

The Expanded Bottle Bill

2007 Legislation Adds Water Bottles, Creates Task Force

Background

Oregon enacted the first bottle bill in the country in 1971, but only minor changes have been made to it since then. Senate Bill 707, signed by the governor on June 7, 2007, will expand Oregon's landmark bottle bill for the first time since its inception to include a refundable deposit for all water and flavored water bottles under three liters. The expansion will go into effect January 1, 2009.

In 2005, Oregonians bought nearly 200 million bottles of water, with an estimated 125 million thrown in the trash. In 2007, these numbers are likely substantially higher. Adding water bottles to the refundable deposit program will encourage recycling, help conserve energy, reduce greenhouse gas emissions, and reduce solid waste.



Other legislative changes

In addition to adding water bottles to the bottle bill, the 2007 legislation allows small stores to further limit the number of empty containers they accept for refunds and to continue to refuse to take back container brands they do not sell. Beginning on enactment June 7, 2007, stores occupying less than 5,000 square feet of space must accept only 50 or fewer empty containers from one person per day, while larger stores must continue to accept up to 144 containers per person per day.

Beginning January 1, 2009, stores occupying 5,000 square feet or more must begin accepting empty containers of any brand or size, if they sell the same type of beverage. For example, a store that sells soft drinks must accept and pay a refund on any brand of soft drink container.

The legislation also creates a Bottle Bill Task Force, charged with submitting a report to the governor by November 1, 2008 on recommendations on how to further expand or modify the bottle bill's recycling system. The governor will appoint seven members of the task force who will serve along with two state legislators.

How the bottle bill works

Oregon's bottle bill covers beer, other malt beverages, carbonated mineral waters, carbonated soft drinks, and, beginning January 1, 2009, water and flavored water. It does not cover juice, teas, wine, liquor, dairy, or other non-carbonated drinks or beverages. Some carbonated sports drinks and juices are considered "soft drinks" and may be covered.

Here's how the system works:

- Manufacturers, importers, or distributors who sell covered beverages in Oregon must label them so that the 5-cent refund value is clearly visible.
- Stores must pay a 5-cent refund for each covered empty container returned, with some exceptions:
 - Beverage containers that visibly contain or are contaminated by a substance other than water, residue of the original contents, or ordinary dust may be refused. Containers that are so damaged that the brand or refund label appearing on the container cannot be identified may also be refused.
 - Stores may refuse to accept more than 144 containers from one person per day. (The 2007 amendments created a 50-container limit for stores occupying less than 5,000 square feet of space).
- Distributors must pay stores the 5-cent refund value for each covered container returned to the distributor for recycling.
- Deposits on containers not returned for refund (unredeemed deposits) are kept by the distributors.

Effects of the bottle bill

Litter reduction: When passed in 1971, the bottle bill was viewed primarily as a litter control measure. As a result of the law, litter has been substantially reduced across Oregon's roadsides and landscape. In 1971, before the bottle bill passed, beverage containers made up as much as 40 percent of roadside litter. By 1973, they were only 10.8% and by 1979 they were down to 6%. This litter reduction impact has continued to date.

Return rates: As impressive as litter reduction has been, the bill's effect on waste reduction and resource conservation has proven to be its most



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remarkable feature. During the last 35 years, return rates for beverage containers in Oregon have exceeded 80 percent and some years have been as high as 94 percent. Although the estimated return rate for bottle bill containers has dropped to 83 percent for 2005, the rates for other beverage containers are considerably lower, as shown below. The estimated total return rate for all non-deposit beverage containers is only 36 percent.

Recycling and solid waste: Studies of solid waste disposal show that fewer than 20 percent of the 1.5 billion deposit beverage containers used in Oregon in 2005 were disposed of in landfills, while more than 1 billion were recovered and recycled. The Department of Environmental Quality (DEQ) estimates that Oregonians purchased almost 2 billion beverage containers (deposit and non-deposit, not including paper containers such as juice boxes) in 2005.

Unredeemed deposits: Even with 80-90 percent return rates on bottle bill containers, there is still a substantial sum of unredeemed deposits in Oregon. DEQ estimates that about 250 million beverage containers, with deposits worth more than \$12 million, are discarded in Oregon's landfills each year. In addition, another 60 million beer and soft drink containers are recycled through curbside and other recycling programs without being redeemed for their nickel deposits. All of these unredeemed deposits are held by the beverage distributors. State government does not receive any of these funds.

Bottle bill miscellany

- The minimum refund value, 5 cents, has remained unchanged since 1972. Adjusted for inflation, that nickel would now be worth about 25 cents.
- While redemption centers are allowed under the law, there are none operating in Oregon because the law is not set up to provide them with a source of revenue.

- Unlike most deposit states, Oregon does not have a handling fee required by law to be paid to stores or redemption centers to cover the cost of returning containers.
- Money from the deposit/refund system remains entirely in the private sector; unclaimed deposits are retained by the distributor or bottler.
- Income from sale of recyclable material is retained by the distributor or their contractors who collect containers from stores.
- There are no government employees whose main job is dedicated to implementation of the bottle bill.
- There is no tax, fee, or other government income associated with this law.

For more information

The Oregon Liquor Control Commission (OLCC) administers and enforces the bottle bill. If you have questions about enforcement or complaints, call Jan Smith at (503) 872-5217 or 1-800-452-6522. For general information about the bottle bill or return rates, call Peter Spendelow at DEQ, (503) 229-5253 or 1-800-452-4011, extension 5253.

A complete copy of the 2007 bottle bill legislation (Senate Bill 707) is available at http://www.leg.state.or.us/bills_laws/. A complete copy of the law (2005 version) is available at <http://landru.leg.state.or.us/ors/459a.html> (see ORS 459A.700-740). OLCC administrative rules are available at http://arcweb.sos.state.or.us/rules/OARS_800/OAR_845/845_020.html.

Alternative formats

Alternative formats (Braille, large type) of this document are available upon request. Contact DEQ's Office of Communications & Outreach, Portland, at (503) 229-5696, or call toll-free in Oregon at 1-800-452-4011, extension 5696.

Estimates of Beverage Container Redemption, Recycling, 2005 (in millions of containers)

	Disposed	Recycled - not redeemed	Redeemed	Total	Percent Recycled
Beer & soft drink-deposit	254.8	63.0	1163.1	1480.9	82.8%
Water	125.5	60.7		186.2	32.6%
Juice/tea/other	137.7	54.1		191.8	28.2%
Milk	43.6	37.2		80.8	46.1%
Wine	11.5	26.4		37.9	69.6%
Liquor	9.4	7.4		16.8	44.3%
Total no-deposit	327.7	185.9		513.5	36.2%
Beer/soft drink/water/juice	518.1	177.8	1163.1	1859.0	72.1%
All beverages (no paper)	582.5	248.9	1163.1	1994.5	70.8%