House Committee on Environment and Energy January 20, 1991 - Page

These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks $\frac{1}{2}$

report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes.

Measures Heard HB 2276 (PUB) HB 2246 (PUB)

HOUSE COMMITTEE ON ENVIRONMENT AND ENERGY

January 23, 1991Hearing Room E 1:30 p.m. Tapes 12 - 15

MEMBERS PRESENT: Rep. Parkinson, Chair Rep. Whitty, Vice-Chair Rep. Burton Rep. Courtney Rep. Naito Rep. Norris Rep. Repine Rep. Van Leeuwen Rep. Watt

MEMBER EXCUSED: All members present

VISITING MEMBER: No visiting members

STAFF PRESENT: Kathryn VanNatta, Committee Administrator Andy Sloop, Committee Assistant

WITNESSES: John Loewy, Department of Environmental Quality Al Hose, Department of Environmental Quality Andrew Schaedel,

Department of Environmental Quality Gary Bruebaker, Oregon State
Treasury Douglas Morrison, Northwest Pulp and Pater Association Charles
Lytle, NEA Art Keil, Oregon Health Division Deanna Mueller-Crispin,
Waste Tire Program Coordinator, Department of Environmental Quality Mark
Hope, Waste Recovery, Inc. David Phillips, Solid Waste Administrator,
Clackamas County

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TAPE 12, SIDE A

05CHAIR PARKINSON: Convenes meeting at $1:34~\rm p.m.$ and opens public hearing on HB 2276 relating to certification of environmental clean-up labs.

PUBLIC HEARING ON HB 2276

11JOHN LOEWY, ASSISTANT TO THE DIRECTOR, DEPARTMENT OF ENVIRONMENTAL QUALITY: Gives overview of HB 2276 and the problems it is intended to address. (EXHIBIT A)

112 REP. WHITTY: Obviously, data from unreliable sources is something

- that you don't want, but is it possible that this requirement is unnecessary? Does this proposal limit the amount of laboratories and lengthen the time to complete testing?
- 126 AL HOSE, DEPARTMENT OF ENVIRONMENTAL QUALITY: Certainly a program like this might limit some small laboratories' ability to remain in business. However, we don't anticipate that the requirements for the program would be so burdensome that many labs would opt not to participate. The fee schedule for this program is not extravagant, and labs ought to be able to pass this increased fee, and increased work, on, in the form of higher prices, to their customers.
- 140 REP. VAN LEEUWEN: Your definition of extravagant might be different than mine. What are you talking about? \$10? \$100? \$1,000?
- 145 HOSE: Our fee schedule has not been finalized, but we're looking at a one-time application fee in the neighb orhood of \$500; an annual certification, based on what tests are being certified, between \$500 and \$5,000 a year. The average laboratory that would be certified for a number of tests would probably average about \$1,000 a year certification fee.
- 152 REP. COURTNEY: Reading 2276 I'm confused. It appears to say material coming from a lab has to be certified, but if it's coming from an individual, it doesn't have to be certified? What am I missing here?
- 170 HOSE: We see no difference between a laboratory and a person; a person can't get chemical or biological data without it being run through some formal mechanism. The word may was put in there as advisory. It would be a very large undertaking to immediately certify all possible data that is run. We wish to be able to phase in this type of program. The may allows us to do things in a sequential manner. If we had the word shall in there, it would basically mandate us to do everything at once.
- 185 REP. WATT: Do I understand that to mean, then, that you would or could use data selectively? If you chose to use data from a non-certified individual, you could, but if you chose not to, then you wouldn't? I think the word may, I agree with Rep. Courtney, leaves an awful lot of latitude there.
- 194 HOSE: No. It was not our intention to be able to pick and choose from the data. It was our intention to be able to develop the most important programs and leave the less important programs until we have the resources to administer them.
- 204 REP. WHITTY: Can I give you a for-instance? Suppose you have a stream with a substantial amount of quarry dust and you're a citizen and call DEQ, what happens? Who pays for the test to determine where the blame is and if that is in fact quarry dust that came from an upstream quarry?
- 215 ANDREW SCHAEDEL, SURFACE WATER MANAGER, DEPARTMENT OF ENVIRONMENTAL QUALITY: That complaint generally would be handled through our regional offices. There would be some verification of that sample, and that would be followed up by enforcement action if necessary.
- 224 REP. WHITTY: My concern is at what point does a person come under this law where there are fees involved?
- 229 LOEWY: The purpose of this law is specifically aimed at commercial laboratories. If an individual collects a sample and brings it to DEQ,

- our laboratories will analyze it and that cost is absorbed by the Department. You have a different issue there. We would not require individuals to become certified laboratories.
- 240 REP. WHITTY: Well, what happens with a pulp mill, where foreign substances might be going into the water all the time?
- 250 SCHAEDEL:: A pulp mill typically would have a laboratory, and that laboratory would come under the terms of this legislation.
- 283 REP. VAN LEEUWEN: Aren't pulp mills already certified by DEQ in some way? Are you saying this would be something in addition to what they already are required to do?
- 287 SCHAEDEL: There is not currently a program that the department operates to certify the operations of those laboratories.
- 290 REP. VAN LEEUWEN: I don't know why all of the sudden they need to be certified when you already have them under your control.
- 294 SCHAEDEL: Generally with something like that, where we do have a permit requirement and specify methods to be utilized, that's our best attempt to get some kind of certification to make sure they are following standard techniques and protocols. In general, though, we don't have the framework for certification overall.
- 300 REP. VAN LEEUWEN: What you are saying is that even though you have that absolute control now, you're going to make them jump through another hoop or two so that everything has to go through this certification process through which you would charge an additional fee. That's the way I read this thing. You already have a regulatory system and already charge them a fee. What you are saying now is that they will have to go through this certification process and you will be layering these fees on top of what they already pay.
- 324 HOSE: Yes. We currently do require labs to submit data to us and we require that records are open to us. However, we have no way of determining that lab data is accurate. It's one thing to ask for answers and another to guarantee they are accurate.
- 343 CHAIR PARKINSON: As I read the bill, it has nothing to do with present procedures. This bill is to certify laboratories.
- 250 REP. NORRIS: I read this that you put yourself in sort of poor man's Bureau of Standards. Are there historic examples of why this is needed? Is there something that isn't working now?
- 355 HOSE: There are some examples. Periodic inspections have revealed numerous examples of sources that are out of compliance with our data standards.
- 398 REP. NAITO: I'm curious what the process for establishing fees would be. I would be somewhat uncomfortable granting discretion to set these fees.
- 409 SCHAEDEL: That would be a public process involving an advisory committee. We would be looking at similar programs already operating, especially the one now in Washington State.

TAPE 13, SIDE A

22REP. REPINE: Let's assume in-house testing is certified. Annual

inspection doesn't insure 100 percent compliance and accuracy.

30HOSE: I can't give you 100 percent assurance that annual certification would do that, but at least it's a check point. As it stands right now, we don't routinely do inspections of labs for compliance with lab procedures. We do more inspections of treatment plants and how they are operated. This would give us some idea of lab track records.

- 74CHAIR PARKINSON: Explain to me how the certification program would be set up. Do you have a lab at DEQ in-house that is capable of verifying all of this, or would you be contracting?
- 85SCHAEDEL: We would anticipate doing most of this in-house. There are some procedures we can't do, but we would do most of them.
- 99CHAIR PARKINSON: Would it be natural to assume that a municipal sewage treatment plan contracts out?
- 107 SCHAEDEL: They probably would do most testing in-house.
- 109 REP. REPINE: It seems to be this would have some budget implication.
- 112 CHAIR PARKINSON: Either Ways and Means or the E-Board would have to approve their budget and their fees.
- 118 REP. REPINE: There have got to be some cost today that are anticipated.
- 125 LOEWY: There is a decision package that will be going to Ways and Means.
- 133 REP. VAN LEEUWEN: How many dollars does the DEQ expect to receive as a result of the bill? Don't you expect to receive considerably more than the figures that you have just given us?
- 142 SCHAEDEL: The fees we have contemplated would cover the full cost of this program.
- 151 REP. WHITTY: You're spending something on a program like this now, aren't you? Would you be transferring people into this program that you already have on staff, while at the same time raising more money through new fees?
- 162 SCHAEDEL: We do have a lab, but this is considered new work. We do not have a formal program to evaluate labs to insure they provide accurate information. Our priority is to do the actual testing.
- 176 REP. WHITTY: How is your current testing program funded? Does any of it come out of the general fund?
- 181 SCHAEDEL: Some of our current program is paid for from the general fund. In fact, it has about the same funding mix as the agency as a whole, which derives about 25 percent of its total revenue from the general fund.
- 187 REP. WHITTY: The governor's budget required you to cut 12 percent from your agency budget. Did you cut 12 percent from this program?
- 194 LOEWY: We're not necessarily cutting on an across-the-board basis.

What we're proposing here is not a duplication of an existing program but a new program to address an identified need.

205 REP. WHITTY: I'm very suspicious of this program. It's not beyond the realm of possibility that state agencies would develop fee-based programs such that their general fund money is going down and their FTEs are going up.

217 LOEWY: This probably isn't the best time for an extended discussion about that.

222 CHAIR PARKINSON: With the committee's indulgence, I'd like to get the agency off the stand and move on to somebody else who has a burning desire to testify. At the next hearing, I have a sense from the committee that we will need a maximum fee put into the bill, along with a more detailed description of the program and FTEs. Calls Gary Bruebaker to testify.

243 GARY BRUEBAKER, OREGON TREASURY DEPARTMENT: Requests that bill be amended to clarify to whom interest earnings on fee revenues shall accrue. (EXHIBIT B)

269 DOUGLAS MORRISON, NORTHWEST PULP AND PAPER ASSOCIATION: Outlines reasons for opposition to the bill.

>Collecting data would be very expensive.

>Association wants to insure that fee money this program is well spent and that data collected is good.

>Inquires about existing system for quality assurance and control on laboratory testing.

>Notes that providing false data is criminal under current law.

>NPPA mills feel they are spending lots of money testing without reasonable assurance of the quality of the tests.

>Does this cover continuous air emission monitors?

>Does it cover NPES water permit?

>Does it cover soil samples? Ground water? Fish tissues samples that are becoming more and more common?

>Reciprocity is very important. Washington State passed lab certification legislation in 1988, and that isn't well enough established for us to learn from it.

>Concerned about fees and impact on operational costs.

372 CHARLES LYTLE, NEA, INC.: Testifies in support of the bill.

>Currently no national certification for labs doing environmental work.

TAPE 12, SIDE B

000 LYTLE: Continues.

>EPA has established in words and action that contract labs do not qualify for certification. If this is what EPA is saying about labs that are part of CLP, what might be out in the rest of the world?

26REP. BURTON: I'm trying to decide here what the problem is that the bill addresses. Certification, as I understand it, isn't going to do anything about business practices. I hear you saying there's fraud. Is that giving fraudulent reports on the scientific evidence on the soil composition, or the fact that labs are bundling money somewhere? What's the issue?

33LYTLE: The issue is incompetency in the laboratory. There are some EPA standards, but there's no hammer.

42REP. BURTON: So somebody's got to explain to me where the hammer is on this one.

46LYTLE: Loss of certification. For NEA, a DEQ certification would give us something to hang on the wall. Everybody benefits from this. My main concern is funding. We don't want the lab certification to become a tax on the lab. I'm happy to budget the time and money for something like this if I get something for it. What do I mean? I want somebody checking sites.

76CHAIR PARKINSON: How many people do you have working at your lab?

78LYTLE: About 55.

80CHAIR PARKINSON: Currently, how do you check your own data?

83LYTLE: We have a quality control technician.

89REP. VAN LEEUWEN: You mentioned the EPA. I haven't visited their lab for a while but I thought it was a sophisticated facility. Could DEQ and EPA work out an agreement to do this testing instead of DEQ setting up its own facility?

92LYTLE: Not working for the agencies, I don't know. From reading journals and trade magazines, it is my understanding that the EPA does not want to touch certification. But I have no knowledge of the agencies.

98REP. NAITO: My experience is limited to environmentally contaminated real property. I've found that a large corporation often can do the research to find a good lab, while a small property owner would have no idea where to go. Have you had instances where people have come in having used another lab from which they received inaccurate results?

101 LYTLE: We have not had that sort of experience.

107 REP. WATT: Your company would be subject to this bill. Are you concerned about section 2, number 3, where it asks for other analysis ask determined by the DEQ, and or section 3, number 2 (G) "other criteria the Department considers appropriate?"

112 LYTLE: Let me clarify. I had nothing to do with the writing of this bill. I wrote a position paper on this that went to Fred Hansen. I know the DEQ, the people, and trust them. I'd rather work with them than a national agency like the EPA.

126 REP. WATT: You trust the people at DEQ now, but what about five years from now? Does the language leave it open?

135 LYTLE: DEQ is not out to get anybody. I think that transcends people.

- 138 REP. NORRIS: If this were passed, would it result in substantially fewer labs in the field?
- 143 LYTLE: My opinion is absolutely not. The amount of money to be made in this area is so great, I would say no. The only barrier to not having more labs in Oregon is that the volume of work with hazardous materials has just been gearing up in the last couple of years.
- 152 REP. NORRIS: Are we spraying pesticide on a field that ain't got no weeds in it? Are there any labs out there now that would be run out of business because they are incompetent?
- 160 LYTLE: Not to my knowledge.
- 172 ART KEIL, OREGON HEALTH DIVISION: Expresses concern that this bill might have a direct effect on the Health Division's drinking water program. The Health Division and DEQ probably need to sit down together and work out details.
- 192 REP. WHITTY: Closes testimony on HB 2276 at 2:44 p.m. and calls for break.

PUBLIC HEARING ON HB 2246

- 193 CHAIR PARKINSON: Reconvenes meeting at 3 p.m. and opens public hearing on HB 2246 relating to waste tire disposal and recycling.
- 224 LOEWY: Gives overview of HB 2246. (EXHIBIT C)
- 251 DEANNA MUELLER-CRISPIN, WASTE TIRE PROGRAM COORDINATOR, DEPARTMENT OF ENVIRONMENTAL QUALITY: Presents slide show outlining waste-tire problem and existing programs. (EXHIBITS D AND E)
- 363 REP. BURTON: What compels someone to be in the waste-tire recycling business? I'm trying to figure out where there are some economies on this dollar paid at the retail level.
- 393 MUELLER-CRISPIN: The retail tire dealer, or whoever it is who generates the waste tire, is still responsible for disposing of the tire. The fee does not cover that.
- 400 REP. BURTON: So the retailer is ultimately responsible for disposing of that tire. Does he sell them to the recyclers?
- 405 MUELLER-CRISPIN: He pays them.
- 408 REP. BURTON: He pays them? My God. Is it 15 cents a tire?
- 410 MUELLER-CRISPIN: It's more than that.
- 412 REP. BURTON: OK, I'm beginning to see the economies. Thank you.

TAPE 13, SIDE B

- 000 MUELLER-CRISPIN: Continues presentation. (EXHIBITS D AND E)
- 10CHAIR PARKINSON: May I interrupt. Will the operator of the disposal have to arrange to have waste tires chipped? Does he have responsibility, or can he just bury them?
- 12MUELLER-CRISPIN: There are two situations: If he accepts them in

- these small numbers (four from an individual or nine from a garbage hauler), then the statute allows them to be buried. There is also an exception. If tire recycling is not economically feasible, a landfill may petition DEQ for permission to bury whole waste tires. We have given a few of these exemptions. Continues presentation. (EXHIBITS D AND E)
- 40REP. BURTON: You mentioned that the Department provides clean-up assistance. What kind of assistance?
- 45MUELLER-CRISPIN: We can provide financial assistance to a permittee depending on their financial situation. Continues presentation. (EXHIBITS D AND E)
- 103 REP. REPINE: With regard to the other costs incurred via the Department, such as enforcement, are those taken from the waste-tire trust account?
- 105 MUELLER-CRISPIN: Yes. Continues presentation (EXHIBITS D AND E)
- 123 REP. BURTON: How are tires prepared for use as fuel in industrial boilers?
- 127 MUELLER-CRISPIN: The tires are usually cut up into two-inch chips, and in some cases the metal is removed.
- 130 REP. BURTON: You mentioned earlier that one of the hazards with waste-tire stockpiles is fires. That doesn't happen if they are burned in this fashion?
- 133 MUELLER-CRISPIN: That is correct. The problem is associated mostly with open burning. When they are burned in industrial boilers, they have to meet full air pollution control standards. Continues presentation. (EXHIBITS D AND E)
- 204 REP. COURTNEY: Does the Marion County burner burn tires?
- 209 MUELLER-CRISPIN: No. That facility is not designed for that.
- 214 REP. COURTNEY: Is chipping done on site or does somebody buy the tires and chip them elsewhere?
- 220 MUELLER-CRISPIN: That's usually done at an off-site processing facility.
- 224 REP. NORRIS: I understand these chipping machines are very expensive. Is this really an answer for anybody except in urban areas?
- 234 MUELLER-CRISPIN: Chipping machines vary in cost. You might be able to get one for \$30,000, but you won't get a salable product. In order to get a good chip, you're going to have to spend, as you say, a quarter of a million dollars.
- 245 REP. VAN LEEUWEN: A few years ago, there were some portable chippers around. Are you saying those don't do the job.
- 251 MUELLER-CRISPIN: Yes. Those chippers generally do not produce a salable chip.
- 254 REP. VAN LEEUWEN: I don't see any reason why they couldn't be designed to produce a chip that is sized to be usable.

- 258 MUELLER-CRISPIN: I couldn't address that.
- 264 REP. WHITTY: I'm looking at changes to the program as outlined in your handout. (EXHIBIT E) According to this, persons generating waste tires would have to give their tires only to a permitted waste-tire carrier. I thought that was the case now.
- 274 MUELLER-CRISPIN: That is not required by statute.
- 279 REP. WHITTY: There is a problem out in the hinterlands with transporting waste tires to processing facilities. It's not economically feasible to get the tires to chippers in urban areas.
- 301 MUELLER-CRISPIN: We do have a number of chippers who are willing and able to pick up tires anywhere in the state, provided they can establish a regular pickup route.
- 313 CHAIR PARKINSON: The law currently says a waste-tire transporter has to be licensed. But the law must not say that a retailer can't allow someone else to take his tires away.
- 320 MUELLER-CRISPIN: One of the changes in our proposal is to make requirements for a waste- tire carrier permit more explicit.
- 344 REP. REPINE: Why does the original bill have a 1991 sunset?
- 355 CHAIR PARKINSON: I drafted this bill and wanted a short sunset to see how much money the measure would make before it became permanent.
- 369 REP. REPINE: You also talk about wrecking yards. Are they administered under current law?
- 380 MUELLER-CRISPIN: Existing legislation is silent about wrecking yards.
- 393 REP. REPINE: Can I assume wrecking yards have to meet stacking requirements?
- 397 MUELLER-CRISPIN: No.

TAPE 14, SIDE A

003 REP. REPINE: You said it's difficult for some of these people who proceed in the process of recycling because they have to make their routes convenient. I suppose every business would like to have statutory constraints that guarded their business so much that nobody else could do it. I see that as an opportunity to allow a few good haulers to have the state of Oregon until DEQ decided that there were enough extra tires out there to justify route openings. I see this as a question of fair trade.

10MUELLER-CRISPIN: Basically anyone who comes to us with an application fee and a bond for \$5,000 may become a permitted tire hauler. So, I would guess that there is a lot of competition out there. We have something like 60 permitted carriers right now.

15REP. WATT: Pardon a certain amount of density here, but why . . . why do you have to have a permit to haul tires? I mean, why are tires different than say rubber balls? Is there a danger to the environment that I'm not catching here?

20CHAIR PARKINSON: Currently, a service station has to get rid of these tires. It's a cost of doing business. I think the secret to the whole thing is licensing the people who haul waste tires, so that if a guy's got a load of tires, a policeman can stop him and see if he's licensed to carry them. That way, fraudulent haulers can't pick up a load and then turn around and dump it illegally.

38REP. WATT: Could you clarify your regulation of tire fences and other claimed beneficial uses of waste tires.

41MUELLER-CRISPIN: The legislation is very broad about who is required to get a waste-tire storage permit. It just says anyone who is storing waste tires. Some people are storing waste tires and using them for a beneficial purpose. These kinds of beneficial uses run the gamut from tire fences to planters to play ground equipment. In some cases, such uses can cause environmental problems. In our experience, this has been especially true with fences because they can become mosquito breeding grounds as well as fire hazards. Currently, a beneficial use which causes an environmental risk requires a special kind of waste-tire storage permit, which is less expensive than a standard storage permit. On the other hand, we don't regulate stored tires with beneficial uses which do not create environmental risks. We wanted to bring this issue before the Legislature because we have had an interesting time trying to regulate these kinds of uses. Basically we are proposing that what we currently are doing by rule be done through statute with legislative intent.

48REP. NORRIS: Do I assume correctly that your permitting process does not involve assigning hauling routes?

52MUELLER-CRISPIN: That is correct.

- 111 REP. VAN LEEUWEN: Regarding beneficial uses, where tires are used to hold down covers over outdoor stockpiles, like silage, what's the arrangement now and what are you envisioning?
- 120 MUELLER-CRISPIN: We're not looking for that kind of site, unless there are environmental concerns. A few tires moved around periodically probably don't pose an environmental risk.
- 128 REP. VAN LEEUWEN: What constitutes an environmental risk by your definition?
- 130 MUELLER-CRISPIN: Large piles that could be fire hazards or could collect water and become breeding grounds for mosquitoes.
- 134 CHAIR PARKINSON: Is there any kind of an exception for a farmer in a case such as the one Rep. Van Leeuwen described?
- 139 MUELLER-CRISPIN: We have given ourselves the latitude to define a beneficial use. If feel there is no beneficial risks, we define that as a non-storage situation so we don't have to regulate it.
- 143 CHAIR PARKINSON: Do you see the need to have the authority to grant exemptions for these kinds of cases?
- 145 MUELLER-CRISPIN: It might be a good thing to put a variance or something like that in the statute. We did want the Legislature to look at this to make sure that what we were doing met your intent. If there are other things that should be included as beneficial uses, we certainly are open to whatever you would recommend.

150 CHAIR PARKINSON: Could you check with your colleagues on that and get back to us at the next hearing on this. Calls Mark Hope of Waste Recover, Inc. to testify.

155 MARK HOPE, WASTE RECOVERY, INC.: Reviews processing rates and market economies.

>Public has negative perception of tire burning because of ugly uncontrolled tire fires in open fields. However, when processed properly, tires burn as cleanly as most other fuels.

>Waste-tire fuel plants must burn as cleanly as fossil fuels.

>Recycled waste-tire market looking more and more promising all the time. Expect demand to remain strong even with development of other alternative fuels.

>Most waste tires collected in Portland area because that's where most tires are generated.

>Between October 1982 and January 1991, Waste Recovery's North Portland facility has recycled 13.2 million tires, or an average of 1.6 million tires a year.

>Reviews fee schedule.

>It is more expensive to provide service to rural areas because of transportation costs.

>Not many mobile tire shredding operations because tire recycling operations are capital intensive. Waste tire processing, like most industries, relies on economies of scale for efficiency. Because scrap tire accounts for only 1 percent of the solid waste stream, only large, centrally located processing plants are feasible.

>Feels program has been successful setting up a regulatory system to deal with indiscriminate disposal and at creating market stimulus to encourage recycling.

>The question now is where do we go from here? Ongoing regulation is needed so the industry doesn't backslide, but we are concerned about the possibility of the market becoming dependent on subsidies. Agriculture shows us that this can happen.

>Need to be careful about creating incentives to move stock piles instead of processing them for alternative uses.

>Concerned about out-of-state processors.

>See other promising uses developing.

>Support everything in bill except length of continuation of dollar subsidy.

333 >Suggests reformulation of revenue distribution such that retailers keep 80 cents on the dollar and decrease percentage remitted to DEQ.

>Appears most important projects can be completed before money runs out.

374 CHAIR PARKINSON: Say that we changed the bill around so that dealers got 50 cents out of the dollar. To me, as a dealer, that wouldn't make a heck of a lot of sense because I could just sell the

tire for 50 cheaper. Why should we collect 50 cents from the customer to give to the dealer to give back to the customer? Also, do we have a lot of tires coming from Washington to take advantage of our recycling subsidies? I assume we do.

390 HOPE: We do have a customer from Washington and I know some of our competitors market both in Washington and British Columbia.

400 CHAIR PARKINSON: So, to some extent, the Oregon purchaser of tires is subsidizing clean-up in Washington?

405 HOPE: I suppose you could stretch it to that point, only in the sense that some Oregon tires have gone to stockpiles in Washington, and now, if those tires are qualified as coming from Oregon, they qualify for clean-up money. Be aware that we, as a processor, receive no direct impact from this fee at all. The plant that uses our product receives it.

TAPE 15, SIDE A

001 REP. NORRIS: On the one, hand you question continuation of subsidies for this program, yet you seem to be advocating that we need a little bit of sweetener for some of the dealers to make it work for them. Do you see part of the dollar for this program going to dealers as the subsidy in this thing?

007 HOPE: The subsidy that's occurring now is basically to the end user. Let's say my customer gets \$1 a pound to use my product, and those subsidies are getting people to use a product that they otherwise wouldn't.

007 DAVID PHILLIPS, SOLID WASTE ADMINISTRATOR, CLACKAMAS COUNTY: Commends existing waste-tire program and supports proposed measure.

>Clackamas County has seen some real benefits.

>Illegal dumping has diminished greatly.

>Waste-tire haulers have become readily available to deal with what used to be a real problem.

>Supports proposed exempting garbage haulers from carrier permit requirements.

>Supports allowing individuals to haul own tires.

90CHAIR PARKINSON: Deanna, do the fees entirely support the overhead for this program?

98MUELLER-CRISPIN: Yes. We have no other funds for this program.

100 CHAIR PARKINSON: Could you give us some idea, a matrix, of how cutting the fee would affect the program when we meet again to consider the new measure.

113 CHAIR PARKINSON: Adjourns hearing at 4:14 p.m.

Submitted by: Reveiwed by:

EXHIBIT LOG:

-Testimony on HB 2276 - John Loewy, Assistant to the Director, Department of Environmental Quality - 5 pages B -Testimony on HB 2276 - Gary Bruebaker, Director of Cash Management for the Oregon State Treasury - 1 pages C - Testimony on HB 2246 - John Loewy, Assistant to the Director, Department of Environmental Quality - 5 pages -Testimony on HB 2246 - Deanna Mueller-Crispin, Waste Tire Program Coordinator, Department of Environmental Quality - 11 pages E -Overview of Oregon's Waste Tire Program and HB 2246, presented by Deanna Mueler-Crispin, Waste Tire Program Coordinator, Department of Environmental Quality - 11 F -Position Statement on HB 2276 - Phillip Fell, League of Oregon Cities - 1 page