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**SENATE COMMITTEE ON PARKS**

**March 25, 1997 Hearing Room 137**

**3:00 PM Tapes 27 - 28**

**MEMBERS PRESENT:**

**Sen. Gary George, Chair**

**Sen. Bill Dwyer, Vice-Chair**

**Sen. Joan Dukes**

**Sen. Verne Duncan**

**Sen. Veral Tarno**

**MEMBER EXCUSED:**

**STAFF PRESENT:**

**Glen Stonebrink, Administrator**

**Brad Harper, Administrative Support**

**MEASURE/ISSUES HEARD:**

**Informational Meeting: Uncollected Beverage Container Deposits**

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
<b>TAPE 27, A</b>		
005	Chair George	Chair convenes meeting at 3:10 PM.
<b><u>INFORMATIONAL MEETING: UNCOLLECTED BEVERAGE CONTAINER DEPOSITS</u></b>		
008	Chair George	Introduces video presentation.
167	Chair George	Comment
174	Bob Danka	Representing Oregon Department of Environmental Quality (DEQ). Submission of written materials ( <b>EXHIBIT A</b> ). Comparison between states which have enacted "bottle bills." Discussion of scientific studies performed to determine amount of deposit beverage containers being discarded in landfills.
209	Sen. Tarno	Question regarding primary composition of discarded containers.
214	Danka	Mostly aluminum cans are discarded.
217	Sen. Dukes	Question regarding nature of beverage containers considered for study.
219	Danka	Only beer and soda containers considered.
225	Danka	Discussion of statewide beverage container recycling practices. Explanation of method used to calculate amount of unredeemed beverage containers.
270	Danka	Further comparison of other states' recycling programs.
326	Danka	Overview of Oregon's recovery rate.
348	Sen. Dukes	Question regarding purchase sites of various beverage containers.
350	Danka	Difficult to track out-of-state beverage containers.
365	Sen. Dwyer	Discussion of Massachusetts' program to track unclaimed beverage container deposits.
385	Danka	Massachusetts' system relies on reporting system not used in Oregon.
395	Sen. Dwyer	Recommends Oregon adopt similar system.

410	Steve Little	Representing Oregon Department of Revenue. Submission of written materials ( <b>EXHIBIT B</b> ). Discussion of current law and practices regarding retail beverage container recycling.
<b>TAPE 28, A</b>		
056	Sen. Dwyer	Question regarding comparison to Massachusetts' beverage container deposit program.
060	Danka	Response
064	Sen. Dukes	Question regarding estimated revenue under Massachusetts-type program.
070	Danka	Discussion of estimated revenue impact.
077	Sen. Dwyer	Statement regarding cost to operate Massachusetts' program.
086	Paul Romain	Representing Oregon Beer & Wine Distributors. Discussion of beverage container redemption rates.
165	Romain	Discussion of past and current problems facing Oregon's beverage container recovery efforts.
190	Sen. Dwyer	Question regarding DEQ survey.
192	Romain	Does not disagree that ten percent of unredeemed beverage containers wind up in landfills.
201	Sen. Dwyer	Question whether industry opposes Massachusetts' beverage container deposit program.
210	Romain	Current system is adequate and provides detailed audit information. Does not believe there are recoverable funds in unredeemed deposits. Discussion of effect of worldwide aluminum market.
251	Keith Burns	Representing Container Recovery Incorporated. Submission of written materials ( <b>EXHIBIT C</b> ).
274	John Fletcher	Representing Container Recovery Incorporated. Discussion of out-of-state containers which are ultimately redeemed in Oregon.
319	Sen. Dwyer	Comment
328	Fletcher	Response
332	Sen. Dwyer	Comment
337	Fletcher	Does not support the use of unredeemed beverage container deposits as a source of state funding.
351	Sen. Dwyer	Believes proposal has been proven feasible.
360	Fletcher	Comment

373	Steve McCoy	Representing Oregon Retail Grocers' Association. Discussion of "private label" redemption rates. Believes there are unredeemed deposit funds available.
420	Sen. Dukes	Question regarding discrepancies in redemption rates.
<b>TAPE 27, B</b>		
022	McCoy	Discussion of redemption rate calculation methods.
036	Sen. Dukes	Question regarding computerized accounting methods.
040	McCoy	Most large stores "over redeem" their beverage container deposits. Statistics for Metro area cannot be applied to the rest of Oregon. Supports DEQ's estimates of uncollected deposits.
067	Sen. Tarno	Question regarding market for recycling materials.
070	McCoy	Primary market is for aluminum and plastic.
076	Chair George	Question regarding retail handling costs.
081	McCoy	Handling costs are lower in Metro area, but average between 2.5 and 5 cents per container.
099	Sen. Dukes	Question regarding effect of raising beverage container deposit and passing a portion onto retailers for handling costs.
105	McCoy	Concern that providing handling costs will lead to expansion of "bottle bill."
115	Sen. Dukes	Question regarding consumer response.
120	McCoy	Response
122	Sen. Dwyer	Discussion of effect on consumer practices.
129	Chris Taylor	Representing Oregon State Public Interest Research Group (OSPIRG). Believes that there are funds available in uncollected beverage container deposits. Recommends applying that possible revenue to recycling education.
167	Sen. Dukes	Question
176	Rob Douglas	Representing Oregon Retailers Association. Discussion of "float."
192	Romain	Comment
196	Sen. Dukes	Question regarding specific identification of Oregon beverage containers.
205	Romain	Supports proposal.

223	Sen. Dukes	Comment
225	Romain	Discussion of initial effect of Oregon's "bottle bill."
246	Douglas	Not economical to specifically identify beverage containers by state.
255	Sen. Dwyer	Suggestion for identifying beverage containers.
260	Douglas	Response
262	Sen. Dwyer	Comment
272	Douglas	Discussion of Oregon redemption rates.
279	Sen. Dukes	Comment
287	Chair George	Question regarding "float."
294	Romaine	Explanation of current accounting practices and "float" concept.
340	Sen. Duncan	Question regarding discrepancy between discussed redemption rates.
355	Sen. Dwyer	Explanation of changes necessary to improve auditing system.
390	Chair George	Chair adjourns meeting at 4:35 PM.

**Submitted By, Reviewed By,**

**Brad Harper Glen Stonebrink**

**Administrative Assistant Administrator**

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**EXHIBIT SUMMARY**

**A - Uncollected Beverage Container Deposits, written materials, Danka, pp. 2**

**B - Uncollected Beverage Container Deposits, written materials, Little, p. 1**

**C - Uncollected Beverage Container Deposits, written materials, Burns, pp. 2**

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