

D R A F T

SUMMARY

Imposes excise tax of five cents per bag on provision of single-use plastic checkout bags by establishments selling raw or processed food or alcohol at retail. Requires retail establishments to collect tax from customers and to remit moneys collected to Department of Environmental Quality. Provides exemption for certain customers. Requires retail establishments to provide single-use paper checkout bags and to have receptacle for return of single-use plastic checkout bags. Establishes Plastic Clean-Up and Recycling Fund and requires excise tax moneys collected by department to be deposited in fund. Directs Environmental Quality Commission to adopt rules necessary to implement excise tax. Allows department to impose civil penalties up to \$500 for violation of excise tax program.

Becomes operative July 1, 2020.

Takes effect on 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to plastic checkout bags; prescribing an effective date; and provid-
3 ing for revenue raising that requires approval by a three-fifths majority.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Sections 2 to 6 of this 2019 Act are added to and made**
6 **a part of ORS chapter 459A.**

7 **SECTION 2. As used in sections 2 to 6 of this 2019 Act:**

8 **(1)(a) “Retail establishment” means any store in this state that sells**
9 **or offers for sale raw or processed food or alcohol at retail.**

10 **(b) “Retail establishment” does not mean an establishment where**
11 **the primary business is the preparation of food or drink:**

12 **(A) For consumption by the public;**

13 **(B) In a form or quantity that is consumable immediately, whether**

1 or not it is consumed within the confines of the place where prepared;
2 or

3 (C) In consumable form for consumption outside the place where
4 prepared.

5 (2)(a) "Single-use plastic checkout bag" means a bag made of plastic
6 that is provided by a retail establishment to a customer at the time
7 of checkout.

8 (b) "Single-use plastic checkout bag" does not mean a bag made of
9 plastic that is provided by a retail establishment to a customer at a
10 time other than the time of checkout.

11 SECTION 3. (1) An excise tax of five cents per bag is imposed on
12 the provision of single-use plastic checkout bags.

13 (2) Notwithstanding subsection (1) of this section, the excise tax
14 does not apply to the provision of single-use plastic checkout bags to:

15 (a) Customers who use a voucher issued under the Women, Infants
16 and Children Program established in the Oregon Health Authority
17 under ORS 413.500.

18 (b) Customers who use an electronic benefits transfer card issued
19 by the Department of Human Services.

20 (3) The retail establishment that provides the single-use plastic
21 checkout bag shall add the amount of the tax due to the customer's
22 bill at the time of checkout and the amount shall be separately iden-
23 tified on the receipt given to the customer.

24 (4) Retail establishments shall make single-use paper checkout bags
25 available to customers at the time of checkout.

26 (5) Each retail establishment must have at least one conveniently
27 located receptacle where customers may return single-use plastic
28 checkout bags.

29 SECTION 4. (1)(a) A retail establishment shall remit to the De-
30 partment of Environmental Quality all moneys collected pursuant to
31 the excise tax on the provision of single-use plastic checkout bags

1 **imposed under section 3 of this 2019 Act.**

2 **(b) All moneys received by the department under this section shall**
3 **be deposited in the Plastic Clean-Up and Recycling Fund established**
4 **under section 5 of this 2019 Act.**

5 **(2)(a) The Environmental Quality Commission shall adopt rules**
6 **necessary to implement sections 2 to 6 of this 2019 Act, including rules**
7 **prescribing the method by which retail establishments shall remit all**
8 **moneys collected pursuant to the excise tax on the provision of**
9 **single-use plastic checkout bags.**

10 **(b) Notwithstanding paragraph (a) of this subsection, the commis-**
11 **sion may not require a retail establishment to remit moneys collected**
12 **pursuant to the excise tax more often than once each month.**

13 **(3) The department may require a retail establishment to provide,**
14 **within a reasonable time, information necessary to ensure compliance**
15 **with this section and section 3 of this 2019 Act.**

16 **SECTION 5. The Plastic Clean-Up and Recycling Fund is established**
17 **in the State Treasury, separate and distinct from the General Fund.**
18 **All moneys in the Plastic Clean-Up and Recycling Fund are contin-**
19 **uously appropriated to the Department of Environmental Quality to**
20 **be used for programs or activities that clean up plastic waste and**
21 **promote plastic recycling.**

22 **SECTION 6. (1) The Department of Environmental Quality may**
23 **impose a civil penalty on a retail establishment for a violation of any**
24 **provision of section 3 of this 2019 Act or rules adopted pursuant to**
25 **section 4 of this 2019 Act.**

26 **(2) A civil penalty imposed under this section for a violation of**
27 **section 3 of this 2019 Act may not exceed \$500.**

28 **(3) Civil penalties described in this section shall be imposed in the**
29 **manner provided in ORS 183.745.**

30 **(4) All penalties recovered under this section shall be paid into the**
31 **State Treasury and credited to the Plastic Clean-Up and Recycling**

1 **Fund established under section 5 of this 2019 Act.**

2 **SECTION 7. (1) Sections 2 to 6 of this 2019 Act become operative**
3 **on July 1, 2020.**

4 **(2) Notwithstanding the operative date specified in subsection (1)**
5 **of this section, a retail establishment with fewer than 50 employees**
6 **may not be subject to a civil penalty under section 6 of this 2019 Act**
7 **for a violation that occurs on or before January 1, 2021.**

8 **(3) The Environmental Quality Commission may adopt rules and**
9 **take any other action before the operative date specified in subsection**
10 **(1) of this section that is necessary to implement, on or after the op-**
11 **erative date specified in subsection (1) of this section, sections 2 to 6**
12 **of this 2019 Act.**

13 **SECTION 8. This 2019 Act takes effect on the 91st day after the date**
14 **on which the 2019 regular session of the Eightieth Legislative Assem-**
15 **bly adjourns sine die.**

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