

Oregon's Bottle Bill: Opportunities and Challenges for Inclusive Waste Management

Taylor Cass Talbott / June 2021



About this Brief

This brief is one of a series of case studies examining Extended Producer Responsibility (EPR) Systems in various locations around the globe. Produced by the Global Alliance of Waste Pickers and WIEGO, this series looks at how the growing adoption of EPR policies and systems worldwide can either threaten or improve livelihoods for informal waste pickers who have traditionally been key players in recycling and reuse.

EPR systems come in many shapes and forms and can cover a range of materials. Their primary purpose is to hold producers responsible for the environmental and economic cost of the packaging and products that they put into the market. Some systems are mandatory policies, while others are voluntary initiatives led by companies or consortiums.

Waste is not just an environmental issue—it is a valuable commodity. For waste pickers, EPR systems can be controversial because they shift both power and profit to producers or other waste sector actors, often introducing new actors who compete for materials. But in places where waste pickers are organized, EPR can be a positive disruption that has the potential to finance new or existing waste picker activities. Thus, EPR can present both risks and opportunities for waste pickers and their organizations. Without a clear understanding of EPR in different contexts, however, it can be difficult for waste pickers and their organizations to know what to demand when an EPR system is being proposed or how an existing system should be changed.

This series aims to close that knowledge gap by sharing on-the-ground, lived experience of local waste pickers and their organizations in places where some form of EPR exists. Each study concludes with a set of recommendations for improving the system to better accommodate waste picker integration.

Local and national waste picker organizations were involved in the research and development of each brief. This case study presents the vision of Ground Score Association based on its experience with Oregon's Bottle Bill.

Acknowledgements

This report was prepared by Taylor Cass Talbott. Ground Score Association and The Global Alliance of Waste Pickers and WIEGO's EPR working group provided valuable reviews. The list of representatives of the Global Alliance of Waste Pickers' EPR Working Group can be found at: <http://globalrec.org/epr>

Please cite this publication as: Cass Talbott, Taylor. 2021. Oregon's Bottle Bill: Opportunities and Challenges for Inclusive Waste Management. The Global Alliance of Waste Pickers and WIEGO.

Cover photo: *Workers rest after a long day at the People's Depot. Photo credit: Ground Score Association*

Table of Contents

About this Brief.....	1
Acknowledgements	1
Summary	3
Background: Context and History of the Bottle Bill	4
How the System Functions.....	5
Issues for retailers	5
“BottleDrop” Redemption Centers	6
Blue/Green Bag System	6
Overview of the convenience zone system:.....	7
Limited Transparency.....	8
Environmental Justice	9
Inclusive Opportunity	10
Who gains and who loses from the system?.....	11
Bottle Bill Resilience in the Face of COVID-19	12
Recommendations for a More Inclusive Bottle Bill	13

Summary

Oregon's Bottle Bill system is a form of Extended Producer Responsibility (EPR) policy that creates an artificially stable market for plastic, aluminum and glass beverage packaging (beverage containers) in the state. The system mandates that consumers pay a monetary deposit on each beverage can or bottle purchased; that money can be refunded when empty beverage containers are returned to a designated site.

In Oregon and across the United States, waste pickers who earn income from the collection and return of beverage containers through Bottle Bill systems are commonly called **canners**. Bottle deposit returns represent a significant source of income and livelihood for canners, though their impact is largely undocumented. While Oregon's Bottle Bill enables income generation for canners—in a waste market with few other livelihood opportunities from the informal collection and sale of discarded recyclables—it presents several challenges to the inclusion and advancement of canners within the system. These challenges have three primary causes: the consolidation of service provision (and power) under the management of producers; a lack of organizational and financial transparency; and a lack of research and recognition of the key role that canners play in the success of the system.

This case study emphasizes that Oregon's Bottle Bill should improve transparency and oversight, broaden participation in the design and implementation of the system, and redistribute economic opportunity within the system through equity and inclusion mandates.

Basic Case Data

- **Location:** Oregon, United States
- **Scale:** Statewide
- **System type:** Mandatory, with charity elements
- **Materials:** plastic, aluminum, and glass beverage packaging (“containers”)
- **Quantity of material recovered annually through the system:** 1.86 billion beverage containers in 2020 (Oregon Beverage Recycling Cooperative Annual Report ¹)
- **Material destination:** Recycling
- **Number of organized waste pickers involved in the system:** About 25 positions under a temporary, charity-based contract
- **Number of independent waste pickers informally engaging in the system:** Unknown

¹ <https://www.obrc.com/Content/Reports/OBRC%20Annual%20Report%202020.PDF>

Background: Context and History of the Bottle Bill

Oregon's Bottle Bill is a container-deposit legislation,² otherwise known as a Deposit Return System (DRS). When passed in 1971, it became the first of 10 state-run Bottle Bills passed in the United States. It was introduced to address growing litter problems along the state's highways, beaches and other public spaces, with the idea that the deposit (then USD \$0.05) would incentivize residents (especially kids) to save and collect bottles and cans to generate spare income. Today, the bottle deposit is a significant, though understudied, source of income and livelihood for working-age adults. Of particular interest to this study are canners, but also other low-income workers within the system who have little influence over social and labor protections and who lack opportunities for advancement within the power dynamics of the system.

The Bottle Bill system was an adaptation of a previous system that placed a deposit on materials that could be collected and washed for reuse. As glass and aluminum became more affordable after World War II, brewers began to distribute beverages in disposable rather than returnable containers, leading to litter. Beverage producers fell under pressure to return to reusable packaging, or else take responsibility for systems to return beverage containers to prevent litter.

The Bottle Bill was introduced to control litter and, though it only applies to beverage containers, it has had a lasting impact on broader systems and customs for controlling litter in the state. In response to proposals for a Bottle Bill, producers invested in litter cleanups, financing the start of Oregon's primary litter cleanup and advocacy organization, SOLVE (first called SOLV, according to the Oregon Encyclopedia³), which engages volunteers in litter collection across the state. To this day, SOLVE is active in mobilizing litter cleanups around Oregon, and litter cleanup in the state is heavily dependent on volunteerism. Similarly, in the 1950s, producers in the US established the anti-litter organization Keep America Beautiful to prevent the passage of a Bottle Bill in the state of Vermont,⁴ and has set a standard engaging large groups of volunteers in litter cleanup. While these efforts have been monumental in engaging the public in litter issues, they have also deflected the actual cost of cleaning up litter, which could generate additional low-barrier waste collection jobs.

History shows corporate producers have wielded considerable influence over the development of Oregon's EPR system from the outset. The original Bottle Bill, proposed in 1969, failed as result of heavy opposition by can manufacturers and bottlers, as well as politically-motivated proposals to invest in litter cleanup rather than a mandatory recycling system.⁵ But the successful 1971 bill had broad political and civic support, which was only strengthened when some opponents were exposed as having bribed lawmakers to kill the bill.⁶ In 1987, beverage producers (including distributors) first began collaborating to more efficiently manage their role in the system. Several proposals to expand the law in the 1990s failed to pass,⁷ though it was ultimately amended to expand both materials and the size of the deposit in 2009 and 2011 (and continues to undergo regular adjustments). In 2011, the Bottle Bill was expanded to allow multiple distributors to form a cooperative to serve the majority of beverage dealers in the state.⁸ This led to a system of producer-run redemption centers managed by The Oregon Beverage Recycling Cooperative (OBRC), which today represents 96% of beverage producers/distributors in Oregon as the Bottle Bill's sole Producer Responsibility Organization (PRO). OBRC is a private cooperative that operates like a state-sanctioned monopoly.

The State of Oregon's Liquor Control Commission (OLCC) administers and oversees the enforcement of the Bottle Bill, dedicating two staff for this purpose. The OLCC receives about \$75,000 USD annually from the system, which comes from registration fees charged to retailers for the operation of BottleDrop redemption centers.

² A law that requires the collection of a monetary deposit at the point of sale of a product, and usually includes the return (redemption) of that payment upon the return of the product or product packaging.

³ <https://www.oregonencyclopedia.org/articles/solv/#.YKQwrpNufeg>

⁴ Rogers, H. 2005. *Gone Tomorrow: The Hidden Life of Garbage*. The New Press, New York and London.

⁵ Sheppard, Robert. 1971. United Press International. "Choices that Created the Oregon Mystique: Governor Tom McCall's Foresight and Accomplishments" Online at <http://www.govoregon.org/shepparticle.html>

⁶ Henkels, Mark. "Beverage Container Act ("Bottle Bill"), Oregon Encyclopedia. Online at https://www.oregonencyclopedia.org/articles/beverage_container_act_bottle_bill/#.YKQxlpNufep

⁷ Tucker, Kathy. 2002. "Tom McCall & the Bottle Ban," Oregon Historical Society, available at <https://www.oregonhistoryproject.org/articles/historical-records/tom-mccall-amp-the-bottle-ban/#.YKQxPjNufep>

⁸ This move had been vetoed a year prior by then-Governor Kulongoski because it would "violate federal antitrust law by restraining competition to the private participants in this industry." But, in 2011, a new governor passed a bill allowing distributor cooperatives (Bottle Bill Resource Guide, online at <https://www.bottlebill.org/index.php/past-campaigns/oregon-past-campaigns>).

How the System Functions

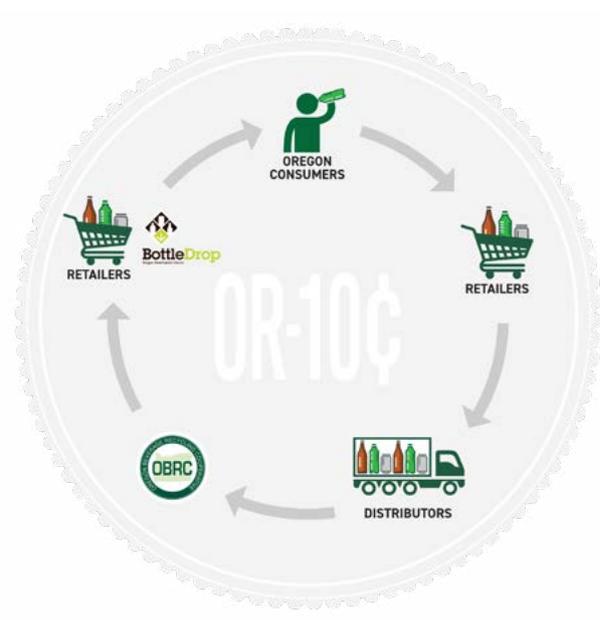
Under Oregon's Bottle Bill, state law currently mandates that retailers provide a "refund value" to anyone returning an eligible⁹ beverage container (can or bottle) after consumption. Producers are required to reimburse retailers this amount. Retailers and producers agreed to a deposit system to cover the cost of this "refund value." Thus, in practice, retailers charge a USD \$0.10 deposit fee to consumers, who can later redeem these deposits by returning the empty containers to stores. Since the 2010s, consumers can also return empty containers to redemption centers called "BottleDrops," which are run by OBRC.

OBRC collects the returned containers from retailers and reimburses the retailers. OBRC then processes and sells the container materials for recycling or reuse. Oregon's Bottle Bill differs from bottle bills in other states in that it is vertically integrated, meaning that producers, represented by OBRC, manage beverage containers throughout their entire lifecycle.

Where do the empties go?



Where do the dimes go?



Source: OBRC

Unredeemed deposits (money that consumers pay for cans and bottles that were never returned for a refund) remain with OBRC. The law does not mandate reporting on the use of unredeemed deposits, nor that they be spent in any particular way. However, OBRC does report the amount annually. In a 2020 audit of Oregon's Bottle Bill, a state auditor recommendation was made that unreturned deposits be sent to the Oregon state government to help fund conservation efforts. Oregon is one of only two US states (Vermont is the other) that allows producers to control 100% of the unredeemed deposits.

Issues for retailers

OBRC collects beverage containers from 2,500 retailers (stores that sell packaged beverages) throughout the state.¹⁰ Because retailers are required to accept containers and pay the refund value, they incur costs associated with that work. They are required to accept empty containers and pay the refund value. The way the system is currently operated, they also cover costs associated with managing the collection of cans and bottles, which includes providing labor to count and process bottle returns, as well as cleaning and maintaining redemption center spaces and equipment.

⁹ Eligible beverage cans and bottles include those for water, carbonated soft drinks, all other non-alcoholic beverages (excluding dairy milk, plant-based milk, infant formula, and liquid meal replacements), alcoholic beverages (excluding distilled liquor and wine), and beverages containing marijuana or hemp.

¹⁰ Oregon Liquor Control Commission. 2020. "Oregon Has an Opportunity to Modernize Groundbreaking Bottle Bill on Its 50th Anniversary" Report from the Secretary of State Oregon Audits Division, available at <https://sos.oregon.gov/audits/Documents/2020-36.pdf>.

Lack of storage space can be a problem for some retailers. The bottle bill requires that stores of at least 5,000 square feet accept up to 144 containers per person per day (worth \$14.40 USD in redeemed deposits), with convenience stores required to accept at least 50 containers (worth \$5).

“BottleDrop” Redemption Centers

In addition to overseeing the implementation of Oregon’s container redemption system, OBRC manages 40 “BottleDrop” redemption centers and 18 “BottleDrop Express sites”.¹¹ BottleDrop sites allow up to 350 containers per person per day. When OBRC locates a BottleDrop redemption center, it does so through the creation of “convenience zones” that allow retailers to buy their way out of their State requirement by participating in the funding of a redemption center. The redemption centers have the benefit of higher container return limits and, in most cases, are better maintained than retailer-run bottle return rooms.

“Stores that are 5,000 or more square feet in size that fall within either redemption center zone may participate in the redemption center by contracting with OBRC for a fee. These stores are not required to participate, but if they don’t participate must provide equivalent services to those provided by the redemption center, including but not limited to accepting 350 containers per person per day at all hours the store is open, installing reverse vending machines, and providing a drop off service and associated accounting system.”

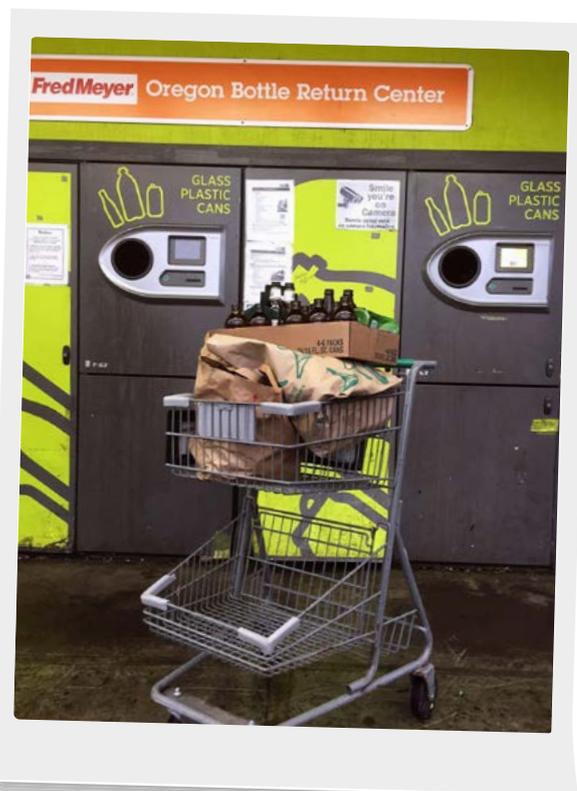
Source: https://www.oregon.gov/olcc/docs/bottle_bill/bottle_bill_faqs.pdf

But the BottleDrop redemption centers also bring challenges. A retailer’s participation in a BottleDrop redemption center allows it to limit the number of containers it is required to accept to between 24 and 144 containers (cans or bottles) per person daily. In exchange, retailers must collectively cover 50% of the costs of operating the BottleDrop Redemption Centers. The amount that each retailer must contribute depends on the share of packaged beverages that they sell. Because retailers can place limits on the number of containers they refund, people (like canners) with a large amount of materials to return often have to travel to several different locations to deposit them all, and/or return containers at a BottleDrop site, where the 350-container limit is less restrictive.

Blue/Green Bag System

OBRC also runs a Blue and Green Bags system. These are large bags that the consumer can purchase and pay a processing fee on (currently, bags are 20 cents each and sold in rolls of 10; in some instances, a 40-cent per bag processing fee is charged upon drop off¹²). After filling the designated bags, the consumer can attach a printed “bag tag” with their account information and deposit materials at a BottleDrop facility without having to wait in line, or wait for the materials to be counted. OBRC is required to count materials within one week of drop off. The deposit is then put in the user’s account, and can be converted to cash or check on site or virtually. Green Bags are for personal accounts. Blue Bags are for nonprofit/fundraiser accounts, for which people can donate the deposit returns on their cans and bottles to select organizations.

OBRC has also introduced a Dealer Redemption Center model. Located within participating retailers, OBRC Dealer Redemption Centers are only for Green and Blue Bag drop offs. This system allows retailers to further



Redemption machines located in a retailer.
Photo by Abigail Herrera

¹¹ Ibid.

¹² OLCC website. 2020. “Oregon’s Bottle Bill: FAQs” online at https://www.oregon.gov/olcc/docs/bottle_bill/bottle_bill_faqs.pdf

limit the number of containers they accept to 24 per person per day, but has the benefit of expanding access to redemption centers, which accept more containers per person than retailers do. This is particularly useful in rural parts of the state without BottleDrop redemption centers. However, this model forces consumers with more than 24 containers at a time into buying Green Bags and having their account credited after at least a one-day delay, rather than receiving a cash deposit return on the spot.

Overview of the convenience zone system:

Facility type	# of containers or bags the facility is required to accept per person per day
Participating retailers over 5,000 sq ft located within 2 miles (zone 1) of a redemption center	0
Participating retailers over 5,000 sq ft located between 2 and 3.5 miles (zone 2) of a redemption center	24 containers
Participating retailers over 5,000 sq ft located over 3.5 miles from a redemption center	144 containers
Retailers over 5,000 sq ft in a redemption center zone, that qualify for an exemption ¹³	144 containers
Retailers not participating in the redemption center system but within the convenience zone	350 containers
Retailers under 5,000 sq ft within zone 1 or zone 2 of the redemption center	24 containers
Retailers under 5,000 sq ft outside the two zones	50 containers (these can also be limited to the brand and size of containers sold in their store)
BottleDrop redemption centers	<ul style="list-style-type: none"> • Containers fed by a customer into a reverse vending machine: 350/day • Containers hand counted by redemption center staff: 50/day • Green Bags (personal accounts): 15 bags/90 days/person • Blue Bags (fundraiser accounts): 10 bags/day/account • Appointments can be made to drop up to 50 blue bags at one time.
BottleDrop Express (a facility for BottleDrop account holders to drop off Green and Blue Bags of containers like at a BottleDrop Redemption Center, but located at a retailer)	<ul style="list-style-type: none"> • Up to two Green Bags/day or up to 10 Blue Bags/day • Also required to accept 144 containers a day (or whatever is required based on their location and size, as delineated above)
Dealer Redemption Centers ("Partner Retailers")	<ol style="list-style-type: none"> 1. Retailers accept 24 containers/day via reverse vending machines or hand count <p>OR:</p> <ol style="list-style-type: none"> 2. Blue Bags: Retailers may choose to enforce a 2 bag/day limit (equal to 144 containers). <p>Bags dropped at these locations do not count toward the 15 bag account limit. No processing fee on customers for bags dropped here (store pays processing fee on behalf of customer).</p>

¹³ OLCC may approve a store for an exemption if the store sold fewer than 100,000 beverage containers during the previous calendar year. Even if a store qualifies for an exemption, it may choose to participate in a redemption center to lower the number of containers it has to accept from customers.

Limited Transparency

Getting access to information about the operations and rules of the system can be challenging, especially given that information is split between OBRC's website and the OLCC website. OBRC publishes annual reports¹⁴ that give graphically-illustrated material and financial flow information, though not enough information is included to understand OBRC's overall income versus expenditure. In 2020, OBRC reported¹⁵ more financial information than in the past, but what remains unreported is the amount of money that OBRC receives from the final sale of cans and bottles for recycling. Oregon's Bottle Bill does not mandate financial transparency regarding overall income versus expenditure, though OBRC has become more transparent about its finances over the years thanks to increased pressure from policymakers. OBRC submits a budget audit to OLCC for review each year, but the contents of that audit have not been made public so it's unclear whether this state review of the OBRC budget is anything more than a rubber stamp.

The legislative process, or OBRC's perceived threat of legislative action, is the only clear way of impacting significant changes to this system. Though successful efforts have been made to expand the Bottle Bill to include additional materials, often the expansions come with significant trade-offs that primarily impact low-income consumers and waste pickers/canners. For example, an amendment passed last year to reduce the amount of material that certain retailers must accept in a day. Such restrictive amendments usually pass with little or no media attention or public awareness.

There is very little clear information about how the system works as a whole, though OBRC has made considerable strides at improving communication about the system in recent years, with clear information and annual reporting. Most public information is oriented towards helping consumers get cans and bottles to redemption centers, rather than helping people understand the details of the system and, in particular, where money flows within it.



Ground Score worker Christine Alix reviews COVID safety protocols at The People's Depot.
Photo credit: Taylor Cass Talbott

¹⁴ OBRC Annual Reports are available here: <https://www.obrc.com/Reports>

¹⁵ OBRC Annual Report 2020, online at <https://www.obrc.com/Content/Reports/OBRC%20Annual%20Report%202020.PDF>

Environmental Justice

Because unredeemed deposits return to producers via OBRC, there is little incentive for them to increase their collection rates, except to demonstrate their success to lawmakers and the public. In 2017, the refund value doubled from \$0.05 to \$0.10. This was triggered by a clause in the 2011 legislation that mandated an increase if the return rate fell below 80% for two consecutive years. The system now has a 90% return rate, meaning that only 10% of qualifying beverage containers are discarded in the trash or put in curbside recycling bins. There is some question about whether that high return rate may be, in part, due to transboundary redemption of beverage containers brought in from neighboring states without bottle bills and deposited in Oregon.¹⁶ Transboundary redemption is prohibited, but is difficult to prevent. But it is also widely accepted that returns will be high if the deposit is high enough.¹⁷

The value of the deposit return has doubled since Oregon's Bottle Bill was first instituted, but it has nevertheless not kept up with inflation. While the deposit placed on beverage containers is higher than the market value for scrap aluminum, plastic or glass, its value in relation to product market prices has diminished over time. In 1971, the deposit represented, on average, 29% of the sales price of beverages, whereas today it represents just 6%.¹⁸ Increasing the deposit rate has shown to increase material return rates, which will eventually be necessary to maintain or grow Oregon's can and bottle return rates.

One major benefit of the Bottle Bill's deposit return system is that it generates a large and relatively clean and sorted supply of high-value recyclable materials. This makes domestic processing of these materials more financially viable, which also eliminates the need to ship mixed material abroad to take advantage of cheaper sorting labor (and increasing the risk of ocean plastic pollution). Plastic returned through the system is processed at the Oregon-based and OBRC co-owned ORPET facility. Aluminum is sent to out-of-state processors. Glass is recycled in Oregon. A very small portion of glass is sanitized in Portland and reused through OBRC's glass beer bottle reuse system. OBRC's new glass reuse system enables participating beer bottlers to have their glass bottles reused through the system if they use the accepted bottles for their products and if consumers or waste pickers/canners return those bottles to redemption centers to be hand counted. Outreach and advocacy about the reuse system has been limited, and OBRC does not report extensively on this program, so it is unclear how successful that initiative has been to date. Notably, the program puts OBRC in a conflicted position because marketing a specific packaging type (e.g. glass vs. aluminum) has the potential to put the producer cooperative's members at odds with one another.

While environmental risks are common to other types of Extended Producer Responsibility systems, such as the incentivization of bioplastics or incineration/gasification processing technologies, Oregon's Bottle Bill has a relatively clean record and does not incentivize waste-to-energy or bioplastics. OBRC members recognize that bioplastics are a threat to the value of the ORPET product, and to maintaining uncontaminated polyethylene terephthalate (PET) supplies, and thus avoid materials like bioplastics in packaging. Distributor fees paid into OBRC are different for the material types—glass, for example, costs more, which may incentivize the use of plastic and aluminum for some products. Nevertheless, the system does not necessarily incentivize producers to reduce their material footprint.

Another issue is that not all producers are required to participate in the Bottle Bill system. For example, wine is still not covered. The emergence of wine packaged in aluminum cans, though, has drawn more attention to the inclusion of wine producers in the Bottle Bill.

¹⁶ The legislation makes this illegal. Beverage containers in Oregon must have an "OR 10¢" label (https://www.oregon.gov/olcc/docs/bottle_bill/bottle_bill_faqs.pdf).

¹⁷ Resource Recycling website at https://resource-recycling.com/recycling/2021/02/15/deposit-data/?utm_medium=email&utm_source=internal&utm_campaign=March+PE+RR

¹⁸ Oregon Liquor Control Commission. 2020. "Oregon Has an Opportunity to Modernize Groundbreaking Bottle Bill on Its 50th Anniversary" Report from the Secretary of State Oregon Audits Division, available at <https://sos.oregon.gov/audits/Documents/2020-36.pdf>.

Inclusive Opportunity

Despite the fact that Oregon’s Bottle Bill system was designed to rely on the voluntary return of materials by residents, the people who collect other people’s cans and bottles for return (canners) are largely viewed with suspicion, and little discussion has occurred about social inclusion in the Bottle Bill. Canners are important actors in the waste management system, but no research has been conducted by OBRC or OLCC to assess their contribution to the system.

Canners are not widely recognized as stakeholders in the system and are not included in committees or policy discussions. And, to a large degree, the policy innovations of OBRC and BottleDrop have served to stratify users into two groups—with extra convenience being provided to those who can pay for it, and increasing challenges and lost access to those who can’t. Collecting containers from public or private trash cans is illegal in Oregon, though this law is rarely enforced.

Circumstances have recently started to change with the emergence of a local waste picker organization called Ground Score Association. Ground Score has started to raise many of these issues, and is advocating for reforms to the Bottle Bill to include funding for independent bottle redemption centers that can employ canners in more formal work, representation by canners on state working groups, and the unlocking of locked public trash receptacles.

One characteristic that sets Oregon’s bill apart from most other Bottle Bills is that it lacks a “handling fee,” an unredeemable fee charged to each container that is used to support the functioning of the system. The effect has been to limit the number of small businesses that can find opportunity within the system’s material recovery supply chain. Handling fees can be used to compensate independent bottle redemption centers for their operations, which could in theory enable more small businesses or waste picker cooperatives to formalize their work through the operation of redemption centers. The only other waste picker organization in the United States, a bottle redemption center in New York called Sure We Can, for example, sustains itself from the handling fees of New York’s Bottle Bill system. The introduction of a handling fee would not necessarily ensure opportunities for new entrants, though. The state of Maine has a handling fee, but permits for new redemption centers have been exhausted due to high demand. In Quebec, Canada, small businesses or cooperatives are not eligible to receive handling fee funds. Furthermore, redemption center businesses in some states that do have handling fees complain that the fee is no longer enough to sustain them.¹⁹

Figure 1: Every Bottle Bill state has a unique structure

State	Year	Current Deposit	Handling Fees	Unredeemed Deposit Beneficiary
Oregon	1971	10¢	N	100% distributors
Vermont	1972	5¢ 15¢ liquor	Y	100% state (environmental)
Maine	1976	5¢ 15¢ liquor/wine	Y	Variable-state and distributors
Michigan	1976	10¢	N	75% state (environmental) 25% retailers
Connecticut	1978	5¢	Y	100% state (General Fund)
Iowa	1978	5¢	Y	100% distributors
Massachusetts	1981	5¢	Y	100% state (General Fund)
New York	1982	5¢	Y	80% state (General Fund) / 20% distributors
California	1986	5¢ < 24 oz. 10¢ ≥ 24 oz.	Y	100% state (program administration)
Hawaii	2002	5¢	Y	100% state (program administration)

Source: Oregon Liquor Control Commission, 2020.

¹⁹ Holt, Taylor. 8 December 2020. “Can Shed, redemption centers facing added stress from pandemic, hoping for change to Iowa’s Bottle Bill.” KCRG.com/ABC News, online at <https://www.kcrg.com/2020/12/09/can-shed-redemption-centers-facing-added-stress-from-pandemic-hoping-for-change-to-iowas-bottle-bill/>



Oregon's Bottle Bill has had a consolidating effect on the industry, by reducing the number of different recycling businesses and organizations that can reap the financial benefits of beverage container discards. The number of cooperatives representing producers has also been consolidated and, with their role in managing the system's only redemption centers outside of retailers, coupled with weak financial transparency, it is challenging to contest the market share holding of OBRC and the producers it represents.

Who gains and who loses from the system?

Government	Government saves money on waste management by not having to cover the cost of materials that flow through the Bottle Bill system, though it is unclear if waste haulers ultimately charge the government more for their services because they lose considerable income from the diversion of valuable recyclables towards the Bottle Bill system.
Recyclers and Haulers	Waste haulers and recyclers who are not included in the system lose valuable materials in their waste streams because the Bottle Bill system diverts these materials towards OBRC's parallel collection and processing system.
Consumers	Consumers pay more for products, but can presumably get that money back when they return the containers to redeem their deposit. As such, there is little impact on consumers beyond the inconvenience of returning cans and bottles.
Canners	The system benefits canners in that it provides a steady price guarantee for materials that can be readily found around the state. However, waste picking from trash cans and recycling carts is not cost effective and is technically illegal in Oregon. Prohibitions on waste picking are not generally enforced, though public and private waste and recycling bins are increasingly locked to prevent picking. Unless informal recyclers are collecting materials set aside for them, or from litter in the streets, then there is no legal way for them to benefit from this system. Furthermore, the lack of handling fees or other types of fees within Oregon's Bottle Bill means that informal recyclers or others who are interested in running their own deposit redemption center have no financial incentive to do so. And because the Bottle Bill provides a deposit return that is higher than the value of the materials, there is a similar disincentive to run any sort of scrap shop to buy and sell these materials, even outside of the container redemption system. While hundreds if not thousands of canners operate in Oregon's system, no formal studies have been conducted on their numbers or impact.
Producers	Producers generally oppose container legislation like Oregon's Bottle Bill because it requires producers to pay for the management of their materials. But in general, producers tend to favor Oregon's Bottle Bill over other bottle bills since it is privatized and vertically integrated such that producers can recoup many, if not all, of their expenses through the sale of recyclable materials, unredeemed deposits, and fees charged to retailers (redemption center fees).
Retailers	The Bottle Bill is generally viewed as an expense and a hassle for retailers. Retailers are required to accept empty containers and provide the labor necessary to do so. Retailers that are within the convenience zones of a BottleDrop redemption center are either required to take a large number of containers or else pay a fee to OBRC to cover the costs of their BottleDrop redemption centers. Generally, retailers do not like the Bottle Bill system because they do not like the associated expenses, nor having to deal with can and bottle returns and, specifically, with canners. Retailers often also lack sufficient space for storing materials. Finally, if a retailer manages materials through a bottle return machine, rather than having employees hand count containers, they must manage machinery when it breaks down.
Non-profit organizations	Many non-profit organizations collect cans and bottles for fundraising efforts, or participate in OBRC's Blue Bag charity program. Because of the hassle of returning cans and bottles to retailers and redemption centers, it is relatively easy for organizations to rally the donation of beverage containers.

Bottle Bill Resilience in the Face of COVID-19

The COVID-19 pandemic led to the suspension of all but two of the US's Bottle Bills (California and Hawaii). The OLCC suspended enforcement of Oregon's Bottle Bills when COVID-19 struck, citing grocery stores' need to focus on essential service provision rather than the collection of beverage containers. While retailers were not required to close their doors to can and bottle redemptions, none remained open except those with in-house OBRC BottleDrop sites.

OBRC's privately-run BottleDrop redemption centers did remain open. But BottleDrop sites are few and far between, resulting in hours-long line-ups outside of many of the state's BottleDrops. OBRC justified keeping the BottleDrops open because they were providing a critical service to people in economic need. Neighborhood and landlord concern over the crowds at the BottleDrops, exacerbated by stigma against canners and alleged drug use around the centers, led one landlord to threaten eviction of the BottleDrop Delta Park location.

In general, OBRC faces opposition to its BottleDrop centers, largely due to discriminatory attitudes about canners. The eager closure of the retailers once enforcement was suspended highlighted the need for a more resilient Bottle Bill. In other states, like Maine, where Bottle Bill enforcement was suspended but where independent depots are funded through a handling fee, redemption centers largely remained open during COVID-19.



The People's Depot, operated by and for canners, was a development that arose out of the emergency created by COVID-19. *Photo credit: Ground Score Association*

Governments at the Portland city and regional levels raised concerns over the suspended enforcement of the Bottle Bill because it resulted in a sudden lack of bottle deposit income for Oregonians in need. Portland's Office of Management and Finance secured emergency funds to finance the labor and equipment needed to launch a new emergency bottle depot called The People's Depot. Initiated by Portland's Ground Score Association, the People's Depot is operated by and for canners. OBRC subsequently agreed to fund the People's Depot throughout the year of 2021. The funding allows Ground Score to hire canners to operate emergency redemption centers (paying workers to sort and count containers), and also gives canners more accessible places to deposit containers during the COVID-19 pandemic. One challenge with this arrangement is that the contract budget was devised based on an initial six-month pilot project, rather than establishing a rate per container processed (as in the case of handling fees). Over time, the People's Depot has grown increasingly busy, and Ground Score has needed to hire additional workers during each shift to accommodate the increased material flow, thereby overspending its allotted budget.

Despite the challenges, The People's Depot is the first initiative in Oregon's Bottle Bill history oriented to intentionally support the work of canners. This is a temporary, voluntary arrangement that may pave the way for longer-term inclusive developments within Oregon's Bottle Bill system. OBRC is also funding Ground Score to seek out other organizations in the state that may be interested in starting up a similar program.

Recommendations for a More Inclusive Bottle Bill

An inclusive Bottle Bill would be one that gives informal waste pickers like canners access to discarded materials and scrap markets, while also generating opportunities for more decent and secure work and advancement within material management systems and decision-making processes. On a practical level, this means a Bottle Bill that:

- promotes economic, racial and gender diversity among its implementers and beneficiaries;
- resists consolidation and control of the system by any one actor;
- maximizes opportunities for nonprofits, small business and cooperative organizations;
- properly recognizes and includes in decision-making processes all of the system's stakeholders, including canners;
- promotes social and labor protections for all of the system's stakeholders, including canners;
- and promotes transparency, accountability and educational capacity about how the system is operated.

Specific recommendations for a more inclusive Bottle Bill are shared below:

- Mandate that any Producer Responsibility Organization (currently OBRC) in the system turn over a certain share of its responsibilities to non-profit or cooperative organizations with a mission to serve canners and generate low-barrier job opportunities. Responsibilities could include the management of redemption centers or redemption services, and Bottle Bill sensitization efforts. The share of responsibilities and associated funding, and selection of contracted groups, would be determined by the state or a governor-appointed oversight body (see below).
- Alternatively, or additionally, the state or Producer Responsibility Organization should implement a redemption center fee to fund independent (non producer-run) redemption centers with a mission to promote social and economic inclusion in the waste system. This could function like the system's existing redemption center fee, requiring that producers and retailers split the cost of operation, and adhere to convenience zoning, but would fund independent depots rather than producer-run depots. This fee should be collectively negotiated by representatives of impacted stakeholders, including canners.
- Establish a governor-appointed public oversight body for the system, like that which exists for utilities. Set goals for racial and gender equity and economic inclusion, including representation from the canner community and other marginalized groups.
- Establish governor-appointed seat(s) on the board(s) of Producer Responsibility Organization(s) to ensure accountability and represent voices other than producers. Mandate that any Producer Responsibility Organization in the system publicize who sits on their board of directors.
- A set percentage of unredeemed deposits should be used to fund grants for non-profit organizations to conduct Bottle Bill-related sensitization and education. The percentage would be determined by the public oversight body.
- A periodic and inclusive formal review and feedback process for all stakeholders should be built into the policy. The system should also include a formal grievance mechanism that is designed with input from canners so that it is accessible.
- Annual budget audits should include a full financial review of the system, including the itemized income versus expenditure of any Producer Responsibility Organizations that operate within the system, and should be made publicly available. Reported income should include income from the sale of recyclable materials. Audits should also require a reporting of the labor classification, wages, and benefits provided to all workers employed within the system.
- Shift regulation of the Bottle Bill from OLCC to Oregon Department of Environmental Quality, which is currently working on addressing issues of equity in EPR.
- Expand the types of materials covered under the Bottle Bill to include all beverages, including wine, hard alcohol, milk (including milk alternatives), and paper and plastic single-use cups.

- The system should fund state-led research on inclusion within Oregon's Bottle Bill and the economic impact of bottle deposit returns on canners, to better assess the impact of future changes to the system and possibilities for a more inclusive Bottle Bill. This should include a review of Bottle Bills in Saskatchewan and Newfoundland and the social enterprises that help implement those systems.
- Increase the number of cans and bottles that people are allowed to return at all redemption sites, or else fund a decentralized mobile redemption system so that people without personal transportation are able to readily and regularly access bulk redemption locations.
- A Bottle Bill task force should be established to strategize the resilience of Oregon's Bottle Bill during future crises. This task force should include canners. The enforcement of the Bottle Bill should never be suspended unless measures are in place to enable people across the state to conveniently continue depositing materials.
- Producer Responsibility Organizations or the government oversight bureau should be required to produce (or fund the production of) user-friendly, visually-oriented educational materials to describe in depth how Oregon's Bottle Bill system functions, including organizational, material, and financial flows.
- The government regulator (currently OLCC) should be required to manage an email/contact list that informs interested parties of any upcoming proposals to modify the EPR regulation.
- Bottle Bills should not exempt producers and their organizations from federal antitrust laws.
- The government regulator should produce a user-friendly document that informs canners and others returning cans and bottles for a deposit of their rights within the system.
- Inclusion provisions should not be relegated to the charity wing of producer operations, but rather should be structurally funded as part of the system.
- The informal picking of beverage containers from public trash cans or private cans left curbside should be legally permitted under the general principle that waste belongs to the public commons, and within the framework of the human right to work.

ABOUT GLOBAL REC

The Global Alliance of Waste Pickers is a networking process supported by WIEGO, among thousands of waste picker organizations with groups in more than 28 countries covering mainly Latin America, Asia and Africa. Visit www.globalrec.org

ABOUT WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit www.wiego.org

ABOUT GROUND SCORE

Ground Score is an association of environmental workers who create and fill low-barrier waste management jobs in Portland, Oregon USA. Ground Score is collectively organized and seeks to be radically inclusive, prioritizing work opportunities for those facing work and housing insecurity. Ground Score seeks to build a more environmentally and socially aware community, while also changing society's perceptions of what and who is considered valuable. Visit <https://www.trashforpeace.org/ground-score>

