







RETAILER GUIDELINES FOR SELLING BEVERAGES UNDER OREGON'S BOTTLE BILL



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OREGON'S BOTTLE BILL RETAILER OVERVIEW

Businesses that sell redeemable beverages in Oregon have certain requirements under Oregon's Bottle Bill depending on whether they are a retailer, distributor, manufacturer, or importer, and some businesses can and often are functioning as more than one of those business types.

Bottle Bill laws use the term dealer, rather than retailer or store, to include every person in Oregon who engages in the sale of sealed containers of redeemable beverages to consumers. The information below will use the term retailer and store interchangeably with dealer.

HOW THE OREGON REDEMPTION SYSTEM WORKS

By statute, the <u>Oregon Liquor and Cannabis Commission</u> (OLCC) administers Bottle Bill laws in Oregon. <u>Oregon Beverage Recycling Cooperative</u> (OBRC) is a cooperative owned by Oregon beverage distributors and is the state's designated distributor cooperative. It serves as the operational steward of Oregon's beverage container redemption system on behalf of its member distributors and operates the BottleDrop® network.

Oregon's Bottle Bill statutes and administrative rules don't require a deposit to be charged, although it's common practice for distributors to collect a deposit when they sell beverages to retailers and for retailers to charge a deposit when they sell beverages to consumers. Most distributors and retailers charge a deposit to build a fund to pay those refunds out of. While collecting a deposit is not required in statute, consumers are entitled to receive a 10-cent refund when they return redeemable containers to stores or redemption centers. Distributors are legally required to pick up their empties from stores and redemption centers and pay the stores and redemption centers that collected the empties 10 cents per container. OBRC picks up empty containers from stores around the state on behalf of its member distributors.

WHAT RETAILERS MUST ACCEPT CONTAINER RETURNS IN OREGON AND DURING WHAT HOURS?

Most businesses that sell beverages in sealed containers recognize themselves as retailers and understand they must accept empty beverage container returns, but others may not. It is important for a business to understand that some of their business activities, like selling sealed containers of redeemable beverages to consumers, put them into the retailer category for Bottle Bill purposes even if that's a very small percentage of their sales.

Retailers in Oregon that sell qualifying beverages in redeemable containers are legally required to accept container returns with some exceptions. Retailers that may legally refuse container returns must be 5,000 or more square feet in size and participate in the first zone of a Full-Service Redemption Center, participate in an Alternative Access Redemption Center, or host a Dealer Redemption Center in a city with population of 500,000 or more (City of Portland). Oregon retailers must accept container returns during the hours of 8 a.m. to 8 p.m. while the location is otherwise open for business, unless the retailer is less than 5,000 square feet and located in an Alternative Access Redemption Center zone, in which case the retailer must accept containers during the hours of 8 a.m. to 6 p.m. while the location is otherwise open for business. The number of containers retailers must accept is based on the location and square footage of the business.

STORES 5,000 OR MORE SO FT IN SIZE

Retailers that are 5,000 or more square feet in size (that are not within the first zone of a Full-Service Redemption Center or Alternative Access Redemption Center (and participating in that redemption center) must accept container returns of all brands and sizes for each <u>kind</u> of beverage they sell. Square footage is calculated using the entire footprint of a business, not just the retail floor, excluding outdoor areas. There are six kinds of beverages covered under the Bottle Bill:

- 1) Waters
- 2) Carbonated beverages
- 3) All other non-alcoholic beverages (excluding infant formula, liquid meal replacements, and dairy or plant-based milk if milk is listed as first ingredient)
- 4) Alcoholic beverages, including hard seltzer (excluding distilled liquor and wine not in a can)
- 5) Beverages containing marijuana or hemp
- 6) Wine in a can

If a store 5,000 or more square feet sells any beverages in one of those categories, it must accept empties for all brands and sizes of beverages in that category even if they don't sell those specific brands or sizes. For example, if a store sells sports drinks, it must accept empty containers for every beverage in the "other non-alcoholic beverages" category, which includes juice, tea, coffee, smoothies, mixers, etc., including beverages in that category that are from other store brands. Another example is that if a store doesn't hold a liquor license, they don't have to accept any beverage in the "alcoholic beverages" category, but they may accept them if they choose.

These larger retailers must accept the following number of containers per person per day:

Not in a Full-Service Redemption Center zone	144
Not in a Full-Service Redemption Center zone and is a BottleDrop Express	144
Not in a Full-Service Redemption Center zone and is a Dealer Redemption Center	24
Hosts a Dealer Redemption Center in a city with population of 500,000 or more	0
In a Full-Service Redemption Center zone and is granted an exemption by OLCC	144
In a Full-Service Redemption Center zone and does not participate	350
Participates in Zone 1 of a Full-Service or Alternative Access Redemption Center	0
Participates in Zone 2 of a Full-Service Redemption Center	24

STORES UNDER 5,000 SQ FT IN SIZE

Retailers under 5,000 square feet may refuse to accept containers if they don't sell that brand or size. Square footage is calculated using the entire footprint of a business, not just the retail floor, but excludes outdoor areas.

If a store in this category sells a brand or size of beverage, they must accept the empty redeemable container even if the beverage was purchased at another store. As an example, if a store sells Coca Cola products but doesn't sell Coca Cola Cherry, staff must accept empty containers for Coca Cola Cherry because they sell Coca Cola brands.

Retailers that are under 5,000 square feet, by statute, may not participate in a Full-Service or Alternative Access Redemption Center, but may limit the number of returns based on their proximity to a Full-Service Redemption Center as follows:

Not in a Full-Service Redemption Center zone	50
Not in Full-Service Redemption Center zone, but is a Dealer Redemption Center	24
In Zone 1 or Zone 2 of a Full-Service Redemption Center	24
Located in an Alternative Access Redemption Center zone	24

DO STORES HAVE TO POST ANY KIND OF SIGN OR NOTICE ABOUT REDEEMING CONTAINERS?

Effective January 1, 2023, retailers are legally required to post notices provided by OLCC where they are clearly visible to customers returning containers. These notices contain information on what a store may legally refuse to accept. The number of containers listed on each notice is the minimum number of containers a store must accept per person per day, not a maximum, and stores may accept as many containers over that minimum number as they choose.

Copies may be made of the notices, but the law requires that these notices not be modified in any way. The OLCC notice must be posted in each area where containers are accepted, such as in the area of a store's reverse vending machines and where the store accepts hand counts, if that's a separate area.

Stores may email staff in OLCC's Bottle Bill Program at <u>OLCC.BottleBill@oregon.gov</u> to get the notice that meets the legal requirements for their store. Please include in the email the store's tradename, address, and the square footage of the entire store (not just the retail space) and the appropriate notice will be emailed back.

The legal bases for refusing container returns are included on the notices. It is not legal to refuse container returns on the bases that a store is short on storage or storage is full, the store is short-staffed, the store is waiting for OBRC to pick up containers, etc.

REVERSE VENDING MACHINES

Self-serve reverse vending machines, also known as RVMs, are an option that can help retailers efficiently process the flow of containers returned to their stores. Having a reverse vending machine does not change the number of containers a store must accept per person per day, so store employees must hand count container returns if a store's RVMs are turned off or are otherwise not available for returning containers. Store employees are responsible for daily maintenance of the machines, such as changing bags and cleaning.

It is not a state law, but stores may establish a policy that limits the amount of time for customers to cash out slips from the machines, such as the same day, within 24 hours, or within some other time frame. That store policy must be clearly posted in the area of the machines so customers area aware of it before they start feeding their containers into the machine.

SETTING CONTAINER APPOINTMENTS

Stores must accept container returns based on their requirements above but may set up an appointment system for customers to return their containers. Stores cannot turn away a container return customer simply because they do not have an appointment but must accept walk-in returns as time allows between appointments and when a customer doesn't show up for a scheduled appointment. Also, stores cannot require that appointments be made through a system that requires a customer to have a phone or computer.

WHAT DOES A STORE DO WITH THE EMPTY CONTAINERS IT COLLECTS?

Distributors are required by law to pick up their empty containers that are returned to stores and pay the stores the refund value of the containers. OBRC Route Operations picks up empties from over 2,000 stores statewide on behalf of their member distributors. Retailers can contact OBRC Route Operations at 503-973-6956 or roadmin@OBRC.com to arrange to have collection supplies delivered to the store, to requests a pickup and/or set up a pickup schedule, and for instructions on how to sort and store empty containers efficiently. In the case of distributors who have not become members of OBRC, retailers should contact those non-participating distributors directly to arrange for containers for which those distributors are responsible to be picked up. Stores cannot legally refuse to accept empty containers because their storage space is full or they are waiting for OBRC or an independent distributor to provide supplies or pick up their empties, so store management must plan accordingly, and reverse vending equipment can be helpful for compacting and storing containers in between pick-ups.

HOW DO I KNOW IF A STORE IS IN A FULL-SERVICE REDEMPTION CENTER ZONE?

Stores 5,000 or more square feet that participate in a Full-Service Redemption Center or are exempt from providing equivalent services. Full-Service Redemption Centers, Alternative Access Redemption Centers, Dealer Redemption Centers, and BottleDrop® Express locations are listed in the Redemption Centers Complete List posted on the OLCC Bottle Bill website. The list shows how many containers these stores must accept. Any larger store not on this list must accept 144 containers per person per day from 8 a.m. to 8 p.m. while the location is otherwise open for business.

Stores under 5,000 square feet are not included on the Redemption Centers Complete List, but retailers can contact OLCC at <u>OLCC.BottleBill@oregon.gov</u> to see if their store is in a Full-Service or Alternative Access Redemption Center zone.

WHAT IS A FULL-SERVICE REDEMPTION CENTER?

A Full-Service Redemption Center is a staffed facility that has received approval from OLCC to accept empty beverage containers from consumers. All Full-Service Redemption Centers in Oregon are currently operated by the Oregon Beverage Recycling Cooperative (OBRC) and are called BottleDrop® Redemption Centers. Full-Service Redemption Centers are staffed and open seven days per week for a minimum of 9 hours per day.

BottleDrop® Redemption Centers accept the following number of containers per person (or per account for account holders who use the Green or Blue Bags):

Individual containers returned through a machine

350/day

Containers hand counted by redemption center staff

50/day

Green Bags (personal accounts)

15 bags/quarter*

Blue Bags (fundraiser accounts)

10 bags/day**

Stores with reverse vending machines, Dealer Redemption Centers, and BottleDrop® Express facilities are not Full-Service Redemption Centers.

*Note: BottleDrop bags dropped at Partner Retailer drop locations (DRC) will not count toward an account's limit, however, due to the capacity of the container, no more than 15 bags may be dropped off in one day.

**Note: Blue Bag fundraisers may make an appointment to drop off up to 50 bags at one time by emailing fundraisers@bottledrop.com

WHAT IS AN ALTERNATIVE ACCESS REDEMPTION CENTER?

An Alternative Access Redemption Center is a facility established and operated by a nonprofit organization that has entered into an agreement with a distributor cooperative sponsor. Alternative Access Redemption Centers are only allowed to operate in a city with a population of 500,000 or more (City of Portland) and are designed to expand and enhance access opportunities for individuals who redeem containers on a daily or near daily basis. Alternative Access Redemption Centers may not refuse to accept and pay the refund value of up to 350 individual beverage containers per person per day and must provide hand counting of up to 50 individual beverage containers per person per day. Alternative Access Redemption Centers may provide drop off service for at least 125 individual empty beverage containers per person per day.

Retailers 5,000 or more square feet that are located within the Alternative Access Redemption Center convenience zone may participate in the center and refuse container returns. Retailers 5,000 or more square feet that are located in the convenience zone but choose not to participate are required to accept 350 containers per person per day. Retailers 5,000 or more square feet

that are located within the convenience zone but sell fewer than 100,000 containers per year, and apply to the Commission for exemption, must accept 144 containers per person per day.

Retailers that are less than 5,000 square feet and located in the Alternative Access Redemption Center convenience zone may refuse to accept more than 24 containers per person per day between the hours of 8 a.m. to 6 p.m. while the location is otherwise open for business.

WHAT ARE BOTTLEDROP® EXPRESS LOCATIONS AND DEALER REDEMPTION CENTERS?

BottleDrop® Express locations and Dealer Redemption Centers are facilities at a store that has drop doors for BottleDrop® account holders to drop off Green and Blue Bags of containers as they do at a BottleDrop® Redemption Center. OBRC picks up the full bags from the store, counts the containers, and credits the account holder's BottleDrop® account with the refund value of the containers within seven days.

BottleDrop® Express facilities are not Full-Service Redemption Centers. Stores where the Express facilities are located and stores in the surrounding area must continue to accept 144 or 50 containers per person per day through the stores' reverse vending machines and/or by hand counting on all days from 8 a.m. to 8 p.m. while the location is otherwise open for business. The exception to that requirement are stores with a BottleDrop® Express that are also a participant in a Full-Service Redemption Center. These stores may refuse all containers if in the first zone and may limit returns to 24 containers per person per day if in the second zone.

Dealer Redemption Centers (DRCs) are stores that have partnered with OBRC under the requirements of ORS 459A.741. DRCs look like a BottleDrop® Express, but Oregon law requires them to accept bag drop-offs from 8 a.m. to 8 p.m. and allows them to limit individual container returns to 24 containers per person per day, which they must accept during the hours of 8 a.m. to 8 p.m. while the location is otherwise open for business. Dealer Redemption Centers located in a city with a population of 500,000 or more are not required to accept individual container returns, but must accept bag drop-off from 8 a.m. to 8 p.m. A DRC will have a sign posted near the drop door that identifies it as a Dealer Redemption Center.

While the bag drop off service at BottleDrop® Express locations and DRCs require a customer to have an active BottleDrop® account to access the drop facility and drop off bags, these stores may not require that a customer have a BottleDrop account in order to return individual containers for their refund values (up to the relevant minimum/limit).

LABELING REDEEMABLE CONTAINERS

A common requirement for all beverage sellers, including retailers, is that <u>redeemable containers</u> must clearly indicate the Oregon refund value in order to legally be sold or offered for sale in Oregon. The Oregon refund value is currently 10 cents for each container redeemable under the Bottle Bill. UPCs are not legally required to be on redeemable beverage containers sold in Oregon, but containers that do not have a UPC or have a UPC but it is not uploaded into the statewide

system will have to be hand counted when returned by a customer.

If a store has a redeemable beverage container that does not clearly indicate OR 10¢, they can add a sticker with that information as long as it is firmly affixed to the container. There is no size, style, font, or location requirement for the OR 10¢.

STAYING INFORMED OF BOTTLE BILL CHANGES

Oregon's Bottle Bill has been evolving since it was established in 1971. Water was added as redeemable in 2009, the refund value went from five to ten cents in 2017, and most beverages were added as redeemable in 2018. The law allowing for the establishment of Dealer Redemption Centers was enacted in 2019. Recent changes in Bottle Bill laws add requirements for beverage distributors and add wine in cans as redeemable beginning July 1, 2025.

To ensure they have the latest information on Bottle Bill requirements, people can sign up for <u>email</u> <u>alerts</u> through the state of Oregon's GovDelivery system.

OREGON'S BOTTLE BILL CONTACTS

FOR MORE INFORMATION ABOUT THE BOTTLE BILL CONTACT THE OLCC:

Bottle Bill: OLCC.BottleBill@olcc.oregon.gov or by phone (503) 872-5132

Provide Feedback or Register a complaint by filing out our online form

FOR MORE INFORMATION ABOUT THE OREGON BEVERAGE & RECYCLING COOPERATIVE:

Membership: membership@obrc.com or (971) 233-6783

Retail Customer Service: retailrelations@obrc.com or (503) 973-6983

Route Operations: roadmin@OBRC.com or (503) 973-6956

Field Services: <u>fsadmin@obrc.com</u> or (503) 973-6983

Customer Service: customerservice@obrc.com or (503) 222-2266

Uploading UPCs into reverse vending machines:

ORBottleBillRegistration@obrc.com or 503-542-9036.