

HOUSE COMMITTEE ON ENVIRONMENT

January 27, 2005 Hearing Room D

1:00 P.M. Tapes 6 - 7

MEMBERS PRESENT: Rep. Gordon Anderson, Chair

Rep. Bob Jenson, Vice-Chair

Rep. Mary Nolan, Vice-Chair

Rep. Phil Barnhart

Rep. Bill Garrard

Rep. John Lim

Rep. Diane Rosenbaum

STAFF PRESENT: John Houser, Committee Administrator

Mike Reiley, Committee Assistant

MEASURES/ISSUES HEARD:

Container Recovery, Inc. – Informational Meeting

Oregon Refuse and Recycling Association – Informational Meeting

Oregonians for Food and Shelter – Informational Meeting

Oregon Farm Bureau – Informational Meeting

Associated Oregon Industries – Informational Meeting

These minutes are in compliance with Senate and House Rules. Only text enclosed in quotation marks reports a speaker's exact words. For complete contents, please refer to the tapes.

TAPE/#	Speaker	Comments
TAPE 6, A		
002	Chair Anderson	Calls the meeting to order at 1:08 p.m. Opens the informational meeting on the Container Recovery, Inc overview.

CONTAINER RECOVERY, INC. – INFORMATIONAL MEETING

009	Sandra Bishop	Government Relations, Container Recovery, Inc. (CRinc). Submits prepared overview of CRinc (EXHIBIT A).
019	John Fletcher	President, CRinc. Gives history of CRinc.
044	Bishop	Explains that CRinc. is a cooperative corporation set up by beer, wine and soda distributors and that the responsibility of collecting, accounting for and recycling all redeemed bottle bill containers is entirely on the industry.
055	Rep. Lim	Asks who gets the containers from CRinc. after they are collected.
060	Fletcher	Answers that it depends on the type of containers. Explains that all of the aluminum goes to make new cans, all of glass goes to make new bottles, and PET plastic collection fluctuates. Notes that PET plastic is currently being processed in China.
072	Rep. Lim	Asks if CRinc. gets money for all of the containers they process, or if the money comes from distributors for the total amount distributed.
076	Fletcher	Answers that the total amount they receive to pay refunds and operate CRinc. comes from the wholesaler network.
078	Rep. Lim	Clarifies that CRinc. is paid for 100% of deposits regardless of how much they collect.
080	Fletcher	Answers yes.
081	Rep. Lim	

		Asks if collecting fewer containers would be more profitable for CRinc.
083	Fletcher	Points out that for the last 14 years, the return rate has averaged 98.13%.
085	Rep. Lim	Asks what percentage of containers redeemed in Oregon are coming from Washington.
088	Fletcher	Answers that it is difficult to identify out-of-state containers due to multi-state deposit labels.
092	Rep. Lim	Clarifies that the 98.13% cited by Mr. Fletcher does not reflect Oregon containers only.
096	Fletcher	Answers that about 3-5% of containers redeemed in Oregon are from out-of-state.
100	Chair Anderson	Asks if the current redemption system is ideal.
102	Fletcher	Answers that CRinc. is operating as efficiently as it can, but the system itself is a costly, inefficient method.
105	Chair Anderson	Asks what would make a better system.
107	Fletcher	Answers that the best system would be curbside redemption, because it would be easiest for the consumers.
109	Chair Anderson	Asks if the goal of the redemption process is to get the containers returned.
111	Fletcher	Answers that some containers are not as valuable as others to be returned.
118	Bishop	Explains that the objective is to get the commodity out of the solid waste stream. Points out that PET is the only plastic going through the CRinc. facility and addresses potential contamination of higher quality plastics.
133	Fletcher	Explains that carbonated beverage containers must be PET.

136	Chair Anderson	Asks if water containers use lower quality plastic.
138	Fletcher	Answers yes. Explains the contamination of plastic.
142	Rep. Lim	Asks if the redemption rate for containers should be increased.
145	Fletcher	Reiterates that redemption at a 5 cent deposit is 98%. Explains that if the deposit was increased to 10 cents, redemption would go to 107-108% and there would be uncertainty as to who should pay for increased deposits. Points out that increasing the deposit will cause people from out-of-state to redeem containers in Oregon and will make “dishonest people out of basically honest people.”
163	Chair Anderson	Asks about CRinc’s involvement in the redemption process.
166	Fletcher	Explains CRinc.’s processing of aluminum, glass, and plastics.
170	Chair Anderson	Asks if container materials go from CRinc. to industries.
172	Fletcher	Explains where products are sent from CRinc.
189	Chair Anderson	Asks about the markets for plastics.
190	Fletcher	Explains that plastic markets are volatile. Notes that there is always a market for for LDPE plastic such as milk jugs, but there is not always a market for other types of plastic.
197	Chair Anderson	Asks if theft of containers from curbside recycling would be a problem.
202	Fletcher	Answers that any stolen containers would ultimately be returned and recycled anyway.
204	Chair Anderson	Asks if potential curbside recycling would put CRinc. out of business.
206	Fletcher	Answers that it could, depending on the process.
210	Rep. Rosenbaum	Notes that she has toured the CRinc. facility and asks if it is at capacity for processing containers.

- 214 Fletcher Answers that the facility is near capacity for processing. Explains issues with accounting and with different Universal Price Codes.
- 224 Bishop Notes that Rep. Nolan has toured the facility and highlights the improvements made to the facility in recent years. Invites the committee to tour the facility.
- 252 Chair Anderson Closes the informational meeting on the Container Recovery, Inc. overview. Opens the informational meeting on the Oregon Refuse and Recycling Association overview.

OREGON REFUSE AND RECYCLING ASSOCIATION – INFORMATIONAL MEETING

- 258 Kristan Mitchell Governmental Affairs Director, Oregon Refuse and Recycling Association (ORRA). Introduces Tina French and John Hire. Submits and summarizes prepared overview of ORRA (**EXHIBIT B**).

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- 026 John Hire Vice-President and General Manager, Sanipac, Inc, Eugene/Springfield. Gives company overview. Mentions major issues of food waste and electronics recycling.
- 095 Tina French President, North Lincoln Sanitary Service, Lincoln City; President, ORRA. Gives company overview. Addresses problem of illegal waste dumping.
- 163 Rep. Barnhart Commends Mr. Hire for his work and notes convenience of 90-gallon recycling containers. Asks what should be done to address illegal dumping and enforcement.
- 180 French Explains the difficulty in enforcement at non-permitted dumping sites. Cites example of a building that was torn down and buried illegally in a matter of hours.
- 215 Rep. Nolan Asks about enforcement and measures regarding illegal dumping using photographic evidence.
- 220 Mitchell Answers that ORRA is open to options to address illegal dumping.
- 237 John Houser

Committee Administrator. Explains that Metro will begin accepting source-separated food waste at Metro Central Transfer Station on January 31, 2005.

- 249 Rep. Lim Expresses concern about noise associated with waste removal and asks what is being done to address it.
- 262 French Answers that her company tries to work with complainants. Notes the difficulty in accessing waste containers after 8 a.m. and addresses safety concerns.
- 290 Hire Explains that they sometimes pick up softer garbage first, then noisier garbage to reduce noise. Explains the waste container accessibility problems.
- 310 Rep. Lim Notes that much of the noise is with the waste container itself.
- 320 Hire Explains ideas to reduce noise and increase accessibility of waste collection.
- 330 Chair Anderson Closes the informational meeting on the Oregon Refuse and Recycling Association. Opens the informational meeting on the Oregonians for Food and Shelter.

OREGONIANS FOR FOOD AND SHELTER – INFORMATIONAL MEETING

- 338 Terry Witt Executive Director, Oregonians for Food and Shelter (OFS). Gives the history of OFS as a coalition to unite forest and agricultural herbicide users. Describes legislative priorities.

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- 105 Rep. Barnhart Asks what legislation Mr. Witt was addressing regarding the sunset clause.
- 107 Witt Answers that he was referring to legislation regarding reauthorization or re-funding of pesticide use reporting.
- 110 Chair Anderson Closes the informational meeting on the Oregonians for Food and Shelter overview. Opens the informational meeting on the Oregon Farm Bureau overview.

OREGON FARM BUREAU – INFORMATIONAL MEETING

- 115 Greg Addington Associate Director of Governmental Affairs, Oregon Farm Bureau (OFB). Submits and summarizes a prepared overview of OFB **(EXHIBIT C)**.
- 218 Katie Fast Associate Director of Governmental Affairs, OFB. Continues overview and addresses legislative priorities. Addresses potential benefits of alternative energy sources.
- 385 Chair Anderson Notes that the committee will be hearing from a firm interested in developing green crops, food waste or wood product waste that can be turned into alcohol to conserve gasoline and diesel and the potential for tax credits.
- 404 Rep. Garrard Asks if OFB is working with the Renewable Energy Center at Oregon Institute of Technology (OIT) on alternative energy sources.
- 411 Fast Answers that they are not yet. Explains the work that is being done at Oregon State University.
- 430 Chair Anderson Closes the informational meeting on the Oregon Farm Bureau. Opens the informational meeting on the Associated Oregon Industries.

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ASSOCIATED OREGON INDUSTRIES – INFORMATIONAL MEETING

- 003 John Ledger Vice-President, Associated Oregon Industries (AOI). Gives overview of AOI and legislative operations. Submits and summarizes prepared information regarding Oregon's air and water quality **(EXHIBIT D)**.
- 160 Chair Anderson Asks about statute of limitations on backyard burning.
- 165 Ledger Responds that 20 people open burning their household garbage puts out as much dioxin as a 200 ton-per-day municipal incinerator.
- 167 Rep. Nolan Asks how environmental improvement analysis is affected by new pollutants and processes.

189	Ledger	Answers that emissions were not previously monitored and it was not known what was in them, but concerns now are with consumer products.
200	Chair Anderson	Discusses issues related to responsibility for pollution cleanup operations. Closes the informational meeting on the Associated Oregon Industries overview. Adjourns the meeting at 2:52 p.m.

EXHIBIT SUMMARY

- A. Container Recovery, Inc., Prepared Overview, Sandra Bishop, 6 pp**
- B. Oregon Refuse and Recycling Association, Prepared Overview, Kristan Mitchell, 6 pp**
- C. Oregon Farm Bureau, Prepared Overview, Greg Addington, 6 pp**
- D. Associated Oregon Industries, Oregon Air and Water Quality Information, John Ledger, 6 pp**