 11 commission's website.

(b) By August 1 of each calendar year, using the beverage container return data provided in subsection (7)(c) of this section, the commission shall calculate the previous calendar year's percentage of beverage containers returned for the refund value specified in ORS 459A.705 for each distributor or importer that does not participate in a distributor cooperative. The commission shall carry out the calculation separately for glass, metal and plastic beverage containers and shall post the percentages on the commission's website.

(c) By August 1 of each calendar year, using the beverage container return data provided in subsection (7)(b) and (c) of this section, the commission shall calculate the previous calendar year's percentage of beverage containers returned for the refund value specified in ORS 459A.705 for all distributors and importers in Oregon. The commission shall carry out the calculation for all beverage containers, and separately for glass, metal and plastic beverage containers, and shall post the percentages on the commission's website.

(d) Except for the percentages described in paragraphs (a) to (c) of this subsection or in a proceeding under ORS 459A.717 for a violation of subsection (7) of this section, the commission may
not disclose any information provided by a distributor, an importer or a distributor cooperative under subsection (7) of this section.

(9)(a) In order to determine compliance with the provisions of subsection (7) of this section, within six months of the date that the commission receives a report described in subsection (7)(b) and (c) of this section, the commission may review or audit the records of each reporting distributor cooperative, or each reporting distributor or importer that does not participate in a distributor cooperative.

(b)(A) If in the course of a review described in paragraph (a) of this subsection the commission determines that an audit of a distributor cooperative, distributor or importer is necessary, the commission shall require the distributor cooperative, distributor or importer to retain an independent financial audit firm to determine the accuracy of information contained in the report. The distributor cooperative, distributor or importer that is the subject of review shall pay the costs of the audit. The audit must be limited to the records described in paragraph (a) of this subsection.

39

(B) The commission shall adopt rules to carry out the provisions of this paragraph.

(10) No later than February 15 of each year, a distributor cooperative shall submit to the commission, and to the appropriate committees of the Legislative Assembly in the manner provided under ORS 192.245, a report that describes sites, options and access points added during the previous calendar year and expansion priorities for the current calendar year. The report must include a description of the distributor cooperative's efforts to expand and enhance alternative redemption access opportunities for individuals who redeem containers on a daily or near daily basis.