

Separate exhibit file - 135 pages

HOUSE BILL 1036, 1971
(Introduced at request of Joint
Committee on Rules & Resolutions)

Some legislative minutes - 22 pages

Attached exhibits - 37 pages

Supp. exhibit file - 12 pages

"BOTTLE BILL"

HOUSE STATE & FEDERAL AFFAIRS FULL COMMITTEE MINUTES:

April 5: p. 2 & 3 (Also Tape....., side 1, footage 000-261)

No separate exhibit file.

Bill book (House Bills Passed): contains copy of bill and proposed amendments dated 3/24/71. 5 pages.

HOUSE STATE & FEDERAL AFFAIRS: STATE & FEDERAL AFFAIRS SUBCOMMITTEE (A): MINUTES:

- March 3: p. 1, 2, 3 & 4 (Also Tape..... 0-556) ✓
- March 11, 8AM: p. 1, 2, 3, 4, 5, 6 & 7 (No Taping indicated) ✓ (Tape 11 side)
- March 18: p. 1, 2 & 3 (Also Tape... 11, side 2, 383-395) ✓ (Tape 13 side 1 & 2)
- March 23, 8AM: p. 2 & 3 (Also Tape... 14, side 1, 208-615) ✓
- March 23, 4:10PM: p. 1 (Also Tape... 14, side 2, 545-636) ✓
- March 24, 5PM: p. 1 (Also Tape... 15, side 2, 428-431) ? ✓
- April 1; p. 2, 3 & 4 (Also Tape... 17, side 2, 90 - 299) ?

SHI/Need
Senate Consumer
Affairs Tape
Both Sides 7

59:32
to 3:07:56
HB 1949
HB 1036

→ See attached note re tape recordings.

NOTE: Index to minutes indicate hearings on March 3, March 18, April 1, April 9, May 27, and one date which is unreadable.

Separate exhibit file contains:

1. The following appears to be testimony and statements presented in person or in writing:
 - a. Statement of Lou Norris, Director, Oregon Retail Council on SB 194 & HB1036, Mar. 10, 1971, before Senate Consumer Affairs Committee. 6 pages.
 - b. Statement of Gene R. Lindholm, Vice Pres., Glass Bottle Blowers Assoc., Mar. 9, 1971. 3 pages.
 - c. Statement of Gordon Bronk, President, Glass Bottle Blowers Assoc., Mar. 16, 1971. 3 pages.
 - d. Testimony of Larry Williams, Exec. Director, Oregon Environmental Council, Mar. 11, 1971. 1 page.
 - e. Testimony, Oregon Soft Drink Assoc., undated. 8 pages.
 - f. Memo to Legislators from Rich Chambers, Salem, March 1, 1971, with attachments. 11 pages.
 - g. Notes with respect to State of Oregon Legislative hearing of Wed. March 3, 1971, signed J. Buckley and marked on front The Honourable W. K. Kiernan, dated March 2, 1971. 4 pages.
2. "A Position for Progress" The Glass Bottle Blowers Assn. Views the Solid Waste Management Problem", marked Gordon J. Bronk. 9 pages.
3. Undated, unsigned - appears to be analysis of bill, and effects. 8 page
4. Explanation of container tax legislation, undated, unsigned. Analyzes by sections. 4 pages.
5. Proposed amendments dated 3/24/71. 2 pages.
6. Typed copy of "an act relating to taxation of containers and control of litter; creating new provisions appropriating money; providing penalties, and prescribing an operative date (bill has 51 sections), with covering explanation, all undated, unsigned. 28 pages.

Separate exhibit file continued:

7. Testimony by Automobile Club of Oregon, undated, unsigned. 1 page.
8. Testimony of Mrs. Nancy....., represenging AAUW, undated. 1 page.
9. Statement in support, by Ginny Hyde, Klamath Falls, Mar. 11, 1971. 1 page.
10. Testimony of Joan M. Reitz, ~~submitted with~~ Mar. 3, 1971, with covering letter of Rep. Martin, Mar. 4, 1971. 3 pages.
11. "To the Editor", from Edgar B. Grimes, Harrisburg. 2 pages.
12. Ltr. from E. W. Tichenor, Capt., Taffic Divn., Ore. State Police, to Edgar B. Grimes; Harrisburg, Feb. 25, 1971, with enclosure, re stats. on littering. 2 pages.
13. Ltr. from Duane Werner, Gresham (student), to Clerk, State & Fed. Affairs Committee, May 5, 1971, requesting report on HB 1036. 1 page.
14. Telegram to G. Cole, House of Rep., from Darrell Beerbower, Pres., Local 7446, United Steelworkers of America, Salem against bill. 1 page.
15. Ltr. to Rep. Martin from Pat McCarthy, Marion County Commissioner, Mar. 10, 1971, supporting. 1 page.
16. "Littering in Marion County" a report to committee, Mar. 3, 1971, presented by John A. Anderson, Director of Public Works. 6 pages.
17. Graph "Cullet Reclamation, Portland Plat, 1970-1971. No further identification. 1 page.
18. Unidentified, undated statistics on types of containers and Scenic Protection Fund. 2 pages.
19. Unidentified, appears to be statistics and discussion of the throw-away container in Oregon, signed DAW 3/17/71. 6 pages.
20. Ltr. from H. Elliot Dalton, Exec. Director, Glass Container Council of Canada, to J. J. Wuerthner Jr., VP, GCMI, New York, dated Feb. 12, 1971 re Bill 33 British Columbia, with encl. 4 pages.
21. Crusade for a Cleaner Environment Fact Sheet No. 4. 2 pages.
22. Appears to be part of report of Vermont State Litter Commission. 2 page
23. Marked "Winter KAB, 1970"...re National Litter Index of KAB, with survey data, from published source. 1 page.
24. "Standard Litter Ordinance or Statute" unidentified, undated. 1 page.
25. Witness Registers, Mar. 11, 18, 23, 1971. 4 pages.
26. Published "Statement by Elgin D. Sallee, Corporate Director, Environmental Control, American Can Company on a proposal to restrict non-returnable beverage containers" presented before The Ordinance & legislation Committee City Council Minneapolis, Minn., Sept. 29, 1970. 9 pages (would take only 6 pages to Xerox).

Bill Book, Vol. II contains copy of bill and proposed amendments dated 3/24/71. 5 pages.

SENATE CONSUMER AFFAIRS COMMITTEE MINUTES:

- April 14: p. 2 & 3 (Also Tape 5, side 2, footage 550-820) ✓
 April 19: p. 2 (Also Tape 6, side 1, 0 - 170) ✓
~~April 28:~~
 April 28: p. 1 thru 11 (Also Tape 6, side 2, 0 - 720) ✓

Exhibits attached:

1. Statement of Ron Kelemen, Environmental Activits Coalition, Lewis & Clark College, April 28, 1971. 1 page.
2. Statment of William Moore, Ore. Soft Drink Assoc. 3 pages.

3. Statement of Kenneth H. Lemke, Owens-Illinois, Inc. (Portland Plant, April 28, 1971. 5 pages.
4. Presentation by Ed Poyfair, Safeway Stores, April 28, 1971. 5 pages.
5. Testimony of William W. Wessinger, Blitz-Weinhard Co., April 28, 1971. 5 pages.
6. Statement of W.S. Isaacson (?), owner, B&E Market, Roseburg, April 27, 1971. 2 pages.
7. Report on second visit to Vancouver, B. C., Mar. 24-25-26-1971, by Wallace A. Jackson. 2 pages.
8. Ltr. from Manley J. Bakkensen, United Grocers, Inc., April 30, 1971. 3 pages.
9. Letter from LeRoy S. Hanna, Douglas County Bottling Co (Coca Cola), Roseburg, April 28, 1971. 1 page.
10. Ltr. from LeRoy S. Hanna to Sen. Roberts, April 29, 1971. 1 page.
11. Testimony of Warren Davidson, Continental Can Co., Portland. 2 pages.
12. Testimony of Val Vanderkin, Continental Can Co., Portland. 3 pages.
13. Ltr. to Sen. Roberts from M. K. Sherrieb, Business Men's Assurance Co. of America, April 19, 1971. 2 pages.
14. Ltr. from John Piacentini, Plaid Pantry stores, to Sen. Roberts, May 3, 1971. 2 pages.

May 3: p. 1, ² & 3 (Also Tape 6, side 2, 720 to end) ✓
 May 5: p. 2 (Also Tape 7, side 1, 0 - 130) ✓
 May 10: p. 2 & 3 (Also Tape 6, side 1, 570 to end) ✓
 May 21: p. 1 & 2 (Also Tape 7, side 2, 500-580) ✓

Note: Index to minutes lists hearings on April 28, May 3, May 5, May 10, May 17, May 21.
 We received no minutes dated May 17, nor is there a tape listed for that date.

Separate exhibit file, in folder "Committee Reports" contains:

1. Report dated May 17, 1971, recommending do pass with Sen. Mahoney not concurring, and attached is typed copy of bill with Senate amendments inserted. 10 pages.
 (May 17)
2. Report dated May 21, 1971, recommending do pass as re-engrossed, with typed copy of second Senate amendments dated May 21. 2 pages.

NOTE RE TAPE RECORDINGS OF HEARINGS OF FULL AND SUBCOMMITTEE A OF STATE AND FEDERAL AFFAIRS COMMITTEE, 1971.

1. Tapes 1 thru 9 were received un-numbered, undated, and unidentified as to contents.
2. Tapes 10 and 11 are partially dated, little info. as to contents
3. Tapes 12 through 29 are almost correct as to labels but often do not give info. as to whether it was a full, subcommittee A or Workmen's Comp. meeting.
4. The recording log filed with the minutes for tapes of State and Fed. Affairs full committee, subcommittee A and Workmen's Comp. subcommittee begins with Tape 10 dated March 11.

Therefore, we are unable at present to identify the tape of the Full Committee for April 5, or the Subcommittee A tape for March 3.

From this Recording Log, we have inserted in pen on the listing of the minutes of Subcommittee A (page 1) the tapes we believe are those for minutes as listed.

We highly recommend that anyone wanting copies of tapes, come to Archives and attempt to make their own selection.

P. S. The recording log often does not give all the bills discussed on a particular date so....

Some tapes are listed in recording log as defective.

THE ARCHIVES ALSO HAS HOUSE FLOOR DEBATE TAPES FOR 1971 (THE SENATE DID NOT BEGIN TAPING FLOOR DEBATES UNTIL 1973); below are listed dates and tape numbers when HB 1036 was discussed on the House floor:

Feb. 9 (1st reading): Tape 2, side 2
Feb. 10 (2nd reading): Tape 2, side 2

Apr. 9: 3rd reading (Tape 10, sides 1 & 2)
June 1: (House concurred with Senate amendments & repassed (Tape 23, side 1 & 2

NOTE: Tapes will include several days in some cases; also, we have no index, so that where 2 sides are given for one date, we do not know which side will contain discussion on HB 1036.
Originals are 7"; they can be reduced when duplicated to 5" reels;

WHEN ORDERING ANY Legislative tape, we will need to know speed desired; we re-tape normally for a Uher recorder and many patrons do not have access to this type of recorder. So size of reel required depends on type of recorder available to you for listening.

dupe

Office of the Secretary of State

PHIL KEISLING
Secretary of State

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August 18, 1995

THE FOLLOWING BILLS HAVE AMENDED THE ORIGINAL BOTTLE BILL:

1971, HB 1036	Original Bottle Bill
1973, HB 3278	Sections 1, 2, 3
1973, SB 481	Section 1
1977, HB 2539	Section 1
1979, HB 2966	Section 1
1981, HB 3021	Section 1
1993, SB 952	Section 1

Todd Shaffer
Reference Archivist

REP. ANUNSEN called for the question. The chairman said the motion before the committee is HB 1452 as amended to the floor with a "do pass" recommendation. The clerk called the roll and the motion passed, with REP. DENSMORE, MACPHERSON, PATTERSON and STATHOS voting nay. REP. STULTS will carry the bill to the house floor.

REP. STATHOS inquired about the possibility of filing a Minority Report and stated that if he intended to do so he would inform the chairman as soon as possible.

HB 1036 was brought before the committee. CHAIRMAN MARTIN informed the audience that no testimony will be taken in a full committee meeting. On HB 1452 there was a request from a committee member to have the bill explained.

REP. MACPHERSON explained HB 1036 to the committee. He said this bill is a simple approach to the problem of litter along the road. It puts a 5 cent deposit on all beer and soft drink containers. Effective date is July 5, 1972, which gives the industry a year to work into operation of the act. Containers where a part is removed in opening cannot be sold after the effective date and it does away with the flip top.

REP. HOWARD distributed proposed amendments and made a motion that these amendments be adopted.

REP. DENSMORE, point of order, stated, as he understands the rules, a bill cannot be amended in full committee.

REP. MARTIN informed the committee that if the rules do not specifically cover that, the rules of the house for unanimous consent or for a 2/3 majority will be followed. We will ask for unanimous consent. REP. KENNEDY stated that there is no specific rule for amendment nor is there a rule for testimony in the full committee.

REP. HOWARD moved HB 1036 be returned to subcommittee on State and Federal Affairs. He then withdrew the motion after discussion of having his amendments adopted in this full committee meeting. REP. HOWARD moved that the rules of the committee be suspended.

REP. KENNEDY moved to amend REP. HOWARD's motion to include suspension of the rule to hear additional testimony before the full committee. In speaking to his motion, he stated that HB 1036 is one of the most significant bills this committee will consider. He feels that members who are not on the subcommittee which considered the legislation are not sufficiently informed on terms of the economic impact on industry and whether or not the bill will solve the purpose for which it is intended. He hopes REP. HOWARD's motion, as amended by his proposal, would be adopted and a hearing scheduled with testimony as to the merits and demerits of the bill and alternatives available.

CHAIRMAN MARTIN stated that he would vote against the motion to open the meetings of the full committee for hearing and he would consider the proposed amendments.

REP. MACPHERSON, in answer to questions, advised that this problem was considered for 18 months in the interim committee and HB 1036 is only part of the package of bills produced by that committee. He said the Governor's budget contains provision for \$1.2 million or \$1.5 million for roadside litter and park pickup over the next biennium.

The motion was restated by the chairman: whether or not to amend REP. HOWARD's motion to allow testimony before the full committee. A vote of "aye" is to allow testimony; voting "nay" is to not allow testimony before the full committee. The clerk called the roll. The motion failed, with REP. COLE, HOWARD, JOHNSON and KENNEDY voting aye.

CHAIRMAN MARTIN stated the vote will be on the motion to suspend the rules to consider amendments in the committee. The clerk called the roll. The vote was aye 8, nay 5, with REP. ANUNSEN, DENSMORE, INGALLS, MACPHERSON and STATHOS voting nay. The chairman announced that the vote was not two-thirds of the committee and the motion failed.

REP. KENNEDY asked REP. MACPHERSON to yield to a question. REP. KENNEDY then asked for unanimous consent on line 8, after "retail," insert comma, after "beverage" insert comma, line 18 after "retail", insert comma, and after "beverages" insert comma. The chairman asked if there was any objection. There being none, it was so ordered.

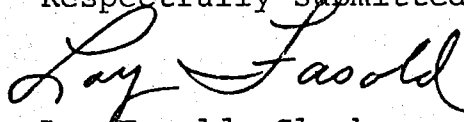
REP. STULTS made a motion for HB 1036 to be rereferred to the subcommittee on State and Federal Affairs. He stated he liked the concept of the bill, but he is disturbed by figures on the financial impact to the industry. He wants the effective date at least Jan. 1, 1973. REP. MACPHERSON spoke against the motion saying it was an attempt to kill the bill. REP. DENSMORE said there has been time for all members to know what the bill is; he supports it because it gets at the part of the problem that is growing so fast.

Voting on the motion to rerefer HB 1036 to the subcommittee on State & Federal Affairs. The motion failed. Vote was 8 nay, 5 aye. Voting aye were REP. COLE, HOWARD, JOHNSON, KENNEDY and STULTS.

REP. MARTIN explained the adopted amendments. REP. ANUNSEN moved HB 1036 as amended to the floor with a do pass recommendation. The clerk called the roll and the motion carried, with REP. HOWARD voting no. REP. MACPHERSON will carry the bill on the floor.

The meeting adjourned at 2:40 p.m..

Respectfully submitted,


Loy Fasold, Clerk

STATE & FEDERAL AFFAIRS
SUBCOMMITTEE MEETING

March 3, 1971

1:30 P.M.

105 Capitol

Members Present: Rep. Roger Martin, Chairman
Rep. Jack Anunsen, Vice-Chairman
Rep. Albert Densmore
Rep. Norman Howard
Rep. Gordon Macpherson

Witnesses: Rep. Paul Hanneman
Rep. Gordon Macpherson
Rep. Norman Paulas
Attorney General Lee Johnson
John Buckley, Representative from British Columbia
Rich Chambers, Salem, Oregon
William Ellis, Bend, Oregon
Grace Phinney, League of Women Voters in Oregon
Gerry McMinn, Lake Oswego, Oregon
John Lesow, PLAN-Beaverton, Oregon
Gerald P. Morcello, Prineville, Oregon
Don Waggoner, PLAN - Lake Oswego, Oregon
Edgar Grimes, Harrisburg, Oregon
Frances Fenn, Eugene, Oregon
Julia Exton, Portland, Oregon
Roy Duncan, Salem, Oregon
Thomas McCamant, Salem, Oregon
Dr. Richard Gale, Eugene, Oregon - Committee Against
Non-returnables
Connie Frazier, Eugene, Oregon, C.A.N.
Mary Ann Donnell, Concerned Women For Environment
Portland, Oregon
Nel Rand, YWCA, Portland, Oregon
Jerry Powell, Portland Student Services Recycling
Sid King, Automobile Club of Oregon

Chairman Martin opened the meeting with the purpose of hearing
testimony on HB 1036.

Rep. Paul Hanneman testified for HB 1036. He gave background
information and stated the concern had originated at the coast
where there was a tremendous build up of glass containers on the
beach. He made reference to Rep. Gordon Macpherson's 18 month study
on litter in Oregon, and stated substantial polls had been taken and
people were in support of the 5¢ tax on bottles.

Rep. Gordon Macpherson testified for HB 1036. He stated that it is impossible to educate the general public not to litter and felt strongly that HB 1036 would curb the problem. He stated that the U.S. this year would spend \$7.5 million to promote sales in one-way bottles. He stated it was important to adopt the "concept of returning to returnables." The Registrar Guard, Oregonian, Statesman Journal were in support of the measure and Rep. Macpherson urged the committee to give positive consideration to HB 1036.

Rep. Norma Paulus testified for HB 1036. She viewed the problem not as a litter problem but as a solid waste problem. She stated in a report made by U.S. HEW, the collection and disposal rate would cost the United States \$4 and one half billion dollars per year. The cost of removing waste is growing faster and the only way to alleviate the problem of solid waste is high temperature insinerators, or money back containers. She strongly supported HB 1036 and asked the committee to view any amendments with suspicion, and place the value on containers at a higher rate, rather than at a lower rate.

Lee Johnson, Attorney General and Chairman of the Citizen's Against Litter, testified for HB 1036. His testimony may be found in the permanent file. He did state that the effects of HB 1036 would be to stop all litter from beverage cans and bottles. It would shift some employment and result in increased employment in Oregon. And it would create few increased costs, which could not be absorbed by the savings resulting from the use of returnable containers.

John Buckley, representative from British Columbia testified for HB 1036. He stated a law similar to HB 1036 was now working in British Columbia. British Columbia's Litter Act became effective in part on August 15, 1970 and became effective in full January 1, 1971. The "non-returnable" bottle has virtually disappeared from the British Columbia market. Mr. Buckley presented the committee with a picture of bottles on the British Columbia coast. His testimony in full may be found in the permanent file.

Rich Chambers testified for HB 1036. He stated he was a citizen advocate of the bill and urged that it be passed in its present form.

William Ellis, Bend, Oregon testified for HB 1036. He expressed that he would like the detachable opener to remain.

Grace Finney, League of Women Voters testified for HB 1036.

Gerry McMinn, Lake Oswego, Oregon testified for HB 1036.

John Lesow, Beaverton, Oregon testified for HB 1036. He quoted reports

from a survey taken by HEW. He felt HB 1036 was the only practical solution to the problem.

Gerald P. Morcello, teacher from Prineville, Oregon testified for HB 1036. He stated educational aspects of litter were not sufficient and urged the committee to support HB 1036.

Don Waggoner, Lake Oswego, Oregon testified for HB 1036. He presented the committee with a chart dealing with statistics on glass reclaiming, metal reclaiming, beer sales in Oregon etc. and strongly supported HB 1036.

Edgar Grimes, testified against HB 1036. He agreed with certain sections of the bill. His letter and testimony may be found in the permanent file.

Frances Fenn, testified for HB 1036. She spoke to the committee as a person in agriculture and expressed that man-made hazards such as glass and aluminum did in fact effect the feeding grounds of their sheep. She strongly supported HB 1036.

Julia Exton, Portland, Oregon supported HB 1036. She presented the committee with an old waste can and stated the problem was not primarily a litter problem, but a solid waste problem.

Roy Duncan, Salem, Oregon testified for HB 1036. He stated he was representing 1500 members of the 1st Congregational Church and supported in total HB 1036. He presented the committee with 61 beverage containers he had picked up on a walk the night before the meeting.

Tom McCamant, Salem, Oregon testified for HB 1036.

Connie Frazier, Eugene, Oregon testified for HB 1036. She presented the committee with 1300 signatures in support of the measure. Copies may be found in the permanent file.

Dr. Richard Gale, Eugene, Oregon testified for HB 1036. He viewed the bill as a "container re-cycling bill" and strongly urged the committee to consider it with positive action. His entire testimony may be found in the permanent file.

Mary Ann Donnell, testified for HB 1036. As a member of the Portland environmental group, she stated the 5¢ deposit could provide the incentive to encourage a habit. Her letter may be found in the permanent file.

Nell Rand, YWCA Portland, testified for HB 1036. She would like the bill passed as read with no amendments.

Jerry Powell, Portland State University Employment urged the committee to "put him out of business" with passage of HB 1036.

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Sid King, Automobile Club of Oregon testified for HB 1036.
His letter of testimony may be found in the permanent file.

There was no further testimony.

Chairman Martin stated there would be subsequent hearings.

Meeting adjourned at 4:30 P.M.

Respectfully submitted,

Francine Reidy
Francine Reidy, Clerk

Tape 0-556

HB 1036

HOUSE STATE AND FEDERAL AFFAIRS

SUB COMMITTEE MEETING

March 11, 1971

8:00 A.M.

105 Capitol

Members Present: Rep. Roger E. Martin, Chairman
Rep. Albert H. Densmore
Rep. Norman R. Howard

Delayed: Rep. Jack Anunsen, Vice Chairman
Rep. Gordon Macpherson

Witnesses: Ginny Hyde
Jess Cannon, Governor's Office
John A. Anderson, Director of Public Works
Gene Lindholm, Glass Bottle Blowers Assoc.
Local Union 112
Earl Moore, Oregon State Grange
Jim Raabe, Oregon Soft Drink Assoc.
John Gallagher, Continental Can Co.
William Wessinger, Blitz Weinhard
Richard Hicks

Representative Martin called the meeting to order for purposes of taking testimony on HB 1036.

HB 1036

Representative Martin brought to point that another bill has been introduced which is in print at the present time and should be considered with HB 1036 which basically places a tax on containers.

Jess Cannon testified in full support of HB 1036 and further testified that the Governor has always been in support of the bill to require a price to encourage pick up and clean up. He urged that the Committee give full support to HB 1036.

Ginny Hyde testified in full support of HB 1036. She submitted to the Committee a petition containing 1,100 signatures in favor of HB 1036 and urged passage of same.

Representative Densmore inquired as to the source of signatures acquired.

Ginny Hyde testified that it was Klamath Falls High School only.

John Anderson testified in favor of HB 1036 and submitted a copy of his testimony to the Committee. He passed out photographs of litter scenes taken in Oregon.

March 11, 1971

Representative Howard inquired if John Anderson would support a bill to encourage return of all litter items.

John Anderson testified that he would support such a bill.

Rep. Howard stated that it isn't just bottles and cans that are the litter problem but expressed opinion that we need something more and it was his opinion that McCarthy would support anything that would clean up our roads.

John Anderson testified that we need a place to start and perhaps even plastic containers would be the place to start.

Rep. Densmore asked who is responsible to pick up litter in Marion Co. and City of Salem.

John Anderson testified it is the Dept. of Public Works responsibility.

Rep. Densmore asked how many employees are doing the job at the present time.

John Anderson testified it is a matter of frustration now but there are two or three men doing it and that more people are needed; therefore more funds are needed. He further testified that at the present time approximately \$20,000 is being spent a year.

Rep. Densmore requested to know how much more it would cost to do the job adequately.

John Anderson stated it would be about five times or \$100,000 a year.

Gene Lindholm testified against HB 1036. It was his testimony that no one item can be blamed for the litter problem and that action against beer and beverage containers would not solve the problem. He did point out that they realize it is necessary to preserve the beauty of our nation and that it is not going to come about overnight. He testified that the 5¢ deposit would not solve the problem. He urged the Committee to oppose HB 1036. He submitted a copy of his testimony and a graph to the Committee.

Rep. Densmore inquired as to the percentage of returned bottles.

Gene Lindholm testified about three per-cent of bottles are returned.

Rep. Martin inquired as to how many jobs would be lost if the non-returnable bottle were not used.

March 11, 1971

Gene Lindholm testified there would be from 80 upwards. He further testified that several thousand pounds have been returned but the rate of return is not as high as it originally was.

Rep. Densmore stated that Lindholm was implying that the gentlemen from British Columbia had left out some facts.

Gene Lindholm testified to the fact that the loss of jobs should be of great interest to them.

Earl Moore testified in favor of HB 1036 and was in favor of a deposit on return of containers. Their concern was the farm people who had to contend with bottles in their fields; that sometimes they would show up in their grains or hay and that this is a problem to them. He testified that they have been in favor of such a bill for a number of years.

Rep. Howard asked if the Grange endorsed total litter clean up.

Earl Moore testified that they would endorse it.

Rep. Densmore asked if there seemed to be more of a problem with bottles than with cans.

Earl Moore testified it is possibly because they are easier to throw a greater distance.

Rep. Howard asked where Earl Moore thought the stores were going to store these bottles and cans.

Earl Moore testified that he wasn't sure but that we need to start to clean up the bottle situation.

Jim Raabe testified against HB 1036 because the soft drink bottle was not the only container causing the litter problem and that the deposit on the containers would not solve the problem because other containers are discarded as litter and people do not return the bottles. He showed films of various other bottles for comparison of disposing these items to disposing of soft drink bottles. He suggested other uses such as the asphalt industry as a means of disposing of glass bottles. He stated he wished to submit further testimony within a two-week period.

Rep. Densmore questioned how he would interpret Lines 33 on Page 2 "Non-Alcoholic beverages".

Jim Raabe testified it would be soft drinks.

March 11, 1971

Rep. Densmore asked Jim Raabe if he would support the bill if they were to strike out the words "soft drinks" if he would support the bill.

Jim Raabe testified he would but would hope that it would cover all beverage containers which are contributing to the solid waste problem.

Rep. Macpherson asked if Mr. Raabe was speaking for all the bottling association.

Jim Raabe testified he was representing all of them.

Rep. Macpherson asked how much was spent on the operation on year.

Jim Raabe testified that it was about \$75,000 for the soft drink industry.

Rep. Macpherson stated that HB 1036 is not the whole concept of the Committee and that HB 1039 which has been proposed gets into other matters. It is not intended to get all waste solved but only cans and bottles.

Jim Raabe agreed that this is true and thought the ideas behind HB 1039 were very good, from his own personal view.

Rep. Macpherson asked if Raabe filled his own bottles.

Jim Raabe testified that he did.

Rep. Macpherson stated that there is a trend in the industry to do away with guys such as Raabe.

Jim Raabe testified that the answer to the problem was not only the non-returnable bottle and should consider the loss of jobs.

Rep. Macpherson asked if he would support a tax on all containers.

Jim Raabe agreed he would, probably about three per-cent of the cost of the package, but only as an individual bottler.

Rep. Howard asked if he would support the new bill being proposed.

Jim Raabe testified he would have to read the bill.

March 11, 1971

John Gallagher testified against HB 1036 because it would eliminate jobs. He testified to the effect that they could recycle products rather than have the non-returnable banished. He testified they are recycling scrap material in their plants. He testified that approximately 20% of the 400 people in their plant would lose their jobs. He further testified that they are making reusable containers such as paint and varnish. He testified they have been in full support and participated in the "Keep America Beautiful" plan and SOLV and that they are fully aware of the problem of litter and solid waste. He testified that the beverage container was only a small part of the solid waste which will only be solved by different approaches and different methods and it would not be by tax or deposit on the one-way containers and that the deposit would be more than the original cost of the package. He stated that we should not only look at just the beer and liquor but look at all the situation. He then read the percentages of types of litter picked up in a survey and testified that the major problem was not the beverage container. He further testified that there as many cans for other things as beer and beverage and that there were more returnable glass than non-returnable and yet he had not heard of any legislature to place a deposit on corrugated container, or other food containers, and did not feel that the beer and beverage can should be picked out. He stated he would ask Legislature to look at the fact that it was the request of the public for the one-way containers and that any tampering with this situation could cause drastic harm and further testified that it would cause greater inflation, loss of jobs, and place a burden on the stores receiving the returned cans and bottles as well as giving cause to the Health Department for routine inspections at the stores. He also testified that according to a survey in the ghettos in New York that even though there was a 5¢ deposit on the bottles they were not returned. He again stated the public does not want returnable bottles and it will be up to the public to clean up their environment. He stated that they certainly are willing to help the litter situation and that they are presently recycling glass, plastics and paper and that the Glass Blowers Association will recycle any glass brought to them. He testified that they do not believe HB 1036 is the answer to the litter problem and would hope that the Committee will get help from the the Natural Resources Recovery Act in solid waste management.

Rep. Martin pointed out that the can people have not been very responsible in the litter problem but the glass people certainly have been concerned and have been here and that the can people have not been present and further stated that rather than the can people just saying this won't work they make some suggestion to contribute to the cleaning up of the litter problem in Oregon.

March 11, 1971

John Gallagher stated that they have developed collection boxes at all Oregon, Calif. and Washington plants and have are certainly willing to recycle all types of containers if the public will return them.

Rep. Martin asked if he had heard of other bill that would tax containers of the beverage variety 1/4¢ and what Mr. Gallagher's feeling were about the bill.

John Gallagher testified that he would not be able to comment on the bill until he had read it in detail. However, it was his opinion that one or two industries should not be picked out and that all people should share in it alike.

Rep. Howard stated that the new Industry Tax Bill would place a tax on certain articles but once we get started down this path by taxing bottles and cans and the Legislature saw which other containers were not being picked up we could come back and place a tax on these items. This would be a vehicle to start. He assured Mr. Gallagher he would send him a copy of HB 1039

John Gallagher asked if additional hearings on either or both bills would be heard.

Rep. Martin stated there would be additional hearings.

William Wessinger testified that he wanted to discuss HB 1039.

He submitted a two-page analysis of the bill. He testified against HB 1036 in that it is discriminatory and that the people do not want a returnable bottle and have proven this by not returning bottles on which they have paid a deposit. He submitted a table of comparisons of the four different types of containers. He further testified that they would look at it as a work opportunity for youngsters on the week ends and during the summer months. He testified that perhaps the new bill was the answer to the problem and was certainly better than HB 1036 in that it did not attack only one industry.

Richard Hicks testified against HB 1036 because he felt it would move the garbage from the streets and highways to the stores and homes thus creating a health hazard. He testified he would like to see extensive legislation pass rather than only a single item which is contributing to the problem. He further stated that the people who want the convenience of the bottles should carry the burden.

Rep. Macpherson asked Mr. Hicks what his proposal for solving the waste problem in Oregon was.

March 11, 1971

Richard Hicks testified that it is for us to go into a broad section and reduce the splintering that is taking place in legislature of this bill. He suggested that perhaps bottle depots would solve the problem in keeping the bottles and cans out of the stores.

Due to the house convening the meeting was adjourned at 11:50.

Respectfully submitted,

Committee Clerk

HOUSE STATE AND FEDERAL AFFAIRS
SUB COMMITTEE MEETING

March 18, 1971

8:00 A.M.

105 Capitol

Members Present: Rep. Jack Anunsen, Vice Chairman
Rep. Gordon Macpherson
Rep. Albert H. Densmore
Rep. Norman R. Howard

Delayed: Rep. Roger E. Martin, Chairman

Witnesses: Don Waggoner, Peoples Lobby
Mr. John Peacentini, Plaid Pantry
Jack Foster, Emerald Canning Co.
Gordon Bronk, Glass Bottle Blowers Assoc.
William E. Stone, Shasta Beverages
Lou Norris, Oregon Retail Council
Elton Hout
Ken Lemke, Owens Illinois
Kel Keller, Glass Container Mfgs. Instit., Inc.
Harold Carson, Oregon Independent Retail Grocers

Representative Gordon Macpherson called the meeting to order for purposes of taking testimony on HB 1036 and HB 1949.

Rep. Anunsen arrived shortly and assumed the Chair.

Don Waggoner testified against HB 1049 and in favor of HB 1036. He submitted charts showing comparison of the two bills. He also stated that a survey on litter pick up would be made on March 20 and that the litter would be analyzed and a report made on the project. He recommended that the Committee pass HB 1036 without amendment.

Rep. Martin entered the hearing and continued as Chairman.

Rep. Martin pointed out that HB 1036 does not provide any means of putting money into the fund for cleaning up litter.

Don Waggoner stated that one-half million dollars should be taken from the General Fund as provided in HB 1949.

Rep. Howard pointed out that the bottles would be picked up for 5¢ but the other litter would be left behind and asked what would be done with the litter which was left behind. He further stated that there should be no reason why we should go give times higher on the deposit than any other state and also stated that this is no compromise.

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HB 1036 HB 1949

Rep. Martin asked Don Waggoner if he would only support HB 1036 only as it is written and no other bill. He stated that the people in Oregon are more concerned with the entire litter problem than in bottles and cans.

Mr. John Peacentini testified in favor of HB 1036 and stated that at the time he began the program of collecting the bottles and cans he received an offer from Owens Illinois to help him by accepting the glass he had collected.

Rep. Martin complimented Mr. Peacentini for his efforts in helping with the litter problem.

Rep. Howard asked Mr. Peacentini if he thought 5¢ was needed to bring back a beer bottle.

Mr. Peacentini stated he didn't feel 5¢ was needed and that if the industry paid 1¢ they would get results.

John Foster testified against HB 1036. He testified that only 5% of the litter in the United States is soft drink bottles and 95% is solid waste. He further stated that the solid waste problem is the true answer and further stated that bottles would be allowed to come in and go out of the state without a tax. He introduced to the Committee a returnable bottle which has a twist-off cap just put out by Coca-Cola. He stated he did not feel HB 1036 would solve the problem.

Rep. Martin asked John Foster what he thought of HB 1949.

John Foster stated that it is very well written and covers a broader basis. He stated he could live with it even though he didn't like it.

Gordon Bronk testified against HB 1036 and stated it did not solve any problem. He urged the Committee to withhold approval of HB 1036.

William E. Stone testified against HB 1036. He stated that their business is strictly in non-returnable containers and they would be required to carry double inventory. He pointed out that the people from Washington would take advantage of the price situation if a tax is placed on containers.

Rep. Macpherson asked Mr. Stone what one or two cents would do to them.

William E. Stone stated they could live with the one or two cent but that the return of containers from distances is the problem.

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HB 1036 HB 1949

Lou Norris testified against HB 1036. He submitted a copy of his testimony to the Committee along with a pamphlet from Elgin Salle on a proposal to restrict non-returnable containers from a survey conducted by American Can Co.

Rep. Densmore stated that while he does not believe it would solve the solid waste problem, he believes it would alleviate it.

Elton Hout testified that in his opinion litter and solid waste should be separate.

Ken Lemke testified against HB 1036 and submitted a copy of his testimony to the Committee.

Kel Keller submitted copies of his testimony to the Committee. He stated he only wanted to supply the Committee with information.

Rep. Macpherson requested that Kel Keller furnish him with a list of the government officials in other Providences who gave him the information, what the source was, who was considering enacting legislation and who he could write to to verify his testimony.

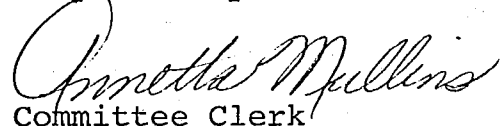
Kel Keller stated that he would get the information.

Harold Carson testified against HB 1036 and stated that after reading HB 1949 he would submit it to their people since it seems to be the answer to the problem. He suggested that the OLCC try the program of accepting their bottles back at the rate of 5¢ for a period of two years to see if the program would work. He stated that perhaps HB 1949 would be the vehicle for a compromise to the problem.

There was no further testimony heard at this time.

The meeting was adjourned at 10:55 a.m.

Respectfully submitted,


Committee Clerk

Tape

Side 1 Reading 508 - 638

Side 2 Reading 0 - 381

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Rep. Martin stated the Committee had received proposed amendments to HB 1415 from the League of Oregon Cities and has been made a part of the record.

HB 1949 HB 1036

Don Waggoner submitted to the Committee a report on the litter survey made March 20. He testified that there is a tendency for people to throw away throw-aways along side the road than the returnable bottles. He further stated that if people are going to return containers they will take them back in the packaging. He stated that the litter picked up was turned in and that the bottles were redeemed for \$11.00 and had HB 1036 been in effect the refund would have been \$880.00. He further stated that if we are going to get containers back we must have a deposit and HB 1949 does not give any incentive in any way for the people to bring back the containers and it would not encourage the return of packaging whereas HB 1036 does. He stated that HB 1949 is worse than no bill at all and if HB 1036 is not passed he would request that no bill be passed.

Rep. AuCoin urged the Committee to pass HB 1036 and stated that HB 1036 would do more than anything else to create incentive for litter pick up, bottles and containers not to be thrown on the highways and this preventative measure is most needed in the State of Oregon. He urged the Committee to pass HB 1036.

John Mosser testified that HB 1949 was drafted to meet the challenge from Blitz Weinhard and questioned what it would do to promote recycling by reuse. He stated HB 1949 provides a competitive advantage for standard reusable containers. HB 1036 insures that all containers will be branded and the reason for that is that it places a value on the container, and in order to protect themselves from paying to get back something they don't want they are going to militate in favor of the can. He stated he believed this is the most important in the environmental difference in the bills and therefore warned the Committee that almost nobody likes this feature. He stated that HB 1949 provides 1/4 cent a container subsidy to the operator of any redemption center which will see that the materials are reused in a manufacturing process and will pay 1/2 cent or more per container to the person bringing the container to the redemption center. He stated HB 1036 does nothing to encourage recycling by salvage of materials. He asked what HB 1036 does to prevent litter. He stated HB 1949 funds several programs. He stated he did not feel HB 1036 or any other program is going to prevent litter and that a five cent deposit will not persuade anyone who is drinking in the car not to dispose of the evidence, and HB 1036 would not guarantee that the slobs would haul their bottles and cans out from the camp site nor would it prevent the vandals from smashing bottles just for the fun of it. He felt more was needed than a five cent deposit to clean up the litter.

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HB 1949 HB 1036

Rep. Lee Johnson testified against HB 1949 and stated it would not even pay for the litter it would create let alone clean up the other litter. He stated it may contribute to, rather than discourage the use of non-returnable containers. He further stated that if a tax is going to be imposed that it be a tax that will be sufficient to clean up the problem it causes. He strongly urged the Committee to reject the philosophy of HB 1949 and go back to HB 1036. He thought that the idea of a single type of bottle was good and that the idea could be included in HB 1036 and that the \$450,000 from the Highway Fund could also be included in HB 1036 by a simple amendment.

Rich Chambers asked the Committee not to short change Oregon citizens by recommendation of HB 1949.

Ellis Entram testified against HB 1949 and stated that it is not going to solve the problem but is only going to make litterers out of the people.

Norman Dobyms submitted literature from American Can Co. He testified that American Can is doing something about the present litter problem and that Oregon is not the only state with the problem. He requested that the Committee not act on HB 1949 or HB 1036 but wait for Congress to act.

John LaSalle testified in favor of HB 1036. He felt that HB 1949 was too weak. He stated that the problem of bottles and cans can be rectified somewhat by HB 1036 and anything else would be backing away from the problem.

There was no further testimony to be heard.

The meeting was adjourned at 10:26 a.m.

Respectfully submitted,


Committee Clerk

Tape
Side 1, Reading 208 - 615

HOUSE STATE AND FEDERAL AFFAIRS

SUB COMMITTEE WORK SESSION

March 23, 1971

4:10 P.M.

105 Capitol

Members Present: Rep. Roger E. Martin, Chairman
Rep. Jack Anunsen, Vice Chairman
Rep. Gordon Macpherson
Rep. Albert Densmore

Absent: Rep. Norman R. Howard

Rep. Roger Martin, Chairman called the meeting to order.

Rep. Jack Anunsen moved that HB 1205 be moved to Back of Book. The clerk called the roll with Martin, Anunsen, Macpherson and Densmore voting Aye, and Howard absent. The motion carried.

Rep. Jack Anunsen moved that HB 1115 be moved to Back of Book. The clerk called the roll with Martin, Anunsen, Macpherson and Densmore voting Aye, and Howard absent. The motion carried.

Rep. Jack Anunsen moved that HB 1140 be moved to Back of Book. The clerk called the roll with Martin, Anunsen, Macpherson and Densmore voting Aye, and Howard absent. The motion carried.

Rep. Jack Anunsen moved that HB 1274 be Tabled. The clerk called the roll with Martin, Anunsen, Macpherson and Densmore voting Aye, and Howard absent. The motion carried.

Rep. Jack Anunsen moved that HB 1332 be Tabled. The clerk called the roll with Martin, Anunsen, Macpherson and Densmore voting Aye, and Howard absent. The motion carried.

Rep. Gordon Macpherson moved that HB 1036 be passed to Full Committee with Do Pass recommendation. The clerk called the roll with Densmore and Macpherson voting Aye, Martin and Anunsen voting Nay, Rep. Howard absent. The motion carried.

Rep. Gordon Macpherson moved that HB 1949 be Tabled. The clerk called roll with Anunsen, Densmore and Macpherson voting Aye and Martin voting Nay, and Rep. Howard absent. The motion carried.

Rep. Jack Anunsen moved that HB 1396 be Tabled. The clerk called roll with Anunsen, Macpherson and Martin voting Aye and Densmore voting Nay, and Rep. Howard absent. The motion carried.

Rep. Martin moved that HB 1407 be moved to Back of Book. The clerk called the roll. The vote was unanimously Aye with Rep. Howard absent. The motion carried.

HOUSE STATE AND FEDER AFFAIRS
SUB COMMITTEE WORK SESSION

March 24, 1971

5:00 P.M.

105 Capitol

Members Present: Rep. Jack Anunsen, Vice Chairman
Rep. Gordon Macpherson
Rep. Albert Densmore

Excused: Rep. Roger E. Martin, Chairman

Absent: Rep. Norman R. Howard

Representative Anunsen called the meeting to order.

Rep. Gordon Macpherson moved that the amendments which he had prepared, Steven Haas had drafted and Rep. Anunsen had suggested, to HB 1036 be adopted. The clerk called the roll with Anunsen, Macpherson and Densmore voting Aye, Rep. Martin excused and Rep. Howard absent. The motion carried.

There was no further business to come before the Committee.

The meeting was adjourned at 5:05 p.m.

Respectfully submitted,

Annetta Mullins
Committee Clerk

Tape
Side 2, Reading 428 - 431

April 1, 1971

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HB 1336

place. He stated Dr. Westgarth, another doctor and Legislative Council had prepared amendments to HB 1336 at his request and had submitted them to the Committee on March 19. The amendments applied to Section 1, Sub 1 of the bill to basically require a label on the containers detergents are sold in, stating whether or not the detergent itself is biodegradeable. Also the provisions of the amendments would require the manufacturer of the detergent to reveal on the label exactly what all the active and inactive ingredients of the compound is. He further stated that he would anticipate putting a sticker on each package coming into the state.

Rep. Anunsen moved that the proposed amendments to HB 1336 be adopted. The clerk called the roll with Rep. Anunsen, Densmore, Macpherson and Martin voting Aye and Rep. Howard voting Nay. The motion carried.

Rep. Anunsen moved that HB 1336 be passed to Full Committee as amended with Do Pass recommendation. The clerk called the roll with Rep. Anunsen, Densmore, Macpherson and Martin voting Aye, Rep. Howard voting Nay. The motion carried.

HB 1036 HB 1949

Rep. Macpherson stated that he must report to the Committee that this morning he had received another concept along with all the others that had been offered to the Committee. It was suggested to him by Mr. Wessinger that the Committee combine HB 1036 and HB 1949 and make HB 1949 effective now and let it run for a couple of years and let HB 1036 become effective July, 1973. To have legislation take a look at HB 1949 over the next couple of years and if they like what they saw they could repeal HB 1036 in 1973 and if they didn't like what they saw they could leave the matter on the books. He stated that Mr. Wessinger had been progressive in trying to find alternatives to the bill which he does not like and would thank Mr. Wessinger for the efforts and his own money he had spent to try to bring an alternative proposal.

Rep. Howard moved that HB 1949 be taken from the Table. The clerk called the roll with Rep. Anunsen, Densmore, Howard and Martin voting Aye and Rep. Macpherson voting Nay. The motion carried.

Rep. Anunsen moved that HB 1036 be passed to Full Committee as amended with a Do Pass recommendation. He stated that he is also interested in HB 1949 but does not think they should go as a package, and perhaps both of them should be passed because they both speak to different elements but if the Committee is going in two stages he felt each body should vote on them separately and would endorse some changes in HB 1949, potentially, and pass it out also, but not today.

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Rep. Howard stated he could not vote to pass HB 1036 without knowing what is going to happen to HB 1949 because he would like to have, during this coming summer, the Highway Department out on the roads with a crew of college students or high school students cleaning up the State of Oregon and he thought anyone driving on the road can see the litter in the State. He stated if we are going to clean up the litter we should get on with the job. He also stated he would not take a chance that the Committee would pass out HB 1036 and then later decide to put HB 1949 back on the Table. He stated that it is a compromise they have been trying to reach for the last four years. He further stated he believed there is an area of compromise and that he couldn't compromise very well or in a very strong position when one bill has already passed and the other is a second issue.

Rep. Densmore stated that it is a very tough decision to make on both bills and stated that he would have to concur with Rep. Anunsen in that both bills have to stand on their own merit. It was his feeling that the crucial question on the whole matter is not the abetment of litter, and even the Governor's budget has some money in it for litter pick up, but is that of solid waste abetment and the only bill that really speaks to the question of abeting solid waste and heading ourselves in the direction of reuse and recycling is HB 1036.

Rep. Macpherson stated he had spent only a short period of time studying the problem of litter compared to a lot of other people but has learned quite a bit about it and one thing is that nobody agrees. He stated industry has tried very hard to bring themselves together and can't do it, it has been quite evident in the last few weeks, and the representatives of Oregon industries have tried very hard to bring their people together and they have after some difficulty agreed to settle on a bill that would in effect be a general across-the-board sales tax of one-tenth of one percent of the listed items. One brewer, Mr. Wessinger, brings up the bill with a one-fourth cent deposit on nonreturnables and the deposit be maintained on returnables and also sets up the Scenic Protection Board. He stated he knew of no one who had spent more time trying to figure out a solution than Mr. Wessinger did. He stated he had talked to the grocers the previous night and they couldn't agree with any deposit, they couldn't agree with any of these and the only thing they want to do is ban the nonreturnable altogether if we are going to have a deposit. Mr. Wessinger's other plan, which is admirable too, is to combine the two bills, but of course that gives the legislature the right to spend as much on HB 1949 perhaps, as they would on initiative to prove they can slick this State up. He stated he was satisfied they could do it with that amount of money. He stated Shasta had testified they had ninety percent production in non-returnable cans, who at this point say they can live with a two cent deposit. He also stated Mr. Wessinger had told him on occasion that they do not like the deposit concept but they sell beer, not containers, and they could live with something less than five cents but didn't know where that was. He pointed out that no one has ever come in and offered any amendments

April 1, 1971

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to HB 1036 from the industry, and the only amendments received were from Rep. Anunsen. He stated that he had spent 20 to 25 hours in the last two weeks, he has offered a compromise in every way he knew how to offer a break to retailers, five cents out, four cents back giving the retailer a one cent allowance to take care of the bottles, to lower the deposits, to make different types of deposits on different types of containers, common container, returnable container, cans and nothing seems to satisfy. He felt the general public is satisfied and the deposit concept is what they want and felt the public is right and does support HB 1036. He stated he remains open for a compromise on the amount of deposit, kinds of deposits, any ideas about redemption centers and recycling to get the stuff out of the solid waste stream. He stated HB 1036 has gotten more editorial support than any tax program that has been brought before this legislature and has gotten more citizen support and felt that anything less than HB 1036 would mean to the voters that once again legislation has broken faith with the voters on this issue. He stated that three years ago industry knew that this legislation was serious about this problem and since that time the only thing they did was come and testify against a deposit concept and no one during that interim period offered any amendments to HB 1036, and in fact one gentlemen, who is probably the reason for the tax credit bill, came to the very last hearing during the interim, after two years of hearing, and stated that that was the first time he had heard about the Committee and what they are going. He stated he would excuse him but thought we have to find some other way to solve these problems and cannot turn our backs on the problem. He told the representatives of the industry present that he did not feel, and he was sure how the vote was going to go, that legislature is not going to compromise and therefore he would join Rep. Anunsen in his feelings about HB 1036 and HB 1949.

Rep. Martin asked where the tax credit is coming from and stated it was his opinion it should be tied into HB 1036.

Rep. Macpherson stated that if the people who are going to be affected felt during the last two years that there should be a tax credit tied into HB 1036 he would like to take a look at their amendments. He also stated that it is only now that the proponents of the measure find that maybe we should do that and salvage somebody's obsolescent equipment. He stated that they are two separate issues altogether and that Steve Haas could write the bill.

Mr. Haas stated that he would read it over and was sure he could have something on it.

Rep. Martin asked the clerk to call the roll on Rep. Anunsen's motion to pass HB 1036 to full committee as amended with Do Pass recommendation. The vote was unanimously Aye with all members present. The motion carried.

3/10/71
Lou Norris

STATEMENT OF OREGON RETAIL COUNCIL
ON SENATE BILL 194 & HOUSE BILL 1036
SENATE COMMITTEE ON CONSUMER AFFAIRS

March 10, 1971

Mr. Chairman, Members of the Committee,

I am Lou Norris, Director of the Oregon Retail Council, a division of Associated Oregon Industries. The statement I present is on behalf of our retail members who are directly affected by Senate Bill 194 and House Bill 1036.

It is not a pleasant task to appear in opposition to a concept which seemingly is supported by large members of the citizens in our state.

What we are dealing with in House Bill 1036 and Senate Bill 194 is a very simple concept which is supposed to solve a very complex problem. Unfortunately, we just don't have a simple problem to match the simple concept.

House Bill 1036 and Senate Bill 194 are directly addressed, singularly, to the litter problem.

In examining the concept, we are forced to admit if the sale of malt beverages and soft drinks were totally abolished we would be making no appreciable progress towards solving the problems associated with solid waste.

A national study of packaging in solid waste revealed that packaging constituted only 13% of the total solid waste. Glass bottles and metal cans accounted for only 3.9% of the total.

The concept embodied in HB 1036 and SB 194 is that government shall prohibit sales

at retail of spirituous liquors, wines, malt beverages and soft drinks in containers unless each such container carries a refundable deposit value of at least 5 cents.

In plain language, it means there will no longer be such a thing as a non-returnable beverage container. The bill does not directly ban the sale of non-reusable beverage cans and bottles, but it would seem abundantly clear that is what the sponsors of the measure hope will happen.

A much more forthright approach would be to prohibit the sale of beverages in non-reusable containers.

Is there anything fundamentally wrong for a processor to package his product in a non-reusable container? On the contrary; the benefits so far exceed the cost that it would be ridiculous to even think of a general ban on all non-reusable containers.

The processing of fruits and vegetables is a giant industry in Oregon. It is the non-reusable container that makes it possible for Oregon grown products to be complete in practically every market in the free world. Oregon Food Processors canned 18,206,785 cases of vegetables and fruit in 1964 and all were packed in non-reusable containers.

Now we ask why it is any more wrong to put a malt beverage or a soft drink in a non-reusable container than it is a green bean? What justification is there for requiring a 5 cent deposit on a malt beverage or soft drink container than there is a bean container?

The question in the minds of the proponents of SB 194 and HB 1036 answers itself. It is to stop the littering from malt and soft drink beverage containers. While the figure may be subject to some dispute, most authorities agree that approximately

1 percent of the beer and soft drink containers wind up as litter, and that the remaining 99 percent is disposed of in the intended manner.

Many people have developed tunnel vision when it comes to approaching the litter problem. They can't see anything but bottles and cans. We would not deny that beverage bottles and cans are there in great numbers, but anyone who is willing to walk a mile of any road in Oregon will quickly discover bottles and cans are not the only form of litter.

We know of one who contends that with a 5 cent mandatory refund bottles, cans and other forms of litter will disappear. What they do contend is that when bottles and cans do appear along our highways, adults and children will pick them up.

This is hardly the type of unsupervised activity the legislature of the State of Oregon could advocate. When the highway department sends their own workmen along the highways, they light them up like Christmas trees.

The Labor Department will not allow children to even go near a machine on a farm, but now we are going to advocate as a matter of public policy children become scavengers.

Will such a compulsory refund work? No one really knows -- the only experiment closely resembling what is proposed in SB 194 and HB 1036 was tried in the state of Vermont.

The Vermont experiment was a ban on non-returnable glass containers. Cans were not affected. After four years the law was allowed to expire.

A report issued by the Vermont State Litter Commission concluded:

"The ban on non-returnable glass containers has not lessened the quantity of roadside litter."

Incidentally, the Vermont Litter Commission examined in some detail the death of animals from hardware disease. A questionnaire sent to 12 leading veterinary colleges revealed out of 1406 animal victims of the ailment, 58% of the penetrating body was identified as wire, 36% some variety of nails, and 6% miscellaneous metal. Glass was not found to be significant.

Proponents place great reliance on the British Columbian experience. But not in one single instance have the proponents mentioned beer is not sold through grocery stores. The refund on soft drink beverages became effective January 1, 1971 and we would suggest the dead of winter is not the best time to measure the results.

One might suspect the compulsory refund in Canada on malt beverages is more for the purpose of protecting domestic brewers in B.C. than to protect the environment.

Let me read just one sentence from a letter I received from Mr. R. A. Smoker, General Manager, Pacific Brewers Warehousing Limited:

"This law affected canned beer and imported malt beverages only, as all bottles used in the brewery industry in British Columbia are returnable bottles and have always had a refundable value of 25 cents per dozen."

Mr. Smoker goes on to say the refunds will increase the price spread between can and imported beer and his members' beer to 35 cents per dozen.

SB 194 and HB 1036 contain no provisions as to how the law would actually be implemented. It contains no provisions for promulgating any rules or regulations to

administer the act. It conveniently dumps all of the problem in industry's lap.

What is going to be required of the retailer? If he merely offers a refund of 5 cents on each container, does that satisfy the requirements of the law or must he actually collect a deposit?

Does a food retailer have to accept brands of beverage containers he does not sell? Is there any limit on the numbers of beverage containers a retailer must accept?

Suppose the Boy Scouts are going door-to-door asking for bottles rather than money and they end up with 5,000 containers. Does a food retailer have to buy them?

The equilibrium between the containers sold and containers returned will never be perfect. How do you take care of the retailer who may receive twice as many bottles as he sells?

One owner of a large number of convenient commercial markets told me he receives back only about 45 percent of the returnables he sells.

Will every gas station, department store or government office building that sells soft drinks have to accept bottles?

Will the establishment of redemption centers as has been done in British Columbia be all that is required?

Food retailers simply cannot become disposal sites for empty malt and soft drink containers. There are health problems involved, but the primary concern of a compulsory refund are the costs and space requirements.

Real estate comes high to the food retailer - space is valuable. The human hand is an expensive machine. Retailers cannot afford to utilize either something as non-productive as storing, sorting, carting and counting empty beverage containers unless prices are increased to the consumer.

If he continues to sell non-reusable containers, what is he to do with them? Since they are not reusable, they must be disposed of as solid waste. Is the distributor going to pick them up and dispose of them? Why shouldn't the purchaser put them in the garbage where they belong?

One final comment -- no one is forcing the non-returnable containers on the consumer. He or she is selecting the container by choice. Each time a prospective malt beverage or soft drink purchaser goes to the supermarket, they can hold their own election. They can elect to buy their beverage in a returnable or a non-returnable container. No one forces the decision. In fact, the beverage packed in the returnable container is the better consumer buy. If the polls are correct that 86 percent of the people favor non-returnables, then all they have to do is act with the same conviction as they talk.

In closing, let me quote from a report of a group that spent 16 months examining the litter problem:

"Over-reaction by frightened environmentalists or crash programs by government will only compound what is already a complicated problem. Sensible solutions properly timed and structured will meet the needs of the people of Oregon without severe dislocation to the economy or industry."

HB 1036 and SB 194 are crash programs, improperly timed and will cause severe economic distress for everyone connected with the beverage industry.

Glass Bottle Blowers Association



Local Union No. 112



March 9, 1971

Says 80 jobs up would be lost of production in returnables only.

Mr: Madam: Chairman & Committee Members

I would like to express my opposition to H. B. 1036 and S. B. 194 which in context are nearly identical. After attending many hearings since 1969, listening to support for and against the various bills pertaining to solid waste and "Ban the Bottle" and "can" legislation. March 1, 1971 and March 3, 1971, we heard testimony of many citizens claiming that a 5¢ deposit would cure the litter problem and that Industries only concern was the financial burden it would impose on them. March 1st and 3rd, we heard testimony that Industry had been given a chance to rectify the litter problem pertaining to non-returnable bottles and cans. Industry was accused of attempting to pacify people with their re-claiming and re-cycling program, which incidently, is established on a permanent basis in many locations across the nation. We heard testimony that re-cycling has got to be the answer, then in the next breath they said it was not working.

If the re-cycling is not working, then possibly someone here could tell me where the 75-100 tons of glass comes from that Owens-Illinois purchases from citizens and civic groups nearly every week since July 1, 1970.

The total glass reclaimed at the Portland Plant since July 1, 1970 has recently exceeded the two million ~~tons~~ ^{LBS} and is rapidly doubling in volume week by week.
2,500,000

It was obvious at the March 1st hearing as well as March 3rd, that a great deal of testimony was of emotional origin and well planned. However, if we were all to act on our emotions there would be far more serious problems than a beer bottle or a can along the highways. No one thing or act can cure this problem of littering whether it be a beer bottle or a paper box. Many citizens and Government Representatives presented testimony that re-cycling was not working, that statement was groundless, and I have to disagree with them along with the attorney General Lee Johnson, who is obviously more versed in criminal law than on the litter problem.

I would like to comment on some of the statements made by proponents favoring the bill. First, I would like to comment in contrast to Rep. Hamenrans's remarks about news media being more than generous on its coverage, "at least on the negative point of view". I hope the news media will be as generous to opponents of the bill.

Another question I would like to ask is what happens to all the malt liquor, wine and Government controlled whiskey bottles in British Columbia that Mr. John Buckleys testimony failed to mention along with expertly evading the question of how many jobs were affected by the required 2¢ deposit on beer and some beverage containers.

Please don't misunderstand my feelings as I have lived in Oregon myself for 25 years. I am also an ardent hunter and fisherman. There is not a soul in Oregon that appreciates the beauty of our state more than I.

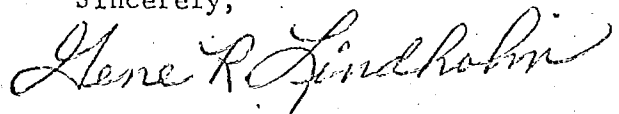
There is nothing I can think of that is more disgusting than to hike into a remote area and find where some slob has strewn his garbage all over the area.

My local union has been involved a great deal in finding a solution to the litter problem through personal contact, advertising and education. We realize that the ultimate goal of all environmentalists is to have the beauty of our nation preserved for us and those who follow us.

We all must realize this is not going to come about overnight. Too many of us expect to solve or clean up overnight which took some thoughtless persons years to mess up, but we must not give up.

In closing, Mr. Chairman, I contend that imposing a 5¢ deposit on each container would force industry to return to the returnable container which would affect other industry such as trucking, bottling and retail grocers and last but not least would result in the loss of many jobs in the Portland Plant of Owens-Illinois Glass Company. We must all agree that in view of our states unemployment rate that another lay-off is the last thing we need, so representatives and senators, I urge you to oppose H.B. 1036 and S.B. 194. In view of the economical impact it would have on the people of Oregon and friends of mine and members of the Glass Bottle Blowers Association.

Sincerely,



Gene R. Lindholm
Vice-President - G.B.B.A.
Local 112

Glass Bottle Blowers Association



Local Union No. 112
GORDON J. BRONK, PRESIDENT
445 S. E. 155TH PLACE
PORTLAND, OREGON 97233
254-4316



March 16, 1971

Mr: Madam: Chairman: Members of the Committee:

My name is Gordon Bronk. I reside at 445 S. E. 155th Place, Portland, Oregon. I am President of the Glass Bottle Blowers Association, Local Union Number 112. Today, I am speaking for the 400 plus members of our union who are concerned over pending legislation in the Oregon Legislature. Our concern is directed at proposed legislation now before the Senate and the house, which would in application of its provisions eliminate all so-called non-returnable malt and soda beverage containers in our trade. The jobs of a great many of our members will be lost if this ill-conceived legislation is enacted into law. By singling out any one product or industry where numerous other products that contribute to litter escape the effects of the legislation you will have to concede that this has to be a discriminatory measure against that product and industry. This legislation will not solve the litter problem, but only lessen it by some minor degree perhaps. A far better approach is one of re-cycling our present so-called waste materials, such as my company, Owens-Illinois, Inc., is now doing with used glass and return them to the market in the same or different forms.

I urge you, the legislature, to pursue a constructive approach to solve our litter problems rather than the negative approach before you. If some types of containers are eliminated by law what articles will be eliminated tomorrow?

I do not believe that the members of this committee want to cause economic injury to a substantial number of our citizens for the sake of an experiment. I am not going to give any statistics to this committee with any facts and figures in regard to our problem of litter, because I have noted after attending several anti-litter meetings that the opponents of anti-litter legislation are cross-examined when they give statistics and there seems to be a certain amount of doubt as to whether the figures are authentic. The same does not always apply to proponents for the Bills. I cannot emphasize too strongly that a container does not make litter, it is the manner in which the empty container is disposed of by a human being that makes litter. Our local union and its members are concerned about the serious problem of litter and we have been very active in this area. I know a check with some of your responsible people here will clarify this. We have passed out thousands of litter bags through-out the state and furnished hundreds of metal anti-litter signs to be put in State Parks.

No organization or body of citizens is more concerned about our states solid waste management problems than the Glass Bottle Blowers Association. Members of the committee, I think you will agree we sometimes get confused in words and phraseology. Many knowledgeable people refer to the returnable bottle which is re-filled and used again, as one being re-cycled, actually it is

being used a number of times for the same purpose. Re-cycling is reclaiming glass and melting it down to form new bottles and other related products. Glass is often referred to as being non-degradable, but crushed glass returns to the earth in almost the same form of sand it was originally drawn from the soil. The myth persists among well meaning group and individuals that to roll back progress and force the public to accept the returnable containers would solve our environmental problems. Realistically, we cannot single out a single Industry, a single segment of our government or a single element of our civic society and place the blame for our solid waste management problem. We should not seek to place the blame, we should not seek to penalize. It's time we work together toward realistic solutions. In closing, I strongly urge the Committee to with-hold approval of this Bill and to institute studies to cope with the entire problem of litter and solid waste control, not just a segment of certain industries. Thank you sincerely for giving me the privilege of appearing before you.

Sincerely,



Gordon J. Bronk
Local Union 112 President
Glass Bottle Blowers Assn.

10

**TESTIMONY PRESENTED TO THE HOUSE STATE AND FEDERAL
AFFAIRS COMMITTEE, CONCERNING H. B. 1036, MARCH 11, 1971.**

I am Larry Williams, Executive Director of the Oregon Environmental Council. The Council has offices at 1238 N. W. Glisan Street in Portland and 161 High Street, S. E., in Salem. The Council is a coalition of 61 planning, sportsmen, and conservation organizations and 1500 individual members.

At this time we would again like to go on record favoring House Bill 1036. We believe that the only sure way to overcome the bottle and can litter problem along our highways is to put a price on their collective heads. We feel it is only fair that those who litter pay the price of clean-up. Although we would like to see a 10¢ deposit on each container of liquids sold in the state, the proposed 5¢ tax will afford the incentive to return such containers as specified in this Bill.

In 1969 there were 126 million cans and 188 million bottles of beer sold in Oregon. About half of these were in non-returnable containers. That means that 157 million beer containers became solid waste, not to mention the larger numbers of soft drink containers which were not returned.

We are convinced that education alone will not overcome the litter problem. While the value of a vigorous educational program must not be underestimated, we must not, on the other hand, consider education the cure-all for deviant behavior. As the writer, George Woodberry, put it, "education has really only one basic factor, one must want it." For those who don't want education on littering, we must find an alternate solution. The carbonated container deposit seems to be the most direct and equitable answer.

Our concern for the use of flip-top containers extends beyond the litter problem into the area of health hazards. The human problem is apparent when the metal tabs are thrown about to become "booby traps" for bare feet. The real hazard, however, is to fish and wildlife. There is no doctor around to mend a fish or seal's stomach when they become severly cut through eating the flip-tops, which, filtering through the water, resemble a succulent morsel to be gobbled up.

We further feel that revoking the license of any retailer selling beverage containers without such a deposit is a justified punishment. It has become apparent that neither bottlers nor citizens are sufficiently concerned about the great litter problem, a menace to public health, to begin physically cleaning it up. This bill will provide the incentive necessary, through economic means, to clean up this portion of our litter and reduce our growing piles of solid waste. We urge you to pass this Bill out of Committee with a "do pass" recommendation to the House of Representatives.

Thank you.

LW:jai

THE OREGON SOFT DRINK ASSOCIATION WOULD LIKE TO PRESENT TESTIMONY TODAY WHICH WILL PLACE IT'S POSITION ON THE SOLID WASTE PROBLEM SQUARELY BEFORE YOUR COMMITTEE IN SUCH A WAY AS TO AVOID ANY MISUNDERSTANDING OF OUR POSITION ON THIS QUESTION.

OUR ASSOCIATION REALIZES THAT THE SOLID WASTE PROBLEM IS A CRUCIAL PROBLEM --NOT ONLY IN OREGON, BUT EVERYWHERE. WE BELIEVE INDUSTRY MUST ACCEPT IT'S FAIR SHARE OF RESPONSIBILITY, BOTH PHYSICALLY AND FINANCIALLY, IN FINDING A REASONABLE SOLUTION FOR THIS PROBLEM AND ANY REASONABLE NON-DISCRIMANATORY LEGISLATION DIRECTED TOWARDS THIS END, WILL BE SUPPORTED BY THE OREGON SOFT DRINK ASSOCIATION.

IN VIEW OF THIS POSITION AND RECOGNIZING HOW DIFFICULT IT IS FOR EACH LEGISLATOR TO BECOME FULLY AWARE OF ALL OF THE RAMIFICATIONS OF MODERN DAY PACKAGING AND MARKETING, WE WOULD LIKE TO PRESENT A SERIES OF SLIDE PICTURES, WITH NARRATION, WHICH SHOULD BE HELPFUL IN FOCUSING YOUR ATTENTION ON THE SALIENT FEATURES OF OUR INDUSTRY'S PROBLEMS AS RELATED TO SOLID WASTE.

THIS PRESENTATION WILL ONLY TAKE ABOUT

FOR YEARS THE SOFT DRINK COMPANIES HAVE BEEN IN COMPETITION WITH ONE ANOTHER, BUT TODAY THEY FACE ADDITIONAL COMPETITION IN THE MARKET PLACE FOR THE CONSUMER'S DRINK DOLLAR.

SLIDE #1

NOTE THESE RELATIVELY NEW DRINKS. REMEMBER, THEY ARE DRINKS--NOT JUICES. THESE TWO SHOWN ARE ORANGE DRINK AND GRAPE DRINK.

SLIDE #2

ALSO, RELATIVELY NEW ON THE MARKET ARE VITAMIN DRINKS WHICH APPEAL TO MOTHERS AS A VITAMIN SUPPLEMENT FOR THEIR YOUNGSTERS.

SLIDE #3

AGAIN WE SEE SOME NEW PRODUCTS ON THE MARKET IN THE NEW HIGH-ENERGY DRINKS, AND ALSO, ON THE LEFT, FRUIT DRINKS. ARE THESE NOT IN DIRECT COMPETITION WITH WHAT IS TERMED AS REGULAR SOFT DRINKS?

SLIDE #4

WE ARE ALL FAMILIAR WITH THE MANY MANY NEW INSTANT FLAVORED DRINKS ON THE MARKET TODAY--

SLIDE #5

AND HERE IS A PERENNIAL OLD TIMER THAT HAS BEEN WITH US SINCE WE WERE ALL YOUNG FOLKS -- KOOL-ADE -- THE POWDERED DRINKS IN PACKAGES WHICH APPEAR TO BE VERY DISPOSABLE BUT REMEMBER, THESE PACKAGES ARE FOIL LINED AND VERY DIFFICULT TO DISPOSE OF.

SLIDE #6

NOW HERE WE HAVE A VERY INTERESTING COMPARISON. THE PACKAGE ON THE RIGHT IS THE REGULAR GATORADE WHICH IS FAMILIAR TO MOST OF YOU. THE PACKAGE ON THE LEFT IS THE SAME PRODUCT EXCEPT CO2 HAS BEEN ADDED TO MAKE IT CARBONATED. UNDER HB 1036 AS CURRENTLY PROPOSED, THE PACKAGE ON THE LEFT WOULD BE SUBJECT TO DEPOSIT WHILE THE ONE ON THE RIGHT WOULD NOT. WHICH ONE CONTRIBUTES MORE TO THE SOLID WASTE PROBLEM?

SLIDE #7

DO SOME OF THESE PACKAGES CONTRIBUTE TO SOLID WASTE AND OTHERS DO NOT? OBVIOUSLY NOT, BUT HB 1036 TREATS THEM DIFFERENTLY AND PLACES A MANDATORY DEPOSIT

SLIDE #8 ON ALL OF THESE PRODUCTS PACKED LOCALLY.

SLIDE #9

ARE THESE PRODUCTS CONTRIBUTING ANY LESS TO SOLID WASTE? THEY ARE NOT PACKED LOCALLY AND WOULD REMAIN ON THE MARKET-PLACE NOT SUBJECT TO THE PROPOSED LEGISLATION. ARE THESE NEW DRINKS REALLY SMALL IN VOLUME? DON'T YOU BELIEVE IT!

SLIDE #10

LOOK AT THIS SUPERMARKET DISPLAY OF A NEW QUICK-ENERGY DRINK. EXEMPT UNDER HB 1036.

SLIDE #11

HERE WE SEE A WHOLE WALL OF SOLID WASTE PROBLEMS. REMEMBER, THESE ARE DRINKS --ORANGE, STRAWBERRY, AND GRAPE. NOT JUICES TO BE CONSUMED ONLY AT BREAKFAST TIME, AND THEY ARE IN DIRECT COMPETITION WITH SOFT DRINKS. THE PROPOSED BILL GIVES PREFERENTIAL TREATMENT TO THESE ITEMS.

SLIDE #12

DO YOU FEEL THAT THESE DRINKS ARE SMALL IN VOLUME AND THEREFORE SHOULD NOT CARRY A MANDATORY DEPOSIT. LOOK AT THIS AISLE COMPLETELY GIVEN OVER TO SUCH DRINKS.

SLIDE #13

HERE IS THE SAME AISLE TAKEN FROM THE OTHER END. WE SEE HERE SOLID WASTE PROBLEMS IN QUANTITY. SUPERMARKETS DO NOT PROVIDE THIS MUCH SHELF SPACE FOR SLOW MOVING ITEMS.

SLIDE #14

NOW LET'S LOOK AT THE SOFT DRINK SECTION IN THIS SAME STORE. PLEASE NOTE THAT BOTH NON-RETURNABLE AND RETURNABLE PACKAGES ARE OFFERED.

SLIDE #15

ALL OREGON BOTTLERS OFFER THE CONSUMER A CHOICE OF NON-RETURNABLE AND RETURNABLE PACKAGES AS SHOWN HERE.

SLIDE #16

REMEMBER WHEN THIS PRODUCT WAS ONLY IN RETURNABLE CONTAINERS? IS THIS PACKAGE NOT CONTRIBUTING TO SOLID WASTE AND DEPLETION OF NATURAL RESOURCES? UNDER THE CURRENT PROPOSED BILL IT WILL CONTINUE IN THE MARKET-PLACE NOT SUBJECT TO DEPOSIT OR RETURN.

SLIDE #17

AGAIN, BACK TO THE SOFT DRINK SHELVES, PLEASE NOTE THE CONVENIENCE AND RETURNABLE PACKAGES AVAILABLE IN OREGON.

SLIDE #18

THIS IS THE SAME AISLE TAKEN FROM A DIFFERENT ANGLE.

SLIDE #19

AGAIN, THIS IS THE SAME AISLE. THIS AISLE IS 62 FEET LONG, AND OVER 65% OF THE SHELF SPACE IS ALLOTTED TO RETURNABLE CONTAINERS.

ARE RETURNABLE PACKAGES NOT BEING PROMOTED BY OREGON BOTTLERS AND OREGON SUPER-MARKETS? LOOK AT THESE CURRENT DISPLAYS OF RETURNABLE BOTTLES. SLIDE 20, 21, 22.

SLIDE #23

ALSO, OUR FRIENDS IN THE BEER INDUSTRY FIND THEMSELVES OF LATE IN COMPETITION WITH OTHERS OUTSIDE THEIR OWN BASIC INDUSTRY. HERE WE HAVE A LOOK AT INEXPENSIVE WINES.

SLIDE #24

HOW ABOUT THESE? CANNED PREPARED COCKTAILS AND PREPARED COCKTAIL MIX. ALL CONTRIBUTING TO SOLID WASTE AND IN COMPETITION WITH BEER.

SLIDE #25

OR THESE POWDERED MIXES AND PRE-MIXED ALCOHOLIC BEVERAGES.

SLIDE #26

NONE OF THESE ITEMS ARE LOCALLY PACKED, AND YET THEY DO CONTRIBUTE TO THE SOLID WASTE PROBLEM LOCALLY AND WOULD REMAIN IN THE MARKET-PLACE WITHOUT BEING SUBJECT TO THE PROPOSED LEGISLATION.

SLIDE #27

AND YET, THIS LOCALLY PACKED PRODUCT WOULD BE SUBJECT TO THE LEGISLATIVE RESTRICTION.

SLIDE #28

ARE THESE THE ONLY NON-ALCOHOLIC BEVERAGE PACKAGES THAT CONTRIBUTE TO SOLID WASTE--AND THEREFORE SINGLED OUT FOR MANDATORY DEPOSITS?

SLIDE #29

HOW ABOUT THESE ITEMS? RECOGNIZE ANY OF THEM THAT ARE ON MOST OF OUR SHELVES AT HOME? THEY CONTRIBUTE TO SOLID WASTE.

SLIDE #30

OR THESE? DO THESE REPRESENT A SMALL PORTION OF THE SOLID WASTE PROBLEM?

SLIDE #31

LOOK AT THE SPACE DEVOTED IN THE SUPERMARKET TO THESE ITEMS. THIS WAS ONLY ONE AISLE. AGAIN, SUPERMARKETS DO NOT DEVOTE SPACE TO ITEMS THAT DO NOT MOVE.

SLIDE #32

WILL THE PROPOSED BILL ELIMINATE THESE SOLID WASTE PROBLEMS? REMEMBER, OF THE APPROXIMATELY 7,000 ITEMS HANDLED IN A FOOD STORE TODAY, THERE ARE ONLY THREE WHICH ARE AVAILABLE IN RETURNABLE CONTAINERS--SOFT DRINKS, MALT BEVERAGES AND MILK.

SLIDE #33

IS THIS A SMALL VOLUME SITUATION THAT IS ONLY OF MINOR IMPORTANCE IN THE OVER-ALL SOLID WASTE PROBLEM?

SLIDE #34

THE CURRENT PROPOSAL WON'T COME CLOSE TO SOLVING THE TOTAL SOLID WASTE PROBLEM. WE SUGGEST RECYCLING AND RECLAMATION AND NEW SOLID WASTE DISPOSAL SYSTEMS THAT ARE NOW UNDER DEVELOPMENT TO BE THE TRUE ANSWER TO THE SOLID WASTE PROBLEM THAT FACES ALL OF US--INDUSTRY, LABOR, INDIVIDUAL CITIZENS, STUDENTS AND EVERYONE IN THIS COUNTRY.

SLIDE #40

THE DEVELOPMENT OF NEW PRODUCTS TO CONVERT REFUSE FROM DISPOSAL INTO RESOURCE IS AN EXCITING NEW FIELD. SOME INCLUDE BRICKS WITH GLASS PARTICLES INCLUDED FOR INCREASED INSULATION PROPERTIES, REFLECTIVE BLOCKS AND TAPE, ABRASIVE MATERIALS AND PAINT STRIPINGS ON HIGHWAYS.

SLIDE #41

ANOTHER USE THAT HAS CAPTURED PEOPLE'S IMAGINATION IS TO SUBSTITUTE CRUSHED GLASS FOR AGGREGATE TO BUILD ROADS. THIS IS CALLED GLASPHALT.

SLIDE #42

HERE IS A SECTION OF GLASPHALT LAID IN A PARKING LOT IN TOLEDO, OHIO. RECENTLY A 600 FOOT ROADWAY WAS LAID IN AN INDUSTRIAL PARK IN FULLERTON, CALIFORNIA. SINCE MOST MAJOR CITIES HAVE THEIR OWN ASPHALT PLANTS, THIS SHOULD PROVE TO BE A POSITIVE USE FOR A NOW WASTED PRODUCT. THERE PROBABLY IS NOT ENOUGH WASTE GLASS IN MOST CITIES TO HANDLE ALL OF THEIR REGULAR PAVING PROGRAMS, BUT THERE IS ENOUGH TO DO A SUBSTANTIAL AMOUNT OF POT-HOLE AND OTHER PATCHINGS. GLASPHALT WAS CONCEIVED AND DEVELOPED BY UNDERGRADUATE STUDENTS AT THE UNIVERSITY OF MISSOURI.

IN SUMMARY, WE FEEL THE PROPOSED LEGISLATION OF MANDATORY DEPOSITS IS, IN EFFECT, AN ECONOMIC BAN FOR NON-RETURNABLE CONTAINERS DIRECTED AT SOFT DRINKS AND MALT BEVERAGES ONLY, WHETHER IT IS SO INTENDED OR NOT.

THE SUBJECT OF LITTER, BECAUSE OF ITS EMOTIONAL APPEAL, HAS SOMEWHAT BURIED THE REAL ECOLOGICAL PROBLEM WHICH IS SOLID WASTE. IT IS OUR FIRM CONVICTION THAT ALL OF OUR ENERGY SHOULD BE DIRECTED TO THE TOTAL SOLUTION OF THE SOLID WASTE PROBLEM, AS WELL AS THE LITTER PROBLEM, AND THAT FUNDING OF THIS SOLUTION SHOULD RECEIVE THE ATTENTION OF THE LEGISLATURE AND INDUSTRY COOPERATIVELY.

WE UNDERSTAND THAT SOME ALTERNATIVE LEGISLATIVE APPROACHES DIRECTED TOWARDS FUNDING THE TOTAL SOLID WASTE AND LITTER PROBLEM HAVE BEEN, AND ARE BEING CONSIDERED BY LEGISLATIVE COMMITTEES. IF PACKAGING, GENERALLY, MEANING PAPER, PLASTIC, METAL, GLASS AND WOOD ARE SUBJECTED FAIRLY AND EQUITABLY TO A BROAD BASE CONTAINER TAX COVERING ALL OF THE THOUSANDS OF ITEMS SOLD AND WHICH TAX WOULD BE DESIGNED TO GENERATE ADEQUATE FUNDS TO SOLVE THE TOTAL SOLID WASTE AND LITTER PROBLEM, THEN OUR INDUSTRY WOULD SUPPORT SUCH AN APPROACH.

AS YOU GENTLEMEN KNOW, IT IS RATHER DIFFICULT FOR ANYONE IN THIS DAY AND AGE TO ENTHUSIASTICALLY SUPPORT ANY FURTHER TAXATION OF ANY KIND. HOWEVER, REALISTIC ANALYSIS OF THE OBJECTIVE DESCRIBED AS TOTAL SOLUTION OF THE SOLID WASTE PROBLEM MOST CERTAINLY WILL RECEIVE OUR SINCERE CONSIDERATION. HB 1036 DOES NOT SOLVE EITHER THE LITTER OR THE SOLID WASTE PROBLEM. IT IS UNWORKABLE BECAUSE IT WOULD SIMPLY MAKE GARBAGE DUMPS OUT OF A MODERN SUPERMARKET.

"LET'S NOT WRITE LEGISLATION THAT NIBBLES AT THE EDGES OF THE TOTAL PROBLEM-- LET'S WRITE LEGISLATION THAT WILL DIRECTLY OBTAIN THE DESIRED RESULTS". WE APPEAL TO YOU TO PLEASE REMEMBER "ALL PACKAGING IS LITTER AND SOLID WASTE".

TO : 1971 OREGON LEGISLATORS
FROM : RICH CHAMBERS / R3 - B754B / SALEM

1 MARCH 1
PARTISAN

File
HB 1036 AND SB 194, WHICH WOULD REQUIRE 5¢ MINIMUM DEPOSITS ON ALL BEVERAGE CONTAINERS, ARE REASONABLE ATTEMPTS TO ALLEVIATE A VERY SERIOUS NATIONAL PROBLEM.

HERE IS THE NATURE OF THE PROBLEM, WITH FIGURES ROUNDED OFF TO THE NEAREST BILLION, UNITED STATES PRODUCTION :

	CANS MADE	*BEVERAGE PERCENTAGE	BOTTLES MADE	*BEVERAGE PERCENTAGE
1 9 7 0	68 BILLION	37 %	37 BILLION	45 %
1 9 6 0	44 BILLION	23 %	23 BILLION	37 %
INCREASES ..	24 BILLION	14 %	14 BILLION	8 %

* BEVERAGE HERE REFERS ONLY TO BEER AND SOFT DRINKS

CAN FIGURES FROM : CAN MANUFACTURERS INSTITUTE
821 FIFTEENTH NW
WASHINGTON, D.C. 20005

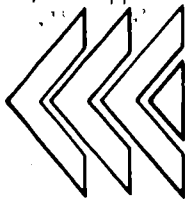
BOTTLE FIGURES FROM : GLASS CONTAINER INST.
330 MADISON AVENUE
NEW YORK, NY 10017

BOTH ABSOLUTE AND PERCENTAGE FIGURES SHOULD BE CONSIDERED AGAINST A BACKGROUND OF INCREASING AWARENESS OF LIMITATIONS OF AVAILABLE DISPOSAL LAND AND SOURCES OF ENERGY.

AS AN ATTACK ON THE PERMANENT SOLID WASTE PROBLEMS OF CANS AND BOTTLES, HB 1036 AND SB 194 WOULD BE EFFECTIVE DIRECTLY PROPORTIONAL TO THE 1970 PERCENTAGES ABOVE ; AT LEAST DOUBLE THESE INSOFAR AS LITTER IS CONCERNED.

RESPECTFULLY,





← RUSADE for a ← LEANER ← ENVIRONMENT

FACT SHEET

Number 4

THE EFFECT ON JOBS OF THE TREND TOWARD NON-RETURNABLE CONTAINERS IN THE BEER AND SOFT DRINK INDUSTRIES

The switch-over from returnable, money-back bottles to throw-away containers in the beer industry has been paralleled by a sharp decline in the number of breweries with a consequent loss of jobs and corresponding decline in payrolls.

Figures from the U. S. Department of Commerce show that the number of breweries in this country dropped from 262 in 1958 to 188 in 1967, a decline of 28.3%. Recently, a representative of the U. S. Brewers Association estimated there were now less than 80 brewing companies.

The number of persons employed by breweries dropped from 71,700 in 1958 to 60,500 in 1967, a decline of 15.6%. Based on the average wage rate of \$8,714 in 1967, the 11,200 job decline amounted to a payroll loss of \$97,596,800.

It is estimated that even larger repercussions will occur in the soft drink industry -- if the switch to throw-aways continues. If the current trend continues, experts predict that by 1975, all soft drinks will be sold in non-returnable containers. In 1967 there were 3,403 soft drink bottling plants in this country employing 123,400 persons with a total payroll of \$727,100,000.

If the trend to throw-aways in the soft drink industry parallels the beer industry, which it has to date, a decline of 28.3% in the number of plants would amount to a drop in plants of 936, or a new total of 2,440 plants. The number of employees, with a 15.6% decline, would fall to 104,150. Using the 1967 payroll figure of \$5,892, the total loss in payroll would be \$113,421,000 yearly.

A complete switch to throw-aways would also affect employment in food stores and other establishments selling soft drinks. Food chains estimate that it takes between 1/4 and 1/2 of a man to physically handle the sorting and related work connected with

(Over)

returnables. There were, in 1967, 218,130 food stores in this country. Estimating that around 90% were handling returnables at that time and using the minimum manpower need of 1/4 man, the number of jobs comes to 50,000. Using \$6,000 as an average wage base, the payroll loss would be \$300,000,000 yearly.

Combining the three different sets of figures, the effect on jobs and salaries from the trend toward non-returnable containers in the beer and soft drink industries comes to a possible job loss of 80,450 persons and a payroll loss of \$511,017,800 yearly minimum. In addition, there are thousands of warehousing jobs which would be adversely affected by a complete switch-over to non-returnables.

For a plant comparison between the beer industry, now almost wholly committed to throw-aways and the soft drink industry still selling a large volume of returnables, Miller Brewing Company and the Seven-Up Bottling Company distribute approximately the same volume of products on a national basis. Miller does it from three breweries. Seven-Up does it from 487 franchise bottlers. The September issue of Outlook, a publication of Owens-Illinois (largest producer of glass bottles in the country), said, "One of the nation's biggest soft drink manufacturers has more than 1,000 local bottling plants today -- but officials of that company predict that 10 years from now they'll have less than 100 -- serving the entire country."

Sources:

- 1) 1967 Census of Manufacturers, the U. S. Department of Commerce, Bureau of the Census.
- 2) 1970 Brewers Almanac -- The Brewing Industry in the United States, United States Brewers Association, Inc.
- 3) 1969 Sales Survey of the Soft Drink Industry, National Soft Drink Association.
- 4) Outlook, September, 1970.

County Bans 1-Way Soda, Beer Bottles

ELLICOTT CITY, Md., Feb 3 (AP)—The Howard County Council has voted unanimously to prohibit the sale of nonreturnable soda and beer bottles and cans.

Unless vetoed by the county executive, it will be the first such action at the county level in Maryland. The Town Council of Bowie in Prince George's County passed a similar ordinance last year.

Violation of the ordinance, to go into effect July 2, will be a misdemeanor with a maximum \$100 fine. Each day's violation would be a separate offense.

City Councilman William S. Hanna, who sponsored the bill Tuesday, amended it to make the minimum deposit on returnable bottles 5 cents for greater incentive to return them.

J. Thomas Nissel, counsel for the Howard County Licensed Beverage Dealers Association, threatened legal action and called the bill unenforceable, arguing that the county had no authority to legislate the types of containers.

AS OF FEBRUARY, 1971 ...

BEVERAGE CONTAINER MINIMUM DEPOSIT STATUTORY REQUIREMENT IN EFFECT IN :

- BOWIE, MARYLAND
- HOWARD COUNTY, MARYLAND
- SOUTH SAN FRANCISCO, CALIF
- PROVINCE OF BRITISH COLUMBIA
- KINGDOM OF NORWAY

HOUSE BILL 1036 IS THE MEASURE THAT WOULD MAKE OREGON THE FIRST OF THE FIFTY STATES IN THIS GROWING RANK.

PARTISAN - RICH CHAMBERS
 RI 3 - BX 754B
 SALEM, OR 97302



MINISTER OF RECREATION & CONSERVATION

VICTORIA, B. C.

February 25, 1971

Mr. Rich Chambers
Route 3 - P. O. Box 754B
Salem, Oregon 97302

Dear Mr. Rich Chambers,

The Litter Act

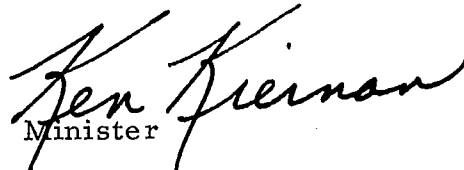
You inquire in your letter of February 14th concerning the effectiveness of British Columbia's Litter Act. On February 17th last a letter was directed to your Attorney General, The Honorable Lee Johnston, outlining the status of the situation.

As mentioned to Mr. Johnston, a few of the canners and bottlers seemingly have not conformed strictly to the Regulations under the Act because isolated complaints have come to our attention. It was for this reason that an information bulletin (copy enclosed) was directed to each of them on February 15th which listed the types of complaint which had been received. I am confident that before too long the full intent of the Act will be understood and the container return system will eliminate to a large degree the amount of hard litter requiring end disposal. That there is a noticeable decrease already is evident; however no figures to buttress this fact are available.

The sale of malt beverages in cans had been making inroads into the bottled beer market and by last summer had captured about 3% of the trade. Since enactment of the litter legislation this share has been reduced to less than 1%.

A result much to be desired is that smaller sizes of non-reusable bottles have virtually disappeared from the market, with retailers favouring the larger sizes.

Yours sincerely,


Minister

Enclosure

REPRINTED WITH SPECIFIC PERMISSION

0 - 426

STATEMENT OF PETER CHOKOLA, PRESIDENT,
CHOKOLA BOTTLING COMPANY, WILKES-BARRE, PENNSYLVANIA
AT PUBLIC HEARING OF THE HEALTH AND WELFARE COMMITTEE
DISTRICT OF COLUMBIA CITY COUNCIL
CONCERNING THROWN-AWAY CANS AND BOTTLES

October 9, 1970

My name is Peter Chokola. I am President of the Chokola Bottling Company of Wilkes-Barre, Pennsylvania, a soft drink bottling firm. It is a family company started by my father in 1911. Our company has always used and favored the returnable, money-back bottle.

Yesterday, I had the privilege of presenting the city council of Wilkes-Barre a copy of the ordinance recently adopted by Bowie, Maryland, which bans the sale of soft drinks and beer in non-returnable containers. I urged the city of Wilkes-Barre to take similar action.

I did this for a number of reasons. To be honest, I and most bottlers make more money from the sale of soft drinks in returnable, money-back containers. More importantly to me as an individual is my concern over the waste and pollution which threatens our environment and the quality of our life. It is estimated that by 1975, almost all soft drinks and beer will be sold in throw-away containers. We will be producing, using this projection, 100,000,000,000 containers annually. This will be almost 100% throw-aways. It is possible to reuse bottles up to 50 times. If we could reverse the trend and go back in the direction of returnable containers, we would produce only 2,000,000,000, eliminating some 98,000,000,000 containers from the waste and pollution problem.

As a bottler, I have written to the National Soft Drink Association in Washington stressing my position regarding the throw-away containers and suggested the industry institute a voluntary ban on non-returnable containers and to reverse the trend. I also urged the association to take a poll of its members to see how the majority of my counterparts felt about this important problem. To my dismay, they refused to do so. We do have an annual meeting in November, and I will again attempt to bring this matter to a vote of the membership.

I can say with no fear of contradiction that the move to throw-aways is not a result of consumer demand. It is instead a nationwide conspiracy by the can and bottle manufacturers and the supermarkets to force the public to buy their soft drinks and beer in convenience packaging. The convenience is for the retailer, the manufacturer -- not the public.

I have personally launched a campaign in Wilkes-Barre to persuade the public to buy in returnable containers. I have placed ads in the local paper urging consumers to boycott those stores not selling soft drinks and beer in returnable containers. As a result, I have received letters and phone calls from citizens of Wilkes-Barre who say they are happy that somebody is finally standing up and taking a stand on this issue. They also appreciate the fact that they can save 20 to 25% by buying their soft drinks in returnable bottles.

In addition to the pressures I have felt from the supermarkets, I had the even more trying experience of fighting a corporate giant. Owens-Illinois has always supplied my company with returnable bottles. Last year, I gave them a regular order for a shipment of returnable bottles which I needed to maintain my production schedule. I was informed that Owens-Illinois had gotten rid of the machine which made that particular bottle and that they could not fill my order. This would have meant economic ruin for me or at the minimum force me to switch to throw-aways, which I could not in good conscience do.

Being a small businessman and not being able to afford competent legal assistance, I turned to Senator Hugh Scott, who referred me to Senator Philip Hart and his Subcommittee on Antitrust and Monopoly Legislation. A lawyer from the Subcommittee's staff communicated with me and subsequently I received a phone call from a corporate attorney of Owens-Illinois who listened to my story with surprising interest. Shortly thereafter, my order was filled, and I haven't had any trouble since.

Although I have not had any recurring problems, a fellow bottler (who happens to have a much larger company than mine) still does not have enough returnable bottles to satisfy his needs. Owens-Illinois gives him a delivery date and keeps giving deferred shipment dates. I suppose he could achieve the same results I did, but how many other bottlers are presently faced with the same monopolistic practice?

Additionally, during my trouble with Owens-Illinois, I wrote the Glass Container Manufacturers Institute and never received a reply.

In closing, let me make clear that my company has always used returnable, money-back containers, and we will continue to do so. Many bottlers have switched over to 100% throw-aways and a switch back to returnables would cost money, but could be done with a minimum of difficulty. After all, they once switched from returnables to throw-aways.

I have recently mailed personal letters to all the bottlers across the country suggesting a voluntary ban on throw-away containers. At present, the responses are running five to one in favor of a ban on throw-aways.

###

WHEN CONSIDERING OREGON HB 1036 ...

PER : RICH CHAMBERS
RT 3 - BX 754B
SALEM, OR 97302

INSOFAR AS BEVERAGE CANS
ARE CONCERNED THIS APPROACH
IS A LITTLE CYNICAL.

ITEM : ALL-STEEL BEVERAGE
CANS ARE VIRTUALLY
EXTINCT IN OREGON NOW.

ITEM : THERE ARE 17,500
BIMETAL EMPTY 12 OUNCE
BEVERAGE CONTAINERS TO
THE TON.

THE OREGONIAN, THURSDAY, JANUARY 7, 1971

Recycling Centers Ready To Buy Discarded Cans

SEATTLE (AP) — Seven metal can recycling centers opened Wednesday in Vancouver and five other Washington cities in a move by the steel can industry aimed at helping clean up the state.

The centers will accept all metal cans, requesting that they be rinsed and flattened before being delivered.

Industry leaders here said the centers will pay \$10 a ton for bimetal cans and \$20 a ton for steel cans.

Spokesman said the cans would be sold as scrap metal and profits turned over to charitable groups.

Two centers here were opened by the American Can Co. and Continental Can Co. Inc.

Continental Can also will operate centers in Lacey, Tumwater and Walla Walla.

National Can Corp. will have centers at Vancouver and Yakima, Wash.

Ronald A. Murphy, chairman of Industry for a Quality Environment, said the centers were "another step by industry to solve litter and over-all environmental problems of the state."

2 Recycling Centers For Cans Opened Here

The nation's first state-wide metal can recycling program was launched here yesterday with the opening of seven recycling centers, two of them in Seattle.

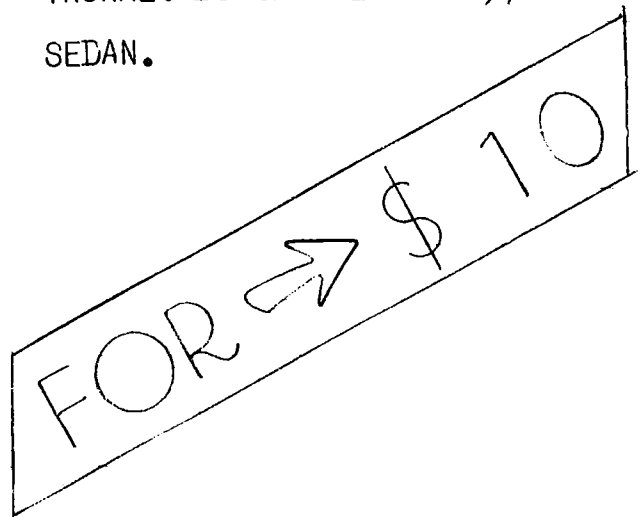
The Seattle locations are the American Can Co., 2801 Elliott Ave. and the Continental Can Co. 615 S. Orchard St. Other centers are located at Lacey, Tumwater, Walla Walla, Vancouver and Yakima.

The centers will accept all types of cans during normal business hours and from 9 a.m. to noon on Saturdays, and transport them for reuse by primary metal industries.

Can company executives yesterday asked that, where possible, cans brought to the centers have their labels and ends removed and that they be rinsed and flattened.

Seattle Post-Intelligencer Thurs., Jan. 7, 1971 5★ B

ITEM : IF PERFECTLY PACKED,
A TON OF EMPTY 12
OUNCE BIMETAL BEVERAGE CONTAINERS
REPRESENTS EIGHTY (80) FULL
TRUNKLOADS OF A LARGE 1971
SEDAN.



RICH CHAMBERS

Soft Drink Buyers rejoice in 1971

When you buy our soft drinks in cans and bottles we make it possible for thousands of retailers in Vancouver and Victoria to redeem our empties without loss.

We felt that you might prefer the convenience of returning our empty cans and bottles for cash refund at any of the thousands of retailers in Vancouver and Victoria where they are sold.

Besides the greater convenience to you we are working to make this service simple,

neat and clean for your retailer.

So continue to choose the soft drink you prefer in the container that meets your needs best. Just remember, help prevent littering. Return our empty cans and bottles for cash refund at the retailer where you purchased them.

WOMETCO (B.C.) LTD. Vancouver, B.C. Authorized Bottler of
**COCA-COLA, FANTA, SPRITE
TAB & FRESCA**

under contract with Coca-Cola Ltd.

Coca-Cola is a registered trade mark which identifies the product of Coca-Cola Ltd. Fanta, Sprite, Tab and Fresca are also registered trade marks of Coca-Cola Ltd.

GRAY BEVERAGE CO. LTD. Vancouver, B.C. Authorized Bottler of
**SEVEN-UP, PEPSI COLA,
ORANGE CRUSH, SCHWEPPES**

"Seven-Up", "7-Up" and "Diet 7-Up" are registered trade marks identifying the products of The Seven-Up Company.

12*** THE PROVINCE, Wednesday, January 6, 1971

CHAMBERS

BRITISH
COLUMBIA SOFT
DRINK BOTTLERS
AND CANNERS
DO NOT APPEAR
TO BE TOO
BADLY AFFECTED
BY ...

MANDATORY

MINIMUM

DEPOSIT FOR
BEVERAGE

CONTAINERS

... IN THAT
PROVINCE.

OREGON SHOULD
BE THE FIRST
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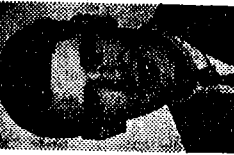
VICTORIA, B.C. — The other night I came upon a handful of youngsters having a quiet beer party on the neighborhood beach.

I know they were youngsters, because no one of legal age to possess and drink beer would sit on a log in a steady rain and consume 24 bottles. Naturally, they left all 24 empties tossed about (unbroken) in the sand and logs. (I happened to notice the party only because I've adopted that fine old British custom of walking the dog.)

On an Oregon beach, those bottles might have been broken and the glass left for years cutting feet. Not in British Columbia. Here, all beer and soft drink bottles and cans are returnable. One can't buy non-returnables. Thus, the bottles that the beery youngsters didn't dare take home represented a discovery of 50

cents to some lucky kid the next day. (They were picked up — I checked.)

Oregon legislators who've doubted that a 2-cent deposit can keep bottles and cans



By

Don

Hall

Special

News Analyst

from being tossed out along roadsides should look around B.C. for a while. They would have to concede that backers of so-called "bottle bills" were right.

Here, there are so few bottles scattered about the countryside that civic groups conduct door-to-door drives seeking them. And non-returnable

What becomes of the empties?

In most cases, householders (or Boy Scouts) don't take returnables to retailers. Most groceries handle no more returnables than do their Oregon counterparts. All other returnables are handled by bottle and can depots.

In B.C. all beer and wine, as well as the more potent beverages, are sold only in government liquor stores. These stores do not handle the empties, however. They merely charge a deposit of 25 cents

a 12-pack of beer. All the beer cans and bottles are packaged in corrugated boxes with carrying handles which are handy as carriers of empties. Beer drinkers customarily let the boxes of empties pile up to embarrassing and even dangerous heights before they haul them off to the nearest bottle depot for a fistful of colorful money.

Operators of the return depots sell the returnables to the bottlers or, in the case of cans, to one or more newly-formed metals reclamation firms.

The bottle returns, now in full operation more than six months, obviously are working smoothly. It seems that in the future, they possibly may start handling all types of standard glass jars and bottles — such as the containers used for peanut butter and honey. Already, health food stores here are welcoming the return of such glassware although no deposits are being exchanged. Bottle return depots are paying money for used wine bottles of the type used by Victoria and Vancouver wineries.

Apparently the can situation hasn't stabilized yet. On New Year's day, three major local soft drink bottlers ran ads in the Victoria papers explaining that customers should return their empty pop cans to retailers. Most grocers, however, have posted official notices on the soft drink shelves telling customers to take empties to any of several listed can-return depots.

As you might imagine, the beverage firms are making the most out of their new role of litter preventers — despite the fight that some of them put up before the B.C. Litter Act was adopted last March.

To quote from a quarter-page ad published recently in Victoria's daily newspapers:

"There's a big job to be done to cope with litter and garbage. SHASTA believes the most sanitary, most efficient way to handle empty cans is to keep them out of the stores and out of the garbage dumps . . . Empty SHASTA cans will be recycled as scrap metal . . . They will not be added to B.C.'s growing garbage disposal problem . . . Help keep B.C. beautiful!"

FROM THE DESK OF
PAUL A. HANNEMAN
STATE REPRESENTATIVE
TILLAMOOK COUNTY

CAPITAL JOURNAL, Salem, Oregon, Tuesday, Jan. 26, 1971, Sec. 1, Page 5

Throwaways out the window?

Anti-litter bill sure to roil Oregon Legislature

BY STAN FEDERMAN

Staff Writer, The Oregonian

THE THROW-away can or bottle may disappear from the Oregon scene this year if legislators approve a key anti-litter measure.

The bill is one of a series of anti-litter measures scheduled to be put into the legislative hopper by the litter subcommittee of the Interim Joint Ways and Means Committee.

The subcommittee spent 18 months making a thorough study of the state's growing litter problem — and heard reams of testimony from environmentalists, state agencies and container manufacturers.

Out of their study came a subcommittee decision to place a value on every soft drink and beer bottle and can and eliminate the nonreturnable variety.

Among the anti-litter bills to be introduced will be one that would require all beer and soft drink cans and bottles to be sold on the basis of a 5-cent refund. Thus, if a retailer sells "Brand X,"

beer, anyone bringing a "Brand X" bottle back to his store would receive 5 cents for it.

A similar measure failed to make the grade at the 1969 Legislature. But many solons now feel the public is ready and willing to accept such a bill. It has strong support in the House but proponents may still have to "sell" the Senate on the idea.

One thing seems certain. The brewers, soft drink manufacturers and container industry can be expected to launch a massive lobbying drive against such a bill.

Brewers and container manufacturers poured hundreds of thousands of dollars into a campaign last fall to defeat a nonreturnable can and bottle measure in Washington State.

Strangely enough, however, despite the expensive industry campaign, the proposal came within two slim percentage points of winning. Many felt the measure could have won had it been better drafted.

The Washington plan would have applied not only to cans and bottles but containers as well. This would have meant that food vending machines would also have been required to put

deposits on the cups in which they dispense soft drinks.

The industry made the most of the confusion in the bill and belabored the point that the measure would cause economic chaos among manufacturers. So the measure went down and the nonreturnable bottle and can was saved — at least temporarily — in the Evergreen State.

This did not happen, however, in British Columbia.

There, despite another industry campaign, the B.C. legislature last year enacted the first law in North America which put an artificial value on beverage containers sold for off-limit consumption. It placed a 2-cent refund on every soft drink and beer can or bottle in the province.

And, despite howls of economic anguish from the industry, the B.C. legislature didn't even concern itself with the problem of small stores possibly being inundated with returnables.

"That's their problem," said legislators at the time. In effect, they were saying that they believed the industry was merely crying wolf — and that it would be able to properly handle the disposition of the returnable cans and bottles.

Apparently the B.C. legislature was correct in its thinking. The industry has since gone to a system of depot collections which are working out "very well," according to Kenneth Kiernan, the province's minister of conservation and recreation.

Kiernan was the chief sponsor of the B.C. bill which was adopted 54-0 in the province's one-house legislature.

In the eight months that the B.C. law has been in action, Kiernan says it has virtually eliminated the one-way bottle and can from the B.C. merchandising scene.

"Over the counter or package trade has not had any one-way containers since last August," he adds.

Kiernan notes that the B.C. public appears to be buying the larger 26-ounce bottles now. These are refundable at 5 cents each.

"Our beer trade in cans was never more than 5 per cent; people seem to prefer bottles. Now beer cans are down to less than 1 per cent of the trade."

Kiernan says the government tried to be "as reasonable as we could towards the industry in adjusting its economic life to the new law."

"We allowed a six-month period for the industry to work off its stock of one-way beverage containers. We also put on a major publicity drive last summer to educate the public to the new law.

"It was a great success. People seemed to show a substantial improvement in just their attitudes towards littering."

The B.C. act also established fines up to \$500 for persons found littering at any public park or forest wayside. Park and forestry officials have the authority of constables under the act and can write out on-the-spot citations.

"But these have been rare," explains Kiernan. "It is our hope that the approach will be purely an educational one at this level in the first year of the act."

The B.C. minister believes removability of the one-way beverage container has proven highly successful so far. "We have accomplished a very desirable change in soft drink and beer merchandising policies," he notes.

Kiernan would like to see Oregon and other West Coast states follow British Columbia's example. He thinks elimination of the one-way container is a key to any effective control of litter.

"Remember, the industry will give you all sorts of reasons why it can't make the changeover. But it can. And does. We found that out."

OF INTEREST TO THOSE INTERESTED IN OREGON HOUSE BILL 1036 WHICH WOULD PUT A MINIMUM DEPOSIT OF 5¢ ON ALL BEVERAGE CONTAINERS IN THE STATE OF OREGON EFFECTIVE 1 JULY 1972

The Oregonian

FORUM

THURSDAY, FEBRUARY 11, 1971 — PAGE 23

2M

0-404

OREGON LIQUOR CONTROL COMMISSION
Portland, Oregon

STATEMENT OF BEER SALES IN OREGON BY BREWERIES

For December 1970, and Accumulated Sales Year to Date

12 Month's Sales Position		December Barrels	% to Total Volume	12 Month's Barrels	% to Total Volume
1	Blitz Weinhard Co.	28,895.02	34.13%	427,143.21	32.49%
2	Olympia Brewing Co.	19,129.08	22.60	305,099.34	23.21
3	Carling Brewing Co.	12,257.37	14.48	181,682.34	13.82
4	Theo. Hamm Brewing Co.	5,249.79	6.20	74,579.50	5.67
5	Lucky Breweries, Inc.	4,289.20	5.07	70,300.07	5.35
6	Anheuser-Busch Co.	4,048.83	4.78	52,148.47	3.97
7	Sick's Rainier Brewing Co.	3,131.43	3.70	50,722.12	3.86
8	Brewing Co. of Oregon	1,802.48	2.13	38,626.23	2.94
9	Miller Brewing Co.	1,566.26	1.85	30,086.21	2.29
10	Jos. Schlitz Brewing Co.	1,284.80	1.52	18,396.30	1.40
11	Burgermeister Brewing Co.	287.07	.34	17,584.39	1.34

FROM OFFICIAL OLCC SALES ANALYSIS, CALENDAR YEAR 1970

LISTED ABOVE ARE ALL BREWERS WHO SOLD OVER 1% OF TOTAL 1970 BEER SALES WITHIN THE STATE OF OREGON.

OF 100% SOLD IN OREGON ...

... 35% BREWED IN OREGON

... 82% BREWED IN OREGON AND WASHINGTON

... 96% BREWED IN OREGON, WASHINGTON AND CALIFORNIA

THOSE BIG BEER TRUCKS RUN BOTH WAYS, AND COULD EASILY CARRY THE RETURNABLE BEER BOTTLES BACK TO THE BREWERIES ALONG THE PACIFIC COAST.

OREGON HOUSE BILL 1036 WOULD INVOLVE VERY LITTLE, IF ANY, VIOLENCE TO THE BUSINESS OF THESE BREWERS.

PER : RICH CHAMBERS, HB 1036 PARTISAN



Help Us
**KEEP
 AMERICA**
 SWEET

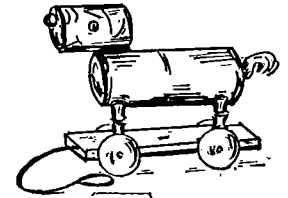


LOW SLUNG DOG

You can bark up the right tree with youngsters and help keep America beautiful, by teaching children how to make things from Canada Dry cans.

For Spartacus, the low-slung dog, you need three empty cans, wooden spools (eight small or four large), four instant coffee jar tops, a small rubber ball, a 6 x 12 3/4-inch board, one inch of plastic tape, eight washers, four nails and some cord.

When you have these materials, tape two cans together.



Line up seams. Leave one lid with hole exposed for tail. Make holes in board and cans to permit assembly with cord. One cord runs up into top can to hold head in place. Jam ball in pouring hole for nose and glue. Attach wheels, using nail as axle. Place washer between wheel and board. Add tail.

As noted, one Low Slung Dog requires 3 empty cans. An average family, particularly one with an ample helping of kids, may well consume a case (24) of soft drinks per week or even more. This adds up to 8 Low Slung Dogs weekly; in the course of a single year, the family that follows this course toward "Keeping America Beautiful" will be ass-deep in 416 Low Slung Dogs.

There must be a better way.

ED. & PUB.: Milford ("Stanley") Poltroon

see on cans and bottles asking you to PLEASE DON'T LITTER, or something similar, have all the effectiveness of telling professional jewel thieves that CRIME DOES NOT PAY. People began talking about a beer or soft drink container that would self-destruct when it was empty about the same time we began dreaming of space flight and moonlandings. The latter are old-hat, but empty bottles and cans still seem to have greater longevity than many of their purchasers. And while, as hereto4 noted, such gunky trash may not have the lethal properties of more major forms of pollution, don't think for a moment it can't do a dandy job of supporting resident M.D.'s and surgeons. This past summer a bunch of kids were sliding down a nicely-sloped sand bank into the South Fork of the Madison, not too far from my Montana abode. Great fun until one young lady suddenly acquired a lengthy and deep incision on the sole of right foot, from a discarded beer can opener. Sand was quickly embedded in the cut, and it took a needle full of novocain and a lot of picky painful plucking on the part of a vacationing doc to repair the damage. Thousands of similar accidents occur annually as direct consequence of cans, bottles and portions thereof being tossed where they shouldn't.

The publicity efforts of Canada Dry to combat pollution are so asinine they're very funny, as witness the release which appeared in an untabulated number of newspapers:

IN THE STATE OF OREGON A BETTER WAY
 PROPOSED IS OREGON HOUSE BILL 1036

Brewers & soft drink concocters are not in the same league with oil companies, paper companies, public utilities, etc., when it comes to nest-fouling, wreaking wretched havoc with air, water & stuff like that. Bottle/can droppings in forests, fields and ferny places are a national disgrace; even so they're not likely to kill you dead dead dead as are oil slicks smog polluted waterways and such if you ingest a sufficient quantity of same. Thus in our wretched opinion the national KEEP AMERICA BEAUTIFUL/FIGHT LITTER adv campaign is big fraud, mayhap a deliberate distraction on the part of major polluters, to distract from main issues. Young folk and others who swallow this Madison Ave. propaganda are led to believe that if they pick up & fetch back empty cans/bottles, they've solved the problem of Keeping America Beautiful. HORSE MANURE! HORSE EXHAUST! HORSE WASTE! Fighting litter is indeed commendable, we're all for it, but roadside & forest-floor trashpiles are but a minor part of the total problem of "Keeping" America Beautiful. Matter of fact, the word "Keeping" is phoney. Not even the most remote wilderness areas of our land are any longer 100% beautiful: polluted air now covers our entire nation, no exceptions. Fewer and fewer are the waterways free from pollution, no matter how photogenic they may be at sunrise or sunset. Abominable and wholly unnecessary supersonic aircraft add their sonic pollution to the most remote sections of our wilderness areas. So next time an ad or commercial tries to tell you that you can keep America beautiful by simply fighting litter, feel free to burn your television or magazine to the ground by way of protest.

This in no way, shape or form excuses the beer and pop people for doing virtually nothing to combat the litter problem. Small-print notices you

16
March 2, 1971

THE HONOURABLE W. K. KIERNAN

Notes with respect to State of
Oregon Legislative hearing of
Wednesday, March 3, 1971

Today I am bringing to you my Government's experience concerning litter abatement in the hope that it will be of value to you. In no way are the following conclusions intended to interfere with your Government process -- it may be that during your deliberations you will arrive at quite different conclusions.

British Columbia's Litter Act is a statute related to litter problems of the outdoors and was not intended to encompass the more sophisticated problems of, say, sanitary systems. It does however cover more than the question of non-returnable versus returnable bottles, the use of glass versus metal or other containers, and the need for deposits and/or refunds of whatever amount. In its scope it covers the littering of crown lands and the disposal of domestic wastes in their many forms from campers, trailers, boats or other recreational vehicles either on land or fresh water. Section 3, as it relates to cans and bottles, of course is our interest here today.

The long-term thinking of Government and the thought uppermost in the mind of our Minister is that society cannot go on scattering hard or soft garbage at an ever-increasing rate. The consensus is that some forms of convenience packaging merely transfer inconvenience from the food merchant to the consumer and solve nothing.

The Act is, in part, aimed at getting across the idea that merely because there is no litter can or receptacle handy, this is no excuse for the indiscriminate discarding of garbage by our present affluent society. It was initiated with the thought of doing something with just one segment

of the problem -- the indiscriminate disposal of non-returnable soft drink and beer containers because this was a rapidly-growing factor about which the general public was growing more and more shamefully conscious. It was our conclusion that this was a case where change was not necessarily progress since it had never been considered by the general public that the merchandising of products in returnable bottles was an unsatisfactory procedure.

Beer sales in non-returnable cans had captured about 3% of the market, indicating that there were inroads into the previous stronghold of the returnable bottle. A rapid increase of the one-way bottle and can as containers for soft drinks continued to rise to the point where a public outcry rose against their use. In considering legislation, the Government did not wish to bar the use of any package but nevertheless planned to take this step as a last resort. It was hoped that legislation would develop a trend to revert to the returnable bottles and it was suggested that a refund of five cents be payable on all returned containers.

It was felt that the five-cent return was necessary to ensure the return of the bottle and to bring about the abatement of the litter problem. It was the opinion of our Minister that a movement in this direction would force the discontinuance of cans within a short time. Eventually a two-cent refund was established on both bottles and cans which was a compromise measure to ensure approval in the House. Since enactment, it has been found that where the five-cent refund applies, i.e., in the case of the larger bottle, a trend has developed to the use of the larger size bottle and to almost total elimination of the smaller size. Whether this is governed by the convenience of the more or less standard size larger bottle (which incidentally frequently appears in displays of the merchant) or whether it is the appeal of a five-cent refund, is not known at this time.

The basic concept of the need for legislation was suddenly provoked by a TV commercial which advocated the use of the one-way bottle as a "throw-away" container. Until then, the Minister had resisted action in spite of urgent requests from farmers, outdoor clubs, recreational groups, etc. In other words, the garbage conjured up by the TV commercial was the last straw.

The Minister forthwith brought in the bottlers and asked their help in doing away with the questionable advertising (which advocated the throw-away bottle) and he made it clear that nothing would cause the Government to deviate from its course until such advertising had disappeared. I might say here that the co-operation of the bottlers, canners and retailers throughout has been, and continues to be, a source of satisfaction to the Government.

The Honourable Mr. Kiernan personally drafted the bill in what he terms "layman's language" so that it would be entirely clear to the general public. The bill was placed before the House and passed, subject to proclamation. It was intended to introduce the Act section by section.

Upon passage of the Act by the Legislature, provision was made for repeated consultations by the Minister with all facets of industry. At these meetings the Minister took note of industry's objections and in the subsequent drafting of the Regulations these objections were considered and alleviated insofar as they did not change the basic concept. Flexibility was allowed in terms of time -- but never in principle.

Several amendments to the original Regulations were made before final passage. Some were made after what almost became a battle between the bottlers and the canners. To circumvent the trend toward the use of cans versus returnable bottles, the Minister advocated freezing the production of the canners at the 1969 level. He also emphasized that he would freeze the output of existing plants. If this step had been taken, cans would not have been included under the refund concept. In other words, refunds would have been required on returned bottles but not on cans.

The bottling industry cried "Discrimination!". The Minister responded by stating that the bottlers should consider this demand very carefully and that if the limit on the manufacture of soft drinks in cans was lifted and an equivalent deposit were paid for the return of cans that no further requests for special consideration could be given to the bottlers. The Minister realized that the bottlers would face strong competition for the so-called "convenience packaging" of cans.

Although the major outcry was against the one-way bottle because of the potential danger of breakage and litter, the same does not entirely hold true concerning cans. Objectionable they may be as litter but a discarded can has not the potential danger of broken glass and in some cases will eventually rust away.

After passage of the Act, it was evident that the swing to beer in the can, which had been underway, was now diminishing and one concern about this trend toward the can was, 'Are we going to have history repeat itself as in the soft drink trade where the can made inroads on the returnable bottle and the non-returnable bottle appeared as a competitive response to the can?'. .

While we had no conclusive evidence that this process was imminent, being aware of what had taken place with soft drinks, under no consideration did we want the one-way bottle in the beer trade.

During discussions with industry the Minister was asked whether or not the Regulations would allow the canners to set up a non-profit organization to act as a collector of empty cans which would be prepared for eventual recycling back to the base metal. This suggestion was included in the Act because it was the traditional method of returning beer bottles, but the original intent of the Act remained intact in that the retailer was obligated to refund on the kind or kinds of containers which he sells or offers for sale, such obligation to be limited to a maximum of 18 cans per customer per day with the suggestion that the balance, if any, be taken to a reclamation depot.

Pacific Reclamation Ltd. in Vancouver, British Columbia, now operates a network of depots throughout the Province and once some minor kinks are removed the return system will, we believe, work to everyone's satisfaction.

As a short-term guesstimate, we visualize some 400 million units per year from the beer and soft drink trade which, left to its own devices, could in a few years have forced the re-useable returnable bottle out of existence and left society with 400 million pieces of hard garbage to dispose of. We see no necessity for this and history alone will tell whether or not public support is sufficiently strong to halt the trend of ever-increasing piles of garbage requiring disposal.

We believe it can be done -- this is our objective.

JB/hr

J. Buckley

P. S.: Planned for the Future:

- (1) A standard returnable soft drink bottle;
- (2) Regulation to ban can with opening device which causes "instant" litter, i.e., part of the top separates and falls away; and
- (3) The higher refund -- five cents or more.

A POSITION FOR PROGRESS

The Glass Bottle Blowers Assn. (AFL-CIO)
Views the Solid Waste Management Problem

Gordon J. Bronk
445 S.E. 155TH PL
Portland 97233
Local 112 President G. B. B.A

No organization or body of citizens is more concerned over the nation's solid waste management problems than the Glass Bottle Blowers Association (AFL-CIO). Our union's 75,000 members have a vital economic stake in the direction in which the nation moves to meet the challenges of solid waste disposal.

When we had vast amounts of unused land, an open dump in an isolated area often served as the answer for waste disposal. Well removed from populated centers, the open dump with its odors and vermin was not too offensive. But rapid growth, particularly in suburban areas, and our developing standards of health happily will soon make the open dump virtually obsolete.

More and more, municipalities have turned to incineration and sanitary landfills for solid waste disposal. However, these are not likely to provide the ultimate solutions. Incineration in many instances releases pollutants into the air, although progress is being made toward developing smokeless, high-intensity systems.

Sanitary landfills, properly operated, offer an acceptable--even constructive--answer to waste disposal, but hardly an answer that will serve the nation's long-range needs. Sanitary landfills, to be safe and successful, require considerable manpower, equipment and technical services. Solid waste, reduced in size and density, is spread in the fill each day, then covered with soil to ward off fires and pests. Precautions must be taken, too, against the release of gases or elements which might pollute nearby streams.

Incineration and sanitary landfills undoubtedly will have major roles in our discarding of solid waste for a number of years to come.

THE ULTIMATE ANSWER

The ultimate goal for all of us must be to find the ultimate answer--and that will come only through the salvage, re-cycling or re-use of solid waste.

Only through developing such systems can we, at the same time, protect depleting raw materials and provide efficient means of doing something with solid waste other than abandoning it in a manner likely to pollute the environment.

The problems of reclaiming solid waste for re-cycling or re-use are complex, but not insurmountable. Separation of waste components--wood, paper, soft garbage, glass and metal--has presented a major challenge. Research projects in this area

are underway at a number of universities. Highly technical procedures, including the use of laser beams, are under study. The largest such operation to date is the Metropolitan Waste Conversion program in Houston. This system handles 2000 tons of solid waste a week, about 25 per cent of the city's total. MWC segregates the waste by air classification, screening, magnetic means and hand sorting.

However, this operation has not yet proved economically successful. And, in the case of solid waste re-cycling, economics is truly the name of the game. We are confident that eventually the re-cycling of waste will be made a profitable endeavor and, when that day comes, the nation's solid waste management problem will be within reach of full solution.

THE NATURE OF WASTE

Surveys show that all types of packaging materials--glass, metal, plastics, paper, etc.--account for 13 per cent of the nation's total solid waste accumulation. Yet, packaging, because of its high visibility nature, is bearing the brunt of those activists concerned with both litter and solid waste management.

Glass, metal and paper--materials which comprise the vast majority of packaging--all are recyclable.

Glass container manufacturers, with the manpower support of our Union members, have been re-claiming used bottles for re-use as cullet--crushed glass melted down into the "batch" used in forming new bottles. Some 100 plants are buying discarded bottles for \$20 a ton across the nation. This is a premium price, actually, since the average cost of all materials for a batch amounts to about \$18 a ton. Admittedly, ~~the reclamation of bottles thus far has been more dramatic for public relations reasons than for practical purposes.~~ However, the glass container industry envisions the possibility of re-claimed glass bottles contributing as much as 10 to 15 per cent of materials for new production in 1971.

Both aluminum and steel can producers likewise have indicated they will purchase all used containers for re-cycling. The major problem here is re-distributing the used packages to the mills.

RE-CYCLING, NOT RE-USE

In the lexicon of today's environmental-conscious society, we sometimes get confused in words and phraseology. Many knowledgeable people refer to the returnable bottle, which is refilled and used again, as one being "re-cycled." Actually, it is being used a number of times for the same purpose. And, in fact, re-claimed glass melted down to form new bottles is being re-used.

There is some confusion, too, in the use of the terms "degradable" and "non-degradable." Glass is often referred to, erroneously, as being non-degradable. True it is not bio-degradable, which means self decomposing under natural chemical processes, but crushed glass returns to the earth in almost the same form of sand as it originally was drawn from the soil.

In the broad meaning of re-cycling, we are striving to place waste materials back into useful purposes.

So, when we use crushed glass bottles as an aggregate, replacing limestone, for road-surfacing material, we are "re-cycling" in the truest meaning of the word. The use of "glasphalt," as the material has been named, is most promising. What is most exciting in this regard is the estimate that if all road surfacing material operations were to devour all glass containers for use as aggregate, there still would not be enough glass to satisfy the need. In other words, this is an unlimited re-cycling opportunity for used glass.

Promising experiments also are underway to develop means of employing used glass in production of tile, building blocks, insulation material and other products.

The efforts of government, industry and labor must be directed toward solving the economic problems involved in these projects. The technology will be developed and soon, we are confident, but the socio-economic factors will demand the

constructive attention of all segments of society. To be progressive, we will focus our sights on objectives which can realistically solve the problems of solid waste management.

OUR UNION'S CONCERN

While the problems of solid waste management and litter have little in common, they have come to be lumped together in the minds of many in government and in civic organizations.

And, because of its high visibility nature, packaging material is the villain of the litter and solid waste story.

Of our Union's 75,000 members, more than 50,000 are employed in the glass container industry. The industry today has production volume geared to between 40 and 50 per cent non-returnable containers.

Obviously, by simple arithmetic, our Union has thousands of jobs involved in the production of non-returnable containers for beer and soft drinks.

Should non-returnable glass bottles be taxed out of existence or knocked out because of forced "deposits", our membership clearly would suffer economically. So would the communities in which they live and work and so would many thousands of other workers in the beverage industry.

The myth persists among well-meaning groups and individuals that to roll back progress and force the public to accept returnable containers would help solve our environmental problems.

That, in truth, is a myth and nothing more.

If we dare to give as much attention to fact as we do to the search for easy solutions to difficult problems, we will find the truth. At the outset of the furor over "non-returnable" glass containers, the Pepsi-Cola company embarked on an ambitious program in New York, promising a 5-cent return deposit on 14,400,000 "returnable" bottles. In a short few months, all those millions of bottles were unaccounted for. Today's affluent society doesn't distinguish between a returnable or a non-returnable package. The idea of the consumer today is to dispose of the package as quickly as it is empty.

From the standpoint of the Glass Bottle Blowers Association, it would at first glance seem desirable to have legislation which would require that all containers be returnable and re-usable. That would mean, in essence, that everything would have to be put in glass. Metal, plastics, paper are not adaptable for making returnable containers.

However, the Glass Bottle Blowers Association recognizes that regressive legislation which might temporarily benefit the organization is no more desirable than regressive

legislation which might temporarily injure the Union and its members. So we oppose any backward-looking legislation which deludes the public into thinking problems have been solved by penalizing certain products which the public itself has demanded.

CONCLUSION

The urgent need today for all of us concerned with solid waste management is to recognize the roots of the problems confronting us.

For many years, and especially in the last quarter century following World War II, we have made tremendous advances in all areas of technology. We have placed men on the moon; we have come into the "jet age" of air travel, and we have become a nation of affluence at home in our eating, drinking and living habits. This technology has produced the "frozen food dinners" and it has produced fabulous developments in packaging to cater to the whims of our "at ease" society.

While this technology was producing this outpouring of convenience goods, our methods of waste disposal were still tuned to the era of the early 1900's--and, for the most part, still are. Industry was creating more and more disposable things for more and more people, but all levels of government were failing to prepare for handling the mounting piles of waste.

So today, realistically we cannot single out a single industry, a single segment of government or a single element of our civic society and place blame for our solid waste management problem.

We should not seek to place blame; we should not seek to penalize.

It's time we seek ^{ways} to work together toward realistic solutions.

In any analysis of the "why" and "how" of our solid waste and litter problems, we should take the counsel of Pogo, the comic strip character, who describes the search for causes this way:

"We have met the enemy and he is us."

#

Original

3.

HB 1036 PROVIDES FOR A FIVE CENT DEPOSIT ON ALL BEER AND SOFT
DRINK BOTTLES AND CANS SOLD FOR OFF-PREMISE CONSUMPTION AND
PROVIDES THAT THE RETAILER MUST GIVE THE REFUND.

WHY HB 1036 IS NEEDED

There is no doubt that beverage cans and bottles comprise a large amount of the litter along our highways, in our parks, lakes and streams, and on our beaches. Depending on the road and the method of computing, beverage cans and bottles comprise between 49% and 82.6% of all non-degradable litter.

The sale of non-returnable containers doubled from 1958 to 1966 and is expected to more than double again by 1976.

HB 1036 is no panacea to all of the problems of littering. It is, however, a practical solution to one very large segment of Oregon's litter and solid waste problems.

WILL HB 1036 WORK?

Yes. It is working now in Oregon.

In many Oregon based stores, beer in returnable bottles is sold with a one-cent deposit and a five-cent deposit on Coke and 7-Up. On October 16, 1970, William Wessinger noted that the sales of Blitz Weinhard beer in returnable six packs increased 21% during an eight month test.

A law similar to HB 1036 is now working in British Columbia. British Columbia's Litter Act became effective in part on August 15, 1970 and became effective in full January 1, 1971. The "non-returnable" bottle has virtually disappeared from the British Columbia market.

A simple deposit system worked in Oregon before the advent of the no deposit/no return one-way bottle, and there was no litter problem then. A similar system of deposits on bottles exists in Europe and there are no bottles left along the roads.

LITTER PRESENTATION

A deposit system also induces people to pick up and return any containers which a thoughtless person throws away or leaves behind. The Plaid Pantry Markets and a beer distributor in Bend, Oregon conclusively demonstrated that adults and children will, for as little as one-half cent a container, pick up the litter left by others.

In the 1950's the State of Vermont passed a law which prohibited the sale of beer in non-returnable bottles. The law, however, did not provide for a mandatory refund. The beer distributors refused to pay anything for the empty bottles and cans, and thus no economic motive was created for returning and recycling containers. The law did not work and was permitted to lapse.

WHAT WILL BE THE ECONOMIC EFFECTS OF HB 1036?

There is no doubt that the use of returnable bottles will have an effect upon certain segments of Oregon's beverage industry. In order to assess the economic changes, certain things must be understood about industry.

A returnable beer bottle costs 4 cents new, and, at present, makes on an average between 5 trips (estimate by Blitz Weinhard) and 19 trips (estimated by the Interim Committee). A one-way beer bottle costs 3 cents and makes one trip. A returnable 6 1/2 oz. Coke bottle costs approximately 10 cents new. It is estimated that a coke bottle also makes 19 trips. A one-way Coke bottle costs about 4 1/2 cents.

It has been difficult to secure the facts about the economics of the distribution of beer and soft drinks. We have been advised that the beer distributor charges the retailer a one cent deposit per bottle or 24 cents per case. When a customer buys a case of returnable bottles of beer, the one cent deposit is passed on to him. When he returns the bottle, he gets his one cent back. The retailer then sells the empty back

LITTER PRESENTATION

to the brewery for 2 cents. We have been advised that the reason the retailer doubles his price from 1 cent to 2 cents which the brewery pays, is substantially below the 4 cents which is the price of a new bottle. Of course, a portion of this 2 cents is used to pay the additional handling and washing costs.

WHAT WILL HB 1036 DO TO THE INDUSTRIES AFFECTED?

We do not profess to know all the answers, but from a serious and careful analysis of the facts available to us, the following are our findings.

CAN AND BOTTLE MANUFACTURING

There is no doubt that HB 1036 will reduce the demand for beverage cans and bottles in Oregon. There are only two manufacturing plants that would be affected.

Continental Can Company is the only manufacturer of beverage cans in the State of Oregon. Of the total production of the plant, 20% of its capacity is for beverage cans. We assumed that some of the 20%, either empty or filled, is exported out of Oregon. The plant has 254 employees.

Owens Illinois is the only manufacturer of glass beverage bottles in Oregon. It has 400 employees and 75% of its production is one-way bottles. Likewise, we assume some of its production is for export out of the State of Oregon. The plant is easily convertible to returnable bottles.

BREWERS AND BOTTLERS

Blitz Weinhard is the only brewer in Oregon; there are 33 to 35 bottlers of soft drinks. There is no doubt that there would be increased costs in having to hire more drivers to bring in the returnables and more workers to sort and wash the bottles. It is difficult to calculate what would be the

LITTER PRESENTATION

increase in employment inasmuch as there are great differences between a Portland bottler and one in a smaller town. It is likewise difficult to estimate if the savings in the cost of containers would offset costs of the increased payroll.

RETAILER

HB 1036 would place an increased expense on the retailer to handle, sort and store the empty returnable bottles.

It is estimated that this increase would be between 1/4 and 1/2 employee per store. There appears to be conflicting opinions as to whether the price at which beer distributors and soft drink bottlers repurchase the bottles is sufficient to pay for the increased costs to the retailer. We have, however, been informed that at least one large chain store makes money on its returnable bottle business.

We have also been advised that certain retail stores use returnable empties as a "loss leader" in inducing customers to return to the store.

As to the retailer, HB 1036 increases jobs and therefore costs. The costs must be paid for either by the savings in container costs or by increasing costs of the product to the consumer.

CONSUMER

The returnable bottle is the cheapest container for the customer. The cost per drink of beer or soda pop is less.

Comparison shopping at Fred Meyer 2/13/71 shows as follows:

SIX PAK BLITZ

Size	<u>RETURNABLE</u>		<u>NON-RETURNABLE</u>	
	<u>Price</u>	<u>Deposit</u>	<u>Net Price</u>	<u>Price per Oz.</u>
11 oz. bottle	1.11	.06	1.05	\$.0159
12 oz. can				1.12 \$.0169
				1.28 .0177

LITTER PRESENTATION

It is interesting to note that the leaders of the beverage industry have expressed opinions as to the superiority of the returnable bottle:

(a) Theodore Rosenak, President of Rheingold Breweries, Inc., October 16, 1970 "[The returnable bottle] brings its contents to the consumer at a lower true cost than does the metal can or a non-returnable bottle. The consumer saves money."

(b) J. Paul Armstrong, President of Coca-Cola Company, September, 1970, "And even though it is far more economical for consumers to buy our products in these returnable packages, some of our dealers--supermarkets and convenience stores--find it more desirable to handle one-way bottles and cans."

In summary, the non-returnable is a hidden tax on the consumer. First, he must pay more when he purchases a non-returnable container. Second, he pays the garbage collector to take it away. Third, he has to either pay taxes to have it cleaned up or have his environment desecrated.

INCIDENTAL ECONOMIC EFFECTS

HB 1036 would tend to reverse the concentration of production in larger and larger units, and would aid the small locally owned bottlers to retain their business. Before the one-way bottle and can, all soft drinks were bottled locally. Now, for instance, Coke is canned in Seattle by Pacific Food Products Co. and trucked to Portland, and Pepsi is canned in Yakima by Noel Canning Corp.

In 1958, there were 262 breweries in the United States. The U. S. Brewers Association recently estimated there are now less than 80. In 1958, 71,700 persons were employed by brewers. In 1969, there were 60,500, a decline of 15.5%. Based upon a wage rate of \$8,714 in 1967, the 11,200 job decline amounted to a total of \$97,596,800 less in payroll expenditures. This is attributable very largely to the one-way can and bottle, where

LITTER PRESENTATION

the huge, often out-of-state manufacturers with large accumulation of capital, can manufacture with no concern to the problems of litter. In 1967, there were 3,403 soft drink bottling plants in the United States employing 123,400 persons with a payroll of \$727,100,000. If the trend in the soft drink industry parallels the beer industry, which it has to date, a decline of 28.3% in the number of plants would amount to a drop in plants of 936 or a total of 2,440 plants. The number of employees will suffer a 15.6% decline to a total of 104,150. Using the 1967 payroll of \$5,892, the total loss in payroll would be \$113,421,000 yearly.

TAXES

It has been impossible to separate the costs in cleaning up our city streets and parks, our county roads and our state highways and establish a figure attributable to one way cans and bottles. However, the increased burden upon the taxpayers is great. The Highway Commission spent \$330,000 in 1970 to pick up highway litter a large part of which was one way cans and bottles. It has been estimated that it costs Oregon 30 cents to pick up a can or bottle along the highway. It is estimated that in Michigan it is 35 cents and in New York above 40 cents.

This is all wasted money. HB 1036 would eliminate some of these costs. It would likewise extend the life of the dumps for solid waste. A large part of the residue from incineration is glass and metal and these are largely from one-way cans and bottles.

WHAT PEOPLE THINK

On July 9, 1970, Gov. Tom McCall said Oregon should "put a price on the head of every beer and pop bottle sold." Statesman, July 10, 1970.

According to a poll conducted by the National Federation of Independent Business, of 287,166 of their members, 62% favor a

LITTER PRESENTATION

ban on non-returnable soft drink and beer bottles and cans. In Oregon, 68% favored the ban. Grants Pass Courier, January 29, 1970.

Initiative #256 in the State of Washington secured 188,102 signatures between April and July, 1970, which is nearly twice the necessary number needed. A private poll taken in August for the beverage industry found that 80% of the voters were backing the issue. Wall Street Journal, November 2, 1970, page 6, col. 2. However, the initiative was defeated 48.7% to 51.3% after the glass and can makers, breweries, soft drink bottlers and labor unions had spent an estimated two million dollars, according to the December, 1970 issue of Softdrinks.

ALTERNATIVES

1. Do nothing and rely on the generally ineffectual attempts of public education and increased sensitivity. With Glass Container Manufacturers Institute launching a 7.5 million dollar campaign to promote the sale of one-way bottles, the future will be more littered than the present. Oregon Statesman, January 16, 1970.

*Shipments of beer and soft drinks in throw-away cans and bottles in the year 1970

	<u>Throw-away bottles</u>	<u>Throw-away cans</u>	<u>TOTAL</u>
Soft drinks--	6,000,000,000	9,000,000,000	15,000,000,000
beer --	6,230,000,000	15,100,000,000	21,330,000,000

Oregon is fortunate it still has returnable bottles. There are some stores in Oregon where it is impossible to buy beer and soft drinks in returnable bottles. There are some drinks in returnable bottles.

*The Role of Packaging in Solid Waste Management, 1966 to 1976,
U. S. Department of Health, Education and Welfare

LITTER PRESENTATION

2. Tax and pick up. A tax placed on all beverages is a selective sales tax which would place a tax on the already squeezed grocery budget merely so the makers of cans and bottles can continue to make a polluting product and so the huge chain stores do not have to police their wastes as other industries do.

A tax would place the burden on all drinkers of beer or soft drinks whether they littered or not.

HB 1036 is a deposit, not a tax.

If the consumer brings his bottles back to be reused, his cost of groceries has not been raised. If he is a litterer, then he loses the deposit and it is collected by someone else who picks up the returnable bottles.

By placing a tax on all beer and soft drink containers, there would be no inducement for the consumer to bring the bottle back. There is now no financial inducement to bring back cans and one-way bottles; as a result, they comprise the vast majority of the non-degradable litter in Oregon.

The tax would merely place the burden of cleaning up the roads on all beer and pop drinkers, not on those who litter.

CONCLUSION

The effects of HB 1036 would be to stop all litter from beverage cans and bottles.

It would shift some employment and result in increased employment in Oregon.

It would create few increased costs, which could not be absorbed by the savings resulting from the use of returnable containers.

LITTER PRESENTATION

A deposit system also induces people to pick up and return any containers which a thoughtless person throws away or leaves behind. The Plaid Pantry Markets and a beer distributor in Bend, Oregon conclusively demonstrated that adults and children will, for as little as one-half cent a container, pick up the litter left by others.

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the huge, often out-of-state manufacturers with large accumulation of capital, can manufacture with no concern to the problems of litter. In 1967, there were 3,403 soft drink bottling plants in the United States employing 123,400 persons with a payroll of \$727,100,000. If the trend in the soft drink industry parallels the beer industry, which it has to date, a decline of 28.3% in the number of plants would amount to a drop in plants of 936 or a total of 2,440 plants. The number of employees will suffer a 15.6% decline to a total of 104,150. Using the 1967 payroll of \$5,892, the total loss in payroll would be \$113,421,000 yearly.

TAXES

It has been impossible to separate the costs in cleaning up our city streets and parks, our county roads and our state highways and establish a figure attributable to one way cans and bottles. However, the increased burden upon the taxpayers is great. The Highway Commission spent \$330,000 in 1970 to pick up highway litter a large part of which was one way cans and bottles. It has been estimated that it costs Oregon 30 cents to pick up a can or bottle along the highway. It is estimated that in Michigan it is 35 cents and in New York above 40 cents.

This is all wasted money. HB 1036 would eliminate some of these costs. It would likewise extend the life of the dumps for solid waste. A large part of the residue from incineration is glass and metal and these are largely from one-way cans and bottles.

WHAT PEOPLE THINK

On July 9, 1970, Gov. Tom McCall said Oregon should "put a price on the head of every beer and pop bottle sold."
Statesman, July 10, 1970.

According to a poll conducted by the National Federation of Independent Business, of 287,166 of their members, 62% favor a

LITTER PRESENTATION

ban on non-returnable soft drink and beer bottles and cans. In Oregon, 68% favored the ban. Grants Pass Courier, January 29, 1970.

Initiative #256 in the State of Washington secured 188,102 signatures between April and July, 1970, which is nearly twice the necessary number needed. A private poll taken in August for the beverage industry found that 80% of the voters were backing the issue. Wall Street Journal, November 2, 1970, page 6, col. 2. However, the initiative was defeated 48.7% to 51.3% after the glass and can makers, breweries, soft drink bottlers and labor unions had spent an estimated two million dollars, according to the December, 1970 issue of Softdrinks.

ALTERNATIVES

1. Do nothing and rely on the generally ineffectual attempts of public education and increased sensitivity. With Glass Container Manufacturers Institute launching a 7.5 million dollar campaign to promote the sale of one-way bottles, the future will be more littered than the present. Oregon Statesman, January 16, 1970.

*Shipments of beer and soft drinks in throw-away cans and bottles in the year 1970

	<u>Throw-away bottles</u>	<u>Throw-away cans</u>	<u>TOTAL</u>
Soft drinks--	6,000,000,000	9,000,000,000	15,000,000,000
beer --	6,230,000,000	15,100,000,000	21,330,000,000

Oregon is fortunate it still has returnable bottles. There are some stores in Oregon where it is impossible to buy beer and soft drinks in returnable bottles. There are some drinks in returnable bottles.

*The Role of Packaging in Solid Waste Management, 1966 to 1976, U. S. Department of Health, Education and Welfare

LITTER PRESENTATION

2. Tax and pick up. A tax placed on all beverages is a selective sales tax which would place a tax on the already squeezed grocery budget merely so the makers of cans and bottles can continue to make a polluting product and so the huge chain stores do not have to police their wastes as other industries do.

A tax would place the burden on all drinkers of beer or soft drinks whether they littered or not.

HB 1036 is a deposit, not a tax.

If the consumer brings his bottles back to be reused, his cost of groceries has not been raised. If he is a litterer, then he loses the deposit and it is collected by someone else who picks up the returnable bottles.

By placing a tax on all beer and soft drink containers, there would be no inducement for the consumer to bring the bottle back. There is now no financial inducement to bring back cans and one-way bottles; as a result, they comprise the vast majority of the non-degradable litter in Oregon.

The tax would merely place the burden of cleaning up the roads on all beer and pop drinkers, not on those who litter.

CONCLUSION

The effects of HB 1036 would be to stop all litter from beverage cans and bottles.

It would shift some employment and result in increased employment in Oregon.

It would create few increased costs, which could not be absorbed by the savings resulting from the use of returnable containers.

EXPLANATION OF CONTAINER TAX LEGISLATION.

The proposed legislation imposes a tax upon nonreturnable beverage containers. The funds raised by the tax would support programs for the control, collection and disposal of litter. The more significant sections of the bill are discussed below.

Section 2.

The tax is levied on certain beverage containers. A "beverage" is broadly defined and is intended to include all drinks sold in liquid form in containers, except milk, natural fruit juices and medicines. Artificial fruit drinks sold in liquid form would be subject to the tax. Frozen or powdered concentrates would not be included within the definition of "beverage". A "container" is the separate bottle, can, or carton, and does not encompass the packing case.

Section 3.

A tax of one-fourth cent is imposed on every taxable container sold after 8:00 a.m., October 1, 1971. Every beverage container is subject to the tax except:

(a) A returnable container, which is defined as one on which the distributor requires a dealer to charge at least a five cent deposit, refundable upon return of the empty container (see definition in Section 2).

(b) A certified container. (See Section 6),

Section 6.

The Department of Environmental Quality is authorized to certify containers which meet two tests:

(a) A dealer will pay not less than one cent for the return of the empty container; and

(b) Distributors will customarily pick up the empty container from dealers and pay the dealer not less than two cents for each container.

A container which by reason of its shape or design, or by reason of words or symbols permanently placed on the container, is reusable only for a particular brand name of beverage, is not

Explanation of Container
Tax Legislation (continued)

eligible for certification. A container, such as liquor bottles, which meets the above test but which may not be reused because of federal or state law, is nonetheless eligible for certification. A certified container is exempt from the tax.

Section 17.

The tax imposed by the legislation is to be paid by the distributor. On or before the 20th day of each month, the distributor must submit a report to the Department of Revenue declaring the number of taxable, returnable, and certified containers sold and distributed during the preceding month and pay the tax at the time the report is filed. If a distributor closes his book every four weeks, rather than at the end of a calendar month, the Department of Revenue may authorize the reports and payment of the tax in conformity with the four-week period.

Section 29.

The Department of Revenue has the primary responsibility for enforcing the provisions of the legislation and to adopt and enforce rules and regulations. Provision is made in the draft for appeals within the Department and from the Department to the Oregon Tax Court and from there to the State Supreme Court.

Section 30.

The money received from the tax will be paid to the State Treasurer and held by him in a suspense account until the end of each month when the balance, after payment of any refund, is credited to the scenic protection fund.

Section 31.

Establishes a scenic protection fund to be used for the purposes of Sections 32 to 44 of this act.

Section 32.

Appropriates 50% of the Scenic Protection Fund to the Highway Department and \$450,000.00 each year out of Highway funds for the purposes of Section 33 to 36 of this act.

Sections 33 and 34.

Requires the State Highway Commission to establish and administer a Scenic Protection Corps of both permanent and temporary classification. The Corps would pick up litter as well as issuing citations to violators.

Preference in temporary personnel would be given to Oregon residents who are students of high school and college age.

Sections 35 and 36.

Provides for transportation of Scenic Protection Corps, supervision and minimum compensation of \$2.50 per hours.

Sections 37 and 38.

Provides for distribution of 15% of the Scenic Protection Fund to cities and counties to assist them in the removal of litter and trash.

Section 39.

Appropriates 5% of the Scenic Protection Fund to the Department of Environmental Quality to use for public education against litter through schools and other media.

Section 40.

Appropriates 5% of Scenic Protection Fund to State Highway Department to acquire and install receptacles on private property and enter into agreements with private property owners for such purposes.

Section 41.

Appropriates 25% of the Scenic Protection Fund to encourage recycling of taxable containers.

Sections 42 - 44.

Provides for eligibility of redemption centers and provides the manner of reimbursement and payment of expenses.

Sections 45 - 48.

Makes it a misdemeanor to discard litter on land of another; allows for issuance of citations by police officers and members of the Scenic Protection Corps of age 21 and provides a fine for violators.

Section 49.

Provides that all fines and penalties recovered go to the State Treasurer credited to the Scenic Protection Fund.

Section 50.

Makes the effective date of the act October 1, 1971.

PROPOSED AMENDMENTS TO HOUSE BILL 1036

On page 3, after line 16 insert:

"Section 6. (1) The Joint Committee on Rules and Resolutions shall cause to be conducted a study of the operation of sections 2 to 5 of this Act that shall include, but not be limited to, an analysis of:

"(a) The economic loss, if any, that is incurred by persons licensed under ORS chapter 635 to engage in the nonalcoholic beverage manufacturing business, by persons engaged in the business of manufacturing beer and other malt beverages and by persons engaged in the business of manufacturing beverage containers in complying with the provisions of sections 2 to 5 of this Act.

"(b) The problems, if any, incurred in the distribution, sale and return of beverage containers subject to the provisions of sections 2 to 5 of this Act.

"(c) The effectiveness of the provisions of sections 2 to 5 of this Act in the reduction of the incidence of the littering of beverage containers in this state.

"(d) The costs incurred in the enforcement of the provisions of sections 2 to 5 of this Act.

"(2) Prior to January 1, 1975, the Joint Committee on Rules and Resolutions shall prepare and submit to the Fifty-eighth Legislative Assembly of the State of Oregon a report of its findings made pursuant to subsection (1) of this section and its recommendations with respect to any legislative proposals considered by it to be necessary as the result of the study conducted as required by subsection (1) of this section.

On page 3, line 17, delete "6" and insert "7".

EXPLANATION

Classifies beverage containers as returnable with 5 cent deposit, certified or taxable. Provides standards for certification by Department of Environmental Quality. Imposes a tax of one-quarter of a cent upon each taxable beverage container, to be paid by distributor. Applies to all beverages except natural fruit juices and fluid milk products. Establishes a Scenic Protection Fund. Appropriates money from Scenic Protection Fund and Highway Fund for Scenic Protection Corps to remove litter from roads, highways, scenic and recreational areas of state. Distributes portion of Scenic Protection Fund to cities and counties for litter removal, to Highway Division to install and maintain litter receptacles on private property with consent of owner and to empty receptacles, and to Department of Environmental Quality for educational programs. Authorizes funds to assist in establishment of redemption centers for containers. Prohibits throwing of trash and litter. Provides penalties.

HB 1036 PROVIDES FOR A FIVE CENT DEPOSIT ON ALL BEER AND SOFT DRINK BOTTLES AND CANS SOLD FOR OFF-PREMISE CONSUMPTION AND PROVIDES THAT THE RETAILER MUST GIVE THE REFUND.

WHY HB 1036 IS NEEDED

There is no doubt that beverage cans and bottles comprise a large amount of the litter along our highways, in our parks, lakes and streams, and on our beaches. Depending on the road and the method of computing, beverage cans and bottles comprise between 49% and 82.6% of all non-degradable litter.

The sale of non-returnable containers doubled from 1958 to 1966 and is expected to more than double again by 1976.

HB 1036 is no panacea to all of the problems of littering. It is, however, a practical solution to one very large segment of Oregon's litter and solid waste problems.

WILL HB 1036 WORK?

Yes. It is working now in Oregon.

In many Oregon based stores, beer in returnable bottles is sold with a one-cent deposit and a five-cent deposit on Coke and 7-Up. On October 16, 1970, William Wessinger noted that the sales of Blitz Weinhard beer in returnable six packs increased 21% during an eight month test.

A law similar to HB 1036 is now working in British Columbia. British Columbia's Litter Act became effective in part on August 15, 1970 and became effective in full January 1, 1971. The "non-returnable" bottle has virtually disappeared from the British Columbia market.

A simple deposit system worked in Oregon before the advent of the no deposit/no return one-way bottle, and there was no litter problem then. A similar system of deposits on bottles exists in Europe and there are no bottles left along the roads.

TESTIMONY FAVORING HB 1036

Presented by
AUTOMOBILE CLUB OF OREGON

The Automobile Club of Oregon would like to express our thanks to the Committee for the opportunity of expressing our views in favor of the legislation proposed in House Bill 1036.

When the legislative Interim Sub-committee was studying this matter last year, we surveyed our Board of Directors who unanimously supported the idea of requiring a deposit on bottles and cans as an effective means of reducing this type of litter in our state. We so testified before the Sub-committee and subsequently, at the request of the Committee chairman, we conducted a poll of our membership. In reply to the question: "Would you favor a mandatory deposit at the time of sale on all bottles and cans containing malt or soft drink beverages?" those who responded to the poll voted 609 in favor of the idea, with only 119 votes in opposition.

Again this year, as this legislation was proposed in this session of the legislature, we conducted a second poll on this question and at this time, with some replies still coming in, our poll shows 912 to 102 in favor of the five-cent deposit plan.

Even though the returns to our polls do not represent a numerical majority of our more than 101,000 members, we believe the substantial vote in favor of the deposit in both polls is justification for stating that the Auto Club members are in favor of this program.

The Interim Sub-committee made an exhaustive study of this matter before preparing this legislation and we believe that the bill reflects the carefully considered opinion of the members of the committee that this is desirable legislation. We agree that it is a good bill and should pass.

~~Rep. Martin~~
~~Ch. of Environment~~
~~and Committee~~
Rep. Martin
Ch. - State
& Fed. Affairs
105

Mrs. Marvin Geenogle, Milwaukie, is the of an Environmental Study Group in AAUW and hoped to be able to attend the hearing on HB 1036 but she has pre-school children and found it impossible to come to Salem - I would therefore like to file a copy of her testimony for each member of your Committee.
Mrs Phyllis Wrenner

^{Martin}
Chairman ~~Mean~~ and Committee members:-

I am Mrs Nancy Geenogle, Milwaukie, Ore

I represent the Oregon State Division of American Association of University Women, composed of 36 branches with approximately 3060 members.

We support House Bill 1036 because it serves a two-fold purpose. First, it offers a positive incentive to keep the state clean. Second, it encourages recycling of all glass and metal containers.

Since it is impossible to enforce anti litter laws effectively, this bill offers a reward for those who fight litter.

The five cent refund provides non-profit organizations with monetary incentive to clean up the state roadways.

The sections of the bill which eliminate metal containers with detachable parts are strongly supported by us. Those metal parts are not biodegradable and remain as litter and as a health hazard when tossed by careless people.

In conclusion, AAUW strongly recommends HB 1036 as a partial answer to the growing litter problem in Oregon. I thank you for considering this recommendation.

Statement for the Support of Housebill 1036
March 11, 1971

I believe that the passage of Housebill 1036 will be an important step towards a solution and resolvement of our litter problem here in Oregon. Today's litter problem is largely associated with the large numbers of non-returnable bottles and beverage containers currently on the market, many of which are of non-degradeable material. Such containers must be disposed of, but efficient removal is a distinct problem; they accumulate in municipal disposal sites, on back porches and shelves, and in the natural beauty of our environment. There is no use for these containers, and consequently no outlet for their disposal. They are a problem.

And Housebill 1036, I believe, will provide a good solution. A deposit on containers will

- 1) Provide for re-use and an outlet for all beverage containers.
- 2) Reduce littering.
- 3) Provide an initiative to clean up our environment today.
- 4) Save the state money from clean-up costs of our environment in the future.

Oregon can be the first to have such a solution. Environment is vital to life, and we must protect it. Housebill 1036 will be a vastly important step in doing so. I think it will help the litter problem and keep our state beautiful.

Ginny Hyde
Ginny Hyde
1410 Pacific Terrace
Klamath Falls, Oregon

March 4, 1971

Joan M. Reitz
4816 1/2 S.E. Bybee
Portland, Oregon 97206

Rep. Roger E. Martin
Chairman
House State and Federal Affairs Committee
Capitol Building
Salem, Oregon

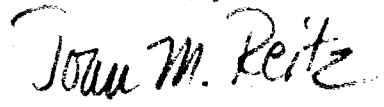
Dear Rep. Martin:

Enclosed is a copy of the testimony which I planned to present at the hearing held yesterday before your committee on H.B. 1036.

I am signed-up on the sheet to testify, but will be unable to come to Salem a second time to present my views on this bill. Therefore, I would appreciate it very much, if, when hearings are continued, you would indicate that I will not be testifying because I have mailed my testimony to members of the committee.

I hope that you will read my testimony. I think that you should give your support to this bill. It is probably the only way to make a serious attempt at solving our solid waste problem in Oregon.

Sincerely,



Joan M. Reitz

Testimony presented to the HOUSE STATE AND FEDERAL AFFAIRS COMMITTEE
on H.R. 1036 (March 3, 1971)

by: Joan M. Reitz
4816 1/2 S.E. Bybee
Portland, Oregon 97206

My name is Joan M. Reitz. My address is 4816 1/2 S.E. Bybee, Portland, Oregon 97206. I am presently a student at Reed College in Portland and have lived in Oregon the entire twenty-four years of my life. The following testimony is offered in support of H.R. 1036 as it now reads:

* * * * *

Last summer, after spending quite a number of hours fishing empty beer cans out of several inaccessible lakes in the Oregon Cascades, I sat down and wrote letters on my own initiative to all of the leading beer manufacturers in the United States, informing them that I would not be buying their products until they stopped selling in non-returnable containers. At the time, I felt that in good conscience, I should not by my own actions further the aims of the disposable container industry, and, furthermore, that I should make my decision known to those companies that would be affected by my actions. I have not purchased commercial beer since that time; however, I have had considerable success with home-brewed beer which I bottle in returnable quarts.

The responses to the fifty-odd letters that I sent to beverage manufacturers across the nation varied widely in the amount of concern expressed for the solid waste and littering problem at which my personal boycott was aimed. Most companies were quite hostile to my announcement, some luke-warm; the richer ones, like COCA-COLA COMPANY, sent me costly folders showing how much advertizing money they were devoting to changing people's attitudes while they continued to market in throw-aways. But two companies, LUCKY LAGER of San Francisco and BLITZ-WEINHARD of Portland expressed a genuine interest in converting to all-returnable containers. Blitz even said that they would prefer to do so, because returnables are less expensive for them to handle.

So why not do it? In a phone conversation with Lucky Lager's ecology director, I learned that the directors of his company felt that they could not convert to all-returnables unless all beverage manufacturers did it simultaneously because they might lose their competitive position to those companies that would not voluntarily convert to returnables. He suggested that the only way to really solve the waste problem created by disposable containers would be to pass legislation at the state or federal level which would require deposits on all containers as an incentive to buyers to recycle.

After considering the problem from the point of view of a company anxious to preserve its competitive advantage, it seemed obvious that his suggestion might be the only way of bringing about wide-scale recycling.

It is my belief that our solid waste disposal and litter problem will never be solved by relying on the good intentions of individual consumers. As already demonstrated by our desecrated parks and trails, those good intentions do not exist in a considerable portion of our citizenry. However, almost all Americans are quite sensitive about throwing away money. At a nickel apiece, I think our waste disposal and litter problem would be easily solved, if not by adults, then by children intent on collecting enough for Saturday matinees.

Should we impose this horrible burden on a society that has amply demonstrated its preference for convenience? Disposable containers are not that new. Most older people alive today spent their youth at a time when containers were considered highly valuable and saved for reuse. What are the alternatives to recycling? Countless acres of accumulating garbage that requires tens of years

to decay, if decay is chemically possible? Speedy exhaustion of natural resources that will be precious in another couple of generations? I think Oregonians are mature enough to be able to cope with a little inconvenience for the sake of a cleaner and more beautiful state and a richer future for their children.

I urge speedy passage of this bill as it now reads. Thank you for this opportunity to testify in my capacity as an informed layman.

11.
To the Editor:

The following are items I will emphasize in 1971. Reference your question, last week by telephone, what I will be doing on litter in 1971.

I will be cooperating with the Oregon Jaycees on an anti-litter educational program with youth groups and schools. One-hundred gallons of ice cream to the school with the best anti-litter program in each of the community college areas of Oregon, and to send two youths to Washington D.C. and to the Keep America Beautiful meeting in New York in November, 1971.

In 1970, 26 Oregon schools received ice cream and the Keep Oregon Green and Clean road signs. Winning an 8 day trip to Washington D.C. and to the Keep America Beautiful meeting in New York were:

Margie Willis of Clackamas High School, Milwaukie, State individual winner; Marie Huskey of North Salem High School, representing State Youth group, winner Marion County 4-H teen council; and John Guitteau of Winston Churchill High School of Eugene representing the winning school. (Trip was made in November, 1970.)

Enough litterbugs were arrested since the new litter law became effective 8/22/69 to have cleaned up 10,000 miles of Oregon roadway had the courts carried out the intent of the sponsors of the law and assigned roadside litter patrol duties and the wearing of the L.P. arm band to the convicted litterbugs, instead of fines ranging from \$10 to \$400.

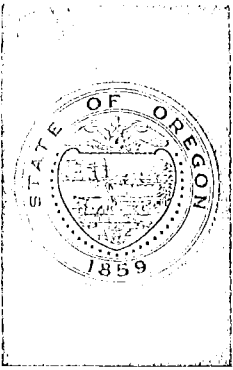
X
In 1971, I shall support a condensed rewriting of the State's litter laws to give better directions to the court which provides for a minimum penalty, such as two days litter patrol work while wearing the L.P. arm band and \$50 fine to pay cost of apprehension.

I will NOT support action which will encourage people to pick up roadside litter on a selective basis which results in damaged or unwanted articles being

thrown onto private property to injure persons, cripple or kill livestock, or damage farm equipment.

I believe a convicted litterbug working one day on litter patrol duties, while wearing an L.P. arm band, will reduce roadside litter in Oregon equal to 100 hired man days of litter pickup work.

Edgar B. Grimes
Rt. 1, Box 40
Harrisburg, Oregon 97446



**DEPARTMENT OF
STATE POLICE**

GENERAL HEADQUARTERS

PUBLIC SERVICE BUILDING



SALEM, OREGON 97310

TOM McCALL
GOVERNOR

February 25, 1971

Mr. Edgar B. Grimes
Route 1, Box 40
Harrisburg, Oregon 97446

Dear Sir:

In response to our recent phone conversation please find attached statistics relating to the enforcement of the littering laws by our members during the last six months of 1970.

We hope this provides the information you need. If we can be of further assistance, please advise.

Yours very truly,

Holly V. Holcomb, Superintendent

By

E. W. Tichenor, Captain
Traffic Division

EWT:cjd
Encl.

L I T T E R I N G

July - December - 1970

	Arrests	Warnings	Fines	Average Fine
Throwing injurious substance on highway	48	28	1,035.00	21.56
Throwing away lighted material	101	30	1,667.50	16.50
Dumping rubbish or refuse	123	43	2,280.00	18.53
Public health and sanitation	20	2	805.00	40.00
Deposit rubbish in or near water	<u>147</u>	<u>20</u>	<u>3,710.00</u>	<u>25.20</u>
Totals	439	123	\$9,497.50	\$121.79

878 205 18,155.00

1317 328 27,652.50

1645

22.30

7-1-69 to 7-1-70

1970
56
52
108

pickup with f.p. as bands
" without " "

May 5, 1971

Capitol Bldg.
Committee Clerk
State and Federal Affairs
Salem, OR 97310

Dear Sir:

I am a student of Centennial High School, and we are studying Oregon Legislature. I would be pleased to receive a report on bill HB 1036 and the progress on it. Thank you.

Sincerely yours,
Duane Werner

Duane Werner
2833 SE. 182nd Avenue
Gresham, OR 97030

Sent 5/7/71

A BILL FOR

AN ACT

Relating to taxation of containers and control of litter; creating new provisions; appropriating money; providing penalties, and prescribing an operative date.

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

Section 1. The purposes of this Act are:

(1) to promote the use of containers which are returnable or reusable, or both.

(2) To facilitate collection of containers by promoting the use of standard containers.

(3) To reduce the amount of trash and litter along the highways and in the recreational and scenic areas of this state.

(4) To provide facilities for the deposit of litter and trash and to assist in the collection and clean-up of litter and trash.

(5) To provide public education on the problem of litter and trash along the roadways and in the parks, recreation and scenic areas of this state.

Section 2. As used in this Act, unless the context requires otherwise:

"Beverage" includes any drink intended for human

consumption sold in liquid form in a container, including but not limited to alcoholic liquor, beer, wine, all soft drinks, whether or not carbonated, and all similar products, except natural fruit juices which are unfermented, non-carbonated and not artificially sweetened, fluid milk products, and beverages intended for medicinal purposes only.

"Container" means the separate sealed bottle, can, jar, carton or other package containing a beverage.

"Certified container" means a container certified by the Department of Environmental Quality as provided in this Act.

"Consumer" means every person who purchases a beverage in a container for use or consumption.

"Dealer" means every person who engages in this state in the retail sale of beverages to a consumer.

"Department" means the Department of Revenue.

"Distributor" means any person who engages in the sale of beverages to any dealer for purposes other than use or consumption.

"In this state" means within the exterior limits of the State of Oregon and includes all territory within these limits owned by or ceded to the United States of America.

"Manufacturer" means any person who makes, mixes, blends, brews, or otherwise manufactures beverages for sale to a distributor or a dealer.

"Returnable container" means a container upon which a distributor requires the dealer charge a consumer a deposit of not less than five cents, to be refunded by the dealer upon return of the empty container.

"Taxable container" means every container except a certified container or a returnable container.

"Use or consumption" includes the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale of a beverage or the keeping or retention thereof for the purposes of sale.

IMPOSITION OF TAX

Section 3. Every distributor shall pay a tax of one-fourth of one cent upon each taxable container sold to a dealer after 8:00 A. M., Pacific Standard Time, October 1, 1971.

Section 1. The taxes imposed by this Act shall not apply to the sale of beverages:

- (1) From a manufacturer to a distributor.
- (2) To a common carrier engaged in foreign or interstate passenger service, provided such common carrier does not sell the beverage for use or consumption in this state.
- (3) To the United States Army, Air Force, Navy, Marine Corps, or Coast Guard exchanges and commissaries, and Navy or Coast Guard ship's stores, the United States Veterans Administration, ship's stores maintained under

Federal bond, or to any person which by virtue of the Constitution or statutes of the United States cannot be made the subject of taxation by this state.

Section 5. Any claim for exemption from the tax imposed by this Act shall be made in such manner as it shall prescribe.

Section 6. (1) To promote the use of reusable containers in this state, and to encourage the easy return of containers to manufacturers of beverages, upon application of a distributor the Department of Environmental Quality shall certify standard containers which satisfy the requirements of this section.

(2) A container shall be certified if:

(a) A dealer will pay not less than one cent upon the return of the empty container, and

(b) Distributors of the kind of beverage for which the container was designed will customarily accept the empty container from the dealer and pay not less than two cents for each container.

(3) A container shall not be certified if by reason of its shape or design, or by reason of words or symbols permanently inscribed thereon, whether by engraving, embossing, painting or other permanent method, it is reusable in the ordinary course of business only by a manufacturer of a beverage sold under a specific brand name, or is not returnable.

(4) A container which is in fact reusable as a container for the type of beverage for which it was originally designed shall not be denied certification for the reason any such reuse is prohibited by law.

(5) Application for certification under this section shall be made to the Department of Environmental Quality in such manner and subject to such rules and regulations as it may prescribe.

Section 7. Unless an application for certification is denied by the Department of Environmental Quality within 60 days after filing of the application, the container described in the application shall be deemed certified. The Department of Environmental Quality may withdraw certification of such a container as provided in Section 8 of this Act.

Section 8. (1) The department of Environmental Quality may review at any time a certificate issued with respect to a container. If, after such review, the Department of Environmental Quality determines the container is no longer qualified for certification, the Department shall withdraw certification by giving written notice to the distributor and the Department of Revenue.

(2) Withdrawal of certification of a container under this section shall be effective at the close of business thirty days after the date of the written notice specified in paragraph (1) of this section.

(3) Prior to withdrawal of certification, the Department of Environmental Quality shall give written notice to the affected distributor who shall be entitled to a hearing before the Department.

(4) Notice of the withdrawal of certification shall be given to the Department of Revenue.

Section 9. Unless the contrary is established, it shall be presumed that all containers for beverages are taxable containers.

ADMINISTRATION

Section 10. Every distributor of taxable containers shall file with the department a statement setting forth the name and address of the distributor and the brand name or common name of all beverages distributed by the distributor.

Section 11. Every distributor and every person dealing in, transporting, or storing beverages in taxable containers within this state shall keep on the premises such records, receipts, invoices, and other pertinent papers with respect thereto in such form as the department may require and each such paper shall be preserved for four years from the time to which it relates. During the four-year period and at any time prior to destruction of records, the department may give written notice to a distributor not to destroy records described in the notice without permission from the

department. Notwithstanding other provisions of law, reports and returns filed with the department shall be preserved by it for four years and thereafter until the department orders them destroyed.

Section 12. The department or its authorized representative, upon oral or written demand, may make such examinations of the books, papers, records and equipment of distributors and such other investigations as it may deem necessary in carrying out the provisions of this Act. In addition to any other reports required under this Act, the department may, by rule or otherwise, require additional, other, or supplemental reports from distributors and other persons and prescribe the form, including verification, of the information to be given and the times for filing of such additional, other or supplemental reports.

Section 13. (1) The department shall have authority, by order or subpoena, to be served with the same force and effect and in the same manner that a subpoena is served in a civil action in the circuit court, or the Oregon Tax Court, to require the production at any time and place it may designate of any books, papers, accounts, or other information necessary to the carrying out of this Act, and may require the attendance of any person having knowledge in the premises, and may take testimony and require proof material for the information, with power to administer oaths to such person.

(2) If any person fails to comply with any subpoena or order of the department to produce or permit the examination or inspection of any books, papers, records and equipment pertinent to any investigation or inquiry under this Act, or to testify to any matter regarding which he may be lawfully interrogated, the department may apply to the Oregon Tax Court or to the circuit court of the county in which the person resides or where he may be found, for an order to the person to attend and testify, or otherwise to comply with the demand or request of the department. The application to the court shall be by ex parte motion upon which the court shall make an order requiring the person against whom it is directed to comply with the request on demand of the department within ten days after the service of the order, or such further time as the court may grant, or to justify the failure within that time. The order shall be served upon the person to whom it is directed in the manner required by this state for service of process, which service shall be required to confer jurisdiction upon the court. Failure to obey any order issued by the court under this section is contempt of court. The remedy provided by this section shall be in addition to other remedies, civil or criminal, existing under the tax laws or other laws of this state.

Section 14. (1) Whenever the department discovers taxable containers with respect to which the tax has not been

paid, it is hereby authorized and empowered forthwith to seize and take possession of such taxable containers, together with the contents thereof and any vehicle in which they are being transported. Such seized taxable containers, contents and vehicle, shall be forfeited to the state. The department may, within a reasonable time thereafter, by public notice at least twenty days before the date of sale, sell such forfeited taxable containers, the contents thereof, and vehicle, at public sale.

(2) Notwithstanding the provisions of subsection (1) of this section, the person from whom taxable containers, the contents thereof, and vehicle were seized may, within twenty (20) days from the date of seizure, by payment of the tax due together with a penalty of one hundred per cent thereof and the costs incurred in such proceeding, which total payment shall not be less than \$100.00, redeem such taxable containers, contents and vehicle.

(3) Notwithstanding the provisions of subsection (10) of this section, the owner of such seized containers, including the contents thereof, or vehicle, shall have the right of redemption provided in subsection (2) of this section for a period of sixty (60) days from the date of such seizure if he claims such right prior to the redemption provided for in subsection (2) of this section.

Section 15. Whenever the department has good reason to believe that taxable containers are being kept, sold or

offered for sale in violation of the provisions of this Act or regulations issued under its authority, the department may make affidavit of such fact, describing the place or thing to be searched, before any judge of any court in this state, and such judge shall issue a search warranty directed to the sheriff, any constable, police officer, or duly authorized agent of the department, commanding him to enter and diligently search any building, room in a building, place or vehicle as may be designated in the affidavit and search warrant, and to seize any taxable containers, together with the contents thereof, and any vehicle carrying them, and to arrest the person in possession or control thereof. If, upon the return of such warranty, it shall appear that the tax payable upon the taxable containers siezed has not been paid, the taxable containers, the contents thereof, and the vehicle, if any, shall be forfeited to the stated and sold pursuant to section 14 of this Act.

Section 16. The department may pay rewards to persons, other than officers or employees of the department, or officers or employees of the Department of Environmental Quality, furnishing information that leads to the recovery of tax from other persons guilty of violating the provisions of this Act. Such reward shall not exceed ten per cent of the net amount of tax, penalty and interest recovered by suit or otherwise and shall be paid only in cases where such evasions

of tax would not be disclosed by the audit of reports or from other information available to the department.

Collections and Refunds.

Section 17. (1) On or before the 20th day of each month, every distributor shall submit, on forms prescribed by the department, a statement of the number of taxable, returnable and certified containers sold and distributed during the preceding month, together with such other information as the department may require to carry out the purposes of this Act. When any distributor regularly maintains and closes his books and records pursuant to a method utilizing periods ending each four calendar weeks, the department by regulation may require different reporting and payment dates for such distributor, conforming as nearly as practicable with the reporting and payment dates of other distributors.

(2) The tax imposed by this Act shall be paid on or before the time for filing the statement required by subsection (1) of this section. If not so paid, a penalty of five per cent and interest of two-thirds of one per cent per month, or fraction thereof, shall be added and collected.

(3) The department may refund any tax, penalty or interest imposed or collected by reason of an error by a distributor and may waive collection or refund any tax, penalty, or interest imposed or collected on taxable containers subsequently determined to be exempt from the tax imposed by this Act.

Section 18. (1) The department, for good cause, may extend for a period not to exceed thirty days the time for making any report or paying any amount of tax required by this Act. The extension may be granted at any time provided a request therefor is filed with the department within or prior to the period for which the extension may be granted.

(2) Any person to whom an extension is granted shall pay, in addition to the amount of tax, interest at the rate of two-thirds of one per cent per month, or fraction thereof, from the date on which the amount of tax would have been due without the extension, to the date of payment.

Section 19. If a distributor fails to make timely payment of the tax imposed by this Act, the department may compute and determine from any available records and information the amount required to be paid, including interest and penalties, the department shall give the distributor written notice of its determination in the manner provided by subsection (6) of section 22 of this Act. Except in the case of fraud, every notice of determination made under this Act shall be given within three years of the due date of the tax imposed by this Act.

Section 20. If the amount specified in the determination made under this Act is not paid within ten days after service of the notice upon the distributor, the determination becomes final unless a petition for redetermination is filed

with the department within the ten-day period. The determination is due and payable when it becomes final and the amounts determined, exclusive of interest and penalties, shall bear interest at the rate of two-thirds of one per cent per month, or fraction thereof.

Section 21. The tax required to be paid by section 3 of this Act constitutes a lien upon, and has the effect of an execution duly levied against, any and all property of the distributor, attaching at the time the taxable containers were sold or distributed, as the case may be, and remaining until the tax is paid or the property sold in payment thereof. The lien created by this section shall encompass any penalties or interest due from the distributor and is paramount to all private liens or encumbrances.

Section 22. (1) If the department is dissatisfied with the report filed by an distributor, or if any distributor fails to file a report, the department may compute and determine the amount to be paid by such distributor upon the basis of any information available to the department. One or more deficiency determinations may be made of the amount of tax due for one or for more than one month.

(2) The amount of the determination, exclusive of penalty, shall bear interest at the rate of two-thirds of one per cent per month, or fraction thereof, from the 20th day after the close of the month for which the amount of the tax, or any portion thereof, should have been reported, until the date of payment.

(3) In making a determination the department may offset overpayments for a month or months against underpayments for another month or months and against the interest and penalty on the underpayments.

(4) If any part of the deficiency for which a deficiency determination is made is due to negligence or intentional disregard for this Act or the rules and regulations adopted under this Act, a penalty of five per cent of the amount of the determination shall be added thereto.

(5) If any part of the deficiency for which a deficiency determination is made is due to fraud or an intent to evade this Act, or the rules and regulations adopted under this Act, a penalty of 25% of the amount of the determination shall be added thereto.

(6) The department shall give the distributor written notice of its determination. The notice may be served personally or by certified mail; if by mail, service shall be addressed to the distributor at his address as it appears in the records of the department, but the service shall be deemed complete at the time of deposit of the notice in the mail without extension of time on account of the distance between the place of deposit and the place of address.

(7) Except in the case of fraud, intent to evade the tax, or failure to make a report, every notice of a deficiency determination shall be given within three years after the date when the amount should have been reported.

Section 23. No refund or credit for the tax imposed by this Act shall be allowed or approved after three years from the due date for payment of the tax for which the overpayment was made, or with respect to a determination made pursuant to this chapter, after six months from the date the determination becomes final, or after six months from the date of overpayment, whichever period expires later, unless a claim therefor is filed with the department within such period.

Section 24. Interest shall be computed, allowed and paid upon any overpayment of the tax imposed by this Act at the rate of two-thirds of one per cent per month from the due date for payment of the tax for which the overpayment was made, until paid.
Redeterminations; Appeals.

Section 25. (1) Any person aggrieved because of any action or determination of the department or its authorized agent may appeal to the department for a redetermination.

(2) The appeal to the department shall be undertaken and processed in the same manner as provided for appeals in ORS 323.405.

Section 26. (1) An appeal from the redetermination of the department under Section 25 of this Act may be taken by the petitioner in the same manner as income tax appeals in the Oregon Tax Court as provided in ORS 314.460.

(2) An appeal from any person aggrieved because of any action or determination of the Department of Environmental

Quality under this Act may appeal such action or determination to the circuit court. Such appeal shall be heard by the circuit court in the same manner as equity cases with a right of further appeal from the decision of the circuit court as provided by law.

Section 27. (1) The remedy provided in Section 26 of this Act shall be available to any person subject to the provisions of the Act and shall be the exclusive remedy available to judicially determine the liability of such person for the taxes imposed by this chapter.

(2) An appeal to the department under section 25 of this Act, or the Oregon Tax Court under section 26 of this Act, or to the circuit court under section 26 of this Act, shall not stay proceedings to collect any unpaid tax if the department believes that collection of the tax will be jeopardized by delay, unless it be otherwise ordered by the court.

Section 28. (1) The failure of the department to do any act required by or under the provisions of this Act shall be deemed an act committed in part at the office of the department in Salem, Oregon.

(2) The failure of the Department of Environmental Quality to do any act required by or under the provisions of this Act shall be deemed an act committed in the county in which the affected party has his principal place of business.

(3) The certificate of the department to the effect that a tax has not been paid, that a return has not been filed,

or that information has not been supplied, as required by or under the provisions of this Act, shall be prima facie evidence that such tax has not been paid, or that such return has not been filed or that such information has not been supplied.

Section 29. (1) The department shall enforce the provisions of this Act and may prescribe, adopt and enforce rules and regulations relating to the administration and enforcement of this Act.

(2) The department may employ necessary personnel for the efficient administration of this Act and may designate representatives to conduct hearings, or to perform any other duties imposed by this Act upon the department.

(3) Certification of a container by the Department of Environmental Quality under section 6 of this Act shall be conclusive evidence that such container is exempt from the tax imposed by this Act.

DISPOSITION OF REVENUE

Section 30. All moneys received by the department under this chapter shall be paid over to the State Treasurer to be held in a suspense account established under ORS 293.445. After the payment of refunds, the initial balance of moneys in this suspense account as of the end of each month shall be credited to the Scenic Protection Fund established by section 31 of this Act and is appropriated for the purposes of that account as provided by law.

Section 31. (1) There is created in the General Fund of the State Treasury an account to be known as the Scenic Protection Fund. The moneys deposited in this account pursuant to law are appropriated and shall be used for the purposes of sections 32 to 44 of this Act.

(2) Notwithstanding any other provision of law, all moneys in the Scenic Protection Fund shall be expended by warrant drawn on the State Treasurer, and then only upon proper claim submitted to the Secretary of State for audit by the appropriate representative, entitled to expend funds from the Scenic Protection Fund under this Act.

Section 32. (1) To assist in the removal of litter and trash from the recreation and scenic areas of this state, and to enforce the prohibition against the improper discard of litter and trash as provided in this Act, there is continuously appropriated to the Highway Division 50 per cent of the Scenic Protection Fund, and out of the Highway Fund the sum of \$450,000 annually for the purposes of sections 33 to 36 of this Act.

(2) The sums appropriated by this section out of the Scenic Protection Fund shall be available for expenditure as credited to the Scenic Protection Fund.

Section 33. (1) The Highway Division shall establish and administer a "Scenic Protection Corps".

(2) Personnel of the Scenic Protection Corps shall be of two classifications:

(a) Permanent personnel employed for the full calendar year, and

(b) Temporary personnel employed during the

period between Memorial Day through Labor Day and such additional periods as the commission may determine.

(3) In employing temporary personnel for the Scenic Protection Corps, the Division shall give preference to those residents of this state between the ages of 15 and 25 years who are students in high school or college.

(4) Temporary personnel shall constitute unclassified service for the purposes of ORS Chapter 240.

Section 34. The Scenic Protection Corps shall:

(1) Remove litter and trash from the public streets, roads, parks, scenic and recreational areas of the state, whether or not administered by the Highway Division, except state highways and Interstate Freeways.

(2) Patrol the public scenic and recreation areas of this state, whether or not administered by the Highway Division, and prevent the improper disposal of litter therein.

(3) Issue citations for violations of section 42 of this Act, provided no such citation shall be issued by a member of the Scenic Protection Corps who shall not have attained 21 years of age.

(4) Perform such other duties related to the prevention and removal of litter and trash as the Highway Division may from time to time prescribe.

Section 35. The Highway Division may:

(1) Provide transportation, temporary housing, clothing, supplies and other necessities for the Scenic

Protection Corps as the commission may determine to be necessary or desirable to accomplish the purposes of the corps.

(2) Contract with the State Board of Forestry for use of boys participating in the summer camp program under ORS 418.705 and pay the pro-rata compensation of such during the time they are carrying out the purposes of the Scenic Protection Corps.

(3) Cooperate with and enter into agreements with any county, city, municipal corporation or other federal or state agency to accomplish the purposes of sections 33 to 36 of this Act.

Section 36. (1) The Highway Division shall be responsible for the supervision of all members of the Scenic Protection Corps during the working hours of the members.

(2) The Division shall at all times provide for adequate adult supervision of all members of the Corps under the age of 21 years.

(3) Members of the corps shall receive such compensation as the Division may from time to time determine, but in no event less than \$2.50 per hour for each hour worked.

Section 37. (1) To assist cities and counties in the removal of litter and trash from receptacles along or in the public streets, roads, pedestrian ways, parks, recreation or scenic areas maintained by the city or county, there is continuously appropriated 15 per cent of the Scenic Protection Fund for the purposes of this section.

(2) The money appropriated by this section shall be available for distribution as follows:

(a) Fifty per cent to the cities and counties of this state in such share as the population of each city and county bears to the population of this state, the population of each county to be determined on the basis of the number of persons residing in the county outside the limits of any city entitled to money under this paragraph 2(a).

(b) Fifty per cent to the cities and counties of this state in such share as the number of miles of streets and roads maintained by such city or county bears to the total number of miles of streets and roads maintained by cities and counties in this state.

Section 38. (1) At the end of each quarter year, any city or county entitled to money under section 37 of this Act shall submit to the Department of Environmental Quality a statement, certified by its auditor or treasurer, setting forth the expense actually incurred by the city or county in collecting and removing litter and trash from receptacles along or in its streets, roads, pedestrian ways, parks, recreation or scenic areas.

(2) Upon receipt of the certified statement, the Department of Environmental Quality shall pay to the city or county the certified expense incurred for the purposes set forth in this section, but in no event more than the amount distributable to the city or county under subsection (2) of section 37 of this Act.

(3) Expenses reimbursible under this section include the cost of receptacles for litter and trash, the wages and salaries of personnel during the time they are actually engaged in collecting and removing litter and trash and the pro-rata cost of vehicles and equipment used to accomplish the purposes of this section.

Section 39. (1) To inform the public of the serious problems created by trash and litter improperly discarded in this state, there is appropriated continuously to the Department of Environmental Quality 5 per cent of the Scenic Protection Fund to be used for the purposes of this section.

(2) The Department of Environmental Quality may use the funds appropriated by this section as credited to the Scenic Protection Fund to acquire, prepare and distribute such educational and informational material through the schools and universities of this state or by contract with private non-profit corporations or associations, or by dissemination through public media as the department may deem necessary or advisable to inform the public in refraining from discarding litter and trash except at authorized places.

Section 40. (1) To reduce the amount of trash and litter along the highways of this state, there is appropriated continuously to the Highway Division 5 per cent of the Scenic Protection Fund to be used for the purposes of this section.

(2) The Highway Division may use the funds appropriated by this section as credited to the Scenic Protection Fund to:

(a) Acquire, install and maintain receptacles on privately owned property situated along the highways of this state for the deposit of trash and litter,

(b) Collect and remove trash and litter deposited in receptacles situated on private property furnished by the division, either by use of the division's own equipment and facilities or by agreement with other persons,

(3) In carrying out the purposes of this section the Highway Division may enter into such agreements with the appropriate persons, containing such terms and conditions as the commission deems necessary or desirable to carry out the purposes of the section, provided, in no event shall any such agreement require payment to a private person of a rental or other consideration solely for the privilege of placing or installing a receptacle for trash and litter on private property.

Section 41. There is hereby continuously appropriated to the Department of Environmental Quality 25 per cent of the Scenic Protection Fund for the purpose of encouraging recycling of taxable containers through redemption centers as set forth in sections 42 through 44 of this Act and for its expenses in administering this Act.

Section 42. (1) As used in sections 42 through 44 of this Act, a "redemption center" is a facility which accepts empty taxable containers and delivers the containers to a person for reuse or recycling. A container is used for recycling if the

container is utilized in the process of manufacturing containers or any other product.

(2) Any person establishing a redemption center who intends to seek reimbursement under section 44 of this Act shall prior to operation of the redemption center notify the Department of Environmental Quality of the location of the proposed redemption center, the proposed hours of operation, and the type of containers, and other material, if any, which will be accepted at the redemption center. The notice shall also state the name and address of any person to whom the collected containers are to be delivered for reuse or recycling, if known.

Section 42. (1) A redemption center shall be eligible for reimbursement for the taxable containers accepted from the funds appropriated by section 41 of this Act. Application for reimbursement shall be made quarterly by verified statement filed with the Department of Environmental Quality. Application for reimbursement shall state:

(a) The amount paid for redemption of taxable containers during the preceeding quarter,

(b) The number of taxable containers redeemed,

(c) The disposition of the taxable containers, including the person to whom delivered, the total weight of the material, or the number of containers, depending upon the terms of payment for delivery and the intended use of such person for the taxable containers.

(d) Such other information as the Department of Environmental Quality shall request.

(2). Application for reimbursement shall be filed not later than 30 days after the end of the quarter for which reimbursement is sought.

Section 44. (1) The funds appropriated by section 41 of this Act shall be applied toward payment of the expenses of the Department of Environmental Quality incurred in administering this Act, and the balance distributed as provided in subsection (2) of this section.

(2) A redemption center shall be partially compensated for its costs and expense in accepting taxable containers and providing for the reuse or recycling of such containers. Compensation to be paid to a redemption center shall be the lesser of:

(a) One-fourth of one cent for each taxable container accepted for redemption and delivered for reuse or recycling during the preceeding quarter, or

(b) One-half of the amount paid by the redemption center to persons delivering taxable containers to the redemption center.

(3) In the event the funds available for payment to redemption centers are insufficient in any quarter to pay all claims for reimbursement in full, then the Department of Environmental Quality shall pay such claims on a pro-rata basis and credit the account of the redemption center in the amount of the deficiency. When funds become available, the amount credited to the account of a redemption center shall be paid.

Section 45. (1) As used in this section, "litter" means any rubbish, trash, garbage, debris or other waste material having a combined weight of 10 pounds or less.

(2) A person commits the crime of littering if he intentionally:

(a) Throws, deposits or discards litter upon the land of another, including publicly owned land, without permission of the owner, or

(b) Permits any litter to be thrown from a vehicle which he is operating, except that this subsection shall not apply to a person operating a vehicle transporting passengers for hire subject to regulation by the Interstate Commerce Commission or the Public Utility Commissioner or a person operating a school bus subject to ORS 485.010 to 485.060.

Section 46. (1) All actions for the violation of section 45 of this Act shall be prosecuted in the manner provided in ORS Chapter. 484.

(2) Any police officer, as defined in ORS 484.010(7), and any member of the Scenic Protection Corps over the age of 21 years may issue citations for the violation of section 45 of this Act.

Section 47. Violation of section 45 of this Act is punishable upon conviction by a fine of not more than \$5.00.

Section 48. (1) Any person who fails or refuses to file any report required to be made by this Act, or who fails or refuses to furnish a supplemental report or other data required

by the department under this Act, or who renders a false report, is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$500.00 for each offense.

(2) Any person required to make, render, sign, or verify any report under this Act, who makes any false report with intent to defeat or evade the determination required by law to be made is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$5,000.00 or be imprisoned for not exceeding one year in the county jail, or be subject to both fine and imprisonment, in the discretion of the circuit court.

(3) Any person who violates any provisions of this Act, except as otherwise provided, is guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than \$500.00 for each offense.

Section 49. All fines and penalties recovered for violation of this Act shall be paid to the State Treasurer and credited to the Scenic Protection Fund.

Section 50. The tax imposed by section 3 of this Act takes effect on October 1, 1971.

Section 51. Unit captions in this Act are for the convenience of the user and are not intended to be and shall not be part of the statute law of this state.



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ON BEHALF OF OUR MEMBERS AND FAMILY, REQUEST YOU VOTE AGAINST
HB 1036. TOO MUCH UNEMPLOYMENT OUR MEMBERSHIP ALREADY.

DARRELL BEERBOWER, PRESIDENT

LOCAL 7446

UNITED STEELWORKERS OF AMERICA

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MARION COUNTY
BOARD OF COMMISSIONERS
COURTHOUSE
SALEM, OREGON 97301

March 10, 1971

Representative Roger E. Martin, Chairman
House State and Federal Affairs Committee
State Capitol
Salem, Oregon 97310

Dear Representative Martin:

This is to advise that the Association of Oregon Counties
has approved the concept of House Bill 1036.

As President of the Association of Oregon Counties and
as a member of the Marion County Board of Commissioners,
I would recommend that your committee strongly support
this bill.

Very truly yours,


Pat McCarthy
Commissioner

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LITTERING IN MARION COUNTY

Report to Legislative Committee on March 3, 1971
Presented by: John A. Anderson, Director of Public Works

Littering in Marion County is becoming more of a major problem and expense to the County Highway Department. Over the past few years we have seen the litter problem on the County road system grow from an occasional pickup of roadside dumping to a point where we can only estimate that the cost of roadside collection of existing litter could be approximately \$100,000 per year if we were to keep up with the litter. We are currently only spending \$20,000 per year, and we are by no means keeping up with the requirements.

One of the more recent bits of statistical information in the "American City" issue of December, 1969 states that:

"Each day American motorists drop an average of 43 pieces of litter for every mile of interstate and primary highways--nearly 16,000 pieces per mile per year, according to a study by Keep America Beautiful, Inc. The Highway Research Board of the National Academy of Sciences and the highway department of 29 states participated. The Study showed an average monthly accumulation of about one cubic yard per mile.

"Paper items accounted for 59% of total roadside litter. The balance were cans (16%), plastic items (6%), bottles and jars (6%), and miscellaneous (13%).

"In the large miscellaneous group were items such as tires, lumber, hair curlers, underwear, false teeth and washing machines."

This is concerned primarily with the roadside litter accumulated on interstate and primary highways. We can only guess at what our monthly accumulation would be on our county roads but it is

a great amount now and is growing rapidly. I am firmly convinced that our county roads receive such large quantities of litter because local roads are more isolated and are without heavy volumes of traffic and people feel they can dump without fear of detection.

Laws and law enforcement are not necessarily a solution to our littering problem. Recently the Marion County Sheriff's Department apprehended violators on one of our local county roads near Silverton "dumping" on the bank of Abiqua Creek. The "dump" was made by people who are on welfare. The people involved say they cannot afford to pay collection fees and therefore dump their waste on public rights-of-way or any place they can dispose of it, hopefully without detection. Is prosecution the answer? I'm not certain that it is--and may create even more public expense.

In order to clean up this mess the Marion County Highway Department will have to utilize a shovel with a clamshell bucket and at least two trucks for $\frac{1}{2}$ day, amounting to some \$250. This is only a typical instance of things that happen on roadway littering everyday on the Marion County Road System.

How do we correct or solve the littering problem? Idealists might feel that we should be able to do this through regulations and through public information. The Glass Container Manufacturers, Inc., has put out a very pleasant little booklet on litter. They cite the need for public information. They show that littering is being stopped through concerted effort of civic organizations such as Keep America Beautiful, Inc., and private industry; and they state that their efforts are "producing results." I am realistic enough to suggest that these campaigns are only scratching the surface of

our litter problem. Some of the ways in which it might be helpful to stop the roadside litter would be as follows:

1. Put local government into the sanitary landfill operation by making garbage disposal areas, sanitary landfills, etc., at no expense to users. For example, let us go back to the dumping problem cited above on Abiqua Creek. The quantities of material to be moved would cost at a privately operated sanitary landfill some \$10.00 in collection fees. Our County Highway Department will have spent approximately 30 times that amount in correcting the problem. I would like to tell another true story regarding the public's attitude regarding dumping fees. A former janitor who cleaned up my office stopped me on evening after work and complained bitterly about the fact that he got charged 75¢ to dump a pickup load which he took to the Woodburn dump. This man lives 15 miles from the Woodburn landfill or a total of 30 miles round trip. This man's cost would have been at least 10¢ per mile or a total vehicle expense of \$3.00 not including his own time. He had no concern about the expense on his vehicle or his time but was concerned about what he thought was an excessive charge for dumping fees.

2. Other means of helping solve the littering problem might be:

a. Compulsory city or urban garbage collection.

b. The enactment of legislation prohibiting no-deposit no-return container somewhat similar to the legislative attempt of last session. I am sure you have all ready the editorial in the December 29 issue of the Oregon Statesman paper regarding this as a possible means of solution.

c. Additional revenue for local government to help in the policing and prosecution of the junk and litter ordinances.

I do not state that any of these above items would be the solution, but that they, individually or collectively, might be a deterrent and even limit the amount of roadway litter that we are now receiving.

Solid Waste Disposal

We cannot speak effectively about the litter problem without mentioning solid waste disposal. This committee may be aware of the progressive thinking of the Marion County in the field of solid waste disposal. The Board of County Commissioners hopes that sometime in the near future a solid waste disposal facility can be developed which utilizes entirely the concept of recycling and reuse. This, however, cannot be done on a small scale and we are at the present time investigating a regional concept toward this final goal.

In the meantime, sanitary landfills seem to be the most economical method of disposing of our solid waste. My feelings are that this is no permanent solution. We have only three elements in which to discharge or dispose of our waste products: They are the air, the water, and the land. Waste products being discharged into any one of these elements is inviting pollution and there is no more reason for the land to be polluted than air or water. This office would urge the legislatures to consider financial assistance in setting-up a pilot program which would ultimately lead to statewide utilization of total recovery facilities in our solid waste field.

This need not be a crash program or a total utilization concept to start with; but, instead, I visualize it could be a

stage development process. The other day I reviewed the classified advertisements in the local paper and discovered to my surprise that there was a local firm advertising for old newspapers and would pay \$8 per ton for them. 59% of our solid waste consists of paper products. Why not start with the recycling and reuse of these paper products and encouraging markets for them? Some other steps could then be taken for the development of facilities for segregation of compostable materials, salvage of metal materials, etc. Experts in the field of ecology have recently stated in Time magazine reports that land pollution can no longer be condoned, and that we must now learn to recycle and to reuse.

The Oregon Statesman

SALEM FOUNDED 1851 OREGON

"No Favor Sways Us; No Fear Shall Awe." — From First Statesman, March 28, 1851

Charles A. Sprague—Editor and Publisher—1929-1969

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New Flood of Potential Litter Due

The makers of no-deposit no-return soft drink bottles plan a \$7.5 million campaign this next year to promote their product, which has become a major source of litter.

It is described by the Glass Container Manufacturers Institute as "the largest single coordinated promotional effort ever undertaken on behalf of any consumer package."

It is estimated that returnable bottles make up 56 per cent of the containers of soft drinks and beer, with cans 28 per cent and one-way bottles 16 per cent.

The campaign will attempt to convince bottlers that housewives no longer want to bother with returning bottles and grocers object to the problem of handling them.

As a sop to those who object to the litter problem, the campaign will include anti-littering messages.

The bottlers also are conducting "public education" campaign against littering, while continuing to switch to the no-return containers.

Both the bottles and aluminum cans are permanent type containers. They can last

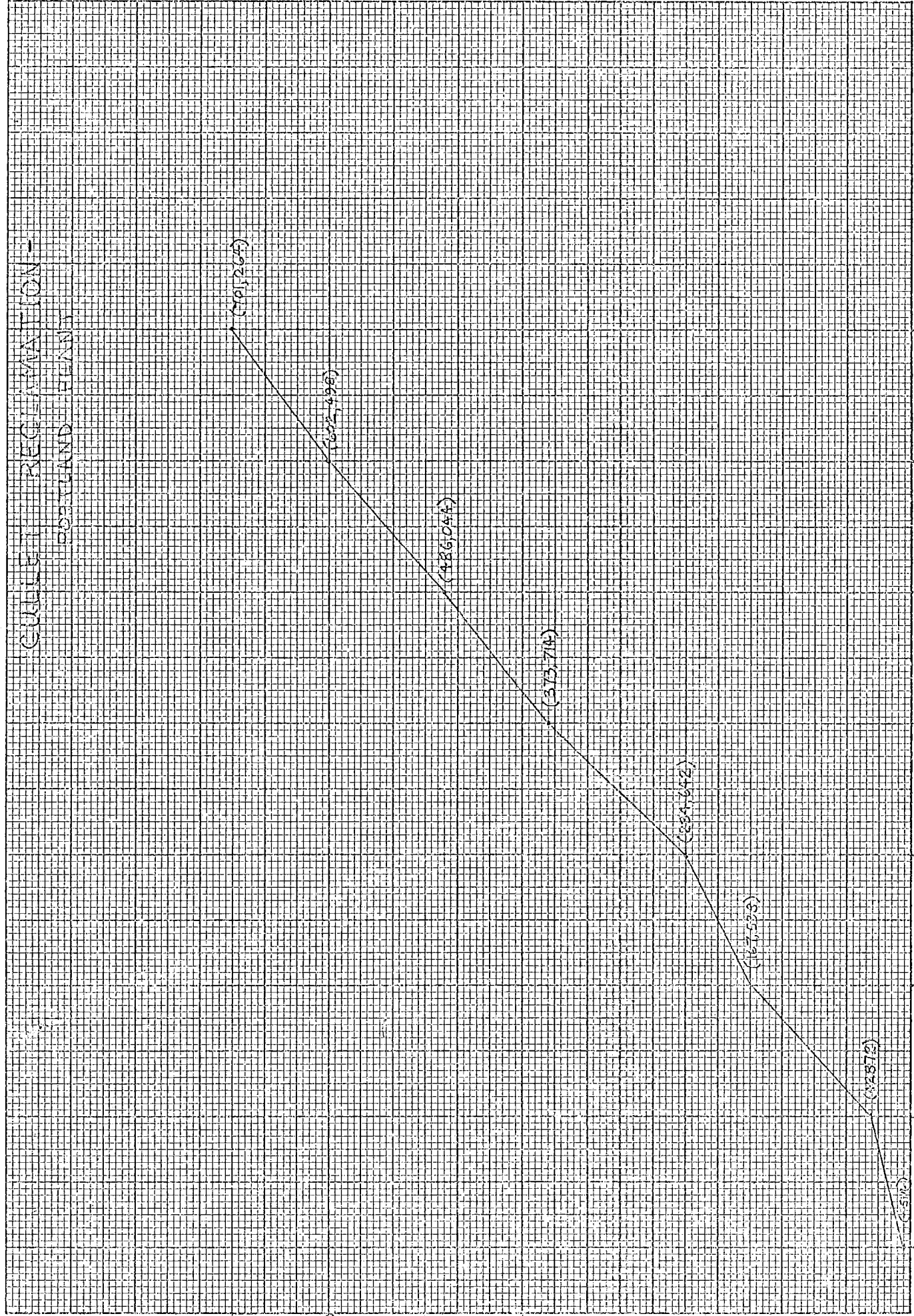
as litter literally hundreds of years. It is naive and unrealistic to contend either that law enforcement officials can control litter or that the bottles and cans will not be tossed from cars in response to a public appeal for clean highways.

We sympathize with the Clackamas county sheriff who is grumbling because his deputies are expected to supervise litter law violators who are sent by courts to collect debris from highways. He correctly says his men should be enforcing criminal law instead of babysitting litterbugs.

The all-out campaign to flood the country with no-return bottles should be met by renewal of efforts to legally prohibit the sale of soft drinks and beer in such containers.

A measure to this effect almost passed the House at the last session of the Oregon legislature. The only realistic way to combat this problem of permanent litter is to cut it off at the source. Requiring bottlers to use returnable containers, as they have for many decades past, would reduce the source of ammunition for litterbugs. The alternative is the increasing flood of bottles and cans which the container makers are only too happy to supply.

CULVERT RECLAMATION -
PORTLAND, PENNS.



JULY AUGUST SEPTEMBER OCTOBER NOVEMBER DECEMBER JANUARY FEBRUARY 1970 1971

TYPES OF CONTAINERS

CERTIFIED CONTAINER (Must be returnable)	RETURNABLE BOTTLE	NON-RETURNABLE BOTTLE	CAN
<p>Not a bottle of a specific brand. Usually a returnable bottle that can be used by more than one manufacture.</p> <p>1¢ deposit to consumer 2¢ deposit to dealer</p>	<p>(Not a certified container) Returnable bottle for a specific brand. i.e. Coke, etc.</p> <p>5¢ deposit to consumer</p>	<p>1/4¢ per unit tax</p>	<p>1/4¢ per unit tax</p>
<p>These deposits are basically the present trade practices today.</p>			

SCENIC PROTECTION FUND

Non-returnable bottle and can tax would raise an estimated \$900,000.00 per annum.

<p>\$450,000</p>	<p>\$135,000</p>	<p>\$45,000</p>	<p>\$45,000</p>	<p>\$225,000</p>
<p>50% of Scenic Protection Fund equals approximately \$450,000.00</p> <p>Appropriation from State Highway Fund <u>450,000.00</u></p> <p><u>\$900,000.00</u></p> <p>Scenic Protection Corps</p> <p>Clean-up</p> <p>Patrol Scenic Areas</p> <p>Issue Citations</p>	<p>15% To Cities and Counties for Litter Removal</p>	<p>5% Education Programs</p>	<p>5% Litter Cleanup on Private Property</p>	<p>25% Redemption Centers</p> <p>Can be Public or Private</p> <p>A redemption center shall be partially compensated for its costs and expense in accepting taxable containers and providing for the reuse or recycling of such containers.</p>

3/17/71
Waggoner

OREGON - 1970

	CONTAINER FILLING: DURING YEAR MILLIONS.	
	NON RETURN	RETURNABLE
<u>BEEER</u>		
BOTTLES	100	100
CANS	130	130
<u>SOFT DRINKS</u>	100	170
TOTAL	330	270

1971 ESTIMATE: APPROX. ONE MILLION
NON RETURNABLE CONTAINERS PER DAY.

LITTER PICKUP SURVEY
Saturday March 20 - 8:30 a.m. to 11:00 a.m.

There has been a great deal of testimony to the Legislature at Salem stating that, nationally, beverage containers are a small proportion of the total litter. They have cited national figures showing that paper makes up 59% of all litter.

The Portland area group of PLAN (Peoples Lobby Against Nonreturnables) is planning a one-day (2½ hour) litter pickup survey this Saturday, March 20. This survey will provide a basis to determine the facts for Oregon.

Volunteers are urgently needed to help in this effort. Each litter survey volunteer will meet at one of the following locations at 9:30 a.m. on March 20:

Ainsworth Elementary School: 2425 S.W. Vista Avenue, Portland.

Adams High School: The parking lot at 5700 N.E. 39th Avenue, Portland.

Johnson Creek Area: The parking lot of Associated Chemists, 4401 S.E. Johnson Creek Blvd., Portland.

Lake Oswego: At the municipal parking lot south of the police station at 351 First Street, Lake Oswego.

Trucks will be stationed at each of the above locations. Written instructions will be given to each volunteer. Gunny sacks or plastic bags will also be provided at that time. Each volunteer will be assigned a roadside area and be asked to pickup all the paper, glass and metal containers which he finds in his area.

As soon as they have filled their bags, each volunteer will return to the truck for deposit of his litter. They will then return to gather more litter until 11:00. At that time the trucks will all go to Ainsworth School where the litter will be sorted.

There will be six sorting categories: paper, beverage cans, nonreturnable beverage bottles, returnable beverage bottles and non-beverage cans and bottles.

Pictures will then be taken of each pile. A rough tally will also be made of the number of returnable and nonreturnable cans and bottles so that estimates of their value for glass reclaiming, metal reclaiming and under a 5¢ deposit system may be made.

The various piles will then be loaded back into the trucks and the glass and cans sent to reclamation centers. The paper will be sent to the dump.

COST PER CASE ^(A)

	CONTAINER TYPE		
	12 OZ. CAN	11 OZ. NON RETURN BOTTLE	11 OZ. RETURNABLE BOTTLE ^(B)
BREWERY PRICE	3.27	2.87	2.53
DISTRIBUTORS & RETAILERS MARKUP	56%	56%	66%
RETAIL PRICE	5.12	4.48	4.20
NUMBER OF OUNCES	288	264	264
COST PER OZ. AT RETAIL	1.775¢	1.700	1.59
% OVER 11 OZ. RETURNABLE	+12%	+7%	—

^(A) - 4 - 6 Paks - Portland Area 2-16-71 (BLITZ)

^(B) DOES NOT INCLUDE DEPOSIT
₍₃₎

DAW
3-17-71

PROBABLE RESULTS

	HB-1036 "BOTTLE BILL"	HB-1949 "LITTER BILL"
EFFECT ON LITTER TENDENCY	REDUCE	<u>INCREASE</u>
INCENTIVE FOR LITTER PICKUP	5¢/CONTAINER	NONE
ENCOURAGES USE OF RETURNABLES	YES	VERY SLIGHT
ASSISTS RESOURCE RECLAMATION	YES	NO EFFECT
LITTER PICKUP COSTS	REDUCE	<u>INCREASE</u>
EFFECT ON BEVERAGE COST TO CUSTOMER	SLIGHT INCREASE	SLIGHT INCREASE

THE THROW-AWAY CONTAINER IN OREGON

THE PROBLEM

Our nation has been rapidly changing into a "convenience packaging" or "throw-away" society. Oregon has not yet reached the stage where all of our beverage containers are nonreturnable, but the trend is there. During 1970, there were 600,000,000 containers of soft drinks and beer sold in Oregon. If the trends presently established were allowed to go unchecked, soon virtually all of these containers would become solid waste or litter after one use.

The fact that our natural resources and energy resources are limited is becoming more and more widely known. The feeling is growing that something must be done. Listed below are some of the alternatives which have been offered as substitutes to the "use-it-once and throw-it-away" philosophy:

GLASS RECLAIMING

Owens Illinois in Portland is now buying back glass for one cent per pound. During January, 1971 they received approximately 600,000 pounds, mostly from organizations who saw the program as an opportunity to make some money and reduce solid waste at the same time. Commendable as this is, it must be viewed in respect to Owens Illinois' total production. The Portland plant produces some 300 tons of glass per day and operates continuously. Consequently, during January approximately 9,300 tons or 18,600,000 pounds of bottles were produced. Consequently the used glass returned amounts to slightly over 3% of their production.

Energy requirements to manufacture glass are not small. It takes between six and seven million BTU's to make a ton of glass from raw materials. Reclaimed glass or "cullet" requires somewhat less at four to five million BTU's. Owens Illinois primarily uses gas for energy. If they did use electricity, the energy required to make one average 11 oz. throw-away beer bottle from new glass (one half pound) would light a 100 watt lamp for four hours.

METAL RECLAIMING

Another alternative recently presented by industry enables the consumer to return his cans to a redemption center for subsequent reclamation. As initially announced the centers would pay \$10 per ton for bimetals (aluminum top and steel sides and bottom) and \$20 per ton for all steel cans. Nearly all beer and soft drink cans are bimetals. When this program was announced later in Oregon no mention was made of the payment to the person bringing in the cans. This is probably just as well since the return to the consumers is so small that they really have to be dedicated to bring them in anyway. It takes approximately ninety 12 oz. bimetals cans to reach a value of 5 cents.

ADDITIONAL TAXES

It has been proposed that a _____ cent tax be levied against all nonreturnable beverage containers. This proposal penalizes the vast majority of our citizens who don't litter and favors the few who do. While it would help to pay for the cost of solid disposal and litter pickup costs, there is good reason to believe that such a tax would actually encourage littering since the thoughtless might rationalize that they had already paid the cost of litter pickup.

EDUCATION AND FINES

Industry has long advocated more education and stiffer fines for litterers. While an ongoing anti-litter educational program is certainly needed and stiffer fines will help, it is doubtful that these remedies can reduce the problem significantly.

LEGISLATION

The Oregon Legislature has two bills pending. They are HB 1036 which places a five cent deposit on all beer and soft drink containers sold for off premises consumption and bans the "flip-top" or "pull tab" on cans. The other bill, SB 194 places a five cent deposit on all alcoholic beverages (beer, wine and hard liquor) plus soft drinks.

CONCLUSIONS

It is our conclusion that all of the above alternatives with the exception of the tax are good ones and should be explored and amplified in the future. The major alternative which has not yet been implemented is the five cent deposit on all beverage containers. We particularly favor HB 1036 since it covers 94% of all alcoholic and soft drink container sales and nearly all the beverage-related litter.

1. It will encourage the return and reuse of returnable bottles by providing a realistic monetary incentive.
2. It will provide an incentive and mechanism for return of used beverage cans. This will make it far more likely that they will be reclaimed, and save our dwindling natural resources.
3. It will reduce litter by giving an incentive for the return of the beverage cans and bottles. If the containers are discarded as litter, the deposit will provide an incentive for their pickup by individuals or firms. If the containers are collected by public agencies, this would provide a new form of revenue.
4. It will leave beverage costs for returnables substantially unchanged. Costs for cans or "nonreturnable" bottles would probably increase slightly to compensate the retailer and distributors for handling the empties on their way to a reclamation depot.

Glass Container Council of Canada

Suite 501, 67 Yonge Street, Toronto 215, Ontario, Telephone (416) 364-4109

February 12, 1971

Mr. J.J. Wuerthner, Jr.
Vice President of Public Affairs
G.C.M.I.
330 Madison Avenue
NEW YORK, N.Y. 10017
U.S.A.

Dear J.J.:

Bill 33 British Columbia

This is a short report to bring you up-to-date on Bill 33.

As you are aware, this Bill was drafted and enacted without any industries being allowed to contribute or their opinions requested by the government.

We were allowed to discuss with the minister concerned the regulations for the Act and at that time it was decided by the minister to exempt cans and later he changed his mind and cans came back, along with plastic containers and glass. These containers now have a compulsory 2¢ refund.

Just to clarify the point, the Bill does cover other items such as littering at camp sites, etc. but these have received little publicity and I do not know if they have been enforced to any extent.

The Bill was proclaimed to be in effect on July 1, 1970, but compulsory refunds did not have to be given until January 1, 1971.

The brewing industry went into compulsory refunds immediately, which was comparatively easy to do because approximately 95% of the business is in returnable bottles so it meant they only had to give a refund on the small percentage of cans used in the industry.

Discussions were carried on between the bottlers, canners and supermarkets on all possible solutions to the legislation with the following results.

.../...

Mr. J.J. Wuerthner, Jr.
G.C.M.I., NEW YORK

February 12, 1971

In the fall, the supermarkets delisted all national brands in bottles and later in cans, but continued in national brands in returnable quarts. Later, most supermarkets delisted the national brands in quarts as well and went with private label, both in cans and quarts.

As of January 1, 1971, the canners and supermarkets formed a company called Pacific Reclamation and this organization will take back the private brand cans of the supermarkets only. The private brand quarts (and now national brand quarts which have been reinstated) are refunded at the supermarket but, as I say, the cans bought from the same place must be taken to a depot which may be thirty or forty blocks away.

The national brand bottlers tell the public to take their bottles and cans back to any one of the 15,000 retailers and they will get a refund from them, and these will be picked up by the bottlers. The one-trip bottles are sold back to the glass container companies at \$15 a ton and, at the present time, I do not believe they have any use for the cans as their volume is not big enough.

We were advised last week in Vancouver that in the first month approximately 7% of the cans sold by the supermarkets were returned to the reclamation centres. Although the final figures are not available, it is estimated between 20% to 30% of the one-trip bottles were returned to the retailers.

From this it is obvious that as an anti-litter bill it is a complete failure. The confusion in the marketplace is unprecedented in this province and even the smartest consumer would have difficulty figuring out what it is all about with the conflicting ads and information sent to the press. I am attaching some ads which will give you an indication of what I am talking about.

Last week, the franchised houses (minus Coca-Cola), the can manufacturers, the canners, the supermarkets, the bottlers and the glass container companies met in Vancouver and we presented the Washington State type of legislation with a suggestion that if we all pulled together, we might be able to have the government change the bill that obviously is having no effect whatsoever in controlling litter. This was well received generally and is now being studied by the various groups in British Columbia and a moratorium has been called on advertising such as the attached.

Mr. J.J. Wuerthner, Jr.
G.C.M.I., New York

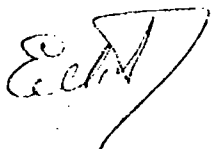
February 12, 1971

As of yesterday, it is interesting to note that Safeways reinstated the national brands in quarts and, hopefully, we will be able to finally tackle the problem in British Columbia on a united basis rather than by individual groups.

If anything positive has been achieved by this bill, it is that two other provinces, possibly three, admit this type of legislation is not workable and is doing little or nothing to control litter and, of course, is not making any effort in the solid waste field.

I hope this information will be of help to you.

Kindest personal regards,

A handwritten signature in dark ink, appearing to read "H. Dalton", enclosed within a simple, hand-drawn rectangular border.

H. Elliot Dalton
Executive Director

Encs.

Why won't you return bottles?

By PATRICK FELLOWS
Star staff writer

Canada's glass bottle manufacturers have been thrown into a national talspin by British Columbia's new law banning non-returnable glass, metal and plastic drink containers.

The net result of the legislation so far is a sharp reduction in bottle-buying by soft drink companies in B.C., more than 300 people laid off in three western Canada bottle plants, and a mass of confusion about the workings of the new system.

So far, the bottle is the loser and the can is the winner.

Only B.C. has put up the barriers against non-returnable containers, but what if other provinces follow suit in the interests of curbing litter?

It's a short-term problem says J. D. Mingay, president of Consumers Glass Co. of Toronto, one of the two firms that dominate the Canadian glass bottle market.

But Mingay concedes the industry is faced unexpectedly with the problem of bending public opinion back to glass containers.

Meanwhile, the bottle men are smarting, western bottle plants are operating much below capacity with sharply reduced payrolls and corporate profits are feeling the pinch.

B.C.'s new act was implemented last August. It requires manufacturers and retailers to give a minimum refund of two cents on glass, metal and plastic drink containers. The act became fully effective Jan. 1 with the requirement that non-reusable containers be marked to indicate a refund will be paid.

Refunds not working

The problem centres on the fact that the public apparently prefers to discard containers rather than return them. Higher refunds have done little to change this attitude.

In B.C., the clamp-down on non-returnable bottles was supposed to bring returnable glass back into favor. Returnables made some headway, but the real winner was the metal container.

Consumers' Mingay says the result has been a "considerable" reduction in bottle buying in B.C., although the picture is "confusing even to us because two big Vancouver bottlers reported a record month in December."

What is crystal clear is that a total of 301 workers have been laid off from Consumers' new plant at Lavington, near Vernon, B.C., and from Dominion Glass operations at Burnaby, B.C., and Redcliff, Alta. At Lavington, the layoff comprises more than 40 per cent of the payroll.

The \$12 million Lavington plant was opened in 1969. It was geared in large part to the non-returnable bottle. And located as it is in a federally-designated development area, it has had substantial setting-up assistance from Ottawa—\$2,000,000 in cash and \$1,000,000 by way of accelerated tax write-offs.

So, curiously, while one government helped to put Lavington on its feet, another government chopped away at the underpinnings.

At Burnaby, Dominion Glass doubled production facilities a year ago in anticipation of increased demand for non-returnable bottles.

Industry spokesmen say the B.C. expansion was undertaken only after provincial government assurance that there would be no restrictive legislation against non-returnables.

Criticizes B.C.

They call the B.C. action unworkable and "completely misdirected." And there is some apprehension that other provinces may move in the same direction.

Mingay, who is a member of the committee set up by Ontario Energy Minister George Kerr to study the pollution-litter problem, feels there is a "distinct possibility" that Ontario may enact a B.C.-style law against non-returnable containers.

In the present aura of uncertainty, Mingay says promotion of the non-returnable bottle has been withdrawn and can makers are unquestionably getting a larger piece of the market.

He sees the problem largely as one of educating the public to what he feels to be the superior qualities of glass—and its relative cheapness.

Glass does have some notable promotional triumphs—baby food producers, for example, have switched almost entirely to glass from cans.

Mingay doesn't think the problem is long-term or that it is as serious "as some financial experts seem to think."

Mingay and others in the industry feel that anti-litter legislation should be directed to the consumer, and be rigidly enforced.

He doesn't expect current B.C. law to produce any more than 25 per cent returns of bottles or cans.

The public has shown a growing unwillingness to carry a bottle in two directions. A decade ago the average soft-drink bottle's life expectancy was 20 trips or more. Now it's down to three or four, industry sources say, before the bottle is broken, lost or consigned to the garbage bin.

Tough on bottlers

This is hard luck for the bottler who must continually replenish his supplies. The lower the bottle trippage, the greater the bottler's costs.

One of the favorite illustrations of the declining life span of the bottle is the experience of Pepsi Cola, which not long ago "floated an issue" of 14,400,000 16-ounce bottles in the New York area.

To try to keep the containers rotating, Pepsi raised the deposit on each to five cents from two cents. But within six months the entire float had disappeared.

The Pepsi Generation of New Yorkers pre-

ferred to forfeit \$720,000 of its own money instead of lugging empty bottles back to the store.

One U.S. soft drink company raised the deposit to 10 cents—with results that were almost as unproductive.

If the B.C. anti-litter law were reversed tomorrow, would the consumer go back to glass containers?

"You bet he would," says J. D. Mingay. "Drinks in glass taste better and they can be kept on the shelf a great deal longer."

"Take a can that's been in stock for three or four months, he contends, "and you won't drink it; the coating on the inside of the can comes off. And some slow-moving brands can easily remain that long in corner stores."

But the fast-turnover supermarkets in B.C. have opted for the can. The big Safeway operation will no longer handle bottles of less than 26 ounces, Mingay says.

One attraction of the can is that it's light. But new, attractive and surprisingly lightweight bottles are on the way.

One problem is to toughen them. The toughening process is available, but as yet hasn't been meshed with the manufacturing operation on a commercial basis.

Bouncing bottles

"We're not too far away from the tough, light bottle," says Mingay. Of the prototypes that have been produced, "you can bounce them off the wall." He claims the lightweight bottle can be made at about half the price of a can.

In 1969 the glass container industry had sales of about \$115 million. Consumers says its soft-drink containers comprise about 35 per cent of total shipments and 29 per cent in dollar terms.

Analysts have lowered their estimates for 1970 and 1971 earnings for the two major bottle makers.

One projection, for \$1.25 a share for Dominion in 1970, made when the B.C. litter law first came into effect, has been revised to \$1.20 with the \$1.25 figure shifted to 1971.

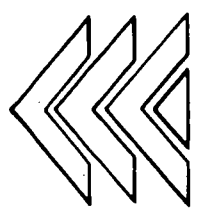
The same source has chopped his profit expectation of \$1.03 for Consumers in 1970 to 70-75 cents, and the earlier estimate of \$1.35 for 1971 to \$1.15-\$1.20.

For the longer haul, the glass crystal ball has plenty of glitter.

For example, glass men say there's a lot of ground to cover if Canadian glass container usage is to catch up with that in the U.S.: For every two bottles or jars bought by Canadians, Americans buy approximately three.

Glass for road-making has been experimented with, apparently successfully, and industry men think it could be a big-volume item in future.

Glass men are sure the can won't bottle up the soft-drink market, despite its inroads in B.C. "We aren't going to let the can makers walk all over us," says J. D. Mingay.



← **RUSADE** for a ← **LEANER** ← **ENVIRONMENT**

FACT SHEET

Number 4

THE EFFECT ON JOBS OF THE TREND TOWARD NON-RETURNABLE CONTAINERS IN THE BEER AND SOFT DRINK INDUSTRIES

The switch-over from returnable, money-back bottles to throw-away containers in the beer industry has been paralleled by a sharp decline in the number of breweries with a consequent loss of jobs and corresponding decline in payrolls.

Figures from the U. S. Department of Commerce show that the number of breweries in this country dropped from 262 in 1958 to 188 in 1967, a decline of 28.3%. Recently, a representative of the U. S. Brewers Association estimated there were now less than 80 brewing companies.

The number of persons employed by breweries dropped from 71,700 in 1958 to 60,500 in 1967, a decline of 15.6%. Based on the average wage rate of \$8,714 in 1967, the 11,200 job decline amounted to a payroll loss of \$97,596,800.

It is estimated that even larger repercussions will occur in the soft drink industry -- if the switch to throw-aways continues. If the current trend continues, experts predict that by 1975, all soft drinks will be sold in non-returnable containers. In 1967 there were 3,403 soft drink bottling plants in this country employing 123,400 persons with a total payroll of \$727,100,000.

If the trend to throw-aways in the soft drink industry parallels the beer industry, which it has to date, a decline of 28.3% in the number of plants would amount to a drop in plants of 936, or a new total of 2,440 plants. The number of employees, with a 15.6% decline, would fall to 104,150. Using the 1967 payroll figure of \$5,892, the total loss in payroll would be \$113,421,000 yearly.

A complete switch to throw-aways would also affect employment in food stores and other establishments selling soft drinks. Food chains estimate that it takes between 1/4 and 1/2 of a man to physically handle the sorting and related work connected with

(Over)

with headquarters in New York City. It is designed to act as "the co-ordinating center of State and local litter prevention groups". Keep America Beautiful, Inc., is financed by business organizations, including all firms engaged in the manufacture and distribution of all forms of containers and packaging materials. Its Advisory Council consists of such organizations as Girl and Boy Scouts, the U. S. Junior Chamber of Commerce, Outdoor Writers of America, the Federation of Women's Clubs, the Garden Clubs of America, Audubon Society, National Education Association, Farm Bureau, National Grange and similar groups.

The Commission is convinced that roadsides of Vermont, during the past Summer, appeared more free of litter than in previous years, due to public cooperation with the efforts of the litter prevention campaign.

CONCLUSIONS

The Vermont Litter Commission, over a period of approximately one year, has made every effort to secure all possible evidence relating to the litter problem and to non-returnable malt beverage containers so far as such containers concern the litter problem.

It is the opinion of the Commission that the throwing and/or dumping of debris on roadsides and other public areas represents a problem of some magnitude.

Our studies have made it apparent that highway litter, its causes and possible methods for its elimination are matters on which considerable thought and action are being devoted in virtually every State in the Country.

The following conclusions have been reached by the Commission after careful consideration and all available evidence has been studied:

That the highways of Vermont are public facilities whose usage has resulted in an increasing litter problem, due to the unawareness or irresponsibility of residents and non-residents.

That public education offers the source through which the bad habit of littering can be solved, so far as the majority of highway users is concerned.

That a program of public education, as conducted in recent months by Keep Vermont Beautiful, with the cooperation of the Department of Highways and other State agencies, has resulted in the first inroads against litter.

That the ban on non-returnable glass containers has not lessened the quantity of roadside litter.

That much of the litter along highways and other public areas is due to a lack of dumping facilities throughout the State.

RECOMMENDATIONS

The Commission recommends:

That the program started by Keep Vermont Beautiful, with the cooperation of the Department of Highways and other State agencies be continued, with the cooperation of all individuals and civic organizations throughout the State.

That stricter enforcement of the anti-litter law is required for the comparatively few motorists and others who will not yield to persuasion.

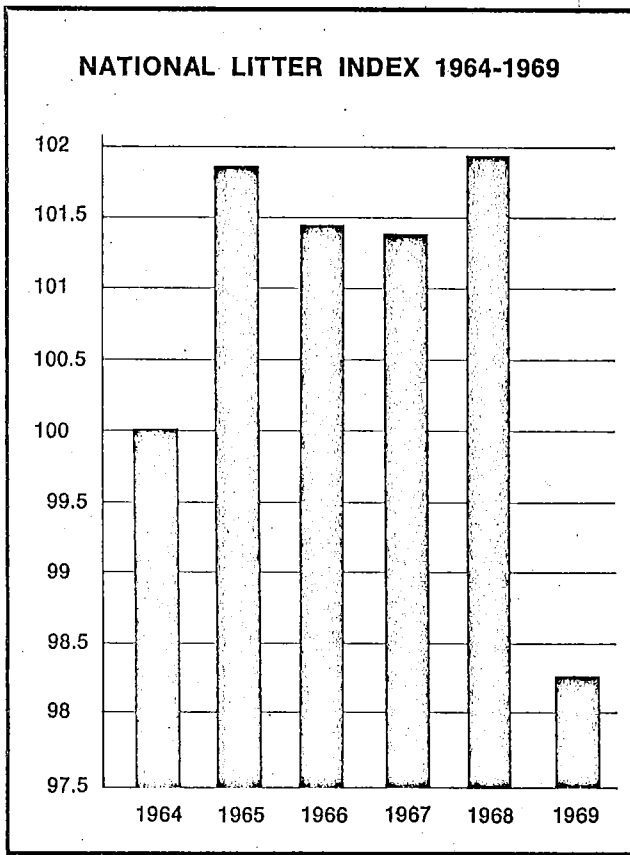
That legislation be enacted, requiring that all trucks which are used for the transportation of materials that might be scattered along the highways, shall have such materials covered at all times during such transportation.

That legislation be enacted, requiring each town, or a combination of adjoining towns, to maintain a public dump.

That the ban on non-returnable glass containers should not be re-enacted. However, if the Legislature feels the legislation against non-returnable containers is an effective means of combatting the litter problem, then all non-returnable containers should be banned, rather than a small portion thereof.

Respectfully submitted,

/s/ Milford K. Smith
/s/ Graham S. Newell
/s/ Hugh Agnew
/s/ Herman L. Allen
/s/ Clifton C. Stafford
Commissioners, Vermont State
Litter Commission



NATIONAL LITTER INDEX DROPS 3.5 POINTS

For the first time since it was established *KAB's Annual National Litter Index* has dropped below 100.

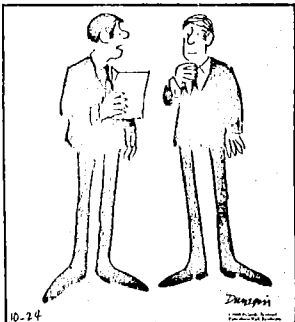
The 1969 *Index* stands at 98.26 far less than last year's 101.82 and well below the 1964 base year's 100.

The *Index* is based on the number of miles traveled by motor vehicles on the nation's highways each year relative to the cost of litter removal from these roads.

The expense of collecting roadside litter in the fifty states has soared 55% in the past six years due

largely to higher wages and rising equipment costs. The costs were \$19,687,733 in 1963; and \$30,319,469 last year. The number of miles traveled by motor vehicles in the United States rose 22% during this period from 311.7 billion miles in 1963 to 379.5 billion last year.

TELL IT LIKE IT IS by Dunagin



"IN THIS LATEST POLL, NINE OUT OF TEN DOCTORS SAID THE LITTER BUG WAS A VIRUS."

HIGHWAY LITTER SURVEY

In order to obtain objective information about the composition and nature of the litter on the nation's highways, Keep America Beautiful, Inc. commissioned the Highway Research Board of the National Academy of Sciences to conduct a survey on this subject.

Twenty-nine state highway departments cooperated in the project which found that paper items accounted for 59% of all roadside litter; cans — 16%; plastics — 6%; bottles and jars — 6%; and miscellaneous items, ranging from hair curlers to washing machines — 13%. It was estimated that, on the average, approximately one cubic yard of litter accumulated per month on each mile of highway.

The report concluded that educational and publicity efforts led by Keep America Beautiful, Inc., the state highway departments and other cooperating groups continue to offer the most practical approach to reducing the litter problem.

A Summary of the survey results is available from KAB for 25 cents.

LITTER ITEMS COLLECTED PER MILE*

	Items Per Mile	% of Total
Newspapers or Magazines	25	1.89
Paper Packages or Containers	150	11.52
Other Paper Items	601	46.08
Total Number of Paper Items	776	59.49
Beer Cans	153	11.75
Soft Drink Cans	40	3.11
Food Cans	8	0.64
Other Cans	11	0.82
Total Number of Cans	213	16.31
Plastic Packages or Containers	34	2.57
Other Plastic Items	42	3.20
Total Number of Plastic Items	75	5.78
Auto Parts and Accessories (not tires) ..	11	0.83
Tires (or tire pieces)	39	3.00
Lumber or Construction Items	52	3.97
Unclassified Items	62	4.73
Total Number of Miscellaneous Items ..	163	12.53
Returnable Beer Bottles	5	0.41
Nonreturnable Beer Bottles	30	2.31
Returnable Soft Drink Bottles	21	1.62
Nonreturnable Soft Drink Bottles	7	0.51
Wine or Liquor Bottles	8	0.64
Food Bottles or Jars	3	0.22
Other Bottles or Jars	2	0.17
Total Number of Bottles and Jars	77	5.88
TOTAL LITTER VOLUME		20 cubic feet
TOTAL OF ALL ITEMS		1304

*Litter was picked up and counted by highway crews thirty days after the areas selected had been completely cleared of litter.

Standard Litter Ordinance or Statute

1. Any person, firm or corporation who throws or places, or who directs another person to do so, any material upon the private land or waters of another or upon public lands or waters which mars the appearance, detracts from the cleanliness or reduces the safety of such lands or waters, other than in receptacles provided for such materials, shall be guilty of the crime of littering.
2. The operator of a motor vehicle from which any material is thrown or discarded upon the private land or water of another or upon public lands or waters, which mars the appearance, detracts from the cleanliness or reduces the safety of such land or waters, other than in receptacles provided for such materials, shall be guilty of the crime of littering.
3. Any person, firm or corporation who shall be convicted of the crime of littering shall be punished by a fine of not less than \$100 nor more than \$1000, or by imprisonment for not less than five nor more than 30 days, or both. The court, upon an express finding of extenuating circumstances, shall be empowered to reduce the minimum fine.
4. Any person sentenced to pay a fine or to serve a jail sentence under this section may elect subject to approval of the court at the time of sentencing or may be directed by the court to pay such fine or serve such sentence or any portion thereof by performing labor for eight hours per day on public lands or water ways improving the same, including the collection and removal of litter under the supervision of the State Highway Department (or other public body). Such labor shall be credited at \$25 per day against a fine and at a day of labor for a day of prison sentence.
5. The court shall direct that one-half of the fine imposed for littering shall be paid as a reward to the person or persons, other than peace officers, for the arrest and conviction of such person, firm or corporation. If the convicted person is directed or elects to perform labor under the Director of the Highway Department (or other public body) in lieu of the fine, the Highway Department (or other public body) shall pay into court for disbursement to the appropriate persons, one-half of the amount of the fine worked off.

WITNESS REGISTRATION

House Committee on St. & Feb
Senate or House Name of Committee

Date: 3/11/71 Time: 8:00 Room: 105

◁ Public Hearing on HB-1036 ▷
(Measure No.)

PLEASE REGISTER IF YOU WISH TO TESTIFY ON THE ABOVE-NAMED MEASURE.

Name and Address	Representing	For	Against
✓ John A. Anderson Dir. Pub Wks Courtthouse Salem, Oregon	Marion County	✓	
✓ Gene Lindholm #3910 SE BUSH	Glass Bottle Blowers association Local Union 112		✓
✓ Jim Raabe	OREGON SOFT DRINK ASSOC.		✓
✓ John Gallagher 155 Birch Road Canby, Ore	CONTINENTAL CAN Co.		✓
Lou Gorkowski 870 Kingwood Dr. NW. Salem	AMERICAN CAN Co.		✓
Bill Stone			✓
Lou NORRIS			✓
✓ Earl Moore	Ore. State Grange	✓	
JOHN LESOW	PLAN testified before	✓	
✓ Ginny Hyde		✓	
✓ Jess Cannon	GOVERNOR'S OFFICE	✓	
✓ Larry Williams	ORE. ENVIRONMENTAL COUNCIL	✓	
✓ Don Walschner	Testified before	✓	
✓ Rev. Jankki	Clergy of Oregon		✓
Ella Antonson	Wash. Co. Solv.		
✓ Ann Messinger	Ritz Westward		

WITNESS REGISTRATION

House Committee on Sts Fed.
Senate or House Name of Committee

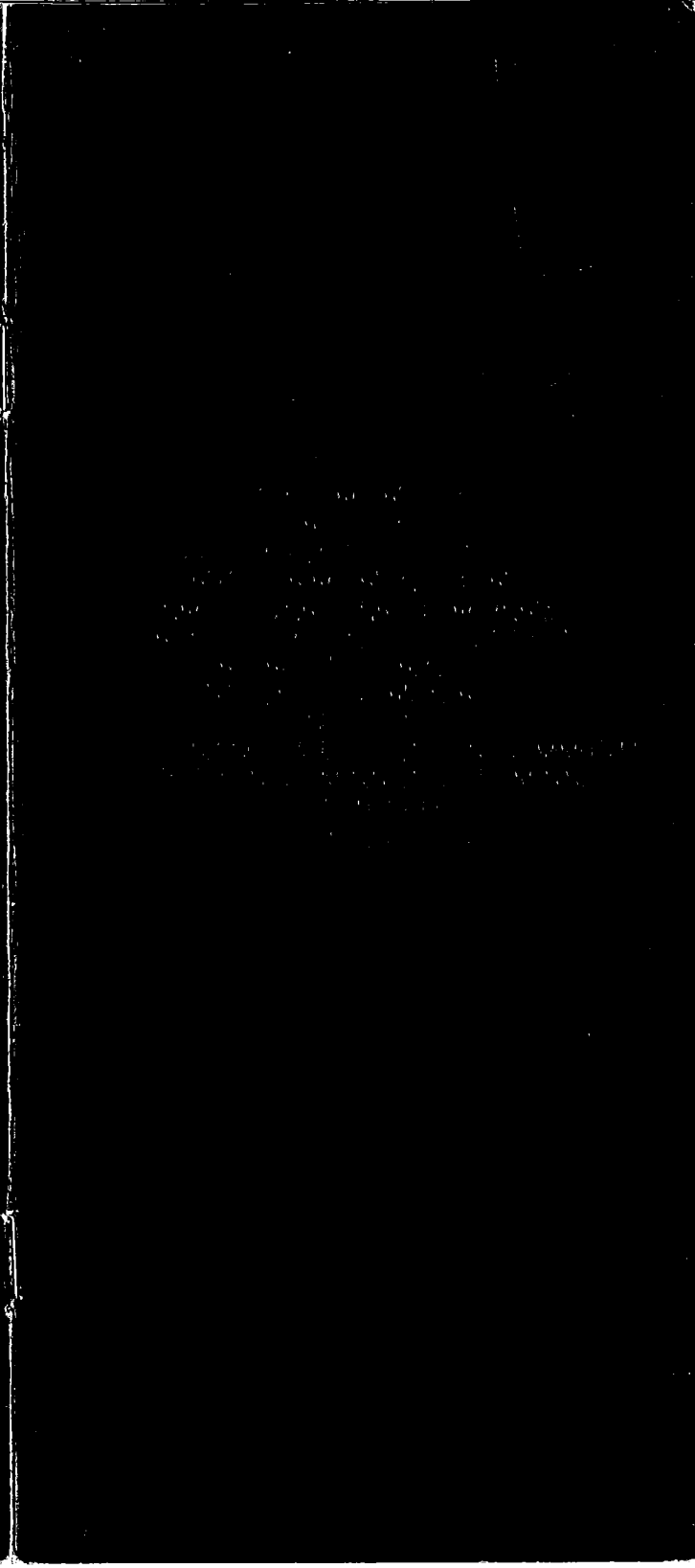
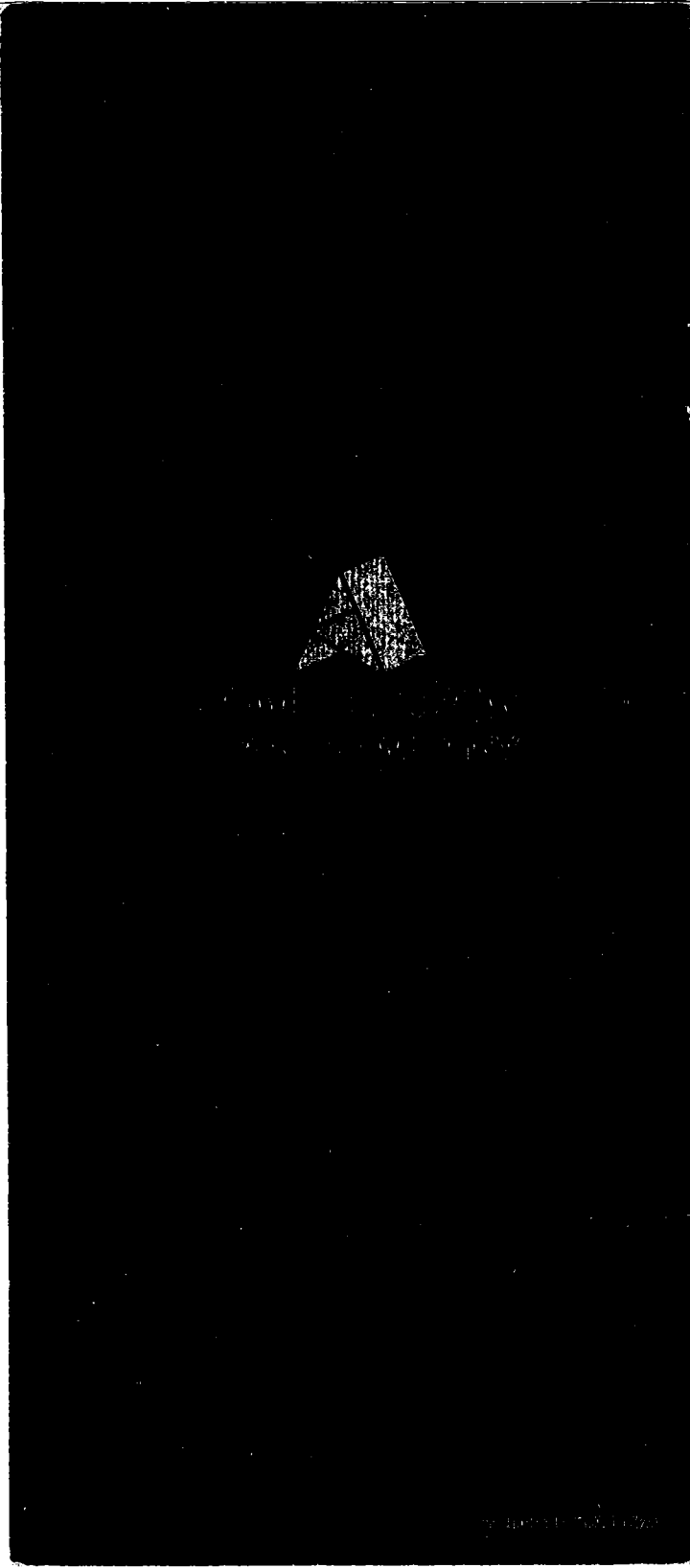
Date: 3/18/71 Time: 8:00 Room: 105

Public Hearing on HB 1036
(Measure No.)

PLEASE REGISTER IF YOU WISH TO TESTIFY ON THE ABOVE-NAMED MEASURE.

Name and Address	Representing	For	Against
<u>Gordon J. Bronk</u> <u>445 S.E. 155TH Portland</u>	<u>Glass Bottle Blowers Association</u> <u>Local Union #112</u>		<input checked="" type="checkbox"/>
<u>Don Waggoner</u> <u>2715 S.W. Glen Eyre Blvd. L.O.</u>	<u>Peoples Lobby Against</u> <u>Nonferrous Metals</u>	<input checked="" type="checkbox"/>	
<u>John Lesow</u> <u>12594 S.W. Butner-Beav.</u>	" " "	<input checked="" type="checkbox"/>	
<u>John Laurentini</u> <u>2715 SE ASH</u>	<u>PLACID PANTRY</u>	<input checked="" type="checkbox"/>	
<u>WILLIAM E STOVE</u> <u>4740 S.E. 25th St</u>	<u>SHASTA BEVERAGES</u>		<input checked="" type="checkbox"/>
<u>JACK FOSTER</u> * <u>EUGENE, OR.</u>	<u>EMERALD CANNING CO &</u>		<input checked="" type="checkbox"/>
<u>HOW NORRIS</u> * <u>OREGON RETAIL COUNCIL</u>	<u>OREGON RETAIL COUNCIL</u>		<input checked="" type="checkbox"/>
<u>Kel Kellner</u> * <u>Portland</u>	<u>Glass Container Manufacturers</u> <u>Institute of Am.</u>		<input checked="" type="checkbox"/>
<u>Edw. J. Wheelant</u> *	<u>OREGON AFL-CIO</u>		<input checked="" type="checkbox"/>
<u>Van Hout</u>	<u>Metro Service District</u>		
<u>K. H. LEMKE</u> *	<u>OWENS ILLINOIS</u>		<input checked="" type="checkbox"/>
<u>Harold Carlson</u>	<u>Ore. Independent Retail Grocers</u>		

<u>RICH CHAMBERS</u> <u>SALEM</u>		<input checked="" type="checkbox"/>	



Litter and solid waste are serious social problems. Litter stains the landscape. Solid waste is getting increasingly hard to handle due to its volume, the expense involved and the scarcity of places in which to dispose of it properly.

Naturally, a proposal to reduce litter and solid waste by means of a ban on no-deposit cans and bottles is of vital concern to can manufacturers. It is a subject to which we have devoted a great deal of study.

The ideals of drastically restricting litter and even a minor reduction in the extent of solid waste is worth the entailment of some sacrifice. The extent of such sacrifice warrants careful consideration, but the prime question is: Will a ban on one-ways accomplish the goals intended?

In efforts to answer this question, the first requirement should be an appreciation of the composition and extent of solid waste and litter.

Components of solid waste

In 1970, according to the Bureau of Solid Waste Management of the Department of Health, Education & Welfare, Americans will generate 360-million tons of solid waste. Of this, used packaging of all types amounts to 13 per cent by weight. Paper is by far the predominant component, amounting to almost half the used packaging. Beer cans amount to 0.3 of 1 per cent of solid waste, soft drink cans 0.2 per cent, non-returnable beer and soft drink bottles 0.8 per cent.

In other words, if all one-way beer and soft drink containers were eliminated entirely, without substituting any replacement container (if this were conceivable), the solid waste problem would be reduced by a total of only 1.3 per cent.

It must also be borne in mind that the trend to use of non-returnable containers developed as a result of combined efforts of the container manufacturer, the beer and soft drink producer, the distributor and the retailer to get the product to the consumer in prime condition at the lowest possible cost while maximizing convenience.

Use of returnable bottles has decreased strictly because of cost-to-consumer considerations. If non-returnable beer and soft drink containers were to be replaced entirely by returnable bottles, the resultant increase in cost, with respect to the container, is estimated at about 30 to 35 per cent.

This additional cost associated with returnable bottles includes the expense of additional space and equipment in the retail store, additional cost in preparing the bottle for refilling and additional freight charges. Add to this the disruption to the supermarket, the inconvenience to the shopper and the effect on jobs and investments in the can and bottle businesses.

A major factor in the increasing cost of using returnable bottles has been the change in attitude of the consumer. Before World War II returnable bottles for off-premise consumption used to make at least 30 trips. Now, particularly in our large cities, they make about four trips. The bulk of consumers just don't want to be bothered and would rather forfeit the deposit. Under such circumstances it doesn't pay to use returnables; thus, the trend to non-returnables.

The problem of litter is separate and distinct from that of solid waste. Successful remedial measures, therefore, must also be different. Unfortunately, there is confusion in the minds of most of the general public on these matters. They see litter (and are highly irritated) but when speaking of solid waste apparently they have litter in mind.

In quantity, litter amounts to less than 1 per cent of overall solid waste. Its composition varies significantly from that of general solid waste since most objects littered are items people have with them while on the move—in cars or as pedestrians. Roadside litter, according to a national study completed last year by the National Research Council, consists of about 35 per cent used packaging materials (number of items basis). An average of 14.9 per cent is beer and soft drink cans, 2.8 per cent is non-returnable beer and soft drink bottles, and 2.0 per cent is returnable bottles.

If all non-returnable beer and soft drink containers were to be eliminated entirely, and there were no replacement containers for them, the maximum reduction of litter that could be hoped for would be 18 per cent. Actually, however, experience indicates that even this minor reduction would not be attained since the irresponsible characters who cause litter discard returnable bottles in greater proportion, or ratio, than they exist on the market.

For example, the national study showed that 42 per cent of beer and soft drink bottles littered were returnables, whereas the national production of returnable beer and soft drink beverage bottles is only 11.4 per cent of all beer and soft drink bottles. In other words, a deposit on the bottle does not deter the litterer—and banning of non-returnables will not help in substantially decreasing the extent of litter.

Chronic litterers, those guilty of gross acts of littering, such as throwing a beer container or newspaper on the roadside, park or lawn, are estimated to be about 1 per cent of the general population since this is the same proportion of containers and packages manufactured that wind up as litter.

Ban won't decrease litter

Restrictions on types of containers penalize all consumers, guilty and innocent alike (upwards of 99 per cent are innocent), and it causes hardship to merchants, beer and soft drink manufacturers and container producers. It also ignores the other 82 per cent of roadside litter and the tons of other trash cluttering city streets and parks.

It is suggested, therefore, that efforts be concentrated on finding a better way to remedy the solid waste and litter problems.

The litter problem must be attacked at its source, the litterer. Packages don't litter, people do. Education and enforcement are vital. Keep America Beautiful, Inc., was founded by industry 17 years ago and until recently was practically the only organized effort to keep the public aware of the menace of litter—in educating the public, in instituting anti-litter programs, and in providing guidance and counsel to conservation and ecology-minded groups.

This year KAB will receive \$35-million worth of anti-litter advertising space. New programs and new ideas are being developed by the expanded staff and field offices. Other organizations are joining in supporting KAB efforts. They are now making measurable progress in preventing litter. They merit and need your active support.

There should be a strong litter law. It should have realistic penalties, not one that calls for a several hundred dollar fine but results in no arrests. Since most litter is related to people on the move, the automobile driver should be held responsible for litter emitted from his car. A penalty which recognizes littering as a "moving violation" and is recorded as such on the driver's license would be an effective deterrent. Model litter laws were recently introduced by Georgia and California. They are recommended for your consideration.

With respect to solid waste and the fact that our finite resources are definitely limited, the only logical answer is in recycling. The future in this area is promising. Progress is now apparent.

For years the national ability to create products has been increasing at a pace far faster than the ability to dispose of them properly. Industry and government have concentrated on production and distribution of goods while disposal methods have remained in the horse and buggy era. It was not until 1968 that this area of neglect began to receive the concerted attention it deserves. Since that time a great deal has been accomplished.

The Bureau of Solid Waste Management has been established in the Department of Health, Education & Welfare. The Administration is completing the formation of an Environmental Protection Agency which has solid waste management as a predominant activity. Officials of all major can manufacturers are active in the Department of Commerce-sponsored National Industrial Pollution Control Council.

Industry has founded the Materials Disposal Research Council and the National Center for Solid Waste Disposal, Inc. Funding, new concepts and stimulation are now in an ever-increasing flow from these organizations. Most of the 90 programs now underway for recycling of packaging materials and other solid wastes have been started since 1968.

Admittedly, it has been a slow start, and progress has been slow, too, but it is considered highly preferable to concentrate on improving solid waste technology rather than sacrifice highly developed production and distribution technology to accommodate backward disposal methods, which a ban on non-returnable containers would do.

Difficulty in collection, separation

There is every reason to believe that practical recycling technology will be developed. The primary difficulty is in collecting and separating the recyclable components. Much of the technology is already available. For example, steel and tinplate cans, in contrast to general belief, are readily recyclable, even those with aluminum tops. This was demonstrated by National Steel at Weirton, W. Va., last June.

Steel companies are currently working out plans to recycle tinplate can directly. Short of this, detinning plants with more than 60 years of experience are ready to recover the tin from used tinplate cans and send the basic steel back to the steel mills. Steel mills will take all of this prime scrap they can get. The major problem is in collecting and separating the cans from solid waste, making them available for recycle in substantial and consistently flowing amounts.

Since only 13 per cent of the Nation's solid waste (which includes the 0.5 per cent contributed by beer and soft drink cans) consists of used packaging, it is obvious that practical methods for salvage and recycle of used cans must involve the entire mix of collected household solid waste. There are other valuable components in this mix and these must also be conserved.

The answer, then, is in municipal or regional collection and separation of the components in "as received" garbage and trash, with the separation done mechanically in automated "reclamation" centers where the various isolated components would be made available for recycling businesses. Significant advances are being made in the development of practical hardware for such systems.

The Department of Health, Education & Welfare's Bureau of Solid Waste Management has made several grants to study more effective collection techniques and automated sorting systems. The Stanford Research Institute has developed an air classification system that shreds and dries garbage before separating it into classifications of rubber, glass, ferrous metal, paper and film. The Black Clawson Company has installed a prototype of a new waste handling system in the town of Franklin, Ohio. The town has contracts with basic industry to sell the 15 tons of pulped fiber, metal and glass it produces from the town garbage each day. The organic waste is to be composted.

Several similar concepts are under development by the Bureau of Mines, the University of Alberta, Massachusetts Institute of Technology, and an aerospace oriented group on the West Coast. More than 50 companies are currently attempting to develop hardware for such concepts.

Although these concepts are new, the promise appears outstanding. The steel can lends itself readily to such systems for two reasons: (1) steel cans may be readily separated from unclassified garbage by means of magnets and (2) metals, the most valuable of the waste materials, have a ready market.

Costs associated with cleansing our polluted land, air and water are tremendous. Our social responsibilities as industries, as citizens and as governments require that our resources be expended on sound and productive programs. Continued education, social pressure, and correction of litterers coupled with a drive toward municipal reclamation of basic resources best fulfill these criteria.

CHART I USED PACKAGING IN U.S. SOLID WASTE

Packaging Materials	Per cent of Solid Waste (by weight) *
Paper	6.3
Glass	2.1
Returnable Beer & Soft Drink Bottles	0.1
Non-Returnable Beer & Soft Drink Bottles**	0.8***
Metals	1.8
Beer Cans	0.3
Soft Drink Cans	1.2
Other Cans	1.1
Wood	1.0
Plastics	0.3
Textiles	0.1
Miscellaneous	1.4
TOTAL PACKAGING	13.0

*Based on 1970 U.S. quantity of 360-million tons. Represents solid waste generated by households, commerce, industry and government but excludes mining and agricultural wastes. Annual collected solid wastes (hauled to solid waste disposal facilities) is estimated at 194-million tons. On this latter basis the above percentage figures would be multiplied by a factor of 1.8. On a volume basis, beer and soft drink containers amount to 1.6% of collected solid waste.

**Excludes liquor and wine bottles.

***Approximately 88.6 per cent of beer and soft drink bottles now manufactured are the non-returnable type.

**CHART II
COMPOSITION OF ROADSIDE LITTER**

	Per cent of Total	
Total Paper	59.5	
Paper Packages or Containers		11.5
Total Cans	16.3	
Beer and Soft Drink Cans		14.9
Total Glass	5.8	
Returnable Beer & Soft Drink Bottles		2.0
Non-Returnable Beer & Soft Drink Bottles		2.8
Other Glass Containers		1.0
Total Plastic	5.8	
Packages or Containers		2.6
Miscellaneous	12.6	
TOTAL	100.0	
TOTAL PACKAGES IN LITTER		34.8

Source: "National Study of the Composition of Roadside Litter," 1969, Highway Research Board of the Division of Engineering, National Research Council, National Academy of Sciences—National Academy of Engineering for Keep America Beautiful, Inc. This comprehensive study covered scientifically selected litter sampling areas in 29 states.

Most authorities agree that approximately 1 per cent of the beer and soft drink containers produced wind up as litter—and that the remaining 99 per cent is disposed of in the acceptable manner (placed in trash receptacles).

the reference to subsection (7) of ORS 689.010 is in error. That was the wrong reference to use in excluding certain persons from this Act, she said. The section should be amended as follows:

On page 2 of the printed bill, delete line 16 and insert "medical practitioners licensed by the Board of Medical Examiners for the State of Oregon under ORS chapter 677".

Senator Dement moved adoption of the proposed amendment. The motion passed on a roll call vote with Senators Dement, Macpherson, and Roberts voting "aye," and Senators Mahoney and Willner not present.

(Senator Mahoney and Senator Willner now present)

Senator Macpherson called attention to what seemed to be poor language on page 2, lines 7, 8 and 9. Senator Dement agreed that the wording was rather clumsy. Brief discussion resulted in a proposed amendment in line 10 after "both" to delete "shall" and insert "nor cause to".

It was pointed out that on page 4, line 17, the language would be clarified by adding after "only" the words "at the business address".

Senator Dement then moved the two amendments in language clarification. The motion passed unanimously with all members present and voting.

Senator Willner moved that the bill be reported out "do pass with amendments." That motion also passed with Senators Dement, Macpherson, Willner and Roberts voting "aye," and Senator Mahoney voting No." Senator Mahoney requested that the report show that he did not concur in the vote.

House Bill 1036

Senator Roberts reported that House Bill 1036 had been referred to this Committee. She asked the members what their pleasure was on holding further hearings, since Senate Bill 194, which was in the Committee, had had three extensive hearings already. Senator Macpherson replied that he would favor having

one more hearing, giving equal time to proponents and opponents, and asking them to limit their testimony to that which the Committee has not heard, or to a summation of the bill.

This policy was agreed upon by the Committee, and Chairman Roberts scheduled a tentative date of April 28 for the hearing on House Bill 1036.

Senate Bill 236

Chairman Roberts reported that she had requested Mr. Andrew Juras from the Public Welfare Division to appear before the Committee to explain how the Welfare Division would be affected by this bill.

She said that there seems to be some question in the minds of Committee members of the involvement of the Welfare Department with respect to chiropractic services and added that perhaps Mr. Juras could explain what the current practice is.

Mr. Andrew Juras reported that when his agency participated in the drafting of legislation on the medical assistance program, of which the Senate Bill 236 was the substance, they had followed the provisions of federal law (Public Law 89-97) by putting in the areas of service that would be considered for which they would pay, under the medical assistance program. This language which refers to services the Welfare Department actually purchases from vendors, including chiropractors, is included on page 3 of the printed bill, paragraph (f) of subsection (5) of section 1, he said. Services of this kind are paid only through what they call "prior authorization," he noted. However, he said, due to recent budget limitations, the amount of services they have authorized in this way has been extremely limited.

Chairman Roberts asked how this bill would affect the current practice of the Public Welfare Division.

Mr. Juras replied that he did not think it would affect them at all, because the proposed amendment on page 3 is covered in the present law, and the present law, he repeated, is taken from federal law.

Senator Macpherson asked Mr. Juras if, in his estimation, his Department discriminated against the chiropractic profession, other than because of limited amount of money. Mr. Juras answered that they did not.

Senator Dement then moved that Senate Bill 562 be reported out "do pass with amendments" and that motion also passed unanimously. Senator Macpherson was assigned to carry the bill.

Mr. Vandehey called attention to the fact that the bill would go to Ways and Means as a prior referral, rather than to the Senate so Senator Macpherson would not have to carry the bill after all.

House Bill 1036

Chairman Roberts reported that she had been asked to arrange for more time for opponents to House Bill 1036. They have argued that the previously scheduled one hour was insufficient and that they have about nine witnesses (some from out of town) who have not previously testified on either SB 194 or HB 1036. Chairman Roberts asked the Committee what they wished to do about holding another meeting. After brief discussion, it was decided to extend the time of the April 28 hearing to six o'clock p.m., which would allow about one and one-half hours each for opponents and proponents.

Senate Bill 236

Senator Mahoney moved to table Senate Bill 236. The motion failed with Senators Macpherson and Mahoney voting "aye" and Senators Dement, Willner and Roberts voting "no." It was recalled that the bill had been amended to delete the last two sections. Chairman Roberts said that she would request Dr. Latham to make one more appearance before the Committee to explain his views.

Senate Bill 448

Senator Macpherson moved to table Senate Bill 448 and the motion passed with Senators Dement, Macpherson and Roberts voting "aye" and Senators Mahoney and Willner voting "no."

Senate Bill 636

Senator Macpherson moved to table Senate Bill 636. The motion passed unanimously on a roll call vote with all members present.

Senate Bill 645

Senator Dement moved to table Senate Bill 645. That motion also passed unanimously with the same members present.

House Bill 1036

Senate Consumer Affairs Committee

April 28, 1971

3:00 p.m.

20 State Capitol

Members Present: Senator Betty Roberts, Chairman
Senator Sam Dement, Vice Chairman
Senator Hector Macpherson
Senator Tom Mahoney
Senator Don Willner

Witnesses: Proponents

Senator Gordon McKay
Senator George Wingard
Attorney General Lee Johnson
Janet Wing, 3734 12th Street SE, Salem, teacher
at Richmond School
David Hyle, Dallas High School
Ray Wiley, 2100 Shields, Eugene, Vice President
of BRING (Begin Recycling in Natural Groups)
Don Waggoner, Lake Oswego, Chairman of the People's
Lobby Against Nonreturnables (PLAN)
Senator Edward Fadeley
Irene Mylan, Salem Chapter of the Oregon Environ-
mental Council
Karen Runkle, 490 Capitol Street SE, Salem, rep-
resenting the Salem Recycling Committee of the
Oregon Environmental Council
Leslie Bach, representing the Johnny Horizon Club
Kirk Richardson, representing Oregon Environmental
Council
Linda Crane, 850 N. 4th Street, Aumsville
Jerry Powell, Portland State University
John Lesow, Oregon Environmental Council
Mr. Karsten Musauers, Portland State University
Kristine Maksym, 13565 SW 72nd, Tigard
Kess Cannon, Assistant for Governor McCall
Peggy Mansfield, 13265 SW Bull Mt. Road, Tigard
Ms. Nel Rand, 5411 SE Morrison, Portland, YMCA of
Portland
Susan Ackerman, 8435 SW 8th, Portland
Mr. Ron Kelemen, Lewis and Clark College, Box 1876,
Chairman of the Environmental Activists Coalition
of Lewis and Clark College, and Student Body Senator

Peggy Robinson, 2441 NW Pettygrove, Portland
Edgar Grimes, Route 1, Box 40, Harrisburg
Mark Dennis, Sixth Grade Student, Portland

Opponents

Rep. Norman Howard
Dr. Robert F. Testin, Director of Environmental
Planning for Reynolds Aluminum Company, Richmond, N.Y.
Mr. Richard Barger, Executive Vice President and
General Manager of Agripac Inc., Salem
Mr. Paul B. Ennis, Counsel for the United States
Brewers Association, Washington, D. C.
Mr. Norman Dobyns, American Can Company, Washington, D. C.
Mr. William R. Moore, Vice President and General
Manager of the Portland Bottling Company
Mr. Herbert E. (Ted) Harrison, Vice President and
General Manager of the Coca Cola Bottling Co.,
Vancouver, B. C.
Mr. Abe Gray, President of Gray Beverages,
Vancouver, B. C.
Mr. Kenneth H. Lemke, Manager of the Portland Plant
of Owens Illinois, Inc.
Mr. Ed Poyfair, representing Safeway Stores Inc.
Mr. William W. Wessinger, Chairman of the Board,
Blitz-Weinhard Company
Mr. William Whitely, Attorney, Portland
Mr. Dave Neal

Written testimony submitted by witnesses who did not
appear in person

Mr. W. L. Isaacson, B & E Market, Roseburg
Mr. Wallace A Jackson
Mr. Manley J. Bakkensen, Retail Services Manager,
United Grocers, Inc.
Mr. LeRoy S. Hanna, Owner-Manager, Douglas County
Bottling Company, Roseburg
Mr. Warren Davidson, Continental Can Co., Portland
Mr. Val Vanderkin, Continental Can Co., Portland
Mr. M. K. Sherrieb, Pendleton, District Supervisor,
Business Men's Assurance Company of America
Mr. John Piacentini, Plaid Pantry, Portland

Chairman Betty Roberts called the meeting to order, explaining that she had allotted approximately one and one-half hours for opponents, and an equal time for proponents. She urged witnesses to be considerate of their time so that others who had signed up to testify would have a chance to do so.

Senator Gordon McKay stated that he had been on the interim committee which made a study of this problem for approximately 18 months. During those hearings, he said, they had heard from all segments of the industry and others who were interested in the problem. Although there were various funding proposals submitted that would not require a deposit, the committee felt that none of these would really do the job. He urged the Committee to take into consideration amendments that would improve the bill. At this time, however, he felt House Bill 1036 was the best solution to the problem.

Senator George Wingard offered amendments to the bill. He said he had supported a similar bill in the 1969 session, but one which had not been successful. He said he thought his amendments added some practicability to the issue of the nonreturnable metal container. He said he had concluded during the last session that this measure would ban the use of metal containers because no one could afford to use metal containers which were not reusable. His suggestion was to add a reasonable way to pick up the metal containers and give them back to the producers. He demonstrated how cans could be crushed and strung on aluminum string, thus making it simpler for the retailer to weigh and accept the cans.

Attorney General Lee Johnson spoke in favor of the bill on behalf of the Citizens Against Litter and on behalf of Representatives Au Coin, Paulus, Hanneman, Meeker and Macpherson. In view of the fact that this Committee had already had extensive hearings on Senate Bill 194, which is nearly identical to House Bill 1036, he said, he did not wish to be repetitious and that it simply boiled down to the fact that this bill is a commitment to deal with two of the major problems of our environment -- the problem of litter -- and probably more important -- the problem of solid waste. He said that the bill is by no means intended as a cure-all; rather it attacks a certain portion of the problem: a portion that is within the reach of a solution. He requested that he be allowed about five minutes after the opponents have testified because he understood that they might have some proposals and he would like to have the opportunity to reply to them. Chairman Roberts said she would see how the testimony went, and if there was time, she would grant his request.

Janet Wing urged a yes vote on House Bill 1036, stating that she had supported it since its conception. She submitted a petition signed by her students at Richmond School stating that they favored the bill.

David Hyle, from Dallas High School, noted that the petition of 800 signatures he was presenting was originally prepared for presentation to the Governor at the Earth Week celebration. He was, therefore, presenting the petition to the Committee at this time, to stress the fact that he and the signers of the petition were vitally concerned with litter caused by non-returnable cans and bottles, and that they were strongly in a favor of House Bill 1036.

Mr. Ray Wiley appeared to testify in favor of House Bill 1036. He stated that he was Vice President of BRING, a Eugene group whose name means "Begin Recycling in Natural Groups." Their purpose, he said, is to involve the people of the community in researching, advocating, developing and implementing systems and philosophies for the ecological use and reuse of the earth's resources.

Mr. Don Waggoner explained the results of a litter survey taken during March. The survey showed that the throw away container has a much greater chance of becoming litter than the deposit container. He said that he and his group support the bill because they believe it will significantly reduce the litter. Further, he felt that there was strong evidence that the 5¢ deposit would be effective in the return of these bottles.

Senator Edward Fadeley stated that he supported the bill on general principles: There is no right to pollute the environment. The bottling industry, he said, has assumed a method of operation that is contrary to that principle. They have assumed that there is a right to pollute and that they may use a system of doing business which encourages pollution. Their excuse is that the choice to pollute is on the individual who buys their product and does not dispose of it properly, but they have immensely increased and encouraged this choice to pollute by their choice of what sort of product they produce. This bill endeavors to overcome the choice of these industries by putting an economic incentive on the other side. They have given the consumer a direct incentive to pollute, which has resulted in pollution along all the streets and highways of this state, and indeed, throughout the nation. He said it seemed that we should not be overly concerned about the industry's economic difficulty resulting from their choice, when that choice has already cost the people of Oregon a great deal of money, some reduction in the livability of our environment, and it could be said, that this industry owes the people of Oregon millions of dollars because of their choice to select litter bound products.

Irene Mylan testified that she represented about 100 Salem High School Students who have been involved in a recycling program. At the beginning, the students were eager to take part in these programs advocated by industry. However, it has become evident that the industry was not nearly so interested as they had seemed to be. It developed that the recycling program was not feasible, not profitable and was not fully supported by the industry. The public indeed, is interested, but a recycling program on a continuing basis is simply not feasible, she said. It was her belief that they had been "taken in" in a rather sophisticated ruse of industry aimed at giving the legislature and the public the impression that industry was taking care of the problem that it had helped to create. It was a very glossy professional publicity campaign, she said.

Karen Runkle said she was a disillusioned former recycling worker. She pointed out that industry really gave no incentive to those who were interested in recycling, in spite of indications to the contrary. The amount of material that was collected was practically worthless, she said, and agreed with Ms. Mylan that recycling on a continuing basis just would not work.

Leslie Bach stated that he and his "staff" of the Johnny Horizon Club favored House Bill 1036 because they felt it would help clean up litter.

Kirk Richardson said that he had been asked by the Oregon Environmental Council to explain the process of recycling. He explained to the Committee that he was a member of a highly skilled team of demolition experts who spent their Saturdays recycling glass and cans. He mentioned some of the problems involved in collecting the material to be recycling; separating the glass by color, sorting it from garbage, the danger of getting cut or sustaining eye injuries from breaking the glass. He reported that recycling was unprofitable, and that the industry had exploited them in offering this alternative to the solid waste problem. He concluded by urging that the Committee pass House Bill 1036.

Linda Crane stated that she lived very near scenic Highway 22 which runs to Detroit Lake. During her spare time, she reported, she went along cleaning the sides of the highway because she happened to like to see the highway clean, and preferred to help keep it clean. One day, she said, she had collected 119 nonreturnable cans -- 99 beer cans and 20 soft drink cans. In addition, there were 35 nonreturnable glass bottles. This amount was collected from 500 feet of roadway. She further reported that she had found no glass bottles that could have been returned for a deposit, probably she said, because people had returned them to the stores. She urged passage of House Bill 1036 so that she could stop trying to clean up Highway 22 by herself.

Mr. Jerry Powell, speaking in support of House Bill 1036, said that if the bill were to be passed, it would put him out of business. However, he sincerely hoped that this would happen. The reason was that he worked for Portland Student Services at Portland State University and his job was to recycle garbage, since it had been demonstrated that volunteerism simply would not work. He called the recycling efforts, advocated by industry, a "red herring." The voluntary aspect of recycling, he maintained, is not realistic; even in his "business" it does not work to his advantage. He pleaded with the Committee to pass the bill.

Mr. John Lesow spoke in favor of the bill, pointing out the implications of various litter surveys. He thought the bill as it now stands is a realistic answer, discounting the idea of stiffer fines, more litter bags, and public relation schemes.

Karsten Musaeus, a student at Portland State University, working with Mr. Powell in a recycling project, spoke in favor the bill. He reiterated what Mr. Powell had previously said about recycling not being the answer to the problem. He claimed that it was impossible to recycle the volume of nonreturnable glass now being produced, noting that industry could not handle it either. He said he was convinced that it was time people got serious about cleaning up the litter in Oregon, and stopped playing games with industry. He urged that those who are really concerned, avoid minor arguments, and agree to do something constructive now!

Kristine Maksym, a Tigard High School student, testified in favor of the bill. She said she felt the bill would accomplish two main things: first it would reduce the litter on the roads and highways; second, she felt the bill would be an important step toward recycling of our natural resources.

Kess Cannon, Assistant for Governor McCall in the field of natural resources, emphasized that this measure is high priority legislation so far as the Governor is concerned. The Governor had spoken out clearly and forcefully in the 1969 Legislative Session in support of House Bill 1157, a similar measure, and his position has been made clear many times since then that he hopes the Senate will give rapid and favorable consideration to House Bill 1036.

Miss Peggy Mansfield, another Tigard High School student, and President of the Pro Environment League of that school, appeared as spokesman for that group in favor of the bill. Attacking arguments from the opposition, she maintained that the bill was not discriminatory, because the deposit is on the kinds of bottles and cans that litter the highways, and there is no deposit on catsup and mayonnaise and tuna fish cans etc., because those types of cans are not causing the litter. She challenged the argument by Owens

Illinois Company that passage of the bill would put perhaps 300 people out of work. She maintained that now is the time for that company to make the change and put these people into other types of jobs in recycling, adding that job opportunities in this field are promising.

She contended that most people would not throw away cans and bottles that were worth 5¢, but for those few who would, someone would take the time and trouble to pick them up in order to collect the deposit.

Ms. Nel Rand stated briefly that the YWCA of Portland still supports the bill and would not like to see it changed in any way.

Susan Ackerman voiced her support for the bill.

Ron Kelemen testified in favor of the bill (see Appendix A).

Peggy Robinson stated that she was in favor of the bill.

Mr. Edgar Grimes, a Harrisburg dairyman, appeared in support of the bill. He reported that on a recent trip to New York, he was informed by a member of the U.S. Forest Service and a member of the National Park Service of two examples of how litter endangers wildlife:

(1) Soda and beer tab tops thrown in rivers attract fish which swallow them and die.

(2) Deer are attracted by the chemicals of discarded Polaroid film and eat them and die.

Mr. Grimes suggested an amendment to section 3 of the bill prohibiting the sale of detachable parts of Polaroid film.

Mark Dennis, representing the Sixth Grade Class of Knott Street School in Parkrose, in Portland, said he urged passage of House Bill 1036 as a big step in solving the pollution problem. Putting a deposit on the cans would be helpful, he felt, because people would not throw them around so much if there were worth money. It was his opinion that even if they were thrown away, someone would collect them for the money. However, if no one collected them, the 5¢ deposit would help toward cleaning up the litter and recycling the cans.

Opponents

Rep. Norman Howard stated that he was on the State and Federal Affairs Committee during the last session, and he said he was firmly convinced that there would have been a compromise bill come out of that Committee if there could have been a compromise. However, the proponents would not compromise below the 5¢ deposit, and an interim committee still maintained the 5¢ requirement. Further, he saw no chance of a compromise on this issue this year. House Bill 1949, he said, would have been a good tax bill, but it was tabled. He said he still preferred that bill to House Bill 1036 and urged that a compromise be made with HB 1949 in mind.

Dr. Robert F. Testin spoke in opposition to House Bill 1036. He said he had been working in the area of recycling and utilization of materials since about 1966. He pointed out the difference in the terms of "litter" and "solid waste" and explained what his company, Reynolds Aluminum, was doing toward the solid waste problem.

Mr. Richard Barger stated that he was representing Agripac Inc., a farmer owned, food processing company, with processing plants in Salem, Junction City, Corvallis and Eugene. During the height of the food processing season, he said, they employ in excess of 3,000 people. He described the serious economic consequences of a ban or deposit on beer and soda pop containers. He said it seemed fairly obvious to him that the can manufacturers would be virtually destroyed by this type of bill. He contended that a law of this sort would hurt every food packer, vegetable canner and fish packer in Oregon. For these reasons, he opposed the bill.

Mr. Paul B. Ennis, Counsel for the United States Brewers Association, Washington, D. C., registered opposition on behalf of the Association. In his opinion, the best resource for solution to the litter problem is the National Center for Solid Waste Disposal, Inc., and he anticipated that additional support from both the public and private sectors of the nation will eventually enable the National Center to achieve its full potential for developing and supporting worthwhile projects and research in the field of solid waste management.

Mr. Norman Dobyns of the American Can Company in Washington, D. C., reported that his company presently operated six metal recovery plants throughout the United States, reclaiming 350,000 tons of cans annually. He cited other efforts by the can industry to help solve the litter problem. As for the nickle deposit, he said, a can at no time in its life is worth a nickle, and a deposit of that type is not realistic. He asked the Committee for their consideration of the economic problems imposed by this bill and urged their opposition to the bill on this basis.

Mr. William R. Moore, Vice President and General Manager of the Portland Bottling Company, along with Mr. Herbert E. (Ted) Harrison and Mr. Abe Gray from Vancouver, B. C., spoke in opposition to the bill.

Mr. Harrison said they were at ~~they were at~~ this hearing at the invitation of the Oregon Soft Drink Association and several Oregon legislators. He explained that British Columbia has had a law similar to HB 1036 in effect for nearly four months, the difference being that it provides for a mandatory 2¢ refund on metal, plastic, and glass containers of beer, ale and soft drinks. His impression of the law so far, was that it was disastrous and he went on to explain some of the problems involved in the administration and effects of the law.

Mr. Gray quoted from an information bulletin issued by Mr. William Kenneth Kiernan, Minister of Recreation and Conservation for Victoria, B. C., dated February 15, 1971:

"The Litter Act has been fully in force for more than six weeks and I am encouraged by the co-operation of most sections of industry.

"A number of complaints however have been drawn to my attention by consumers, retailers and bottle and can-return depot operators.

"Some of the complaints by the public might be discounted as in many instances the intent of the Litter Act has not been fully understood and incidents are at times lacking in sufficient detail to warrant their being considered as complaints. For example, some consumers may be asking the retailer to refund on cans or bottles of a kind he does not sell."

Mr. Kiernan's letter went on to list some of the complaints and concluded:

"The intent of the Litter Act insofar as soft drink containers are concerned is to ensure that the consumer may return to the retailer the empty containers from his day-to-day purchases up to a maximum of 18 per day.

"To ensure that the retailer does not become, in effect, a collection agency for containers of a kind or

kinds which he does not sell, the Act states that collection depots may be set up for this purpose. In my opinion however this does not relieve the retailer of his obligation to accept up to 18 empty containers per day and to pay a minimum of two cents per unit to his customers.

"As it is our common uurpose to reduce the amount of litter requiring disposal, all segments of industry are earnestly requested to direct their best efforts to immediately correct any misinterpretations of the Regulations under the Act and to thus ensure a workable return system."

Mr. Moore concluded with a statement outlining his opposition to the bill and submitted a copy of his statement (see Appendix B).

Mr. Kenneth H. Lemke, Manager of the Portland Plant of Owens Illinois, Inc., offered a statement in opposition to the bill (see Appendix C).

Mr. Ed Poyfair, representing Safeway Stores Inc., submitted his statement in opposition to the bill (see Appendix D).

Mr. William W. Wessinger, Chairman of the Board at Blitz-Weinhard Company, pointed out that his company resigned from the United States Brewers Association on January 1 of this year. (See Appendix E for Mr. Wessinger's statement.)

Mr. William Whitely, an attorney from Portland, and Mr. Dave Neal, a distributor, appeared together in opposition to the bill. Mr. Whitely stated that he was Secretary-Counsel of the Oregon Beer Distributors, representing about 76 members in the state, and handling about 90% of all the beer sold in the state. At their recent annual meeting in Coos Bay, a resolution was passed reflecting unanimous opposition to House Bill 1036. Mr. Neal confirmed his opposition to the bill, but was unable to testify at length because of the time limit.

Chairman Roberts reported that she had reserved two minutes for proponents in case Attorney General Lee Johnson wished to add something to the testimony. Mr. Johnson summarized by saying that this bill would not eliminate the chance that someone might throw a bottle or can away, but putting a five cent deposit on the containers, he felt, would encourage others to pick up the bottles or cans.

Mr. Johnson said that the inferences that this bill would result in a higher cost to the consumer are not valid. Studies have proven that the cheapest product to the consumer is that product that is bottled in a returnable container. He also pointed out that with respect to the testimony of the gentleman from the American Can Company (Mr. Norman Dobyms), that company did not manufacture any beverage cans in this state so he did not see how 1269 employes would be affected. As to the problems in British Columbia, it was Mr. Johnson's feeling that some of their problem was because of the 2¢ deposit rather than the 5¢ deposit advocated in this bill.

Written testimony submitted by witnesses who were unable to testify in person because of lack of time, or because they were unable to be present, are incorporated into these minutes as follows:

Mr. W. L. Isaacson, B & E Market, Roseburg (see Appendix F).

Mr. Wallace A. Jackson (see Appendix G).

Mr. Manley J. Bakkensen, Retail Services Manager, United Grocers, Inc., (see Appendix H).

Mr. LeRoy S. Hanna, Owner-Manager, Douglas County Bottling Co., (see Appendix I).

Mr. Warren Davidson, Continental Can Company, Portland (see Appendix J).

Mr. Val Vanderkin, Continental Can Company, Portland (See Appendix K).

Mr. J. K. Sherrieb, District Supervisor, Business Men's Assurance Company of America, Pendleton (See Appendix L).

The meeting was adjourned at 6:30 P.M.

Respectfully submitted,

Connie Wood, Clerk

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*Mr. John Piacentini, Plaid Pantry, Portland, (See Appendix M).

Environmental Activists Coalition

Lewis and Clark College • LC P.O. Box 355 • Portland, Oregon 97219

April 28, 1971

Senate Consumer Affairs Committee
Oregon State Senate
Salem, Oregon 97310

Gentlemen:

My name is Ron Kelemen, and I am chairman of the Environmental Activists Coalition at Lewis and Clark College and I am also a Lewis and Clark student-body senator.

On behalf of the student body of Lewis and Clark College, I strongly urge you to pass HB 1036 requiring a mandatory five-cent deposit on beverage containers. On January 11, 1971, the ASLC Senate of Lewis and Clark voted unanimously in favor of a resolution calling for only returnable bottles in all campus vending machines. On March 3, a dorm by dorm poll showed that 85% of the students favor returnable bottles, and 80% of the students were willing to pay a slight increase in cost for the returnables.

Although this measure will go a long way in alleviating the litter problem, most concern for returnable bottles on the Lewis and Clark Campus comes from a conservation of resources and energy point of view, and therefore, students view this measure we are considering today as a very practical first step toward a vital recycling program.

Once again, we urge you to pass HB 1036. Thank you for your attention.

Sincerely,



Ron Kelemen,
ASLC Senator,
EAC Chairman

William Moore
Oregon Soft Drink Association

HB 1036 WILL NOT STOP LITTER!

Litter is made up of many things--paper, plastic, rubber, metal, glass, etc.. If HB 1036 is passed, the tip of the iceberg litter will still be very evident in the form of paper containers of all kinds, other paper, rubber, metal, plastic and other bottles and cans. Soft drinks represent less than 4% of the total litter and we challenge any figures to the contrary.

HB 1036 WILL NOT STOP SOLID WASTE!

All beer and soft drink containers represent only 6% of solid waste. 94% is left and HB 1036 makes no provision for the 94% iceberg of solid waste.

SOFT DRINKS MUST BE IN NON-RETURNABLE PACKAGES!

Soft drinks must be in one-way packages in order to compete in the market place with a whole host of fruit, vegetable and powdered drinks in non-returnable containers--Hi C, Gatorade, Haley's various flavors, Del Monte various flavors, Sierra Valley various flavors, Wagner's various flavors, cranberry juices, V-8, tomato juices, Kool Aid, Funny Face, Twist, Wyler's. Soft drinks, beer and milk are the only products readily available in retail food stores in returnable containers. All of the other thousands of items handled in food stores are in non-returnable packages of glass, cans, plastic, paper, etc.. HB 1036 singles out two items as being the culprits for all of the litter and solid waste problems and we believe this is totally unfair.

HB 1036 IS UNWORKABLE FOR THE RETAILER!

It makes a garbage dump out of his store and the sanitation problem alone would be horrendous. Not only that, but if he sells more products than he redeems he pockets the difference in deposits and that sounds great! But if he redeems more than he sells, he loses the difference and there is no known way to equalize sales with the redemption. In fact, it is so unworkable that it is, in effect, a ban on non-returnable packages for our industry.

SOFT DRINK COMPANIES ARE, AND HAVE BEEN, WORKING ON THE LITTER AND SOLID WASTE PROBLEMS!

The top officials of all major soft drink companies, as well as the container manufacturers are, and have been, working diligently at the national level to come up with practical solutions to litter and solid waste problems. This is a tremendously complex problem and economics of many industries are involved. Methods of collection of solid waste, sorting of solid waste, transportation of sorted materials back to manufacturing plants for recycling into new containers and by-products requires a tremendous application of time and ingenious technology. This research is, and has been, ongoing for an extended period of time, including the past two years. If the economics of our combined industries--meaning container manufacturers, soft drink and beer manufacturers and retail food stores are upset by this type of ill-advised legislation catering only to the emotions of the public, then it will be virtually impossible for the industries involved to finance the necessary research to solve the problem. It is very evident that litter is the tip of the iceberg and it is very evident that the legislators have been responding to the clamor of the public who have little or no knowledge of the complexity of this problem. It is absolutely essential that states, counties, cities, as well as the federal government look to modern reclamation centers to solve this difficult problem of waste management. A packet of current and factual information is attached for your information and consideration.

TIME FOR RESEARCH IS ABSOLUTELY ESSENTIAL!

The soft drink industry has proposed a broad base packaging tax to this legislature. A copy of this bill is also enclosed. We have been unable to get it introduced yet. Briefly, it provides methods of generating funds for the cleanup of litter and the actual purchase and testing of specific systems for sorting and recycling of solid waste. Even though this bill may not be

given consideration in this session of the legislature, we would hope that you will consider it in the long range approach to the total problem.

The Oregon Soft Drink Association specifically requests that if you feel that you must pass discriminatory legislation such as HB 1036, then please make the effective date July 1, 1973. The combined industries effected by this type of legislation are dedicated to solving the real problems of litter and solid waste and if given two years in which to accomplish this, we believe positive results can be obtained. This time is needed for continued research and development of collection systems, sorting systems and redistribution systems in order to truly recycle the maximum potential of solid waste. Current studies would indicate that the re-useable materials can be turned into a paying proposition. Our combined industries have been accused of doing nothing over the last two years. This is just simply not true and if we do not prove to you that we are sincere in solving the total problem by July 1, 1973, then your mandatory deposit bill would automatically go into effect on that date. Let's not let our emotions run away with our common sense!

STATEMENT OF KENNETH H. LEMKE, PLANT MANAGER OF THE PORTLAND PLANT OF OWENS-ILLINOIS, INCORPORATED BEFORE THE OREGON SENATE COMMITTEE REGARDING HB 1036.

APRIL 28, 1971

SENATORS:

MY NAME IS KENNETH H. LEMKE AND I AM APPEARING BEFORE YOU IN OPPOSITION TO HB 1036.

I AM PLANT MANAGER OF THE PORTLAND PLANT OF OWENS-ILLINOIS, INC. THIS PLANT WAS BUILT IN 1956. SINCE THAT TIME, IT HAS UNDERGONE SEVERAL ADDITIONS WITH THE RESULT THAT OUR EMPLOYMENT LEVEL HAS INCREASED FROM 166 TO APPROXIMATELY 460 EMPLOYEES TODAY. OUR TOTAL PAYROLL IN 1970 WAS \$3,970,000 INCLUDING FRINGE BENEFITS. THE TOTAL CAPITAL INVESTMENT IN PLANT AND EQUIPMENT IS IN EXCESS OF \$13,000,000.

I MENTION THESE FACTS SINCE I WANT TO MAKE YOU AWARE OF THE SIZE OF OUR INDUSTRY IN OREGON AND THE PROJECTED EFFECT PROPOSED LEGISLATION WOULD HAVE ON OUR BUSINESS. THE EFFECT OF THIS BILL WOULD BE AN ECONOMIC BAN ON THE USE OF THE NON-RETURNABLE PACKAGES FOR MALT AND CERTAIN OTHER CARBONATED AND NON-CARBONATED BEVERAGES. THE SHORT TERM EFFECT ON OUR PRODUCTION WOULD BE A SPURT IN ORDERS FOR RETURNABLE CONTAINERS AS THE BREWING AND BEVERAGE INDUSTRIES TRY TO FILL THE DISTRIBUTION PIPELINE WITH RETURNABLE CONTAINERS. THIS WOULD PROBABLY COVER A PERIOD OF 6 TO 8 MONTHS. AFTER THAT, WE WOULD SEE A SUBSTANTIAL REDUCTION IN OUR OUTPUT RESULTING IN THE SHUTDOWN OF AT LEAST TWO OF OUR PRODUCTION LINES AND POSSIBLY THREE. THIS WOULD MEAN LAYING OFF 100 TO 150 EMPLOYEES.

THE BILL BEFORE YOU DOES NOT ATTACK THE SOLID WASTE PROBLEM BUT IS, ACCORDING TO ITS PROPONENTS, AN ANTI-LITTERING MEASURE. WE ARE CONVINCED THAT A DEPOSIT WILL NOT DETER THE POTENTIAL LITTERER FROM THROWING THE

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CONTAINER OR A GUM WRAPPER OR A NEWSPAPER OR ANY OTHER POTENTIAL PIECE OF LITTER OUT THE CAR WINDOW. THE THEORY APPARENTLY IS, THAT WITH A DEPOSIT AS AN INCENTIVE, PEOPLE WILL RETURN THE CONTAINER TO A STORE FOR REFUND. THE FACT IS THE TREND HAS BEEN AND CONTINUES TO BE TOWARD THE CONVENIENCE PACKAGE SINCE THE BUSY HOUSEWIFE DOES NOT WANT TO BE BOTHERED WITH RETURNING BOTTLES TO THE LOCAL STORE. THIS IS EVIDENCED BY THE FACT THAT MANY OF THE BOTTLES FOUND AS LITTER ALONG THE HIGHWAYS ARE RETURNABLE AND ARE REDEEMABLE FOR A DEPOSIT. I SAY THIS TREND HAS CONTINUED SINCE THAT HAS BEEN THE HISTORY AT OUR PORTLAND FACILITY. IN 1969, 58.4% OF OUR MANUFACTURED GROSSAGE WAS IN NON-RETURNABLE BEERS. IN 1970, THIS JUMPED TO 65.5% OR AN INCREASE OF 7.1%. IN 1969, 5.9% OF OUR TOTAL GROSSAGE WAS RETURNABLE BEERS. IN 1970, THIS HAD DROPPED TO 5.0% OR A DROP OF .9%. IN OTHER WORDS, THE NON-RETURNABLE BEER BOTTLE OUT-SOLD THE RETURNABLE AT THE POINT OF MANUFACTURE BY 11 TO 1.

WHAT IS THE SOLUTION TO THE LITTER PROBLEM?

WE IN THE GLASS CONTAINER INDUSTRY ARE FIRMLY DEDICATED TO THE CONCEPT THAT EFFECTIVE LITTER CONTROL CAN BE OBTAINED ONLY THROUGH A THREE-POINT PROGRAM OF (1) PUBLIC EDUCATION; (2) ENACTMENT AND ENFORCEMENT OF ANTI-LITTERING LAWS; AND (3) PROVISION OF ADEQUATE DEVICES FOR COLLECTION AND DISPOSAL OF LITTER SUCH AS MACHINES FOR PICKING UP LITTER, TRASH RECEPTACLES, LITTER BAGS, AND THE LIKE.

WE ARE EQUALLY FIRM IN OUR CONVICTION THAT LITTERING CANNOT BE CONTROLLED THROUGH LEGISLATION THAT OUTLAWS, DISCRIMINATELY TAXES, OR OTHERWISE RESTRICTS THE SPECIFIC USE OF CONTAINERS OR OTHER PRODUCTS

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THAT MAY APPEAR AS PART OF LITTER. THE SOLUTION TO THE LITTER PROBLEM LIES IN COOPERATION BETWEEN GOVERNMENT, INDUSTRIES, AND THE PUBLIC.

INDUSTRY HAS BEEN CRITICIZED FOR ITS LACK OF ACTIVITY IN THE ANTI-LITTER AREA BETWEEN THE 1969 AND 1971 LEGISLATURE. LET ME TELL YOU WHAT OWENS-ILLINOIS HAS DONE ON THE LOCAL LEVEL AND THEN WHAT WE HAVE DONE AS A COMPANY AND AS AN INDUSTRY ON THE NATIONAL LEVEL.

ON THE LOCAL LEVEL, WE HAVE PASSED OUT THOUSANDS OF LITTER BAGS AND SPONSORED A RECYCLING THEME BOOTH AT BOTH THE MULTNOMAH COUNTY AND OREGON STATE FAIRS IN 1970. BECAUSE WE BELIEVE ENVIRONMENTAL EDUCATION SHOULD BEGIN IN THE EARLY YEARS, WE WORKED WITH THE PARKROSE SCHOOL SYSTEM BEGINNING IN APRIL, 1970, TO DEVELOP AN ENVIRONMENTAL TEACHING UNIT FOR USE IN ALL GRADES FROM GRADE SCHOOL THROUGH HIGH SCHOOL. THIS PROJECT WAS CALLED, "PROJECT STEPS" STUDENT TECHNIQUES IN ENVIRONMENTAL PROBLEM SOLVING, AND RESULTED IN THE DEVELOPMENT OF A CURRICULUM TO TEACH ENVIRONMENTAL CONCERN IN THE SCHOOLS. I HAVE A COPY OF THIS PROGRAM, WHICH IS IN USE IN THE SCHOOLS, WHICH I WILL LEAVE WITH YOU FOR YOUR REVIEW. INCIDENTALLY, THIS PROGRAM WAS FOLLOWED CLOSELY BY THE INTERMEDIATE EDUCATION DISTRICT.

IN JULY, 1970, WE OPENED A GLASS REDEMPTION CENTER AT OUR PLANT IN PORTLAND. THIS CHART DRAMATICALLY SHOWS WHAT HAS HAPPENED TO THIS PROGRAM SINCE ITS INCEPTION. IN OUR FIRST MONTH'S OPERATION, WE COLLECTED 4500 LBS. BY DECEMBER 1970, WE WERE COLLECTING 486,000 LBS. PER MONTH AND NOW WE ARE COLLECTING BETTER THAN 900,000 LBS. PER MONTH. OUR COLLECTION FOR MARCH WAS EQUAL TO 5.5% OF OUR TOTAL MARCH PRODUCTION. THIS IS VERY SIGNIFICANT WHEN YOU REALIZE WE SHIP THROUGHOUT THE NORTHWEST

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AND YET WE RECEIVED 5.5% OF OUR PRODUCTION BACK AT ONE COLLECTION CENTER IN PORTLAND. THROUGH MARCH 31, 1971, WE HAVE COLLECTED 3,383,000 LBS. AT THE ONE CENT PER POUND PRICE WE ARE PAYING, THIS PROGRAM IS COSTING US A SMALL PREMIUM SINCE WE ARE ABLE TO BUY RAW MATERIALS AT A LOWER COST. HOWEVER, THE PURPOSE OF THE PROGRAM IS TO EDUCATE THE PUBLIC TO THE FACT THAT THERE IS SALVAGE VALUE TO USED GLASS PROVIDING A WAY CAN BE FOUND TO SEGREGATE THIS GLASS AND RETURN IT TO THE MANUFACTURER IN USABLE FORM. WE ARE PRESENTLY WORKING WITH BOY SCOUT TROOPS IN OREGON AND SOUTHERN WASHINGTON IN CONJUNCTION WITH PROJECT SOAR, SAVE OUR AMERICAN RESOURCES, TO PROMOTE THE ANTI-LITTER, RECYCLING THEME.

ON THE NATIONAL LEVEL THROUGH OUR INDUSTRY ORGANIZATION, GLASS CONTAINER MANUFACTURERS INSTITUTE, ANTI-LITTER SPOT COMMERCIALS HAVE BEEN SHOWN ON T.V. STATIONS ACROSS THE COUNTRY. IN ADDITION, THE GLASS REDEMPTION CENTER PROGRAM IS IN OPERATION IN ALL OF THE MEMBER COMPANY PLANTS TOTALING SOME 92 LOCATIONS IN 25 STATES. I HAVE HERE AN EXAMPLE OF THE TYPE OF EDUCATIONAL MATERIAL WHICH IS BEING USED TO FURTHER THE EDUCATIONAL PROCESS. THIS IS A COPY OF THE APRIL 7TH ISSUE OF THE WEEKLY READER FOR KINDERGARDEN USE. THIS PUBLICATION STRESSES THE REUSE OF GLASS MATERIALS TO MAKE A NEW PRODUCT, "GLASPHALT".

THE INDUSTRY IS ALSO COOPERATING WITH THE UNITED STATES BUREAU OF MINES ON DEVELOPMENT OF TECHNIQUES FOR SEPARATING GLASS FROM INCINERATOR RESIDUES, AND THEN CONVERTING IT INTO BUILDING BRICKS AND GLASS WOOL INSULATION. WE ARE SIMULTANEOUSLY FUNDING RESEARCH TO DEVELOP MEANS OF MECHANICAL SEPARATING CONTAINER GLASS FROM SOLID WASTE AT MUNICIPAL AND REGIONAL COLLECTION CENTERS. ANOTHER RESEARCH PROJECT IS SEEKING

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THE MEANS OF OPTICALLY SEPARATING SALVAGED GLASS BY COLOR SO IT CAN BE RECYCLED INTO THE BOTTLE MAKING PROCESS.

AS YOU CONSIDER THIS LEGISLATION, WE ASK ONLY THAT YOU GIVE SERIOUS CONSIDERATION TO HOW MUCH HAS BEEN DONE IN THE PAST YEAR OR TWO AND REALIZE THAT WE ARE ON THE THRESHOLD OF A WHOLE NEW TECHNOLOGY REGARDING IMPROVED METHODS OF LITTER CLEANUP AND, MORE IMPORTANTLY, A SYSTEM OF SOLID WASTE MANAGEMENT WHICH WILL LEAD TO RESOURCE RECOVERY AND REUSE. IN SUPPORT OF THIS STATEMENT, I HAVE ATTACHED A LIST OF SOME 30 INDUSTRIAL ORGANIZATIONS KNOWN TO BE ENGAGED IN RESEARCH TO DEVELOP SOLID WASTE MANAGEMENT SYSTEMS AS OF MARCH, 1971.

I AM ONLY ATTEMPTING TO DISSUADE YOU FROM HASTY ACTION WHICH MIGHT ONLY SERVE TO DELAY THE REAL SOLUTION. IF YOU FEEL THERE IS MERIT IN WHAT WE HAVE DONE AND ARE DOING, I WOULD ASK THAT YOU DELAY THE EFFECTIVE DATE OF THIS BILL TO JULY 1, 1973, AT WHICH TIME YOU COULD DETERMINE IF WE HAVE MADE ACTUAL PROGRESS THEREBY MAKING THIS BILL UNNECESSARY.

Presentation to be given to Senate Committee on April 28, 1971 -

By Ed Poyfair, Safeway Stores

In the next few minutes it is my intention to relate to you the food retailer's concern towards this prospective legislation. House Bill 1036, the 5¢ deposit on non-returnable beverage container, while alleviating some of the problems of roadside litter, creates many problems for industry and especially the food retailer. I would like to express the various difficulties that can and will arise in the food industry if this bill is accepted into law. Such areas as space availability, sanitation control and overhead expenses will be discussed in the following presentation as relates to our industry.

The current floor plan of stores is built on an 80 to 20 ratio. 80% is designated as sales floor space and 20% is backroom storage. The efficiency and cost of doing business is determined by the retailer's ability to maintain a functionable flowing operation. Freight is ordered solely for the shelf and not as surplus stock. What is received from the delivery passes quickly from the backroom to the sales floor. This method is necessary to assure the continued lack of congestion.

Yet, this procedure will be greatly impaired with the acceptance of this legislation. If the bill is passed, extra space will be needed to handle the influx of returnable containers. Since backrooms are set up for only a small space for present bottle returns out of the 20% space available now for storage and all other space is being used for freight, an anticipated increase of at least twice as many returns would make it impossible for normal operations to continue.

The larger stores would experience great hardships in securing any additional space for storage. The smaller stores would find it hard, if not impossible, to properly handle such returnables. To facilitate the appropriate disposition of these containers, certain stores would definitely have to be remodeled to make the space available required for handling such material.

Hand in hand with the problem of space availability, is the problem of maintaining proper sanitation requirements. The acquisition of additional returnables, especially cans, would hinder these procedures. In recent years the checkstands in the stores have been modernized to such a degree that the only receiving space available for placing the non-returnables is an 18" x 18" slot directly under the registers. With the acceptance of this bill this area will definitely not be capable of handling the returns anticipated.

What would then follow is our concern as relates to sanitation procedures. The present glass returnables are placed in a cart until the cart is full, and then the loaded cart is placed in the backroom ready for sorting. There is little problem of sanitation in this procedure because a large majority of these bottles are in cartons and are placed upright in the carts. Also, the fluid in these glass containers is usually sufficiently drained. However, with the advent into law of this bill, the then returnable cans will propose a definite problem.

Where bottles are usually placed bottom down in the cart, the cans will more likely than not be indiscriminately dumped into the cart. These cans will be thrown sideways, upside down and upright in the grocery cart. As you are all aware, if you have drunk from a can, you know not all of the contents are ever emptied from the container. Also, quite often various debris is placed in a can,

such as cigarette butts, which often are not placed in a glass returnable because they are easily seen. Here the old saying "out of sight - out of mind" applies. But is this residue out of sight for long? Since the can will be placed indiscriminately into the cart before it goes back to the storage area, it is likely the remaining residue will be spilled onto the re-usable grocery cart, the floor and any other articles that may be within splashing range. This, of course, is far from the desired sanitary conditions needed on the sales floor. This same chain of events would occur when the cans are taken back to the storage area. Again this spilling residue would enhance a breeding ground for unsanitary conditions.

We realize we would take corrective measures to prevent this sanitation breakdown. However, will not this legislation in essence make the retailers garbage dumps for refuse? Is this one of the criterion for being a retailer? Although the larger retailers will find it hard to adjust to the conditions, will not the small retailer be immobilized?

Another factor to be weighed in considering this legislation is what percentage of the non-returnables will return to the retailer which initially sold it. Many retailers will be taking back containers that have never before crossed their checkout counters. As has already been stated, many retailers will be placed in a space bind and literally be forced to discontinue non-returnable service because of another retailer who recorded the initial purchase. In effect, is this not a discriminatory ban on trade?

The foregoing opinions have been based on the premise that HB 1036 has as its sole objective the curbing of roadside litter and not to rid the public of the non-returnable cans and bottles or cause industry to suffer economically. However, the passage of

this bill would do just that. The retailer, for these reasons, will have no recourse but to discontinue this convenience to the consumer. It is obvious that the can manufacturer, the soft drink industry and malt beverage industry will suffer a cutback in production.

Our industrial engineers have calculated what the conversion cost would be switching from our present status to solely returnables if this bill is adopted. The following facts and figures concern what the cost will be converting from disposable containers to strictly returnables in the Portland Division's 105 stores. Our present handling costs for these stores are \$1,736 per week and \$90,850 per year. The calculated additional handling costs are \$4,463 per week and \$233,573 per year. The total handling costs for these stores would amount to \$6,199 per week and \$324,423 per year. These figures are based on the assumption that the volume of beverage sold would not decrease in returnable containers. However, it should be noted that sales could divert to Washington, California and Idaho. These figures show that an approximate quarter of a million dollars annually would be spent in additional labor to what is now being expended.

This increase takes into effect the manpower needed for accepting, recording and sorting these returnables. This does not take into effect any remodeling that may be necessary for making space for such returns or the equipment necessary for use to maintain proper operational functions.

The preceding statements are the truthful circumstances that will arise with the implementation of this legislation. We are indeed aware of the need for effective litter control and will whole-

heartedly support the course of action decided upon by this legislature. However, we wish to emphasize that never before has there been such unity of purpose in the retailer, the distributor and the manufacturer to come to some workable solution concerning the prevention of litter.

Industry has made definite strides in educating the consumer and in experimentation of recycling facilities. It may be true that such advancement has not achieved the desired goal for this time, but to allow the current legislation, would shut the door on industry and all the past work and the work yet to be accomplished would greatly be impaired. The result of this legislation, although possibly stopping some of the roadside litter, would be to put a hardship on can manufacturers, cause an even greater economic recession because of the discontinuance of some now existing jobs, raise the cost of several industries' overhead and, of course, effect an increase in the market prices of various items which cost would be borne by the consumer.

We feel the public's present concern has prompted industry to try harder and accomplish faster the needed result for litter control. Although the ultimate solution has not yet been achieved, we feel that with such a public concern, a possible shot in the arm has been given and with industry working together it would be unfortunate to shut the door on this progress.

Testimony Before Senate Committee on House Bill 1036 - April 28, 1971

Madame Chairman and Members of the Committee:

My name is William W. Wessinger, I am Chairman of the Board at Blitz-Weinhard Company which is the only brewing company producing within the State of Oregon. Our company felt and still feels that other approaches, from the approach of House Bill 1036, would attack the litter problem more effectively and do it without the economic repercussions we feel will result from House Bill 1036. However, we have come to realize that the deposit approach probably has the greatest public appeal at the present time and, therefore, our testimony will relate only to those changes in House Bill 1036 which we feel necessary to make it workable from our industry's standpoint. I would also like to be sure you understand that what I have to say relates only to the brewing industry as differentiated from the soft drink industry. It is our strong feeling that these are two different industries in that our marketing methods are very different. What would apply to one does not necessarily apply to the other, therefore, I speak only of the brewing industry and will let the soft drink industry speak for itself. Any changes that I am requesting would therefore apply only to the malt beverage sections of this Bill and not to those which relate to the soft drink industry.

Our Company has been engaged in two basic programs which relate to the litter problem. The first has to do with the encouragement of the use of the standard returnable bottle. We began over a year ago to encourage the grocery stores to carry and feature the returnable bottle. If they felt that because of consumer demand that they had to carry the non-returnable, we asked them to give the public a choice by also carrying the returnable. This program, starting rather slowly, has gathered considerable momentum over the last 6 months. When we compare the figures of this March against those of a year ago, we see a major swing away from the non-returnable.

In March 1970, the grocery stores in the Portland distributor area sold almost exactly an equal number of cases of returnable bottles and non-returnables. The actual percentage of returnables was 49.4% and non-returnable bottles, 50.6%. In 1971, in response to our program and the co-operation of the grocers, the returnable percentage had risen to 71.0% while the non-returnable was reduced to 29.0%. There was a swing of some 12,000 cases, or a quarter of a million bottles, in this one month alone. As each month goes along, we see more and more the speeding up of the progress. I am willing to wager that this percentage of returnables is by far the highest of any market in the United States today.

Now as to the other side of the coin, how many of these bottles are coming back? We cannot answer this directly as with our standard bottle

we only know what percentage we buy from the retail trade and what percentage we buy from the manufacturers. For the first quarter of 1971, we bought from the Portland retail trade - some consider this on a deposit basis - just over 90% of our needs. Only 10% came from the glass companies. This is a high percentage of returns and comes from an area where we are strong. However, for the same period in our whole marketing area which included all or parts of 5 states, we experienced an 85% return of our standard bottle. In general, what we are saying is that this standard returnable system is working with a 1¢ deposit and the glass is returning. We want to see the present deposit level or one very close to it maintained.

There are two other practical reasons for the existing deposit or something close to it. This Bill calls for a deposit on packages for off premise consumption only. It also calls for a label indicating the redemption value. When a tavern owner buys this package neither he nor the distributor have any way of knowing whether it is going to be consumed on premise or go off premise. Should it have a label for redemption or not? At the low deposit level it would make no difference as present practice would prevail. There actually would be no need for a label and also there would be no difficulty caused by out of state bottles coming in. Lastly the low deposit would mean that there would not have to be an Oregon inventory and an out of state inventory on this package.

In total, we feel that the continuation of the present deposit system on a standard returnable bottle with the deposit at a maximum rate of 2¢ would be a highly successful approach to this part of the problem. It has in the past and would in the future, bring back the glass from the consumer, and it also gets away from the very real practical problems described above.

This whole program is destroyed with the 5¢ deposit. I have attached the explanation for this which I previously gave to the committee but do not want to take time to repeat. I cannot emphasize enough our concern on this point. We seriously feel our Company would be jeopardized if the standard bottle system is destroyed as it would be with a deposit higher than 2¢.

Our second program relates to the change over in the industry from the steel can to the all aluminum can. The aluminum can has a redemption value as scrap metal of approximately 10 times that of steel. We will be setting up redemption centers throughout the State for this package as soon as we make the change over which will be early this summer. We will be offering approximately 1/2¢ per can for these cans. We would again feel that the deposit at the 5¢ rate would make it impossible to continue such a system of redemption centers but that we might be able to do it at - say - a 2¢ level. We honestly don't know the results of this, nor do I feel that anyone can accurately predict what will happen because predicting the market place is an extremely difficult thing to do.

This can program is also of vital concern to us as it affects all production planning for the next several years. If cans are forced off the market as we think they would be, with a 5¢ deposit we would immediately be faced with planning and acquiring a new bottle line. Our present line can not handle the production now being handled by one bottle line and one can line. This would be at least a 2 1/2 million dollars and 18 month project.

Therefore, we would like to try these programs and we would like to have as much time as this Legislature is willing to give us to see if we can make them work. In essence, what we are asking for is a reduction from 5¢ to a maximum deposit of 2¢ in the malt beverage section of House Bill 1036.

William W. Wessinger
Chairman of the Board
Blitz-Weinhard Company

WWW:ps

April 27, 1971
Roseburg, Oregon

Consumer Affairs Committee
Oregon State Senate
State House, Salem, Oregon.

To Members of the Committee:

I am the owner and operator of a medium size supermarket, the B & E Market located at Roseburg, Oregon. Our store employs some 8 to 10 persons and therefore any additional labor costs represents a problem for my business.

House Bill 1036 as presently written would impose a serious hardship on my business if I would be required to accept additional empty beverage containers from my customers. We already are handling a large amount of returnable glass beer and carbonated beverage containers. We are ready and willing to continue to handle this same proportionate number of returnable beverage containers.

However, if House Bill 1036 was enacted, we would be required to also accept "metal cans" which are at present not returnable to our stores. If we were to accept and store the empty "tin beverage containers", we would be confronted with a serious sanitation problem because these metal containers would be in most cases damaged and dirty.

I do not believe that the sponsors of House Bill 1036 would intend that our retail food markets should be used as a "dumping ground" for dirty beverage containers. At present the handling of empty glass containers creates some problem because some of the bottles are returned in an unsanitary condition. The tin containers would be much worse inasmuch as it is more difficult to wash a dented can than a glass container.

I therefore urge that you reject House Bill 1036 or amend it to eliminate any obligation for retail grocers to redeem empty "metal beverage containers." We as retailers would not disapprove the elimination of "non-returnable glass beverage containers" if this would help solve some of the litter problem. We as retailers would then be required to handle a larger volume of glass containers in our stores.

I also would support House Bill 1949 which would provide for an assessment against the beverage industry, and our retailers, for a $\frac{1}{4}$ cent on each non-returnable beverage container. This assessment would be charged to our stores by the beverage wholesaler. The total amount of this tax would provide almost \$ 1,000,000. in revenue for the Oregon State Highway Commission to hire a Scenic Protection Corps, employing some 500 young persons, at an hourly rate of \$ 2.50 an hour to pick up litter on our highways and public parks. We in Douglas County would benefit by such a program and our "litter" problem would be greatly relieved with these funds available.

I am also speaking for some 25 Independent Grocers in Douglas County including the Hudson Stores, who are all opposed to House Bill 1036.

We would favor the postponement of the effective date of House Bill No. 1036 until January of 1973 in order to give the beverage industry an opportunity to provide some \$ 1,000,000. per year by a special assessment for the purpose of giving the Oregon State Highway Commission funds with which to hire crews to pick up the beverage containers and other waste material on our highways, roadsides and public parks.

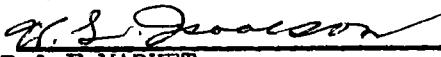
If our industry is willing to cooperate in collecting this assessment of over \$ 1,000,000. per year for the specific purpose of picking up all types of litter, including beverage containers, in Oregon, I believe that this would make it unnecessary to adopt House Bill 1036. This special assessment on beverage containers would be made effective September 1, 1971.

However, if this program of providing funds for the "litter pick up program" does not solve the problem, House Bill 1036 could then be enacted and effective on or before March 1, 1973, inasmuch as the 1973 session of the Oregon legislature would then be in session to take such action without delay.

We are asking your committee to reject House Bill 1036 in order that Oregon food markets will not be made into a "dumping ground" for unsanitary and dirty beverage containers, which would be picked up on the highways and roadsides of our State. We are proud of our quality food markets in Oregon and wish to maintain the highest standards of sanitation as required by the Oregon State Department of Agriculture.

Thank you for your consideration of our recommendations to your Committee.

Very truly yours,


_____, Owner
B & E MARKET
Roseburg, Oregon.

REPORT ON SECOND VISIT TO VANCOUVER, B.C., MARCH 24-25-26, 1971

By Wallace A. Jackson

In this report I am attempting to record developments since my first visit in January, 1971.

WOODWARD'S

The most dramatic change was here at the largest-volume store in British Columbia. They were forced to discontinue the sale of can products from Coca-Cola Bottling Company and Gray Beverages, because customers were returning private label cans along with Coke, 7-Up, Pepsi, etc. and, although Coca-Cola and Gray would pick up their own cans, they either had to refuse the private label cans or have one of the store employees take them to the depot for redemption. Woodward's discontinuance of purchase of Coca-Cola and Gray can products has resulted in a great loss of business for each of these two companies.

COCA-COLA BOTTLING COMPANY

I talked to Mr. Ted Harrison here, who was most helpful. He stated that the effect of the mandatory 2¢ refund on bottles and cans was even more disastrous than they had ever expected. They have been using the Alcoa cap on returnable 26-oz. Coke, Tab, Fresca, and Sprite for about six months. About 45% of these bottles are returned for refund with the cap left on the bottles.

This plant has the only fully automatic bottle sorter I have ever seen in the Northwest. They use this sorter when they run 10-oz. Coke. They put all 10-oz. glass on the line and the sorter sends the Coke bottles on to the bottle washer, and sorts Fresca, Sprite, Tab, and Fanta, and cases them. One man at the end of the line stacks them on the proper pallet. All foreign glass goes in a separate case.

Mr. Harrison indicated he would like to attend the Oregon-Washington Soft Drink Association meeting in Yakima in May.

SUPERMARKETS

I visited Safeway, IGA, Shop Easy, and Super-Valu stores. I put these in one group because the conditions are similar in each. These stores do most of the volume. Before the mandatory 2¢ refund went into effect, most of them stocked all national brands in 10-oz. cans, 10-oz. NR bottles, 28-oz. NR bottles, and 10-, 26-, and 28-oz. returnable bottles. They have never had a 16-oz. bottle, and it has been a long time since they had 6-, 7-, and 12-oz. bottles. All of the above stores have eliminated all national brands in sizes other than 26- and 28-oz. returnable. The one exception is Canada Dry, who still has 10-oz. cans on sale because they went along with the depot system.

Each chain store has its own private label can and they sell at 10 for 99¢, and no deposit is charged, although the customer may return the containers to the depot and get 2¢ refund on each, up to a limit of 18 cans per day. Safeway uses a 28-oz. NR bottle for Cragmont, that sells at 2 for 49¢ plus 5¢ deposit on each bottle. The Safeway manager told me they get back about 5%. The loss is so great that it is cheaper than using returnable glass. The empties that are returned are sent to a glass plant for \$15 per ton. The chains eliminated the 10-oz. returnable bottle because they were afraid of an increase in returns to the store of this package (limited storage area in all supermarkets). They don't want to be forced into handling more empties than absolutely necessary. They only give refunds on the 28-oz. size.

CANNERS

Multipak and Shasta are the only canners in the area. They formed a non-profit company called Pacific Reclamation Ltd., and its function is to pick-up soft drink cans from the 102 depots. These two canners set aside 12¢ for each case of cans they fill, and deposit the money to the account of Pacific Reclamation Ltd. for purchase of used soft drink cans from the depots. They pay the depot 2¢ per can, or 48¢ per case, plus 8¢ per case as a handling charge, or a total of 56¢ per case. (The used cans are crushed and sent to Seattle for recycling.) Should more cans be returned than they expect, then they will have to raise the amount of reclamation deposit for each case of cans. By using this method, the chains accept no cans for refund. They post a sign over their Beverage Section giving the address of the nearest depot. Coca-Cola and Gray Beverages refused to pay the 12¢ upcharge per case and, for this reason, they are out of the chains. Coca-Cola and Gray will pick up NR bottles and cans at any store that carries their products.

GRAY BEVERAGES

I talked with Mr. Abe Gray, owner, and Mr. Tony Milina, sales manager. They told me the same story I received from Coca-Cola. The situation is worse than they ever imagined it would be. The law, as it now exists, is an open-door to private labeling.

CANADA DRY

I talked with Mr. Wright, the general manager. This is a parent company operation and they pay the 12¢ upcharge, and go along with the depot operation. They are getting volume, but are paying for it.

CONTINENTAL CAN COMPANY

In talking with Frank Clark, District Sales Manager, he told me they have not produced a beer can since October. The average brewery can fill one-month's supply of beer cans in 15 minutes. Soft drink cans are off only about 20%. This downward trend developed because of loss of national brand sales, with the increase in private labels failing to off set that loss.

GLASS COMPANIES

I was told that Consumers Glass and Dominion Glass laid off a total of 300 people as a result of the Container Bill (No. 33) in British Columbia.

CONCLUSION

I have attempted to report the situation reliably from the information I was able to obtain from the individuals with whom I talked. I have also made an effort to reports facts that are of special interest to the bottlers. I shall be very happy to answer any questions you might have, and ask that you not hesitate to call me.

Respectfully submitted,

W. A. Jackson



UNITED GROCERS, INC.
NORTHWEST GROCERY CO.

HEADQUARTERS

6433 S. E. LAKE ROAD P. O. BOX 22187
PORTLAND, OREGON 97222 503-654-6543

BRANCH

2195 SAGE ROAD P. O. BOX 1647
MEDFORD, OREGON 97501 503-773-7383

April 30, 1971

Senator Betty Roberts, Chairman, Consumer Affairs Committee, and
Senator Don S. Willner
Senator Sam Dement
Senator Hector MacPherson, Jr.
Senator Tom R. Mahoney,
State Capitol Building,
Salem, Oregon

Dear Members of the Consumer Affairs Committee:

On Wednesday, April 28th, a public hearing was held in Room 20 of the Capitol Building in Salem on House Bill #1036.

Because of the time limitation, a number of people were not heard and the writer was one of these people; and we are responding to the request of the Chairman to submit our testimony by means of this letter.

On behalf of United Grocers, Inc., and the 300 or more retail grocers whom we represent in our marketing area, we wish to state that we are opposed to House Bill 1036.

We want to make it very clear that the people we represent are equally concerned about the litter problem in the state of Oregon. We obviously are concerned as citizens and tax payers, but we also feel that the impact of the conditions outlined in the proposed regulations could seriously influence and hamper our ability to provide foodstuffs for the consumers in the state of Oregon, and it is because of this that we direct our comments to the wording in the bill itself.

In our opinion, House Bill 1036 will create a ban on non-returnable containers and it will, without question, increase the activity and the use of returnable containers. We would, therefore, have to assume that the retailers who are responsible to collect the returnable containers once they have been sold to the consumers, could increase their activity on returnable bottles two or three times if there is an effective ban on non-returnables. If this occurs, and we anticipate that it will, there is no provision in House Bill 1036 to provide a handling allowance for the retailer involved in the handling of returnable containers. This, in effect, would increase handling costs at the retail level and there is simply not room enough in the margins today to justify this increased cost unless it is

passed on to the consumer. We would strongly recommend, therefore, that you give serious consideration to an amendment in House Bill 1036 that would provide some means of establishing a fixed handling allowance on returnable containers. I refer you to House Bill 1949 which does provide a handling allowance for retailers on returnable containers.

We now would like to call your attention to Section 4 of the proposed bill which reads as follows: "No person shall sell or offer for sale at retail any non-alcoholic beverage in glass, metal, or plastic containers without a refund value. The amount of refund offered shall not be less than 5¢ for each such container." In connection with this particular paragraph, are you aware of the fact that there are today and have been for a number of years, at least two products on the market which are offered in simulated plastic containers labeled "Real Lemon Re-constituted Lemon Juice". This product is being offered today in 2½ fluid ounce plastic containers, put out by the Borden Company. In addition to this item, there is a lime juice put out by the same company in a similar container. Do you anticipate that this type of container under the interpretation of this paragraph in Section 4 would be required to carry a 5¢ deposit? We have serious doubt that this is what the people meant when they formulated this bill, but this is one concern we have, and there could be more.

In Sub-section 2 of Section 4, starting at line 30 in the proposed bill, it reads as follows: "No person shall sell or offer for sale at retail any non-alcoholic beverage in any metal container which is so designed and constructed that a part of the container is detachable in opening the container." In this connection, were you aware that there are a number of frozen drink concentrates that are offered on the market today in metal cans. These are not the pull tab type cans, these are the conventional metal cans with a top and bottom. In order to get into the contents, a person must use a can opener and remove the lid. Again, we do not think that you intended that this type of product would be influenced by this paragraph, but we are concerned that you are not aware of this problem, and we are simply calling it to your attention, and we feel that you should redesign the wording in this paragraph and clearly define what is meant by the proposed legislation. In addition to this problem, what is to prevent a manufacturer from offering liquid beverages in a metal can with a screw top rather than a pull tab? There are products on the market today in this form of container, but we are not aware that any consumable beverages are offered in this type of container.

In Sub-section 3 of Section 4, a provision is included to exclude fluid milk products or natural fruit juices. We are extremely concerned with what is meant by "natural fruit juices". How would you describe the following items? Are these items natural fruit juices...apple cider, apple juice, cranberry-apple juice, grape drink, orange drink, orangeade, plus other blended drinks or juices offered in the market today? There are many brands and many sizes being offered from a number of packers and we would assume that some of these products are re-constituted from fruit bases and they are packed in bottles and cans of various sizes. I might add that they are also very popular. In this connection, we would like to refer you to an article appearing in Super Market News, dated Monday, April 19th, wherein the Federal Department of Agriculture is attempting

to establish hearings on standards to correctly identify proper descriptions of orange flavored drinks. There is a lot of confusion in this area, and we would hasten to tell you there are products in the market today that are completely synthetic and require the addition of water because they are in granular or powdered form. Some of these products are in metal cans and others are in glass jars.

From the foregoing, you can see that there is considerable confusion in our industry on the present wording of House Bill 1036, and we would like to suggest to you that you should postpone any hasty decisions until you have had an opportunity to properly evaluate the impact of this bill on the retail, wholesale, and manufacturing end of the food business. In addition, we would like to suggest that we would like to offer our advice and counsel along with anyone else from the food industry, to discuss this matter a little more fully with you before you reach conclusive decisions. If this can be arranged, please contact us and we will respond to your inquiry in a constructive manner.

Sincerely yours,

UNITED GROCERS, INC.



Manley J. Bakkensen,
Retail Services Manager

MJB:mm

DOUGLAS COUNTY BOTTLING COMPANY
 D B A/COCA-COLA BOTTLING COMPANY
 OF ROSEBURG

612 N. W. CECIL, ROSEBURG, OREGON 97470



April 28, 1971

Consumer Affairs Committee
 Salem, Oregon 97310

Please include this letter as testimony.

I am very concerned over House Bill 1036 as it is presently written and will list below some thoughts for you to consider when studying this matter.

1. The problem of litter and solid waste is a national problem. I believe we, here in Oregon, should move very cautiously and make sure that any laws we do develop are compatible with the rest of the nation.
2. If 1036 is to be enacted into law, it should be amended to:
 - A. Completely ban the "convenience or single trip containers".
 - B. Make the deposit originate at the manufacturer's level rather than stipulating that "sales be prohibited at retail level without a minimum refund".
 - C. Extend the effective date of the law to allow an orderly conversion and soften the economic demands.
 - D. Provide some form of economic relief for manufacturers within the state of Oregon who are forced to liquidate equipment designed for manufacturing beverage products in cans or single trip bottles.

I want first to discuss item #1 and point out that every survey shows that all soft drink packaging is only about five per cent of the litter total, and remember, too, that all litter is less than one per cent of the much larger and far more complex problem of solid waste. Our real concern at this time with the whole matter, should be one of community-wide development of modern methods for solid waste disposal and materials recycling. Let me say right here that under classification of material recycling, I am including the beverage industry and feel that when we are on the right track, I would support reasonable, effective and enforceable legislation.

I realize that at this stage, any time a bottler suggests we need more time for study of the total problem everyone throws up their hands and says you have had two years and have done nothing, but this is not entirely true. We have been unanimous in advocating a broad based tax in which all industry would participate to seek educational and technological solutions to a problem which no segment of our society is without some share of the responsibility for creating. We really do need more time and we need money to develop through advanced technology, modern equipment and facilities. I believe that all should be supporting a broad based tax at this time as the initial step in seeking a total solution.

I further want to point out relating to the number 2. item, 1036, that, as it is now written, it is unworkable. I believe first that you should entirely reject it until we have had time to evaluate what the trend across the whole nation will be. In the event you do not agree to wait, then please consider the amendments as listed under A, B, C, and D.

Yours truly,
 Douglas County Bottling Company

LeRoy S. Hanna
 LeRoy S. Hanna
 Owner-Manager

DOUGLAS COUNTY BOTTLING COMPANY
 D B A/COCA-COLA BOTTLING COMPANY
 OF ROSEBURG

612 N. W. CECIL, ROSEBURG, OREGON 97470



April 29, 1971

Senator Betty Roberts, Chairman
 Consumer Affairs Committee
 Oregon State Senate
 Salem, Oregon 97310

Dear Madam Chairman:

Enclosed is letter of testimony which I would like for you to include as part of your April 28, 1971, hearing on 1036.

I attended most of the hearing, but because of other commitments, had to leave at 6:00 P.M.

After listening to the proponents of the bill, who are very concerned people but really do not understand all of the ramifications of what they are proposing, and then hearing the opponents, some whose only concern was to protect their own interest and others who really pointed out the valid reasons to give the whole matter more study, I am more convinced than ever that you and your committee should table this bill and that in doing so, you would be acting in the best interest of all Oregonians at this time.

I do not want you to think that I am only interested in protecting my own business and that this is the only basis for my position on this matter, in fact, a year ago it was my feeling that the theory of a 5¢ deposit would be good for our total society and I testified to this effect on February 13, 1970, before the litter subcommittee. I have since learned from the experience in British Columbia and listening to how the grocery men intend to handle the situation that we really would not cure even the beverage portion of the litter problem and the cans that would be sold would be coming in from out of state.

The real intent of this whole idea is to clean up the beverage portion of litter. As the bill is now written, it won't do that. I urge you to do whatever is necessary to kill this bill.

Yours truly,
 Douglas County Bottling Company

LeRoy S. Hanna
 Owner-Manager

LSH: lg

Encl.

MADAME CHAIRMAN AND MEMBERS OF THE CONSUMER AFFAIRS COMMITTEE:

MY NAME IS WARREN DAVIDSON, I AM EMPLOYED AT CONTINENTAL CAN COMPANY PORTLAND AND HAVE BEEN FOR THE PAST 17 YEARS.

A GROUP OF FELLOW WORKERS AND MYSELF ARE HERE TODAY BECAUSE WE ARE CONCERNED ABOUT HOUSE BILL 1036 AND HOW IT WILL EFFECT US, AS WELL AS THE PEOPLE OF OREGON.

INCLUDED IN THIS GROUP ARE MEMBERS OF THE TEAMSTERS, LITHOGRAPHERS, MACHINISTS, ELECTRICIANS, AND THE PRODUCTION WORKERS UNIONS. THESE MEN REPRESENT MANY YEARS OF TRAINING IN THE MANUFACTURE OF CANS. TRAINING THAT WOULD BE OF LITTLE OR NO USE IN OTHER INDUSTRIES. FOR THIS REASON WE ARE HERE TODAY TO GIVE OUR VIEWS WHY HOUSE BILL 1036 SHOULD NOT BE PASSED.

WE ARE CONCERNED BECAUSE IF THIS BILL PASSES IT WILL EVENTUALLY ELIMINATE BEER AND BEVERAGE CANS FROM THE SHELVES. MAKING THE RETURN-ABLE BOTTLE THE ONLY CHOICE TO THE CONSUMER. TO US THIS IS A BAN THE CAN BILL.

FOR EXAMPLE:

A HOUSEWIFE DOING HER WEEKLY SHOPPING AT THE SUPER MARKET PICKS UP SIX CANS OF HER FAVORITE CANNED BEVERAGE. ON THESE SIX CANS SHE PAYS 30¢ DEPOSIT. THE NEXT DAY SHE STOPS AT THE SMALL CORNER GROCERY STORE, HERE SHE RETURNS THE SIX EMPTY CANS FOR HER 30¢ DEPOSIT. NOW, ON THE SURFACE THIS SEEMS LIKE A SIMPLE ENOUGH PROCEDURE. BUT WHAT HAPPENS TO THIS SMALL GROCER IF MORE CANS ARE BROUGHT BACK TO HIM THAN HE HAS SOLD? IT WOULDNT BE LONG UNTIL HE WOULD BE OUT OF BUSINESS. NO RETAIL OUTLET OF CANNED BEVERAGES WOULD BE ABLE TO TAKE IN MORE CANS FOR THE

RETURN OF THE DEPOSIT THAN HE HAS SOLD. IF YOUR GROCER REFUSED TO TAKE YOUR RETURNABLE CANS ON THESE GROUNDS, WHAT WOULD YOU DO? FIND ANOTHER STORE? OR WOULD YOUR GROCER REFUSE TO HANDLE CANS ENTIRELY TO STAY IN BUSINESS. ASK YOUR OWN GROCER FOR THE ANSWER TO THIS. THE RETURNABLE CAN WOULD NOT NECESSARILY BE RETURNED TO THE STORE WHERE IT WAS PURCHASED.

WE AS MEMBERS OF THE SILENT MAJORITY ARE CONCERNED ABOUT THE PROBLEMS OF ECOLOGY. WE TOO WANT A CLEANER WORLD IN WHICH TO LIVE. BUT TO BAN THE CAN IS TOO HIGH A PRICE FOR US EMPLOYED IN THE CAN INDUSTRY TO PAY. WE ARE NOW TALKING OF OUR JOBS AND THE JOBS OF MANY WHO ARE EMPLOYED IN RELATED INDUSTRIES. HOW MANY JOBS THIS WOULD EVENTUALLY EFFECT IS HARD TO SAY AT THIS TIME.

BUT WE AT CONTINENTAL CAN COMPANY ARE CONCERNED ENOUGH ABOUT THIS BILL TO TAKE THE AFTERNOON OFF WITHOUT PAY TO SHOW OUR OPPOSITION TO IT. CANS DON'T LITTER --- A FEW PEOPLE DO.

WE ASK YOU TO STRIKE AT THE SOURCE!

IN OUR ESTIMATION THIS IS EDUCATION AND ENFORCEMENT OF EXISTING LAWS OF THE STATE OF OREGON.

IS THIS BILL WHAT THE PEOPLE OF OREGON REALLY WANT?

DO YOU HONESTLY FEEL THIS WILL ELIMINATE THE LITTER IN OUR STATE? OR IS THIS A WAY TO LEAD THE PEOPLE INTO BELIEVING SOMETHING IS BEING DONE ABOUT THE LITTER PROBLEM.

THANK YOU.

My name is Val Vanderkin---I have worked for the Continental Can Co. in Portland for nearly 14 years. I am speaking for myself as well as a group of my fellow employees who are here today. They represent four Unions---the Teamsters, Lithographers, Machinists and Production Workers.

We are here because we have a great deal at stake---namely our jobs.

House Bill 1036 poses a serious threat to our livelihood, in that, through it's acceptance, the elimination of beer and beverage cans from the grocer's shelves is imminent. Many of our jobs are unique in that our special skills are related to the can manufacturing trade and cannot be used in other industries. Many of these skills have required years spent serving apprenticeships or training programs to attain the ultimate knowledge needed to become a trade specialist.

The manufacture of beer and beverage containers constitutes approximately 40% of our overall business. Without this business many of us would be without permanent jobs. Also, through the fullfilling of orders for beer and beverage containers, the Company has found a need for expansion and so has hired many college students during our seasonal or peak period. These students have depended upon the company year after year for summer work, which has supplied the financial needs for their return to school in the fall.

House Bill 1036, in placing restrictions on the disposable container, is discriminating against a small part of the litter problem, and will not be effective in controlling litter. As proof, please recall the amount of returnable bottles, requiring a deposit, that littered our streets, parks and roadways long before the inception

of the non-returnable can or bottle.

House Bill 1036 will, however, destroy a highly efficient distribution system that brings all of us high quality beverages at the lowest possible cost.

This bill will also destroy the jobs of people who have been anti-litter conscious since our company set up anti-litter programs well over five years ago.

The container companies were among the first to start such campaigns as our business was dependent not only upon the quality of our products, but also upon the manner in which our products were handled upon reaching the general public. The container companies have also spent millions of dollars, not only on anti-litter programs for their employees, but the anti-litter education of the public. Our jobs have depended upon this type of education.

Could it be that they didn't spend enough time, money or effort in their programs? Or is it the carelessness or laziness of others that have put our jobs in jeopardy. We would really like to know.

By taking our jobs away from us, it would make us even more aware of the problem, but what effect would this have on the persons responsible---those who don't care and prove it by continuing to spread their filth in every part of our state---no effect whatsoever, because it doesn't reach them personally; they have job security. Is our ability to bring home a living wage going to be governed by this type of individual's carelessness? We certainly hope not.

Litter is caused by only a few people and cans are only a small part of that litter. Why should we lose our jobs because of a small percentage of peoples wanton litter.

We want the can production line, not the unemployment line or welfare benefits, and because of this we are very much opposed to the passage of this bill.

Thank you.



BUSINESS MEN'S ASSURANCE
Company of America

M. K. SHERRIEB, DISTRICT SUPERVISOR

DISTRICT OFFICE: (Main Office)
245 S.E. 4th • P. O. Box 1085
Pendleton, Oregon 97801
Phone: 276-2640

April 19, 1971

AREA OFFICE:
P. O. Box 933
Baker, Oregon
Phone: 523-3913

Honorable Betty Roberts, Chairman
Senate Consumer Affairs Committee
Room 405
State Building
Salem, Oregon 97310

Re: HR1036

Dear Senator Roberts:

It is requested that this letter be read into the Minutes pertaining to the hearing on HR1036.

Certain provisions of HR1036 were recently called to my attention. It appears that certain areas of this Bill are discriminatory in nature against some private industries. It would also appear that certain provisions of this Bill, as now written, will cause restraint of trade.

HR1036 requires deposit, at the time of sale, on all non-returnable containers (glass or metal) containing carbonated or malt liquids.

I question the discrimination against the carbonated beverage industry or the malt beverage industry. This appears to be but one small segment of the problem the Oregon State Legislature desires to control. In traveling 10 counties in Northeast Oregon with an average mileage of 3,000 miles per month, it is very evident that the type of containers under consideration in HR1036 constitute less than fifty percent of the problem.

To be fair, it would appear that all metal containers and all glass containers and all paper containers should be included. We should certainly not discriminate against the carbonated beverage industry or the malt beverage industry. We should certainly consider the dairy industry with their plastic containers that you find along shores of most rivers, the wine industry and the alcoholic beverage industry as well as our many restaurant (principally drive-in restaurants) selling take out food products.

In addition, the monetary problem that will be invoked on all retail outlets near the borders of Washington, Idaho and California selling the carbonated beverages and malt beverages will be of such magnitude that it could well cause financial disaster to the retail outlet as well as the processor. It would behoove many individuals in Washington, Idaho and California to pick up these containers and bring them to

Honorable Betty Roberts, Chairman
April 19, 1971
Page -2-

Oregon demanding redemption.

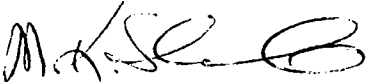
I understand that it has been pointed out by 1 or 2 individuals that the processor will so mark those containers to designate original sales in Oregon. A little common sense will tell anyone that is involved in the distribution process of such commodities that this is practically impossible to control. It would be particularly so for a manufacturing plant that distributes in several states.

I would also like to point out that there is no question in my mind regarding the restraint of trade that would be involved. For anyone that has been involved in the operation of a retail grocery store, it can be readily determined that all large fast volume retail outlets will discontinue the sale of any carbonated beverage or malt beverage other than that under their own private label. The repercussion of this on the small businessman who processes, plus the larger area processors, would be financially disastrous. Such retail outlets as Safeway, IGA, Albertsons and Fred Meyer, to name but a few, would immediately discontinue the sales of all such items except those of their own private labels. Their refund responsibility would extend only to their own private label and by the very essence of the Bill would be in restraint of trade.

I would also like to ask why the proponents of HR1036 did not include plastic or metal containers for wine or alcoholic liquor. Is it because this is a money making project for the State of Oregon through the tax on this product and the Legislature did not desire to impose the same restriction on these people as imposed on certain individuals under HR1036.

We have no qualms with the purpose of HR1036, but we certainly feel this Bill does not do what you of the Oregon State Legislature desires to accomplish.

Sincerely yours,



M. K. Sherrieb

MKS:ps

cc: Senator Ken Jernstedt
Senator Anthony Yturri
Senator R. Raymond
Representative Tom Young
Representative S. Hansell
Representative Irving Mann

plaidpantry

convenience stores

General Offices 2715 S.E. Ash Street, Portland, Oregon 97202 • 503-234-0585

May 3, 1971

Senator Betty Roberts
State Capitol
Salem, Oregon

Dear Senator Roberts:

I attended the Senate Committee Hearing on HB1036 last week and I wasn't able to testify because of the number of people at the hearing. You suggested any person who wished to have their thoughts heard write you a letter.

I am probably one of the only members of "Industry" who has been in favor of HB1036. I have been favor of this legislation because I am tired of seeing our beautiful highways and parks as littered as they have been.

I have felt the best way to solve the problem of littering is to educate the public. Plaid Pantry tried to prove this when we had our clean-up campaign last year. Unfortunately, we weren't able to prove this alone. This was because "Industry" refused to join in and help us, instead they fought us. They felt that if we accepted the responsibility of cleaning up, we would also accept the blame for the problem. It was and still is hard for "Industry" to see that they as well as the consumer are to blame for the problem of littering. I know that if two years ago the combined forces of "Industry" had worked together as a team, we wouldn't have HB1036 facing us today. I believe my disgust towards "Industry" and my concern for protecting the beauty of Oregon has made me want to see HB1036 pass.

Will HB1036 work if it is passed? I am sure that it will, but it will create hardships. These hardships will not be as bad as "Industry" has tried to make us believe, but they will be severe.

I would like to see HB1036 pass with the following change. I think that a five cents deposit is too high. I believe that a three cents deposit will do the same job as that of five cents. By placing a deposit of five cents on a container, you are putting a value on it of more than it is worth. By doing this, you will create a reluctance among breweries to buy back their bottles. If they can buy a new container for three cents, why buy a used one for five cents. If the value of the container goes higher than three cents the brewery will put a higher cost on it.

OPEN EVERY DAY 7 A.M. 'TIL MIDNITE

plaidpantry

convenience stores

General Offices 2715 S.E. Ash Street, Portland, Oregon 97202 • 503 - 234-0585

If HB1036 is passed it will mean the return of the "returnable" container and the end of the one-way. A three cent deposit can accomplish this task as well as five cents.

Wouldn't it be great if education could work? Is it too late to try? We Americans are ingenious, we always seem to have the answers to problems that confront us. Why has it been so difficult to find the answer to this one? People do buy one-way containers. They buy them because they want them. With the amount of beverages sold, can we return to the era of "returnables" without encountering problems?

Do you think HB1036 could pass with one stipulation? This would be that "Industry" has one year to completely solve the problem. If after one year the problem still exists, the law goes into effect. A task force of citizens could be set up to determine whether or not the job of solving the problem has been done satisfactorily. Would this approach work? Is it worth trying? I heard "Industry" beg for mercy, do they deserve it?

I want to see HB1036 pass, because something has got to be done, but I still think of how my Parents used the approach of teaching me to correct my problems before they would penalize me.

Sincerely,


John Piacentini

OPEN EVERY DAY 7 A.M. 'TIL MIDNITE

Work Session on House Bill 1036; Motion on Senate Bill 532

Senate Consumer Affairs Committee

May 3, 1971

3:00 p.m.

405 State Capitol

Members Present: Senator Betty Roberts, Chairman
Senator Hector Macpherson
Senator Don Willner

Delayed: Senator Sam Dement, Vice Chairman
Senator Tom Mahoney

Chairman Betty Roberts called the meeting to order at 3:00 p.m., to consider amendments to House Bill 1036. She pointed out that there were three sets of amendments already submitted, labeled "A" "B" and "C".

Amendments "A", she said, were those proposed by Senator Wingard and would provide for the flattening and stringing of cans so that they could be weighed rather than counted.

Senator Macpherson observed that while the proposal seemed to be a desirable activity, he did not feel that it should be included in state law. He said it seemed to be more of an administration question.

(Senator Mahoney was now at the meeting.)

Senator Roberts explained that Amendment "B", submitted by Blitz-Weinhard Brewers, simply advocated changing the 5¢ deposit to 2¢ and changing the effective date to July 1, 1973, rather than July 1, 1972.

Senate Bill 532

While waiting for Senator Dement to arrive, Senator Mahoney suggested considering Engrossed Senate Bill 532. He subsequently made a motion that it be passed out of the Committee with a "do pass recommendation."

Chairman Roberts reminded the Committee that the Department of Agriculture had brought up a problem of the all-inclusive nature of the term "consumer commodities." She said she doubted that it was the intent of the sponsor of the bill to include all such "consumer commodities."

Senator Macpherson voiced the opinion that he was definitely opposed to the policy of unit pricing of every item that would be sold in a grocery store and therefore, would oppose the bill in its present form.

Senator Willner said he thought perhaps the intent of the bill was to refer mostly to food items.

Chairman Roberts' impression was that laundry products should also be included.

Senator Willner moved that the "do pass" motion be amended in section 1 (page 2, line 6) to strike the words "cosmetic, device or other article or product sold for personal, family or household use" and insert "or laundry items" with the understanding that Legislative Council would draft the proper language to accomplish that result.

Senator Mahoney wondered if tooth paste would be considered a cosmetic device. That product, he said, was one of the biggest problems on the market. He did say, however, that he would not object to the amendment by Senator Willner if Senator Willner would explain to Senator Browne that Senator Mahoney had indeed made the motion to pass the bill and that Senator Willner had added the above language request. Senator Willner agreed that he would work with Senator Browne and Legislative Council and that he would be prepared with appropriate language for the next meeting on May 5. Senator Mahoney then withdrew his motion.

House Bill 1036

(Senator Dement was now at the meeting.)

Senator Willner said he disagreed with postponing the effective date of the bill as proposed by Amendment "B". As for the "five" vs. "two" cent proposal in that same amendment, he said, he would prefer to have more discussion as to what difference it would make and then, if it were to be voted upon, he would prefer that there be a separation, depending upon the type of container referred to.

Senator Macpherson concurred with Senator Willner that the effective date should not be extended. He said he could see no reason for passing the bill out if the date were to be extended past the next legislative session. After a great deal of discussion about the amount of deposit, and the effectiveness of the system presently being carried out in British Columbia, as well as the economic effect of the industry with respect to the price of glass and cans, it was determined that Chairman Roberts would attempt to work out appropriate language with Legislative Council that would be agreeable to the industry representatives as well as to the Committee.

Senator Macpherson said he had talked to people from British Columbia and that they had indicated that one of the reasons the law was not working as well as anticipated was because they had a 2¢ deposit when perhaps it should have been 5¢. It was apparently thought that the 5¢ deposit would have been advisable.

(Senator Mahoney was excused at this point to attend another appointment.)

Don Waggoner suggested amendments as follows: On page 2, line 17, after "shall" insert "be embossed or". On page 3, line 9, after "shall" insert "be embossed or". There followed discussion about the definition of fruit juices, natural, synthetic, concentrates, etc., and some dry products that can be made into fruit juices, etc., as well as the definition of reconstituted, and the implication of carbonated vs. uncarbonated drinks.

Mr. Manley Bakkensen suggested that the words "container" "dealer" "distributor" "returnable containers" be defined in the bill.

There was another suggestion: On page 2, lines 13 and 14, and lines 24 and 25, delete the reference that "This section applies only to beer or other malt beverages sold for off-premises consumption." The reason for this suggestion was that it would not be possible to give prior identification to beer that would eventually go to off-premise consumption.

This concluded the work session on House Bill 1036. Chairman Roberts informed the Committee and industry spokesmen that if they had any other amendments or suggestions, they should submit them not later than the hearing scheduled for May 10. The meeting was adjourned.

Respectfully submitted,

Connie Wood, Clerk

Chairman Roberts announced that no action would be taken on the bill today. She said that Rep. Martin would be notified to see if he would like to appear on behalf of the bill, and if so, there would be another hearing.

House Bill 1036

Chairman Roberts explained her reason for the drafting of the amendment to House Bill 1036. She said that this was an attempt to pull several suggestions together to take a good look at them. She cautioned the Committee that no policy decision has been made, nor has any action been taken on any of the amendments. This draft, she said, embodies all of the amendments that were proposed at the last work session on May 3, indicating the name of the person who proposed the amendments. She reported that these drafts would be distributed as widely as possible and she was suggesting that any suggestions, proposals or amendments be submitted to the Committee before the next work session on May 10.

She also informed the Committee that she had received a phone call from a gentleman from the Coca Cola Company, who wanted to come to Oregon and show a film on solid waste disposal. He would come at the Committee's convenience, she added. She said she had advised him that she would not make a decision for the Committee; that it would be entirely up to them to determine whether they wanted to take the time to see the film.

Senator Macpherson said it would appear to him that since the Committee was now in the process of making up their minds, they do not need additional testimony at this time. He felt that the Committee was too busy during this last part of the session. Other Committee members echoed Senator Macpherson's feelings. Chairman Roberts said she would so inform the gentleman.

The meeting was adjourned at 3:30 p.m.

Respectfully submitted,

Connie Wood, Clerk

Senate Bill 532

Senator Willner asked that the Committee consider Senator Browne's amendments to Senate Bill 532. Senator Mahoney then moved the adoption of the amendments. The motion passed with Senators Mahoney, Willner and Roberts voting "aye," and Senators Dement and Macpherson voting "no."

Senator Willner then asked that the bill be sent out "do pass as amended" and that motion also passed with Senators Mahoney, Willner and Roberts voting "aye," and Senators Dement and Macpherson voting "no." Senator Browne will carry the bill.

House Bill 1036

Chairman Roberts announced that Attorney General Lee Johnson had, at the request of the Committee, consented to draft some language to clarify House Bill 1036. She asked Mr. Johnson if he would explain his draft at this time.

Mr. Lee Johnson presented drafts of Amendments to House Bill 1036; Alternative Amendments to House Bill 1036; Second Alternative Amendments to House Bill 1036; and Policy Alternatives to House Bill 1036. He explained that these amendments give the Committee several choices of policy alternatives. The first question is the amount and nature of deposit -- either a straight 5¢ on all beer and soft drink containers, which was in the original bill, or a 5¢ refund on all containers except interchangeable containers such as the stubby beer bottle that can be used by other manufacturers.

As the bill is written, he said, the interchangeable container would require a 2¢ refund, but the Committee might consider changing this amount. The idea was that there would be a differential to try to encourage continued use of the interchangeable bottle. He went on to explain other aspects of the drafts, including how a container would be come certified. Committee members raised questions and asked for clarification numerous times as Mr. Johnson explained his drafts, but made notes (rather than motions) to be referred to later, when the time came to agree on policy.

Redemption centers were discussed, but it seemed to be the consensus that these centers would have to be instituted somehow by the beverage industry and the administration problems would have to be worked out as they arose.

Amendments were also submitted by Mr. William Wessinger of Blitz-Weinhard Co. (drafted by Mr. Don Morgan, a Portland attorney representing Blitz); Mr. Manley Bakkensen; and Mr. Don Waggoner. As those persons submitted and explained their amendments, there was a great deal of discussion among members of the Committee, Mr. Johnson, and those person mentioned above.

Mr. Richard Hubbard, representing the Isaac Walton League of America, commented briefly on the bill, indicating general approval of the Attorney General's approach.

Chairman Roberts announced that she would have copies made of all the proposals and amendments submitted at this meeting, and that those packages would be available at the Committee office the following day. She said the bill would be considered again on the following Monday (May 17) and she hoped to have some agreement by then.

There was no further business before the Committee so the meeting was adjourned at 4:25 p.m.

Respectfully submitted,

Connie Wood, Clerk

Tape 6, side 1
570 to end

Special Meeting: Work Session on House Bill 1036

Senate Committee on Consumer Affairs

May 21, 1971

3:00 p.m.

405 State Capitol

Members Present: Senator Betty Roberts, Chairman
Senator Sam Dement, Vice Chairman
Senator Hector Macpherson
Senator Tom Mahoney
Senator Don Willner

Chairman Roberts called the meeting to order and explained that because they had run into problems on House Bill 1036 on the floor of the Senate, she had called this special meeting.

She first called attention to the effective date, which apparently had been the problem on the floor. She recalled that Senator Mahoney had earlier sought to change the effective date from July 1, 1972 to July 1, 1973. However, she said, she had serious doubts about the wisdom of that date, with the anticipation that the National Can Company would move into Oregon during the primary and general election, pouring money into campaigns here on the basis of defeat of this bill, thus confronting the next legislature with the kind of money used in defeating the initiative in Washington state. She was afraid it would be a political "flub."

Senator Willner moved to substitute October 1, 1972 for the effective date of the bill. Senator Mahoney moved a substitute motion to insert July 1, 1973 instead. He explained that he thought any other effective date would be defeated. Therefore, he thought July 1, 1973 a reasonable compromise. Senator Mahoney's substitute motion failed on a roll call vote with Senators Dement and Mahoney voting "aye," and Senators Macpherson, Willner and Roberts voting "no."

Vote was then taken on the main motion by Senator Willner to change the effective date to October 1, 1972. That motion passed with Senators Dement, Macpherson, Willner and Roberts voting "aye," and Senator Mahoney voting "no."

Chairman Roberts moved that on page 3 of the printed re-engrossed bill, line 21, after "one day" delete the rest of the line and lines 22 and 23. The motion passed with Senators Dement, Macpherson, Willner and Roberts voting "aye," and Senator Mahoney voting "no."

Chairman Roberts called attention to the definition of "beverage" in subsection (1) of section 1. She moved that on page 2, line 7, after "similar" insert "carbonated". In line 8, after "consumption" insert a period and delete the rest of the line and lines 9 through 12. The motion passed with Senators Dement, Macpherson, Willner and Roberts voting "aye," and Senator Mahoney not voting.

Mr. Lee Johnson suggested that on page 4, line 5, delete "detached" and insert "detachable" and after "container" at the end of that line, insert "without the aid of a can opener. Senator Willner made the motion, which passed unanimously with all members present and voting.

Chairman Roberts then notified the Committee that she had just received a proposed amendment from Senator Ouderkirk which suggested that on page 3 of the printed bill, delete lines 20 through 23. In line 24, delete "(3)" and insert "(2)". Senator Willner moved the amendment and that motion also passed unanimously. Senator Ouderkirk assured the Committee that with that amendment, he could support the bill.

Senator Willner then moved that the re-engrossed House Bill 1036 be sent out of Committee with a "do pass with amendments" recommendation. That motion passed with Senators Dement, Macpherson, Willner and Roberts voting "aye'" and Senator Mahoney voting "no."

The meeting was adjourned at 3:35 p.m.

Respectfully submitted,

Connie Wood, Clerk

Tape 7, side 2
500 to 580

CROSS REFERENCE SHEET

NAME Senate Consumer Affairs

DATE MAR 14 1975

SUBJECT HB 1036

SEE

RGL6
75A-26/2
Senator Hallock's Files

SENATE COMMITTEE REPORT

Salem, Oregon May 21, 1971

Mr. President:

Your Committee on Consumer Affairs to whom was referred
Re-engrossed House Bill 1036, having had the same under
consideration, respectfully report it back with the recommendation that it:

 Do pass: ^X Do pass with amendments:
 Be adopted: Be adopted with amendments:
 Do pass with amendments to the printed engrossed bill.
 (Referred to Committee on Ways & Means by prior reference)
 (Other -- specify)

See attachment

Submit:
2 copies if no amdts.
4 copies if amdts.
5 copies if to be printed engrossed.

Senator Betty Roberts
(Chairman)

Sen. Roberts
will lead floor discussion.

SENATE AMENDMENTS TO

HOUSE BILL 1036

May 17, 1971

Delete the printed House Amendments dated April 7, 1971.

On page 2 of the printed bill, delete lines 5 through 34 and insert:

"Section 1. As used in this Act, unless the context requires otherwise:

" (1) "Beverage" means beer or other malt beverages and mineral waters, soda water and similar soft drinks in liquid form and intended for human consumption, whether or not carbonated, but does not include uncarbonated water, soups, fluid milk products, unadulterated, natural, reconstituted or frozen fruit, vegetable or meat juices, liquids intended for medicinal purposes only, or other beverages regulated by ORS chapter 471.

" (2) "Beverage container" means the individual, separate, sealed glass, metal or plastic bottle, can, jar or carton containing a beverage.

" (3) "Commission" means the Oregon Liquor Control Commission.

" (4) "Consumer means every person who purchases a beverage in a ^{beverage} container for use or consumption.

" (5) "Dealer" means every person in this state who engages in the sale of beverages in/^{beverage}containers to a consumer, or means a redemption center certified under section 8 of this Act.

" (6) "Distributor" means every person who engages in the sale of beverages in/^{beverage}containers to a dealer in this state including any manufacturer who engages in such sales.

" (7) "In this state" means within the exterior limits of the State of Oregon and includes all territory within these limits owned by or ceded to the United States of America.

" (8) "Manufacturer" means every person bottling, canning or otherwise filling beverage containers for sale to distributors or dealers.

" (9) "Place of business of a dealer" means the location at which a dealer sells or offers for sale beverages in ^{beverage}containers to consumers.

" (10) "Use or consumption" includes the exercise of any right or power over a beverage incident to the ownership thereof, other than the sale or the keeping or retention of a beverage for the purposes of sale.

"Section 2.

" (1) Except as provided in subsection (2) of this section, every beverage container sold or offered for sale in this state shall have a refund value of not less than five cents.

SENATE AMENDMENTS TO

HOUSE BILL 1036

Delete the printed House Amendments dated April 7, 1971.

Delete lines

" (2) Every beverage container certified as provided in section 6 of this Act, sold or offered for sale in this state, shall have a refund value of not less than two cents.

"Section 3.

"Except as provided in section 4 of this Act:

" (1) A dealer shall not refuse to accept from a consumer any empty beverage containers of the kind, size and brand sold by the dealer, or refuse to pay to the consumer the refund value of a beverage container as established by section 2 of this Act.

" (2) A distributor shall not refuse to accept from a dealer any empty beverage containers of the kind, size and brand sold by the distributor, or refuse to pay the dealer the refund value of a beverage container as established by section 2 of this Act.

"Section 4.

" (1) A dealer may refuse to accept from a consumer, and a distributor may refuse to accept from a dealer any empty beverage container which does not state thereon a refund value as established by section 2 of this Act.

" (2) A dealer may refuse to accept more than 24 empty beverage containers from any one consumer in any one day unless such empty beverage containers were originally purchased by the consumer from the dealer.

"(3) A dealer may refuse to accept and to pay the refund value of empty beverage containers if the place of business of the dealer and the kind and brand of empty beverage containers are included in an order of the commission approving a redemption center under section 8 of this Act.

"Section 5.

"(1) Every beverage container sold or offered for sale in this state by a dealer shall clearly indicate by/a stamp, embossing or by or by a label or other method securely affixed to the beverage container, the refund value of the container.

"(2) Subsection (1) of this section shall not apply to glass beverage containers designed for beverages having a brand name permanently marked thereon which, on the operative date of this Act had a refund value of not less than five cents.

"(3) No person shall sell or offer for sale/in at retail this state any metal beverage container so designed and constructed that a part of the container is detached in opening the container.

"Section 6.

"(1) To promote the use in this state of reusable beverage containers of uniform design, and to facilitate the return of containers to manufacturers for reuse as a beverage container, the commission shall certify beverage containers which satisfy the requirements of this section.

"(2) A beverage container shall be certified if:

" (a) It is reusable as a beverage container by more than one manufacturer in the ordinary course of business; and

" (b) More than one manufacturer will in the ordinary course of business accept the beverage container for reuse as a beverage container and pay the refund value of the container.

"(3) A beverage container shall not be certified under this section if by reason of its shape or design, or by reason of words or symbols permanently inscribed thereon, whether by engraving, embossing, painting or other permanent method, it is reusable as a beverage container in the ordinary course of business only by a manufacturer of a beverage sold under a specific brand name.

"Section 7.

"(1) Unless an application for certification under section 6 of this Act is denied by the commission within 60 days after the filing of the application, the beverage container shall be deemed certified.

" (2) The commission may review at any time certification of a beverage container. If after such review, with written notice and hearing afforded to the person who filed the application for certification under section 6 of this Act, the commission determines the container is no longer qualified for certification, it shall withdraw certification.

" (3) Withdrawal of certification shall be effective not less than 30 days after written notice to the person who filed the application for certification under section 6 of this Act and to the manufacturers referred to in subsection (2) of section 6 of this Act.

" Section 8.

" (1) To facilitate the return of empty beverage containers and to serve dealers of beverages, any person may establish a redemption center subject to the approval of the Oregon Liquor Control Commission at which consumers may return empty beverage containers and receive payment of the refund value of such beverage containers.

" (2) Application for approval of a redemption center shall be filed with the commission. The application shall state the name and address of the person responsible for the establishment and operation of the redemption center, the kind and brand names of the beverage containers which will

be accepted at the redemption center and the names and address of the dealers to be served by the redemption center. The application shall include such additional information as the commission may require.

"(3) The commission shall approve a redemption center if it finds the redemption center will provide a convenient service to consumers for the return of empty beverage containers. The order of the commission approving a redemption center shall state the dealers to be served by the redemption center and the kind and brand names of empty beverage containers which the redemption center must accept. The order may contain such other provisions to insure the redemption center will provide a convenient service to the public as the commission may determine.

"(4) The commission may review at any time approval of a redemption center. After written notice to the person responsible for the establishment and operation of the redemption center, and to the dealers served by the redemption center, the commission may, after hearing, withdraw approval of a redemption center if the commission finds there has not been compliance with its order approving the redemption center, or if the redemption center no longer provides a convenient service to the public.

"Section 9. The procedures for certification or withdrawal provided for in sections 6 through 8 of this Act shall be in accordance with ORS chapter 183.

"Section 10.

"(1) Any person who violates section 2, 3 or 5 of this Act shall be punished, upon conviction, as for a misdemeanor.

"(2) In addition to the penalty prescribed by subsection (1) of this section, the commission or the State Department of Agriculture may revoke or suspend the license of any person who willfully violates section 2, 3 or 5 of this Act, who is required by ORS chapter 471 or chapter 635, respectively, to have a license.

"Section 11.

"(1) During the period commencing July 1, 1972, and ending when it submits the report provided for in section 11 of this Act, the Legislative Fiscal Committee shall cause to be conducted a study of the operation of sections 1 to 10 of this Act that shall include, but not be limited to, an analysis of:

"(a) Its economic impact on persons licensed under ORS chapter 635 who engage in the nonalcoholic beverage manufacturing business, on persons engaged in the business of manufacturing beer and other malt beverages and on persons engaged in the business of manufacturing beverage containers in complying with the provisions of sections 1 to 10 of this Act.

"(b) The problems, if any, incurred in the distribution, sale and return of beverage containers subject to the provisions of sections 1 to/ ¹⁰ of this Act.

"(c) The effectiveness of the provisions ¹⁰ of sections 1 to/ of this Act in the reduction of the incidence of the littering of beverage containers in this state.

"(d) The costs incurred in the enforcement of the provisions of sections 1 to/ ¹⁰ of this Act.

"(2) Prior to January 1, 1975, the Legislative Fiscal Committee shall prepare and submit to the Fifty-eighth Legislative Assembly of the State of Oregon a report of its findings made pursuant to subsection (1) of this section and its recommendations with respect to any legislative proposals considered by it to be necessary as the result of the study conducted as required by subsection (1) of this section.

"Section 12.

"This Act shall not become operative until July 1, 1972 and shall apply to all beverage containers sold or offered for sale after July 1, 1972, except that applications under section 6 and 8 of this Act may be made prior to July 1, 1972, the certification referred to in section 6 of the Act and the approval referred to under section 8 of this Act may be delivered prior to July 1, 1972 and the ^{shall} commission/ adopt rules and regulations under sections 6 and 8 of this Act prior to July 1, 1972."

On page 3, delete lines 1 through 17.

SECOND SENATE AMENDMENTS TO
HOUSE BILL 1036

May 21, 1971

On page 2 of the printed bill, line 7, after "similar" insert "carbonated".

In line 8, after "consumption" insert a period and delete the rest of the line and lines 9 through 12.

On page 3, delete lines 20 through 23.

In line 24, delete "(3)" and insert "(2)".

On page 4, line 5, after "container is" delete "detached" and insert "detachable" and at the end of the line after "container" insert "without the aid of a can opener".

On page 6, line 3, after "commencing" delete "July" and insert "October".

In line 28, after "until" delete "July" and insert "October".

In line 29, at the end of the line, delete "July" and insert "October".

In line 31, delete "July" and insert "October".

In line 33, delete "July" and insert "October".

In line 34, delete "July" and insert "October".