

The Expanded Bottle Bill

2007 Legislation Added Water Bottles, Created Task Force

Background

Oregon enacted the first bottle bill in the country in 1971, but only minor changes had been made to it until 2007. Senate Bill 707, signed by the governor on June 7, 2007, expanded Oregon's landmark bottle bill for the first time to include a refundable deposit for all water and flavored water bottles under three liters. The expansion is effective Jan. 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 were likely substantially higher. Adding water bottles to the refundable deposit program encourages recycling, helps conserve energy, reduces greenhouse gas emissions and reduces solid waste.



Other legislative changes

In addition to adding water bottles, the 2007 legislation allowed 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. Since bill enactment on 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.

Effective Jan. 1, 2009, stores occupying 5,000 square feet or more must accept 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 created a Bottle Bill Task Force, which made recommendations to the governor in November 2008 on how to further expand or modify the bottle bill's recycling system.

How the bottle bill works

Oregon's bottle bill covers beer, other malt beverages, carbonated mineral waters, carbonated

soft drinks and, beginning Jan. 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 cannot be identified may also be refused.
 - Stores may refuse to accept more than 144 containers from one person per day. (The 2007 legislation created a 50-container limit for stores with 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 because beverage containers made up as much as 40 percent of roadside litter then. As a result of the law, this litter has been substantially reduced across Oregon's roadsides and landscape. By 1979, litter contained only 6% beverage containers. This litter reduction continues 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 remarkable feature. During most of the past 37 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 dropped to 80 percent for 2005, the rates for other



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beverage containers are considerably lower, as shown in the table 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. Oregon The Department of Environmental Quality 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 high 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 be worth about 26 cents in 2008.
- While redemption centers are allowed under the law, none operate 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.
- Distributors or their contractors who collect containers from stores retain income from the sale of recyclable materials.
- 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 Spindelov at DEQ, (503) 229-5253 or 1-800-452-4011, extension 5253.

A copy of the law (2007 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	126.0	54.1		180.1	30.0%
Milk	43.6	37.2		80.8	46.1%
Wine	11.5	26.4		37.9	69.6%
Liquor	9.3	7.4		16.8	44.4%
Total no-deposit	316.0	185.9		501.8	37.0%
Beer/soft drink/water/juice	506.4	177.8	1163.1	1847.2	72.6%
All beverages (no paper)	570.8	248.9	1163.1	1982.8	71.2%