

HOUSE COMMITTEE ON ENVIRONMENT AND ENERGY

April 30, 1997 Hearing Room E

1:00 P.M. Tapes 75 - 76

MEMBERS PRESENT:

Rep. Leslie Lewis, Chair

Rep. Frank Shields, Vice-Chair

Rep. Michael Fahey

Rep. Mike Lehman

Rep. Dennis Luke

Rep. Mark Simmons

Rep. Jim Welsh

STAFF PRESENT:

Judith Gruber, Policy Analyst

Marjorie Taylor, Administrative Support

MEASURE/ISSUES HEARD:

HB 3456 Public Hearing

HB 3396 Work Session

HB 3401 Work Session

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 75, A		
003	Chair Lewis	Calls the meeting to order at 1:15 p.m. and opens a public hearing on HB 3456.
<u>HB 3456</u> <u>PUBLIC</u> <u>HEARING</u>		
		Representative, Lane County Public Works. Expresses support for proposed

006	Roy Burns	amendments to HB 3456. Indicates that Lane County had an aggressive and effective waste reduction program (EXHIBIT A).
027	Chair Lewis	Indicates that the -1 amendments are very similar to those proposed by the HB 3456 work group and the Department of Environmental Quality has offered -2 and -3 amendments.
033	Mike Reynolds	Representative, Oregon State Public Interest Research Group. Expresses appreciation for the work done on the bill and supports the amendments. Indicates that provisions might need to be added at a later time to ensure that commercial recycling goals are met. Explains that section 18 of the -1 amendments will allow for investigation of unredeemed deposits.
057	Chair Lewis	Verifies that section 18 mandates the calculation of unredeemed deposits.
061	Rep. Fahey	Asks if there would be problems with limiting section 18 to bottles in general.
067	Reynolds	Defers the question to the Department of Environmental Quality (DEQ).
073	Chair Lewis	Indicates that the bill is probably not limited to just bottles.
074	Rep. Fahey	Explains that some people wash beer bottles and reuse them.
077	Reynolds	Explains that the intention is not to limit data collection to bottles with deposits.
080	Rep. Luke	Asks if bottles that are collected are ground up and not reused.
083	Reynolds	Answers affirmatively.
084	Rep. Luke	Asks if section 18 is meant to calculate the "float" remaining in the waste stream.
085	Reynolds	Answers affirmatively.
089	Rep. Luke	Indicates that bottles have been "floating" for a long time and the number calculated by section 18 is only valid from the day counting begins.
091	Reynolds	Defers the question to DEQ.
094	Rep. Fahey	Indicates that clarification needs to be made between reuse and recycle.
105	Kristan Mitchell	Representative, Oregon Refuse and Recycling Association. Indicates that there is very little difference between the proposed amendments from the work group and the -1 amendments from Legislative Counsel.
118	Bob Danko	Representative, Waste Management and Cleanup Division, Department of Environmental Quality. Clarifies questions in section 18. Indicates that the -2 and -3 amendments are a result of questions raised during the first public hearing on HB 3456. Explains that the intent of the -2 amendments is not to force distributors to count containers. The -3 amendments focus on "house brands" that don't proceed through the normal distribution and collection processes.
	Rep.	Asks if there is a need for everyone in the distribution and collection process

160	Luke	of cans to count them.
171	Danko	Indicates that there is a need to have the current distribution and collection system. States that DEQ has been asked during four legislative sessions what unredeemed bottle deposits are available.
187	Rep. Luke	Asks what the deposits should be available for.
189	Danko	States that he had to respond to the Senate Parks committee on funds available.
193	Rep. Luke	States that the deposits are not the legislature's money.
201	Danko	Indicates that the DEQ has been asked several times what the recycling rate is under the bottle bill.
206	Chair Lewis	Explains that some legislators would like to use the unrefunded deposits.
216	Rep. Luke	Asks if the purpose of the count is to determine what is going into the waste stream or if there is another purpose.
221	Danko	Explains that the purpose of the count is to find the number of unredeemed containers.
228	Rep. Luke	Asks how people can determine what should be in the "float" to start with.
233	Danko	Indicates that a variance would be included in the calculation.
338	Rep. Luke	Indicates that the total number of unredeemed cans will not be known since data collection does not cover the entire history of redemption.
241	Danko	Agrees that is the case. Indicates that the historical number can't be determined, but data can be collected for current use.
247	Rep. Luke	Asks what the cost will be for individual distributors.
249	Danko	Thinks that the cost won't be expensive. Indicates that 60 distributors already report statistics.
260	Rep. Luke	Asks why the bill is needed if distributors are already providing data.
261	Danko	Explains that numbers of cans have not been differentiated from bottle bill cans and other sources.
271	Rep. Luke	Asks if DEQ thinks that the distributors are able to distinguish between in-state and out-of-state cans.
275	Danko	There is no way to differentiate between in-state and out-of-state cans.
276	Rep. Luke	Verifies that the bill is trying to determine how many cans are from in-state and out-of-state.
279	Danko	States that CRInc. in the Portland area already reports data to DEQ, but similar programs are not available in other parts of the state.
289	Rep. Luke	Expresses confusion.

291	Rep. Shields	Asks if some containers are counted once and others are counted twice.
308	Danko	Indicates that is an issue that needs to be addressed in data collection.
315	Rep. Fahey	Explains what happens in the Vancouver/Hayden Island area with major retail stores counting cans. Expresses concern for retailers who have to pay twice for a redeemable can.
329	Danko	Agrees that cans from Oregon and Washington look exactly the same. The bill hopes to find out how many cans are brought in from out-of-state.
337	Rep. Fahey	Explains that Washingtonians don't bring just a few cans over, they bring carloads over and make a good living doing it.
342	Rep. Simmons	Asks why it is necessary to count every container twice.
348	Danko	Indicates that containers are not double counted.
374	Rep. Simmons	States that it is impossible to establish an accurate recovery rate around the perimeter of Oregon since cans are brought into the state.
384	Danko	Indicates that concept is the focus of section 18. Explains what numbers are known and what numbers are needed.
398	Rep. Fahey	Indicates that the focus seems to be on cans that have deposits and nothing else. Asks what the difference is between a pop and bean cans.
TAPE 76, B		
004	Danko	Indicates that the DEQ is adamant about collecting data on the "bean" cans.
006	Rep. Fahey	States that the focus of the bill is not on all cans just those with deposit.
007	Danko	Indicates that the bill doesn't address the issue because there is already existing law related to the collection other materials.
012	Rep. Fahey	Asks if a producer and distributor of canned corn and beans must count the number of cans produced and how many are recycled.
015	Danko	Indicates that he wasn't referring to sales data, just recycling data.
016	Rep. Fahey	Indicates that section 18 of the amendments is very related to sales data. The only difference between the beverage industry and canned products is the nickel deposit.
020	Danko	States that the DEQ has been asked similar questions for several legislative sessions.
024	Rep. Simmons	Indicates that the data seems to be pretty good right now. Asks if a survey or small sample would provide the information desired without having to count every can.
029	Danko	Disagrees with the survey idea. Indicates that the DEQ has the best data on recycling and they need more.
041	Rep. Luke	Asks why the amendments are limited to distributors only. Explains how non-profit distributors work in their process.
047	Danko	Indicates that the non-profit distributors are surveyed and that there are garbage surveys to determine how many cans are thrown away.

054	Rep. Luke	Expresses confusion as to how the data will tell how many cans are coming from out of state.
057	Danko	Explains that deposits will be paid in-state, there will be a certain amount in the garbage, and then what is left is the float. Indicates that primarily what is left is from out of state. Some people believe that not much is coming in from out of state and others know that truckloads are.
076	Rep. Luke	Expresses confusion as to how the data will determine the number of cans coming in from out of state.
081	Danko	Indicates that DEQ is looking at the aggregate number of cans.
087	Rep. Simmons	Asks if data is known from 96%-99% already.
089	Danko	No. Indicates that the range is so large right now that estimates can't be made.
095	Rep. Simmons	Verifies that if it is assumed that pop cans aren't being hoarded somewhere, that some are lost to garbage, and some come from out of state, there are still unredeemed cans.
103	Rep. Fahey	States that he believes in recycling, but the problem with the bill is that it is focusing on the monetary float.
117	Danko	Indicates that about 8% of containers in the bottle bill still end up in the trash.
132	Rep. Fahey	States that when he goes to the landfill, he sees workers there collect the redeemable cans, but they don't recycle other materials. Asks what percent of steel cans are recycled as opposed to aluminum.
142	Danko	States that DEQ is trying to address that issue also.
146	Rep. Fahey	Suggests that there be a nickel deposit on all products.
149	Rep. Luke	States that the reason that the bottle bill works is that the government has not been involved with the float. Expresses disappointment if the only reason to pass a bill is to determine funds available for the use of the legislature.
165	Chair Lewis	States that Bob Danko and Paul Slyman from DEQ have put in a lot of work on the bill and deserve recognition for that.
176	Chair Lewis	Closes the public hearing on HB 3456 and opens a work session on HB 3396.
<u>HB 3396</u> <u>WORK</u> <u>SESSION</u>		
180	Judith Gruber	Policy Analyst, summarizes the -2 amendments (EXHIBIT B).
220	Mike Grainey	Representative, Office of Energy. Explains that many changes in the amendment are technical changes (EXHIBIT C).
239	Rep. Fahey	Asks what pressure the natural gas is running at in a car.

243	Grainey	Explains the safety requirements for compressed natural gas.
245	Rep. Fahey	Expresses support for its use, but indicates that there are concerns about the natural gas pressure.
250	Grainey	Indicates that the State Fire Marshal sets standards that are enforced.
258	Rep. Shields	Indicates that the technology is very advanced.
274	Rep. Luke	Asks if electric vehicles are addressed in the amendment. Asks if the highway user fees have been addressed.
282	Grainey	Indicates that electric vehicles are included and that user fees have not been included for electric vehicles.
285	Rep. Shields	Explains that the registration fee for an electric vehicle is twice that of a gas powered vehicle.
303	Rep. Luke	Asks how much is being spent on the program now.
304	Grainey	Approximately one million dollars per year.
307	Rep. Luke	Verifies that the program needs more money.
309	Grainey	The program won't cost more to run, but there is a reduction in the general fund.
311	Rep. Luke	Asks if the program needs higher authorization funds.
314	Grainey	Indicates that the bill gives the Department of Energy what it needs.
322	Rep. Luke	Indicates that the bill doesn't deal with just cars. Asks if there is a ceiling for the amount of tax credits given.
330	Grainey	Explains that there is no ceiling for the program.
342	Rep. Luke	Verifies that under existing law if everyone asked for a tax credit at the same time, they would get it.
346	Grainey	Answers affirmatively.
349	Chair Lewis	Indicates that a Revenue subcommittee will study the bill.
358	Rep. Shields	MOTION: Moves to ADOPT HB 3396-2 amendments dated 4/29/97.
363	Chair Lewis	Hearing no objections, declares the motion CARRIED.
364	Rep. Shields	MOTION: Moves HB 3396 to the floor with a DO PASS AS AMENDED recommendation and BE REFERRED to the committee on Revenue.
		VOTE: 5-0 AYE: In a roll call vote, all members present vote Aye. EXCUSED: 2 - Lehman, Welsh

378	Chair Lewis	The motion CARRIES.
386	Chair Lewis	Closes the work session on HB 3396 and opens a work session on HB 3401.
HB 3401 WORK SESSION		
391	Tom Malthis	Peppermint farmer from Harrisburg. Indicates that he is willing to answer any questions about the industry.
399	Rep. Shields	Asks what the difference is between mint flaming and field burning.
403	Malthis	Indicates that although mint flaming was implemented through grass burning rules by DEQ, the rules were not enforced until last year. Explains that the major difference is that the field is not set on fire, but flames are blown onto plants to sanitize the field.
TAPE 75, B		
008	Malthis	Explains that after the plant is cut and all material is removed, then the flamer is used to sanitize the field.
015	Rep. Shields	Verifies that there is very little smoke involved with the flaming of mint.
017	Malthis	Answers affirmatively.
020	Rep. Luke	Verifies that mint is flamed green.
023	Malthis	Answers affirmatively.
024	Rep. Luke	Asks if DEQ has explained the proposed amendments.
026	Chair Lewis	No. Indicates that the bill is also ready to move as is.
028	Rep. Luke	States that the bill should move if DEQ hasn't explained the amendments and did not wish to testify on the bill.
031	Rep. LUKE:	MOTION: Moves HB 3401 be sent to the floor with a DO PASS recommendation.
035	Chair Lewis	Suggests that DEQ propose their amendments on the Senate side.
		VOTE: 7-0
		AYE: In a roll call vote, all members present vote Aye.
038	Chair Lewis	The motion CARRIES. REP. OAKLEY will lead discussion on the floor.
042	Chair Lewis	Closes the work session on HB 3401.

055

Chair
Lewis

Adjourns the meeting at 2:15 p.m.

Submitted By, Reviewed By,

Marjorie Taylor, Judith Gruber,

Administrative Support Policy Analyst

EXHIBIT SUMMARY

A - HB 3456, Written testimony, Roy Burns, 1 p.

B - HB 3396, -2 amendments, Committee Staff, 19 pp.

C - HB 3396, Written testimony, Mike Graine, 1 p.