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SENATE COMMITTEE ON- AGRICULTURE AND NATURAL RESOURCES

DATE: May 19, 1993 TAPES: 158-159 PLACE: Hearing Room C TIME: 8:00 AM

MEMBERS PRESENT: Senator Ron Cease, Chair Senator Jim Bunn, Vice-Chair Senator Joyce Cohen Senator Bob Kintigh Senator Bob Shoemaker Senator Gordon Smith Senator Shirley Gold

STAFF PRESENT: Peter Green, Administrator Chris Warner, Research Associate Kus Soumie, Clerk

MEASURES HEARD: SB 781 WRK SB 1014 WRK SB 1075 WRK HB
 2993 WRK SB 1011 PUB THESE MINUTES CONTAIN MATERIALS WHICH PARAPHRASE AND/OR SUMMARIZE STATEMENTS MADE DURING THIS SESSION. ONLY TEXT ENCLOSED IN QUOTATION MARKS REPORTS A SPEAKER'S EXACT WORDS. FOR COMPLETE CONTENTS OF THE PROCEEDINGS, PLEASE REFER TO THE TAPES.

TAPE 158 SIDE A 005 CHAIR CEASE CALLS MEETING TO ORDER 8:00 AM WORK SESSION ON SB 781 WITNESSES: Duke Sheppard, Legislative Aid to Rep McTeague Greg Wolf, LCDC

009 PETER GREEN, Committee Administrator, offers testimony on SB 781, and presents overview of EXHIBIT A (Letter from Rep McTeague) and EXHIBIT B (Fiscal Analysis)

020 DUKE SHEPPARD, Assistant to Rep McTeague, offers testimony on SB 781, and presents overview of EXHIBIT A.

030 GREG WOLF, LCDC, offers testimony on SB 781, and presents overview of EXHIBIT A. description of protection under Goal 5 process Senate Agriculture and Natural Resources May 19,1993 Page 2 -Goal process not widely used - rather than amend Goal 5, insure information gets to local governments as part of process - need exists for discussion of Goal 5 options with LCDC, agencies and affected groups -questions from committee members - Goal 5 could restrict the use of private lands with cultural resources

080 CHAIR CEASE: - presents overview of EXHIBIT C (letter from DOF)

WORK SESSION ON SB 1014

WITNESSES: Bob Danko, DEQ Ron Gutridge, Association of Oregon Recyclers

090 PETER GREEN, Committee Administrator, offers testimony on SB 1014, and presents overview of amendments to the bill (EXHIBIT D). - discussion of Fiscal Impact statement - creation of 9 member study group

120 BOB DANKO, DEQ, offers testimony on SB 1014, and presents overview of EXHIBIT D - discussion of line 17 page 1 of proposed amendments 130 - discussion with committee members

MOTION: Chair Cease asks for objections to -2 amendments

144 RON GUTRIDGE, AOR, offers testimony supporting SB 1014 proposed -2 amendments

MOTION: Chair Cease asks for objections to removal of referral to

Ways and Means VOTE: Hearing no objections ACTION: MOTION CARRIES
MOTION: Sen Bunn moves SB 1014 as amended to the FLOOR DO PASS
requesting 2nd referral to Ways and Means be rescinded

- discussion with committee members on handling of Fiscal aspect of the
bill VOTE: Roll call vote 5 - 0 (with Sen Gold and Cohen excused)
ACTION: SB 1014 as amended TO THE FLOOR DO PASS requesting referral to
Ways and Means be rescinded (Sen Bunn carries)

WORK SESSION ON SB 1075

WITNESSES: Keith Levitt, Legislative Aid to Sen Stan Bunn Jim Myron,
Oregon Trout

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proceedings, please refer to the tapes. Senate Agnculture and Natural
Resources May 19, 1993 Page 3

190 KEITH LEVITT, Legislative Aid to Sen S Bunn, offers testimony on -4
amendments to SB 1075, and presents overview of EXHIBIT E.

190 JIM MYRON, Oregon Trout, offers testimony on -4 amendments SB
1075, and overview of EXHIBIT E. - discussion with committee members on
additional language regarding protection and restoration of salmonids

MOTION: Chair moves -4 amendments VOTE: Hearing no objection
ACTION: MOTION CARRIES MOTION: Chair moves SB 1075 as amended TO
THE FLOOR DO PASS VOTE: Roll Call vote 5 - 0 (Sen Cohen and Gold
excused) ACTION:SB 1075 as amended TO THE FLOOR DO PASS

WORK SESSION ON HB 2993

200 ROD INGAM, Assistant Director, ODFW, offers testimony supporting
HB 299 3, -1 amendments and presents overview of EXHIBIT G. - discussion
with committee members on rules for hunting of mountain sheep

MOTION: Chair moves -1 amendments VOTE: Hearing no objections
ACTION: AMENDMENTS ADOPTED MOTION: Sen Kintigh moves HB 2993 as
amended TO THE FLOOR DO PASS VOTE: Roll Call vote 5 - 0 (Sen Cohen
and Gold excused) MOTION CARRIES ACTION:HB 2993 TO THE FLOOR DO PASS

PUBLIC HEARING ON SB 1011

WITNESSES: Peter Green, Committee Administrator Joel Ario, OSPIRG Rip
Gage, Gage Industries Jeff Gage, Gage Industries Rob Guttridge,
Associated Oregon Recyclers Jack Brown, James River Corporation Geoffrey
Levear, Levear International Plastics

BOB DANKO, DEQ, offers testimony on SB 1011 and -1 amendments, and
presents overview of EXHIBITS H.

DANKO/ARIO: - continue testimony on SB 1011, and overview of EXHIBIT H.
Senate Agriculture and Natural Resources May 19, 1993 Pap 4 . CHAIR
CEASE: Giving exemptions for what was agreed to last session in SB 66 is
not acceptable or agreeable to this committee after its passage through
both houses unanimously.

TAPE 159 SIDE A

005 PETER GREEN, Committee Administrator, gives history of SB 1011 and section by section overview of proposed amendments, with memo on minimum recycle content - fees relating to virgin plastic pellet importation into Oregon - cap of 25 percent to raise \$2 million

060 CHAIR CEASE: (Reads letter into the record) and presents overview of EXHIBIT H. 080 JOEL ARIO, OSPIRG, offers testimony on SB 1011, and overview of EXHIBIT I. -overviews of history of proposed measure - plastic provisions criteria included in legislation - plastic industry is not moving ahead - public demand was number 1 reason for legislation involving - number 2 reason was level of concern in industry with lack of investments within Oregon - largest plastics producer (American Plastics Council) does least promotion of recycling

227 CHAIR CEASE: If exemptions were extended till 1995, would the industry come back and ask for another extension? 235 ARIO: Yes, the extension is not what industry wants. They want exemption. - extension if tied to industry's movement toward specific recycled content goals

257 CHAIR CEASE: If extension was given without work on acquiring funds for marketing, what message would be sent to those who made a good faith effort to meet standards of law? 260 ARIO: Companies who do the right thing are at disadvantage to those who do little or nothing, and end up paying for those who do not comply. 275 SEN SMITH: Many

plastics are recycled at good rates. Some of these requests are impossible with existing technology. I am troubled that everything the plastics industry comes up with is unacceptable. There may not be an alternative and they may not meet these arbitrary deadlines we set. The recycling council may be dysfunctional because there are no ideas.

OSPIRG and industry doesn't have answers. Only so much plastic can be converted into park benches. 311 CHAIR CEASE: You have given us a very strong endorsement for this bill. You have said that there may be a need for an extension, but that if you had money for leveraging on the market and aided the process of finding more effective way to recycle, we wouldn't have a need to continue the extension. I think the two issues are tied together. The date you referred to was not arbitrary but agreed to by all parties (SB 66).

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- discussion with committee members and ARIO.

370 ARIO: Many involved in various parts of plastics industry say privately, the commitment from resin makers to recycling is less than 100 percent. Industry does not want that on the public record. Many tell me in private they have real questions about the resin makers commitment to recycling, and it is no secret why. - technology exists to use all types of plastic for recycling - bottle recycling was not economical until in place in many states - we support statutory fees - more responsibility needs to be with the top end of industrial scale

TAPE 158 SIDE B

005 ARIO: - continues testimony on SB 1011, and overview of EXHIBIT I. - \$10 million for recycling - discussion with committee members

040 SEN KINTIGH: I don't think there is all the public concern you

say regarding plastic recycling. 053 ARI0: The public is in support of plastic recycling. 058 DANKO: DEQ supports concepts in amended SB 1011. - responsibility for implementation of compliance to options for rigid plastic containers - without major plastic recycling market development effort in Oregon, the recycling rate for plastics will not improve - we support the \$2 million fee options as the minimum to achieve recycling goals - DEQ recommends Economic Development Department gets involved with plastics and other recyclable market development

090 RIP GAGE, Chair, Gage Industries Board of Directors, offers testimony opposing SB 1011. - recycling markets development council does not support proposed legislation - as chair of Plastics Division of Plastics Recycling Markets Development Council representing Dow, USI Plastics and Union Carbide I am charged to assist in the implementation of SB 66 (1991 Legislative Session) - in our 10 meetings we never agreed to support a bureaucracy costing \$2 million dollars - -1 amendments seems to us like a betrayal of a year long process - proposed amendment is extremely punitive to plastics industries in Oregon and does nothing to accelerate recycling in Oregon

163 CHAIR CEASE: Why is plastic recycling lower than it was 2 years ago? 171R GAGE: I didn't know that was true. I can't answer that question. "The amended SB 1011 is so onerous it will practically destroy the destroy plastics industry in the state of Oregon. It makes us totally non-competitive".

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195 JEFF GAGE, President and CEO, Gage Industries, offers testimony opposing SB 1011. - presents sample of product manufactured by Gage Industries (plastic plant pots) - overviews company's progress and consumption of virgin plastic over last decade - no industry has done its' share with regard to plastics recycling, it is individual companies who decide to deal with recycling or not 276 SEN COHEN: What about the other industry in the state? If all the other companies would do what you did we would be close to the 25 percent goal. 289 J GAGE: The problem is in the diversity of materials. - all plastic cannot be recycled - figures from METRO are dramatically inflated - problems with virgin resin markets which are very depressed - PET is running at about \$.40 per pound in this country 374 SEN COHEN: When we talk about resin companies who are those companies? 392 J GAGE: - continues testimony on SB 1011.

TAPE 159 SIDE B

005 CHAIR CEASE: Will Gage Industries will meet the 25 percent recycling rate in Oregon 1995? 014 R GAGE: I am saying that industry will very possibly meet that rate in 199 5. 087 ROB GUITRIDGE, Associated Oregon Recyclers, offers testimony on SB 1011 - we are not in favor of extensions for plastics industry 114 JACK BROWN, James River Corporation, offers testimony on SB 1011. - this legislation is highly discriminatory - we work very hard on research and development of recycling options - intention is self funding diversion of paper and solid waste from landfills - it is not fair to impose business tax 156 GEOFFREY LEVEAR, Levear International Plastics, Puget

Incorporated, Chair, Plastics Education Consortium, offers testimony in opposition to SB 1011. - we have worked hard to get out of state industries into Oregon - confrontation with .75 percent tax would cause us to loose business - plastics industry needs more time to accomplish these goals

CHAIR CEASE ADJOURNS MEETING AT 10:00 AM

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EXHIBIT LOG:

A - Testimony on SB 781 - Rep Mc Teague - 2 pages B - Fiscal Analysis for SB 781 - Staff- 1 pages C - Testimony on SB 781 - Sen Cease - 2 pages D - Amendments and H/E to SB 1014 - Staff- 5 pages E - Amendments and H/E to SB 1075 - Staff- 4 pages F - Amendments and H/E to SB 2993 - Staff- 3 pages G - Testimony on SB 1011 - Staff- 23 pages H - Testimony on SB 1011 - Bob Danko - 3 pages I - Testimony on SB 1011 - Joel Ario - 2 pages

Submitted by: Reviewed by:

Kus Soumie Peter Green Assistant Administrator

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