

Approved: February 2, 1995
Date

MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Garry Boston at 1:30 p.m. on January 26, 1995 in Room 526-S of the Capitol.

All members were present except: Representative Douglass Lawrence, Absent

Committee staff present: Mary Galligan, Legislative Research Department
Lynne Holt, Legislative Research Department
Mary Ann Torrence, Revisor of Statutes
June Evans, Committee Secretary

Conferees appearing before the committee: Robert Mitchum, Greensburg
Ron Hale, Creative Image Products
Bill Cravens, Kansas Sierra Club
Howard Wilson, Howie's Recycling, Manhattan
Bill Mitchell, Kansas Recyclers Association
Chitquita Cornelius, Kansas Business and Industries Recycling Program
Neal Whitaker, Kansas Beer Wholesalers
Ron Hein, Kansas Soft Drink Association
Chuck Wilson, Kansas Soft Drink Association
Jim Twigg, Special Projects Coordinator, City of Overland Park
Jim Putnam, Dillons Food Stores
Terry Leatherman, Kansas Chamber of Commerce
Frances Kastner, Kansas Food Dealers
Rebecca Rice, Retailers
R. E. "Tuck" Duncan, Kansas Wine & Spirits Wholesalers Assn., Inc.

The Chairperson opened the hearing on **HB 2102**, an act relating to litter control; requiring certain beverage containers to be redeemable; providing penalties for violation relating thereto.

Robert Mitchum, Commissioner, Kiowa County, testified in favor of **HB 2102**, stating that while travelling both our rural and urban roadways, it appears that although beverage containers are a small portion of the overall litter they represent a disproportionately large amount of public littering. The state of Michigan has a container deposit law and there is little litter throughout the state. Retail beverage store managers believe the law has not appeared to be detrimental to their businesses, and that it represents only a small added inconvenience. Passage of this Bill would increase public awareness of littering problems, as well as removing an obvious distraction from the beauty of Kansas. (See Attachment #1)

A member asked if it would be better to have heavy fines on people that litter?

Mr. Mitchum asked, how many people have you seen fined?

Ron Hale, Creative Image Products, testified as a proponent to **HB 2102**, stating that used containers should be a resource rather than trash. There are excellent recycling programs that need to be encouraged and used. (See Attachment #2)

Bill Craven, Kansas Natural Resource Council and the Kansas Sierra Club was a proponent to **HB 2102**, stating the sponsors and drafters of this legislation are to be commended. According to the Container Recycling Institute, demand is so high for recycled containers of all type, including plastic, that traditional methods aren't generating enough materials. Bottle bills may well be the only way to satisfy market demand for these products. Used soda bottles are used to manufacture everything from carpet and clothing to athletic shoes. The supply comes mainly from the 10 states with beverage deposit laws. (See Attachment #3)

Howard Wilson, Howie's Recycling, Inc., Manhattan, Kansas, testified opposing **HB 2102**, stated he has owned a drop off-buy back recycling center for 10 years and at that time people were only interested in the

recycling of metals. Through education and the development of many new markets nearly 800,000 pounds a month is shipped from the recycling center. Drop off-buy back recycling is the best means for handling materials. The bottle bill is not a solution to the problem. People who are interested in protecting the environment want to recycle all the materials that are recyclable, even if they are not going to be paid for some. If there is a deposit of aluminum cans and beverage glass, where will the rest of the recyclable materials go? What will happen to the other glass jars such as mayonnaise jars, and baby food jars. (See Attachment #4)

Chiquita Cornelius, Executive Director, Kansas Business and Industry Recycling Program, Inc., testified opposing **HB 2102** stating the Ks BIRP is a non-profit organization founded in 1983 by Kansas businesses that have dedicated their time and money toward establishing a voluntary program that would increase the recycling capabilities of our citizens. In 1983 Kansas had 43 recycling centers and in 1992 there were over 550 collection centers. The kinds of materials being accepted by these centers has expanded tremendously. (See Attachment #5)

Neal Whitaker, Kansas Beer Wholesalers Association, testified opposing **HB 2102**, stating the bill would be an increase of \$74 million to Kansas consumers, grocers, recyclers, and beverage distributors, for no real benefits. This bill would be harmful to recycling. No state has adopted a forced deposit law in more than a decade. (See Attachment #6)

Ronald R. Hein testified in opposition of **HB 2102**, stating this is bad policy for the soft drink industry, for the retail industry, for other beverage manufacturers, for the consumers, for the state of Kansas, and for the environment. During the 60's and early 70's, it was believed that the litter problem should be addressed by imposing mandatory deposit legislation on beverage containers. A hand full of states passed such legislation. Since that time, some of the strongest proponents of bottle bill legislation have reversed their position and have called for repeal of such legislation. **HB 2102** will increase costs to the consumer in a variety of ways. First of all, there is a two cent per can charge to the manufacturers which is to be paid to the retailers or redemption centers for processing cans. But this is just the tip of the iceberg. For processing and returning to the original manufacturer, cans have to be sorted by brand and handled on individual basis to check for the stamp. Separate warehousing and inventory will be required, especially in bottling plants along the state border. Production runs will be slowed down and even halted in order to comply with the Kansas Act. All of these will contribute to significantly higher costs for Kansas consumers. The higher costs will also have the effect of causing lost sales of soft drink product, lost sales in other products that are purchased at the same time, and corresponding lost sales and income taxes because of consumers choosing to purchase soft drinks in bordering states without these built-in additional costs. (See Attachment #7)

Chuck Wilson, Operations Manager, Seven-Up Bottling Company of Topeka, Inc., opposed **HB 2102**, stating it would create serious problems for their business. Many of the products 7-Up sells are not sold in large quantities. A little bit of a lot of products are sold. About one-fourth of the products 7-Up sells is bottled at the plant. Pre-labeled empty bottles are purchased from a supplier in Lenexa. Those bottles are competitively priced because they are a part of mass produced bottles. **HB 2102** would require special labels for Kansas. There is a requirement to pick up empty beverage containers from the retainers that are sold to them. It would be impossible to mix dirty containers with the beverage containers; therefore, more trucks and employees would be required. That would drive up fuel costs, labor costs, and our price to our customers. (See Attachment #8)

Jim Twigg, Special Projects Coordinator, City of Overland Park, Kansas, testified opposing **HB 2102**, stating that Overland Park residents have demonstrated their support for the concepts of waste reduction and recycling during the past year by collecting and returning to commerce almost 16 million pounds of aluminum, steel, plastics, glass, and paper which would have otherwise been buried in a landfill. Materials collected are sold to companies which use them as raw material to manufacture new products such as carpet, containers, and insulation. (See Attachment #9)

Jim Putnam, Dillons Stores Division, Hutchinson, Kansas, opposed **HB 2102** and testified that Dillons has 66 stores serving Kansas in 14 communities and have made a commitment to be active leaders in environmental issues throughout the state. Dillons serves as a collection point for recycling materials. Aluminum is the only recyclable with any market value. Under a mandatory deposit bill, it is believed the aluminum cans would have to be redeemed whole, not crushed, and read the label to verify the can is from Kansas. A deposit bill might encourage persons in border towns to cross state lines to buy beverages at lower prices (no deposit) and then try to redeem them for money from Kansas businesses. Cans would have to be sorted for credit from the proper vendor. All of this adds labor and expense to a process that is a simple, market based system. It is also believed that a deposit bill jeopardizes TECH which provides a number of jobs for their clients who are mentally or physically challenged. It is felt a mandatory deposit bill would interfere with free market programs already in place and would fall short of providing a comprehensive solid waste management plan. (See Attachment #10)

Terry Leatherman, Executive Director, Kansas Industrial Council, Kansas Chamber of Commerce and Industry, testified opposing **HB 2102** as the bill would place a large burden on Kansas business, particularly retailers of beverages. The bill would require these businesses to take steps to collect and account for deposits received and paid, assign stations and personnel to accept returns, find storage space for recycled materials,

and take measures to assure sanitation. Their only other option is pursue a contract arrangement with a redemption center to meet this new requirement. (See Attachment #11)

Frances Kastner, Director, Governmental Affairs, Kansas Food Dealers Association, testified opposing **HB 2102**, stating the Kansas Retailers were instrumental in forming Kansas Beverage and Industry Recycling Program (BIRP) and are involved in litter control. The litter problem caused by beverage containers and be dealt with without the involvement and expense of a government agency. (See Attachment #12)

Rebecca Rice, Legislative Counsel for Kansas Retail Liquor Dealers Association, testified opposing **HB 2102**, stating it was not certain if this legislation would apply to retail liquor dealers. Recycling and efforts to educate the public to eliminate carelessness resulting in littering is supported. It is felt the efforts of private industry to create commercially viable recycling programs is the correct approach. (See Attachment #13)

R. E. "Tuck" Duncan, Kansas Wine & Spirits Wholesalers Association, Inc., opposed **HB 2102**, stating Kansas has a significant history of reducing recyclable materials through private enterprise solutions. This bill is nothing more than an unnecessary governmental mandate of private enterprise. (See Attachment #14)

Kathy Peterson, Distilled Spirits Council of the U. S., distributed testimony opposing **HB 2102**. (See Attachment #15)

Don F. Strathman, Seneca Wholesale Company, Inc. distributed testimony opposing **HB 2102** stating Seneca is 10 miles from Nebraska and people that work in Nebraska will shop there. (See Attachment #16)

Gail Ederer, Regional Director, Glass Packaging Institute, Southwestern Office, distributed testimony opposing **HB 2102** as it is expensive and inconvenient approach to waste reduction or litter control. Hundreds of voluntary waste reduction/recycling programs already exist in Kansas which are successfully operating within a free market environment. (See Attachment #17)

Representative Packer moved and Representative Vickrey seconded to report **HB 2102** out of committee adversely.

Representative Standifer offered a substitute motion to not take action on **HB 2102** today.

The Chairperson stated he would closed the hearing on **HB 2102** and would take up at a later time.

The meeting adjourned at 3:20 p.m. and the next meeting will be January 30, 1995.

HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE GUEST LIST

DATE: January 26, 1995

NAME	REPRESENTING
Donnie McKinney District 1-88	
Robert Mitchell	concerned tax payer
Blanca Mitchell	" " "
Ken Hale	Creative Image Products (Long Distance)
SIM PUTNAM	DILLONS FOOD STORES
Chiquita Cornelius	K.S. B.I.R.P.
Pat Depitz	KRLDA
Howard W. Wilson	Howies Recycling Inc.
Donald Snodgrass	Ks Food Dealers Assn
Frances Kastner	Ks Food Dealers Assn
Jim Mellan	Kansas Food Dealers Assn
Neal Whiteaker	Ks Beer Wholesalers Assn.
Jim Hough	Leadership Arts City
Pat Johnson	Seven Up Bottling Topeka
Terry Leatherman	KCCI
Michael Miller	Kansas One
Tim J. Riemann	Rep. Freeborn
Jim Twigg	City of Overland Park
Mark Miller	KACR#11

Carol Wilson
 Steve Montgomery
 T Jack DUNCAN

7up Bottling Co. of Topeka
 Casey's General Stores
 KWSWA

Committee on Energy and Natural Resources

House of Representatives

State of Kansas

I appreciate this opportunity to state my support for House Bill 2102.

In travelling both our rural and urban roadways, it appears that although beverage containers are a small portion of our overall litter they represent a disproportionately large amount of our public littering. This may be partly due to the fact that these containers are non-biodegradable and remain indefinitely wherever they are deposited.

In a state whose citizens pride themselves with their homes and communities as well as their personal appearances, it would seem a logical action to further encourage elimination of one of our major litter problems. I would agree that a deposit law will not result in consumers automatically returning all containers, but it will certainly be an added incentive. This, combined with individuals and organizations utilizing roadside collections for fund raising will dramatically improve the appearance of our state.

The state of Michigan has a container deposit law. In my regular visits there, I am always impressed that despite the large population, there is little litter throughout the state. In visiting with retail beverage store managers I am told the law has not appeared to be detrimental to their businesses, and that it represents only a small added inconvenience. They point out that a majority of containers return as "trade-ins", and do not represent

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Atch #1

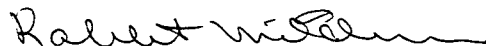
an actual added transaction. The majority of retailers I have visited feel the intent and benefits of the law outweigh the added requirements to their businesses and customers.

I realize that recycling programs have been and are being implemented in increasing numbers. I understand that beverage containers represent a financial return for recycling programs and companies. We have a recycle program started in our county. I strongly support recycle programs as an approach to better waste management.

However, I am today discussing an area of our waste management that often falls outside our recycle programs - the area of public litter. I believe that passage of this Bill will increase public awareness of littering problems, as well as removing an obvious distraction from the beauty of Kansas. I further believe these benefits will outweigh the loss of any economical benefits that recycle companies may sustain by the passage of this Bill.

I feel this Bill will be of positive benefit to our state, and I support it as a positive measure.

Again, thank you for allowing me to present my opinions.



Robert Mitchum, Commissioner
Kiowa County, Kansas

City-run recycling proposed

More sites may encourage participation, Kamen says

By Jim Cross
The Wichita Eagle

A city-operated recycling program with as many as a dozen drop-off sites around town may be the best way to get more people to recycle, says Wichita City Council member Sheldon Kamen.

Kamen, who is worried that the alternative would be for the city to require all trash customers to pay extra for curbside recycling service, will offer his proposal at today's council meeting.

The program could cost the city an estimated \$10,000 to \$15,000 per site each year.

But Kamen says it would be better than forcing consumers to pay for curbside recycling, a service that has never been as popular

with Wichita residents as drop-off sites are.

About 15,000 households pay their trash haulers extra to come to their homes to pick up throwaway bottles, cans and newspapers. But about twice as many tons of recyclable material are collected from do-it-yourselfers who take their stuff to the four existing drop-off sites operated as a community service by Dillons grocery stores.

"This way it would be voluntary," Kamen said. "It's not a government-in-your-face type of thing."

Kamen is trying to get the jump on the Wichita-Sedgwick County Solid Waste Management Committee, a group of city officials, trash haulers, environmentalists and others who are studying new ways to deal with trash in hopes of prolonging the life of the Brooks Landfill.

The waste management committee is kicking around a lot of futuristic ideas that, sooner or later, may mean significant

changes in what Wichitans pay for trash service and what kind of trash they throw away.

Among the items on the table for the committee to talk about in coming months:

■ Banning grass clippings and tree limbs from the landfill. Believe it or not, some city officials say, bagging all that grass when you mow does nothing for your lawn and wastes space at the landfill. Mulching mowers and composting, they say, are better ways to deal with yard waste.

■ Tying what households pay for trash service to how much they throw away. As things are now, most consumers pay the same monthly fee for a 90-gallon plastic cart, whether they fill it to the brim or leave it half empty every

week. A volume-based system requiring haulers to offer trash cans in a range of sizes and prices could encourage people to recycle to save money, some city officials say.

■ Franchising trash haulers. At least in theory, trash service might be cheaper if the city gave three or four trash haulers exclusive rights to pick up trash in particular parts of town. The way things are now, about 50 trash companies, mostly small ones, operate all across the city, crossing and recrossing one another's paths all day long.

■ Keeping waste from outside Sedgwick County from winding up in Brooks Landfill. A few years ago there were about 130 landfills in Kansas. But now the number has dropped to fewer than 30. City officials say they are trying to keep Brooks from becoming a dumping ground for waste from other parts of the state or region. But how far they

See RECYCLE, Page 4D

RECYCLE

From Page 1D

can go legally remains to be seen.

It is too soon to tell what recommendations the waste management committee will make to the City Council. But there will be hearings to get input from the public, city officials say. And no big changes will take place overnight.

"There needs to be plenty of lead time before anything is implemented," said Joe Pajor, the city's natural resources director. "If there was a yard waste ban, for instance, it might be a year before it took effect."

Faced with stricter state and federal landfill regulations, the City Council already has set a goal of reducing the flow of trash into the landfill by 50 percent by 1999.

Last year, 555,169 tons of trash was buried in the Brooks landfill, Pajor said. That compares with 587,473 tons in 1993.

Recycling is one of the main reasons for the reduction, he said.

"We had 38,101 tons recycled through the Weyerhaeuser Company last year," Pajor said.

But the number of drop-off recycling sites around town has been reduced in recent years. Albertson's and Wal-Mart have removed recycling bins from their parking lots.

Only Dillons still offer service, and not because it is profitable.

"They consider it a civic contribution," said City Manager Chris Cherches.

Kamen says, and Cherches agrees, that requiring all consumers to subscribe to curbside recycling services would cost customers "millions of dollars." Curbside recycling, Kamen says, is "a passing fad."

Cherches said he doubts mandatory recycling is likely to come about in Wichita any time soon.

"I don't think there is support for that, at least not based on my conversations over the last few months," he said.

Volume-based trash rates seem to be getting more attention, at least at City Hall.

"More and more cities are doing that now to save the lives of their landfills," Cherches said. "The waste management committee is discussing that and, just looking at their minutes, it looks like a very viable alternative."

But Kamen, who says he has learned a lot about the recycling business during years of running his own scrap metal company, says a volume-based system would hit low-income households harder than households with more money.

"Wealthy people will get trash compactors — and poor people will throw it in the ditches," he said.

FLSA
1-27-95
Atch #2

**Congratulations,
Kansas...**



**You Helped Us Keep More Than
22 Million Pounds**

2-2

Ro. 14/12

of Material Out of Landfills Last Year.

Working together through our recycling efforts in 66 Dillon stores throughout the state, customers turned in tons of plastic and aluminum for recycling during 1994. We're proud to be a part of this recycling program. Keep it up Kansas...together we're making a difference! Look what was collected this past year:

Pop Bottles

372,823 pounds of plastic was collected and recycled. This amounted to more than 2 1/2 million bottles.

Milk Bottles

460,687 pounds of this type of plastic was turned in, amounting to nearly 4 million milk jugs.

Plastic Sacks

Customers brought back 171,952 pounds of plastic shopping bags for recycling last year.

Aluminum Cans

Dillons paid its customers cash for nearly 4 million cans last year! This amounted to 2,532,453 pounds of aluminum for recycling.

Polystyrene

Foam containers of all types and sizes were also collected and 31,320 pounds of this Polystyrene was recycled.

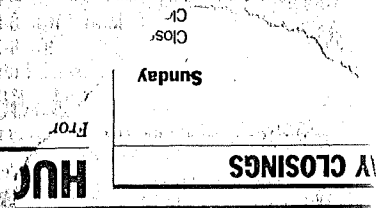
Recycled Cardboard

Every Dillon store processes its cardboard in large compactors. Last year, over 18 million pounds of cardboard was collected and recycled into other useful paperboard products.



TECH, Our Good Working Partner

This unique recycling system, which Dillons pioneered, could not work without the day efforts of The Training And Evaluation Center for Handicapped, Hutchinson. TECH people sort and process the recyclable material collected in our stores and ship it on to recycling centers throughout the state. WE value this unique working relationship with the good people of TECH, our partner, along with YOU, in making recycling work.



2-1-94

WasteManagementNews

REGULATORY UPDATES, ENFORCEMENT POLICY AND COMPLIANCE STRATEGIES FOR TREATMENT STORAGE AND DISPOSAL

DECEMBER 15, 1994

VOL. 3, NO. 24

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Global Warming

EPA Promotes Use Of Landfill Gas To Reduce Greenhouse Gas Emissions

Agency hopes new program will help landfills to adhere to soon-to-be-released rules

EPA is promoting a new voluntary program to reduce global warming emissions by turning landfill gas into energy, and will soon release final regulations requiring landfill gas control at more than 600 landfills.

The agency hopes that by lowering barriers to landfill gas energy recovery, it can help landfill owners and operators to comply with these regulations at low or no cost, and in some cases to earn a profit. In addition, the power generated from the gas can be sold to utilities and other users, and to generate revenue while reducing greenhouse gas, EPA said in a Dec. 5 statement. Eight states and 12 utility companies have joined the effort.

"This is a cost-effective, common-sense way

to protect the environment and boost the economy," EPA Administrator Carol Browner said. "We hope the program will help landfill owners to protect the environment by turning an environmental problem into profits that help us reach our goals of cleaner air and abundant energy." The program is part of the Federal Climate Change Action Plan, announced by President Clinton in 1993. The plan should reduce greenhouse gas emissions to 1990 levels by the year 2000.

Landfills are the largest source of methane pollution in the country, according to EPA. Methane, a greenhouse gas, contributes 18 percent to global warming emissions, and is about 20 times more powerful than carbon dioxide — the primary greenhouse gas — in trapping heat in the earth's atmosphere, EPA added.

Landfill gas can be used as an energy source in several ways (continued on p. 11)

Business

Recycling Groups Say There Is 'Severe Shortage' Of HDPE, PET Plastics

Communities are called to expand existing programs or collect other plastic resins

Announcing that there is a "severe shortage" of two leading kinds of used plastics, the nation's postconsumer plastics recyclers are calling for communities to expand their plastic bottle collection.

The supply of used plastic bottles, especially high-density polyethylene (HDPE) and polyethylene terephthalate (PET), is falling drastically short of the demand, according to a statement from three leading postconsumer plastic recyclers: the Association of Postconsumer Plastic Recyclers (APR), American Plastics Council (APC) and the National Association for Plastic Container Recovery (NAPCR). The groups said in the release that the shortage threatens the "growth and eco-

nomics viability of the postconsumer plastic recycling." Companies use postconsumer plastics to make almost every type of plastic product imaginable, from containers and packaging to car parts.

"Our members are reporting recycled PET supply shortfalls from coast to coast," said NAPCR President Luke Schmidt. In 1993, the PET industry experienced a shortfall of 131 million pounds of postconsumer bottle, he said.

Tom Rattray, associate director of environmental quality at Procter & Gamble and an APR member, said members of his organization are having "great difficulties" getting enough used plastics. "P&G has more brands that it would like to convert to recycled plastics, and, although there's plenty of reclamation capacity, we can barely get enough bottles to maintain our current use," he said.

Bailey Condrey Jr., (continued on p. 11)

FOR MORE INFORMATION ABOUT ARTICLES IN THIS ISSUE CALL: (202) 942-1400

Greenhouse Gas *(continued from p. 1)*

(WMN 12/3/94, p. 1). The most popular use is for generation of electricity that can be sold to utility companies. It can also be used in boilers for heat and to generate electricity in industrial facilities, and to produce compressed natural gas for car fuel. The gas can also be sold to natural gas pipeline companies.

EPA estimated that as many as 750 landfills in the country could install "economically viable" landfill gas energy recovery systems, but that only about 120 of such systems are in operation. The gas recovered from these landfills could supply 3 million homes a year with electricity, EPA said.

"If just 250 of these landfills become energy recovery sites, the thousands of tons of greenhouse gas emissions prevented would be equivalent to taking 14 million cars off the American roads," EPA said. In addition, the agency's outreach program would help landfill

owners and operators to reduce emissions of volatile organic compounds, the primary component of smog.

Washington, Maryland, Massachusetts, Pennsylvania, New York, New Jersey, Wisconsin and Illinois have signed up with the program. The utilities that joined the effort include the Los Angeles Department of Water & Power, Northeast Utilities, and Detroit Edison.

Some states, such as Washington, have already shown some initiative. The state Department of Ecology is planning to publish a manual to describe the steps that a landfill operator could take to establish a landfill gas-to-energy system. The department is also seeking ways to remove regulatory barriers, and will hold a conference on the matter in 1995. No landfills in Washington state use landfill gas for energy production, according to the state DOE.

— Matthew Dembicki

Plastics Shortage *(continued from p. 1)*

an APC spokesman, said a number of things have "come together" to cause the used plastics shortage. One is that a bad cotton harvest overseas has increased the demand for synthetic materials over natural fiber, he explained.

Also, a rapid increase among various industries using postconsumer plastics has also added to the supply strain, Condrey continued. He noted that car manufacturers, for example, are now using recycled plastics to make various parts (WMN 2/25/94, p. 40). The increasing price of virgin plastics has also made postconsumer plastics more attractive to manufacturers, Condrey said.

Over the past 1 1/2 years, the gap between supply and demand for used plastics has slowly increased, according to Condrey. HDPE and PET are especially hot items in used plastics, he said. "The focus for quite a while has been on markets. Now, all these markets have come to bear," he said.

The recycling industry is trying to spur com-

munities either to add more plastics to their recycling programs or to increase the amount of plastics collected for existing programs, Condrey said. The threshold for the amount of plastics that can be recovered and recycled has yet to be determined, he said.

A recently released report from Franklin Associates concluded that plastics made up 8 percent of the nation's municipal solid waste stream in 1992, but that only 1 percent of that amount was recovered for recycling (WMN 11/3/94, p. 2).

"One of the best ways to improve the overall efficiency and reduce the cost of a recycling program is to maximize collection," said Ron Perkins, APC's recycling operations director. Curbside recycling is one of the most reliable sources of supply for recycling plants, he added. However, expanding programs cost money, several of the association officials said. Those costs may, in some cases, hamper municipalities' efforts to boost their recycling rates, the officials acknowledged.

— Matthew Dembicki

Research Council Suggests Science Education Standards

Improving the scientific literacy of the nation's students and encouraging them to use scientific knowledge to solve problems is the aim of draft education guidelines developed by the National Research Council and a committee of teachers and scientists. Outlined in the report "National Science Education Standards," the standards encompass not only what students should be taught, but how they should be taught and what abilities they should develop, as well as standards for science education programs and for school systems in general. After it is reviewed by local, state and national focus groups of parents, teachers, school administrators and scientists, the draft will be finalized in late 1995.

The proposed standards describe the level of scientific understanding students should possess at the end of fourth, eighth and 12th grade. The standards are grouped into eight categories: science as inquiry; physical science, life science, earth and space science, science and technology; science in personal and social perspectives; the history and nature of science and unifying concepts of science. For a copy, call NRC at (202) 334-1368.

— Lisa Caruso

BRIEFS

U.S. PIRG ISSUES SUGGESTIONS FOR 'GREEN' HOLIDAY SEASON

As a public service, U.S. PIRG and Earth Day 2000 released a report Dec. 1 called "Buying Green for the Holidays," which lists examples of environmentally-friendly holiday products.

The report identifies 10 alternatives to environmentally unsound products purchased during the holiday season. PIRG estimates that at least 16 million trees will have to be disposed of in landfills or incinerators this season and encourages consumers to purchase potted, replantable trees.

AWMA PUBLISHES EVENTS FROM SPRING CONFERENCE

The Air & Waste Management Association said it is publishing the proceedings from the more than 115 original technical presentations that took place at its international specialty conference held this past spring.

The meeting, "Global Climate Change: Science, Policy, and Mitigation Strategies," was held in Phoenix and sponsored by the Pittsburgh-based group along with the Global Climate and Mitigation Intercommittee Task Force. Topics included climate trends, climate change mitigation strategies, and climate change and environmental/energy policies. Call Linda Stein of AWMA at (412) 232-3444.

PLANNED RECYCLING FACILITY SECURES \$400M IN FINANCING

Joint developers Reading Energy of Philadelphia and Foster Wheeler Power Systems of Clinton, N.J., announced that they have obtained \$400 million in financing for its Robbins Recycling and Trash-to-Energy plant, scheduled to begin operations in early 1997.

The companies said the sale of resource recovery revenue bonds, together with an equity investment by Foster Wheeler, backed the cost of the project. Robbins Recycling, said by the companies to be "the most advanced facility of its kind in the world," is designed to process 1,600 tons of nonhazardous municipal trash daily from the Chicago metropolitan area.

Health-conscious consumers feed demand for PET bottles

By Bruce Vernyi
PLASTICS NEWS STAFF

Consumer demand for health beverages in single-serving bottles is expected to help boost consumption of PET bottle resin by nearly 55 percent by 1998.

Terry L. Persinger, general manager for PET resins for Shell Chemical Co. of Houston, said changes in consumer appetites—soft drink sales are diminishing while so-called health beverage sales are rising—are expected to aid PET resin sales. Health beverages include ice teas, juices and sports drinks.

While sales growth for carbonated soft drinks—the traditional market for PET bottles—slowed to 2-3 percent, sales of health beverages are increasing at a faster rate, and consumer demand for single-serving containers is expected to grow about 22 percent annually through 1998.

“The consumer favors the cleanliness, resealability and clarity of single-serving PET bottles. This will drive usage from about 965 million pounds in 1992, to 1.5 billion pounds in 1998, an increase of 500 million pounds, or about 55 percent,” Persinger said. Persinger spoke March 22 at the 1994 Dewitt Petrochemical Review in Houston.

Separately, Persinger said demand for crystallized PET and amorphous PET is expected to grow from 180 million pounds in 1993 to about 300 million pounds in 1998. Demand for PET bottle resin grew by an average of 10 percent per year since 1977, Persinger said. In that period, PET’s clarity, strength and toughness put it in the lead as the material of choice for 2- and 3-liter soft drink bottles, he said.

Persinger said the versatility and functional attributes of PET also make it a good choice in the hot filling of food products.

Soft drink consumption is ex-

pected to grow 2-3 percent per year; growth of PET resins for those applications is expected to increase at a slightly higher rate as PET continues to replace metal cans and glass bottles.

Further, Persinger noted that more than 38 percent of all PET soft drink bottles were recycled in 1992, as were more than 28 percent of all PET containers, including CPET and APET.

That high recycling rate adds to consumer comfort with PET packaging and helps eliminate a potential barrier to further growth, he noted.

Both the thermal stability of CPET, in applications such as ovenable trays for frozen meals, and the versatility of APET, in applications such as drinking

cups, delicatessen clamshells and packaging for baked goods, are expected to boost PET sales in those markets, Persinger said.

PET bottle resin makers have announced, and are trying to put into effect, a 3 cent-per-pound price increase.

Persinger also noted that several firms announced increases in production capacity for 1994, 1995 and 1996, among them Shell; Eastman Chemical Co. of Kingsport, Tenn.; the Spartanburg, S.C.-based Polyester Resins Group of Hoechst Celanese Corp.; and Wellman Inc. of Shrewsbury, N.J.; and Nan Ya Plastics Corp. of Livingston, N.J. Those increases will be necessary to keep up with PET demand, he said.

PVC prices may rise

Continued from Page 30

and minus 1 percent—in 1991, before surging again in 1992.

However, citing constraints placed on the resin from increased demand, tightness of supply and competition from other materials, Lydersen noted that “the good days did not last very long.”

But those gloomy remarks are only minor qualifications for the otherwise-good outlooks for PVC that Lydersen and Baggett present.

Both said they believe the worst setbacks caused by the environmental lobby are past problems, and both predict that global PVC demand will increase substantially faster than general economic growth during this decade.

“There is no doubt that the developing countries are the primary markets for growth,” with the Asia-Pacific Rim region being the leader through the 1990s for increased PVC demand, Baggett

said. PVC demand in Asia and the Pacific Rim is expected to grow at a rate of 6.1 percent per year through at least 1998, he said.

Meanwhile, PVC demand in North America is expected to grow at a rate of 2.8 percent; while demand in Western Europe is expected to grow at 0.1 percent per year through 1998.

While that growth occurs, Baggett said, production facilities will reach high operating rates because few companies have announced increases in production capacity. However, he cautioned that projected production operating rates could change if suppliers rush to increase capacity by 1996 or 1997.

The combination of increasing demand and stagnant production capacity may allow PVC producers to raise prices in Europe and North America later in 1994 and early in 1995, despite expected cuts in feedstock prices, Baggett noted.

PS, ABS demand expected to rise

Continued from Page 30

threatening PS market share through innovations in production and applications that appear to offer competitive advantages.

PS capacity utilization rates rose from 83.3 percent in 1992 to

neers Annual Technical Conference in San Francisco.

“The polystyrene industry now is working to expand the demand to utilize the excess capacity that was made available in this construction boom

pley said.

“Lower ABS prices in the United States over the last two years helped ABS manufacturers to gain market share” in the transportation industry, Copley said. He noted, however, that other materials, including PS, PP and

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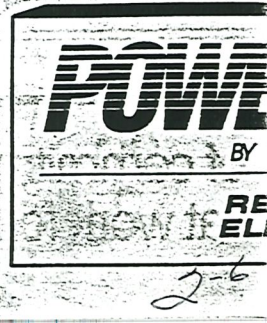
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m the Peachtree City, Ga., 0,000-square-foot technical ording to the Jan. 10 issue n.

Resin capacity

cal Co. of Kingsport said iction capacity for polyeth- ds per year during the sec- N production capacity in a leading supplier, accord- and general manager of organization. Eastman has batch quantities. alization of PEN homopoly- product development and

t manager for PEN, said the mers and copolymers in a related to PET, and is used axially oriented films, rigid d parts. and Drug Administration to r for packaging that would sin.

Molding capacity

molder ASG Modern Corp., anufacturing Co., is expand- en sprayer heads, recently dding presses, according to of the machines had been se agreement, he said. n a Chapter 11 filing under Angeles investment firm uction in August, he said. and kitchen faucet assem- nt manufacturers and the total of 12 presses. 000 on the new machines.

Plant evacuated

employees in a Woodbridge e instrument panel plant in when some complained of breathing. Stephen Erwin, ection could be found be- cesses. ice officials were investigat- ss time.

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high density polyethylene jars, to augment Seda's custom tubes and closures.

"ASC's line closures is similar to ours, and the jars they produce give us another product line," said Ronald W. Johnson, vice president for finance at Se-

tion, including Seda's purchase of some assets currently leased by ASC for \$1.5 million.

Under the agreement, which is subject to approval of the Securities and Exchange Commission, the ASC public shareholders have the option of receiving

Sajar controller admits theft

PLASTICS NEWS REPORT

MIDDLEFIELD, OHIO—Robert R. Vargo, former controller at Sajar Plastics Inc., has pleaded guilty to aggravated theft for skimming more than \$500,000 from the Middlefield custom injection molder as it struggled through a restructuring.

Vargo, now living in Sandusky, Ohio, was hired in 1991. The following year, Sajar officials embarked on a downsizing effort that cut employment from 488 to 145 and halved the number of injection molding machines to 20.

Sajar promoted Vargo to controller in January 1993, giving him responsibility for all cash

management.

From February 1993 through September 1994, Vargo stole \$527,259 from Sajar, according to Middlefield Police Chief David Easton. The money was used to renovate a home and a boat, and to buy another boat, a 1988 Jaguar and a 1991 Ford Explorer, police said.

A routine audit last October spurred the investigation. The audit turned up a company check that had been converted to a cashier's check, which was traced to the boat purchase, Easton said.

Vargo was indicted on the theft charge in mid-December, and he immediately pleaded

guilty. Sentencing could take place in late January or early February in Geauga County Common Pleas Court. He faces up to 15 years in prison and a maximum fine of \$7,500, said David P. Joyce, Geauga County prosecutor.

Vargo's lawyer, Edward Rhode of Sandusky, could not be reached for comment.

Joseph A. Bergen, Sajar's president and chief executive officer, said Vargo was a trusted employee who took advantage of the situation during Sajar's restructuring.

Bergen said Sajar's insurance covered the costs and the company's comeback is continuing.

U.S. Can acquiring Plastite

By Tom Ford
PLASTICS NEWS STAFF

U.S. Can Corp., the nation's leading supplier of metal containers for personal-care, household, automotive, paint and industrial products, is adding plastics to its product line by buying Plastite Corp. of Morrow, Ga.

The transaction, to be completed by the end of the first quarter, is U.S. Can's first foray into plastics, said Tim Stonich, executive vice president and chief financial officer of U.S. Can. Terms were not disclosed.

U.S. Can, based in Oakbrook, Ill., is publicly traded. Plastite is a privately held firm, formerly a division of Brockway Standard Industries Inc. The acquisition will be made through U.S. Can's subsidiary, United States Can Co.

Plastite claims to be the nation's largest maker of plastic paint cans, with total sales of about \$16 million. The firm also makes 1-and 5-gallon pails and lids. Plastite has one plant with 15 injection molding machines, said Bud Sheesley, the firm's chief executive officer.

Stonich said the purchase will fit perfectly with U.S. Can's paint can business.

"Plastite is a great comple-

ment to our metal paint can business," he said. "Some of our customers prefer plastic for some materials, and we are especially interested in the 1-gallon plastic containers."

U.S. Can officials were quick to say it has no intention of getting

out of the metal can business.

U.S. Can, formed in 1983 as a leveraged buyout of Sherwin-Williams Container Division, operates 27 plants in 11 states.

Two former Brockway Standard executives, including Sheesley, bought Plastite in June 1990.

FYI... States with mandated recycling goals*

	Goal	Date		Goal	Date
Ala.	25%	1991	Mo.	40%	1998
Ark.	40%	2000	Mont.	25%	1996
Calif.	50%	2000	Neb.	50%	2002
Colo.	50%	2000	Nev.	25%	1994
Conn.	40%	2000	N.H.	40%	2000
Del.	21%	2000	N.J.	60%	1995
D.C.	45%	1995	N.M.	50%	2000
Fla.	30%	1995	N.Y.	50%	2000
Ga.	25%	1996	N.C.	40%	2001
Hawaii	50%	2000	N.D.	40%	2000
Idaho	25%	1995	Ohio	25%	1994
Ill.	25%	2000	Ore.	50%	2000
Ind.	50%	2000	Pa.	25%	1997
Iowa	50%	2000	R.I.	70%	†
Ky.	25%	1997	S.C.	30%	1997
La.	25%	1992	S.D.	50%	2001
Maine	50%	1994	Tenn.	25%	1996
Md.	20%	1994	Texas	40%	1994
Mass.	46%	2000	Vt.	40%	2000
Mich.	50%	2005	Va.	25%	1995
Minn.	30%	1996	Wash.	50%	1995
Miss.	25%	1996	W. Va.	50%	2010

*Some goals include source reduction. †No effective date

Source: Trash Facts II, J. Winston Porter, Sterling, Va.

Plastics News graphic by Marc Mathies



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House Bill 2102 Beverage Deposit Legislation

Testimony of Bill Craven on behalf of the Kansas Natural
Resource Council and the Kansas Sierra Club

House Federal and State Affairs Committee
January 26, 1995

Thank you for the opportunity to testify. This is legislation we wholeheartedly support. The sponsors and drafters are to be commended for working out what are usually problems in this type of legislation which pertain to redemption centers, vending machines, refillable bottles and containers, and--most important--the problem of achieving equity between wholesalers and retailers.

With those considerations out of the way, it is important to advance this legislation. Generally, the information I have is that these measures are supported by the public, have phenomenal effects on reducing litter (all kinds, not just beverage containers), and reduce the wastestream into landfills, which is an important issue at the county level. In terms of public support, one need only consider that the 1978 Michigan bottle bill, which was the product of a citizen initiative, garnered nearly 80 percent of the vote. Years after this bill became law, the citizens also voted to extend the bill to wine coolers. That is another indication of how popular this legislation is with the public. The Michigan effort was led by the that state's association affiliated with the National Wildlife Federation with help from the Farm Bureau and other environmental groups.

According to the Container Recycling Institute, demand is so high for recycled containers--of all types, including plastic--that traditional methods aren't generating enough materials. Bottle bills may well be the only way to satisfy market demand for these products. This institute says that about 80 percent of the PET soda bottles are recovered from bottle bill states. The figure drops to 29 percent in non-bottle bill states. The national average is 41 percent.

Used soda bottles are used to manufacture everything from carpet and clothing to athletic shoes. The supply comes mainly from the 10 states with beverage deposit laws.

It is important to stress that beverage deposit laws are compatible with other recycling efforts, like curbside recycling. The 10 states with deposit laws have other successful recycling efforts.

According to trade groups like the Aluminum Association and the Glass Packaging Institute, recycling results in substantial energy savings. Reprocessing aluminum cans saves 95 of the energy necessary to manufacture a can from raw materials. Every 10 percent of glass cullet used saves 2.5 percent of the energy necessary to produce glass from virgin materials.

In addition, the use of recycling reduces wastes from manufacturing and reduces air and water pollution.



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Atch #3

Beverage containers account for approximately 6 percent of the nation's solid waste by weight. A study in Michigan confirmed that the deposit bill there diverted between 6-8 percent of the solid waste stream from landfills.

There are other benefits. Bottle bills certainly increase the public's awareness of the serious need to recycle waste. Other recycling efforts account for only about a 50 percent recycling rate for aluminum cans. As a result of Michigan's law, the recycling rate for cans is now about 96-99 percent.

It is important to address the issue of equity between distributors/bottlers and retailers. Retailers pay the distributor and consumers pay the retailer. When the consumer fails to return a container, the distributor/bottler keeps the deposit. In Michigan, this is said to generate a windfall of about \$35 million for the distributors/bottlers. That's why the language in this proposal, on page 2, line 34, is so important.

There is often a concern expressed about whether a bottle bill leads to price increases. No such price increase accompanied the passage of the bottle bills in Oregon and Vermont. Michigan did experience an increase, but the studies now show a decline since 1979 following the completion of the capital investments (recycling equipment, expanded warehousing, and the like) associated with the law.

According to a comprehensive study from Massachusetts, the costs associated with deposit laws range from 1 to 1.6 cents per container. These costs likely decline after the capital investments have been made. The national literature indicates that these expenditures are offset by increased prices, recycling beverage containers, investing income from deposits, and keeping unclaimed deposits. There is also a net gain of jobs created when bottle bills are passed. These jobs are created in the distribution, retailing, and recycling industries.

Indeed, there are other benefits as well, which come from sources which might not occur to the committee at first blush. The League of American Bicyclists estimates that beverage containers are responsible for \$250 million in damage to bicycle tires annually. The American Journal of Public Health reported that lacerations to children decreased by 60 percent after Massachusetts passed a bottle bill. The Virginia Cooperative Extension Service estimated that beverage containers were responsible for between \$4.7 and \$8.1 million in damage to farm machinery and livestock in that state each year.

This bill is perhaps one of the bright lights in in the 1995 legislature in terms of making environmental progress. I certainly urge your favorable consideration of this bill.

January 26, 1995

Response to HB 2102

Submitted by Howard Wilson, Howie's Recycling, Inc. 625 S. 10th
Manhattan, Ks. 66502 913-776-8352

I am a recycler. I own a drop off-buy back recycling center. This has been my job for 10 years. I am proud of my job and the business I have made out of it. When I started 10 years ago, people were only interested in the recycling of metals. But through education and the development of many new markets we now ship nearly 800,000# pounds a month from our recycling center.

Howie's Recycling averages 200-250 customers in foot traffic each day. Countless others will just drop their materials off in the marked receptacles. Averages include:

Glass	110,000 pounds/month
Aluminum Cans	205,000 pounds/month
Plastic	12,000 pounds/month
Newspaper	170,000 pounds/month
Cardboard	80,000 pounds/month
Batteries	40,000 pounds/month
Scrap Aluminum	80,000 pounds/month
Red Metals	25,000 pounds/month
Old Appliances	80,000 pounds/month
Computer/white office paper	50,000 pounds/month
Vegetable cans	7,000 pounds/month

We also take telephone books and magazines

I am so convinced that drop off-buy back recycling is the best means for handling materials that I've invested the next generation into recycling. My son and son-in-law joined the business nearly 2 years ago. We started another center in Salina in July of 1994. The people we serve depend on us. We provide them with a means to get rid of all their recyclables in one stop. We serve the average household with just a bag of newspaper, a little cardboard, and plastic jugs; we serve the smaller recycler when he needs to get his materials to market, and large companies like Anheuser Busch who collect many more cans for recycling than they use.




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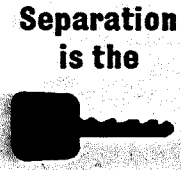
In October of 1994 many of the landfills in the state of Kansas were forced to close. They had to present plans to the State on what they would do with their solid waste. Included in many of these plans were means for taking recyclables out of the waste stream. Now you're trying to regulate the way these collectors operate. Let us alone. I've grown from 30,000 lbs a month to 800,000lbs. a month in 10 years. A bottle bill would only shut the door to the many communities that are now recycling with curbside programs, drop-off centers, and full service buy-back centers.

The reason bottle bills come up is because some environmentalist, who in most cases doesn't have any idea what goes on with handling recyclables, has a theory to solve only part of the problem. There are many containers besides beverage containers that find their way into the landfill. The bottle bill is not a solution to the problem. We find that people who are interested in protecting the environment want to recycle all the materials that are recyclable, even if they are not going to be paid for some. If there is a deposit of aluminum cans and beverage glass, where will the rest of the recyclable materials go? What will happen to the other glass jars such as mayonnaise jars, baby food jars? Will these be returned to the landfill?

The last bottle bill past was in 1983. This fact alone should prove to you better means have been found for recycling rather than taxing the buyer when he purchases the product and the manufacturer when he makes the product. Before you vote, visit a recycling center and begin to understand how they operate. I hope you will see that recycling all materials is as necessary as I do.

MATERIAL SEPARATION GUIDELINES

<p>Aluminum Cans Food & Beverage</p> <ul style="list-style-type: none"> • No dirt, rocks, or grass mixed in. • No aluminum foil <p>Weight deductions will be taken for excessive moisture.</p>	<p>Plastic</p> <ul style="list-style-type: none"> •  containers OK. •  liquid containers only. • Remove LIDS! • No plastic bags, toys, cottage cheese/yogurt containers, styrofoam, 6-pack rings, flower pots, medicine bottles, buckets, plastic dishes or any other plastics. 	<p>Glass All bottles & jars</p> <ul style="list-style-type: none"> • Separate all glass by color - clear, brown, green and light blue go together. • No window glass, ceramic, light bulbs, mirrors or Pyrex. • No LIDS - labels OK. 	<p>Newspapers</p> <ul style="list-style-type: none"> • Newspaper and enclosed ads OK. • No other paper! • No wet newspaper. • Bag in brown sack or tie. • No plastic sacks. • No cardboard or junk mail! 	<p>Cardboard</p> <ul style="list-style-type: none"> • Must be broken down and contained in another box or brown paper sack. • Brown sacks OK. • No junk mail.
<p>Steel Cans</p> <ul style="list-style-type: none"> • All food & vegetable cans 		<div style="text-align: center;">  <p>Howie's Recycling Inc.</p> <p>625 S. 10TH Manhattan, KS 66502 (913) 776-8352</p> <p>M-F 8:00 - 5:00 Saturday 8:00 - Noon</p> </div>		<p>Green Bar Computer Paper</p>
<p>Scrap Metals</p> <ul style="list-style-type: none"> • Aluminum • Copper • Brass • Stainless Steel • Lead • Magnesium <p>Transmissions, Radiators, Car Batteries, Aluminum Foil</p>	<p>White Goods</p> <ul style="list-style-type: none"> • Anything magnetic <p>Dishwashers Refrigerators Stoves Hot Water Heaters</p>			<p>Colored Office Paper</p> <ul style="list-style-type: none"> • Pastel bonded paper • Notebook paper • Yellow legal pad • Church bulletins • NO glossy • NO newsprint • NO carbon or carbon copies • NO envelopes • NO manila envelopes • NO bright colored paper



Kansas Business and Industry Recycling Program, Inc.

2933 SW Woodside Dr., Suite C, Topeka, Kansas 66614-4181
(913) 273-6808 FAX (913) 273-2405



Testimony on HB 2102 presented to
The Committee on Federal and State Affairs

by

Chiquita Cornelius, Executive Director
Kansas Business and Industry Recycling Program, Inc.

January 26, 1995

Mr. Chairman and Members of the Committee:

The Kansas Business and Industry Recycling Program (Ks BIRP) is a non profit organization founded in 1983 by Kansas businesses that have dedicated their time and money toward establishing a voluntary program that would increase the recycling capabilities of our citizens. Our program supports a comprehensive, integrated approach to minimize and reduce our state's solid waste stream and our efforts have been directed toward facilitating such a program in Kansas. This bill does not address the entire waste or litter stream, in fact, it could be very detrimental to the collection systems and programs we now have in Kansas.

In 1983, Kansas had forty-three recycling centers (excluding scrap dealers) in the entire state. All but one was collecting only the aluminum can.

In 1992, Ks BIRP published the second edition of our directory which identifies over 550 collection centers or programs. The kinds of materials being accepted by these centers has expanded tremendously. (Attached to my testimony is a current listing for Topeka and the '92 Directory to give you information on the scope of expansion in this area.)

We realize there is more work to be done but we do not feel the tremendous progress and voluntary effort that has been made should be ignored or jeopardized.

This bill will put existing multi material recycling centers at financial risk. We believe we will see centers close or reduce substantially the types of materials they are willing to reclaim. These centers rely heavily on beverage containers to generate revenue for their business. Most centers are restricted by local zoning ordinances to light or heavy industrial areas and that will put them at a distinct disadvantage to compete with redemption centers and retail grocers. While competition is certainly the name of the game in any business, I believe it behooves the government to not pass laws which favor one business over another.

Other programs which we feel will be negatively impacted are the curbside recycling programs. Statistics show that while aluminum cans may be a small percent of the volume collected thru a curbside program, they represent the largest percent of revenue generated. We are still seeing resistance from the public in accepting the fact that curbside recycling has a price tag. We must keep the costs of curbside programs as low as possible to ensure we can continue to see expansion of these types of programs.

We have to decide what we want in this state. In 1992 the legislator passed HB 2801. This bill set the direction toward comprehensive solid waste management planning. My question to you today is, "Do we want a comprehensive approach to the solid waste issue or do we want a piece meal approach"? If this bill is passed, we are sending two messages to the public which absolutely contradict

each other.

This bill also indicated it is an Act relating to litter control. If your main concern is litter, I would, once again, ask, "Do we want a comprehensive approach or a piece meal approach"?

Beverage containers account for about 7.5% of roadside litter. Keep America Beautiful Programs and other voluntary state litter reduction programs have faired much better than deposit states in reducing the total litter stream. In their first year the "Don't Mess With Texas" campaign achieved a statewide litter reduction level 29% higher than any forced deposit state.

We have had a Keep America Beautiful Program in Shawnee County since 1977 and we have seen a substantial decrease in the total litter stream since the implementation of this program. In 1994, Topeka documented an 88% reduction in the total litter stream over our 1977 baseline. The Kansas City, Kansas, Keep American Beautiful program documented an 82% reduction in their litter stream in 1993 (Latest figure available). The national Keep American Beautiful Program reports that the average litter reduction rates for the 439 certified cities in 1994 were:

	National Average	Topeka Program
Streets	58%	} 87%
Right-of Ways	61%	
Vacant Lots	64%	98%
Parking Lots	68%	95%
Loading Docks	41%	89%
Dumpsters	36%	51%

In 1990 the Kansas Solid Waste Advisory Task Force, appointed by

Governor Hayden, recommended adopting and implementing a statewide effort to organize Keep America Beautiful or a similar program in Kansas. There are proven programs in place or that can be implemented which will obtain better results than HB 2102 promotes. Maybe its time we dusted off that report.

Lastly, I am truly concerned for the future of Ks BIRP if this legislation is passed. We have no guarantees from any one industry or business for our funding. We rely on private funds, membership dues, that we solicit from individual companies. The industries that are targeted by this bill today are the very ones that stepped forward twelve years ago and voluntarily funded a comprehensive program to increase recycling in the state of Kansas. The costs these industries would incur if this bill passes would justify their taking the position that someone else can fund the service this program has provided to the citizens of Kansas. Quite frankly, I don't believe any other organization or government entity is in a position to provide the same service, at a time when it is most critically needed.

We recommend the Kansas Legislator stay on the course charted in 1992. Let us all work together to effectively reduce the total litter and total waste stream in our state.

RECYCLING IN TOPEKA/SHAWNEE COUNTY
WHERE TO GO/WHO TO CALL

CURBSIDE SERVICES: (Residential)

Environmental Recycling - 266-4600

Container provided. Materials are co-mingled. Pickup once every two weeks. Small monthly charge. Materials accepted:

Aluminum/steel (tin) cans
Glass bottles & jars (clear, green, brown glass)
Newspapers

COMMERCIAL PICKUP SERVICES:

Hunter Recycling office paper, computer paper
(913) 267-2501

Republic Recycling Company office paper, computer paper
(913) 235-2515 corrugated cardboard

P.S. Services office paper, computer paper
(913) 267-5756

Resource Control, Inc. corrugated cardboard
(913) 776-7218

Topeka Waste Systems corrugated cardboard
(913) 233-2811

BUY-BACK CENTERS: (Materials accepted as a donation indicated by **)

Dillons Stores Aluminum cans, plastic milk jugs/
Locations: beverage bottles**, styrofoam food
1400 Huntoon containers**, paper grocery bags**,
5720 W. 21st plastic grocery bags**
2010 SE 29th
2815 SW 29th
300 SW 29th

K-Mart car batteries - \$1.00 each,
1741 SW Wanamaker limit of 12
240 E. 29th Street
2240 N. Tyler Street

M. Katch aluminum cans, scrap metals
503 Branner
234-2691

M&M Auto Salvage auto bodies
841 N. Tyler
233-7719

Reverse Vending Machines:

2901 Adams (913-776-8352)	aluminum cans
2244 N. Tyler (913-235-9031)	aluminum cans
Eastboro Shopping Center (913-235-9031)	aluminum cans
37th & Burlingame (913-235-9031)	aluminum cans
3343 SW Topeka (913-354-7710)	aluminum cans
10th & Wanamaker (913-776-8352)	aluminum cans

Sunshine Recycling Center
800 N. Tyler
357-7207

aluminum and steel cans, inner tubes, batteries, scrap metals, computer paper, household appliances.

Till-Star Enterprises
2001 Western
354-7710

aluminum/steel (tin) cans**, glass beverage containers**, corrugated cardboard**, computer paper**, newspaper**, scrap metals

DROP OFF CENTERS:

Auburn Elementary School
810 N. Commercial, Auburn
(SW parking lot on 8th St.)
(2nd Saturday of the month)

aluminum/steel cans**, plastic bottles/containers #1-6**, feed bags**, newspaper**, brown paper bags**, glass containers (clear, green, brown)

Capital City Pallet Co.
290 Goodell
379-3711

wood pallets (chg: \$.20/pallet)

City Forestry Disposal Site
I-70 and MacVicar
233-6306

tree limbs, grass, leaves, garden materials (Charge: \$5.00 per pickup or trailer load)

Gee Tire
627 Pearl
Rossville
584-6679

Tires - charges:
passenger, up to 20"- \$.75 ea.
truck tires - \$3.00 ea.
duplex tires - \$5.00 ea.
tractor tires - \$10.00 ea.

Goodyear Service Center
420 SW Croix

used oil**

Hygienic Cleaners
2930 SW McClure Rd.
5th & Washburn
21st & Washburn
2104 SW Fairlawn Pl. Dr.
1835 NW Topeka Blvd.

plastic garment bags**, wire hangers**

Jiffy Lube
2001 W 10th St
3301 SW Topeka Blvd

used oil**

Kaufmann Hearing Aid Center
1919 SW 10th Street

Kaw Tire, Inc.
2518 NW 25th, Topeka
232-4400

Lions Club Collection Boxes

All Walgreen Stores

All K-Mart Stores

Byers Optical

Fairlawn Plaza Mall

913 Kansas Ave.

Half Price Store

3245 S. Topeka Blvd.

Hawkins Optical

Hyper-Mart

1501 SW Wanamaker Rd

Brewster Place

1205 SW 29th

First Presbyterian Church

817 SW Harrison

Lens Crafters, West Ridge Mall

Hillsdale Barber Shop

5304 SW 17th

Dr. John Ashley, 1616 SW 8th

Dr. Stacey Fitch, 900 SW Washburn

Dr. Neil Carr

2704 NW Topeka Blvd.

Sears Roebuck, West Ridge Mall

Montgomery Ward, West Ridge Mall

Payless Optical

1570 SW Wanamaker

Osco Drug Store, 115 W. 29th

Dr. Georing, 29th & Wanamaker

Republic Recycling Company
834 SE Adams

Performance Tire
1735 N. Kansas Ave.
354-1410

Pictures -N- Portraits
2121 SW Wanamaker Road

Rogers Pallet Recycling
1217 NW Tyler

Rolling Meadows Landfill
7351 NW Highway 75

Rossville High School
Hwy 24, Rossville
(3rd week of the month)

used hearing aid batteries**

Tires - charges:
passenger tires - \$2.00 ea.
truck tires - \$5.00 ea.

eye glasses**

mixed office paper**, computer
paper**, corrugated cardboard**,
newspaper** (small quantities)
Commercial accounts available.

Tires - charges:
passenger tires - \$1.50 ea.
small truck tires - \$2.00 ea.
large truck tires - \$5.00 ea.

plastic film canisters**

shipping pallets, crates,
lumber (call for information)

paper**, glass**, aluminum**

aluminum**/steel cans**, plastic
bottles/containers #1-5**, glass
containers** (clear, green, brown)
newspapers**

Scotch Fabric Care Centers
 2007 NW Topeka Blvd.
 1328 SW 17th
 2040 Fairlawn Road
 517 SW 29th
 2910 SW Oakley
 4111 Gage Center Drive
 2801 SE California
 134 Quincy
 2848 SW Wanamaker Rd.

plastic garment bags**,
 wire hangers**

Shawnee County Recycling
 Bin Locations:

Hypermart, 15th & Wanamaker	a, c, g, m, n, p, s
29th & Adams	a, c, g, m, n, p, s
Albert-Neese Lodge	a, c, m, n, p, s
45th & Shawnee Heights Rd.	
Bauersfelds Groceries:	
4015 SW 10th	a, c, n, p, s
2835 Wanamaker	a, c, g, n, p, s
2046 N. Topeka	a, c, g, m, n, p, s
Countryside United Methodist	a, c, g, n, p, s
32nd & Burlingame	
Forbes Field, 9 N. & E Streets	a, g, n, p, s
Washburn University, Lot 7	a, g, n, p, s
21st & MacVicar	
Topeka/Shawnee Co. Public Library	a, c, g, n, p, s
1101 SW Horne	

Silver Lake United Methodist
 Church
 240 Madore, Silver Lake
 (4th weekend each month)

aluminum** & steel cans**, glass
 containers** (clear, green, brown)
 newspaper**, plastic bottles &
 containers 1-5**

The Mail Boxes
 2828 SW Arrowhead
 2941 SW Topeka Blvd.

plastic foam peanuts**, bubble
 wrap**, reusable packing
 material**

Topeka-Shawnee County Health
 Agency Shop
 322 NW Crane

used oil**

University United Methodist
 Church
 1621 SW College Ave.

aluminum** & steel cans**, glass
 containers**

Westboro Service
 3100 Huntoon

used oil**

Zercher Photo
 906 Kansas Ave.
 21st & Gage
 10th & Gage (Bauersfelds W.)

plastic film canisters**

a-aluminum; c-cardboard; g-glass; m-magazine; n-newspapers; p-#1 & #2
 plastics; s-steel

OTHER, NON-STANDARD RECYCLABLES:

TELEPHONE BOOKS

Project ReDirectory, the annual campaign to collect old telephone directories, will be held June 17, 1994 through July 17, 1994. Watch for information in the newspaper and on TV for drop off points.

HOUSEHOLD HAZARDOUS WASTE

Shawnee County Household Hazardous Waste Collection Program
Industrial Park
NW Gage Blvd. and Silver Lake Rd.
Hours: 9:00 am - 12:00 noon, 1st Saturday of the month or
weekdays by appointment - call 233-4774

Materials taken:

- Paints, all kinds (keep in labeled cans so it can be reused), including aerosol cans
- Weed, pest & insect control products
- Lacquers, thinners, wood stains
- Used motor oil (bring in leakproof containers), automotive products, waxes, polishes
- Solvents, mineral spirits, creosol
- Household cleaners, including drain, toilet & oven cleaners, waxes and polishes
- Spot and stain removers
- Fertilizers containing nitrogen
- Automotive & Household Batteries

HELPFUL NUMBERS:

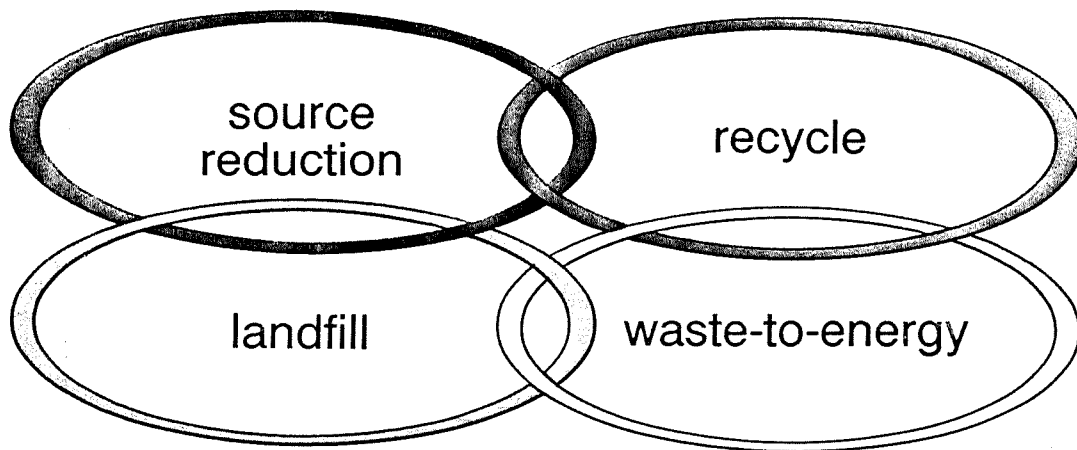
Topeka-Shawnee County Litter Control Commission, and/or the Kansas Business and Industry Recycling Program	273-6808
Shawnee County 24 hour Recycling Hotline	291-4940
City Environmental Health/Weed & Trash Control	233-8961
Shawnee County Health Department	295-3650
Shawnee County Noxious Weeds Department	232-0120
Kansas Department of Health & Environment	296-1500

TO STOP JUNK MAIL: Write to: Mail Preference Service
Direct Marketing Association
P.O. Box 9008
Farmingdale, NY 11735-9008

For more information on recycling or other environmental issues, call the Topeka-Shawnee County Litter Control Commission and/or the Kansas Business & Industry Recycling Program at 913-273-6808.

Revised 1/24/95

Recommendations on Solid Waste Management



A Report to the Secretary of the
Kansas Department of Health and Environment
from the
Kansas Solid Waste Advisory Task Force

1988-90

1. Revision of Kansas Solid Waste Management Plan

The Legislature should mandate KDHE to complete a revised Kansas SWM Plan by December 31, 1991, with the Legislature providing funding.

Action needed to Implement:
Legislative.

Rationale:

The Task Force believes the 1981 Kansas SWM Plan should be revised by December 1991. Many of the recommendations of the Task Force should be incorporated into this revised state plan. The state plan needs to include the provisions of new regulations on solid waste which EPA expects to finalize this Spring.

2. Revision of Local Solid Waste Management Plans

The Legislature should mandate each county, combination of counties, or city that has opted to develop its own SWM plan to complete a revision of its SWM plan within two years after completion of the revised state plan. The Legislature should provide financial assistance for up to 50% of the costs of such revision.

Action Needed to Implement:
Legislative.

Rationale:

In KSA 65-3405, county or city solid waste management plans are to be prepared to meet the needs of the area for ten years. Although the statute infers the county or city will periodically update its solid waste management plan, nothing in the statute expressly requires such an update. KSA 65-3415 provides for a state grant of up to 50% to assist in costs of preparing the official solid waste management plan, but the Legislature has never approved funding. Perhaps reluctance to maintain a current solid waste management plan can be traced to lack of funding. The Special Legislative Committee on Energy and Natural Resources is recommending that the 1990 Legislature provide assistance in the form of state matching grants to counties for preparation of these SWM plans.

3. Kansas Advisory Council on Solid Waste Management

The Governor of Kansas should create an advisory council on solid waste management based on the Keep America Beautiful (KAB) model statewide system, to be funded by the state in part or in its entirety for the first five years, after which the council would be expected to become a nonprofit organization.

Action Needed to Implement:
Executive order by Governor/
funding through regular
budget process.

Rationale:

The Task Force concluded that education, research, and development should be kept separate from state regulatory functions on solid waste matters and to this end recommended creation of a separate body or bodies distinct from KDHE's Bureau of Air and Waste Management with these responsibilities:

- a. keep abreast of new SWM initiatives, trends, and technologies;
- b. provide counsel and advice to KDHE, Kansas Department of Education, Kansas Department of Commerce, Kansas Development and Finance Authority, Kansas Department of Revenue, and other appropriate state agencies and public and private organizations to pursue the development of markets for recyclables and to identify ways to promote the establishment of recycling facilities or industries in Kansas;
- c. develop and distribute information on reuse and recycling of solid wastes to individuals, organizations, local governments, and industries who seek advice, and educational materials to aid implementation of local programs; and
- d. coordinate public education.

These functions could be accomplished through creation of an advisory council similar to the KAB model for a statewide system. This model has been adopted by 17 states: Arizona, Arkansas, Florida, Georgia, Illinois,

Kentucky, Louisiana, Mississippi, Nebraska, New Mexico, North Carolina, Ohio, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Two key components of the KAB statewide system are to have the broadest possible cross section of the state's residents represented on a state advisory council and to have a full-time, salaried executive director or coordinator to manage the daily activities of the council. See Appendix B on Page 41 for a more comprehensive description of the KAB model statewide system.

The Task Force concludes that KAB is a well established and proven organization whose guidelines for state advisory councils are suitable for Kansas.

4. Environmental Education

The state should adopt a strategy for environmental education that will result in an environmentally conscious and responsible public. To this end, the Task Force recommends the Kansas Advisory Commission on Environmental Education (KACEE) mission include: (a) increased state environmental education efforts to improve the quality and quantity of learning opportunities; (b) encouragement and aid in developing models for expansion of teachers' training, curriculum materials, and public participation; (c) development of a strategic plan for a long-term public education program to encourage environmental responsibility; and, (d) convening of annual round tables with state leaders of industry and business, government, academia, professional associations, training groups, the media, environmental and public interest groups, and other appropriate groups to review, assess, and report on the state's environmental literacy and behavior and to recommend short and long-term implementation plans.

Action Needed to Implement:
By executive order, Governor can reword the mission of KACEE to conform with this recommendation.

Rationale:

The Task Force agrees that a large part of Kansas' solid waste problem would be easier to solve if the general public was better educated and informed on environmental issues.

In the development of an effective, successful, and sustainable environmental education, it is critical to identify and build upon existing programs, projects, and constituencies. Over a decade ago, the Kansas State Department of Education (KSDE) developed a state environmental education plan with the help of KACEE. Between 1975 and 1984, KSDE staff sponsored 16 environmental workshops, reaching over 600 teachers. In addition, each school superintendent and other key people were briefed on the curriculum by KSDE staff. Several school districts now have outstanding programs.

The goals for all phases of the *Kansas Environmental Education State Plan* as developed by KACEE and KSDE are as follows:

- "1. To develop within each individual an awareness and appreciation of our environment and acceptance of responsibility.
2. To develop an understanding of his relationship with natural and man-made surroundings.
3. To be able to identify possible alternative choices and assess their benefits and risks.
4. To develop a desire and ability for problem solving and decision making concerning environmental issues.

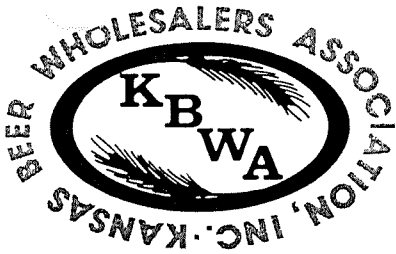
"In order to accomplish these goals, the following objectives must be met:

1. To integrate environmental concepts and activities into present school curriculum and educational programs of governmental agencies and community groups.
2. To develop material resource centers for those who are involved with environmental education programs.
3. To train educators to acquire skills and knowledge about content and approaches for environmental education.
4. To emphasize pre-service training to assure that all future teachers will have a basic environmental literacy.

Keep America Beautiful (KAB) Model

The most important components of the KAB model statewide system are as follows:

1. A State Advisory Council comprised of about 25 members would be the policy body.
2. The Advisory Council may be organized either as a function of state government or as a nonprofit organization. If the former, the members should be appointed by and answerable to the Governor. If funded and legally structured as a nonprofit corporation with IRS 501(c)(3) status, the initial members (Board of Directors) would be named by the organization's incorporators. Once completed, the corporation's Board of Directors would elect its own members for subsequent years.
3. Membership on the Advisory Council should represent the broadest possible cross-section of the state's residents, including business, community groups, environmental groups, government, and financial institutions.
4. The Advisory Council should meet at least quarterly. In between such meetings, an Executive Committee consisting of the Council Chairperson and three to five members should be established to conduct business.
5. Once the Advisory Council is established, it will present an orientation/training session for the members.
6. Within a short time after its establishment, top priority should be given to creating a set of subcommittees to oversee specific aspects of its program and operations, such as business and industry, civic and community organizations, government, media/public relations, and schools/education, possibly also subcommittees on finance/funding and recycling.
7. If the Advisory Council is operated as a function of state government, it is strongly recommended that the Governor issue an executive order creating it and/or that resolutions to establish it be passed by both legislative houses and signed by the Governor.
8. A full-time, salaried Executive Director or Coordinator should manage the activities of the Advisory Council on a daily basis, reporting directly to the Chairperson.
9. Whether organized through state government or as a nonprofit corporation, high priority should be given to establishing good working relationships with those state agencies which could support and/or endorse the program. (In Kansas these might include Kansas Department of Commerce, Kansas Department of Health and Environment, Kansas State Department of Education, Kansas Advisory Committee on Environmental Education, Kansas State Board of Agriculture, Kansas Department of Transportation, Kansas Department of Wildlife and Parks, and others. Representatives of these agencies could serve as advisors to the Advisory Council or as members of a subcommittee. The logical role of KACEE, for instance, would be to serve on the Schools/Education Subcommittee.)
10. On-going functions of the Advisory Council would be:
 - Introduce the KAB system to counties and cities. (Topeka, Kansas City, and Wichita are already in the KAB system or in the process of being certified.)
 - Communicate to the public the program goals and objectives.
 - Design and conduct an annual awards program to provide positive reinforcement for all activities carried out.
 - Encourage the adoption of environmental curriculum in the schools.
 - Review and recommend improvements in various state programs such as junkyards, highway trash, reservoir sanitation, etc.
 - Encourage the adoption of litter prevention and beautification programs for business and industry.
 - Help promote greater understanding and participation in recycling activities.



Neal Whitaker
Kansas Beer Wholesalers Association
January 26, 1995

HB 2102 Is a Step in the Wrong Direction

HB 2102 amounts to a \$74 million price increase to Kansas consumers, grocers, recyclers, and beverage distributors, for no real benefits.

No Real Benefits - less than 3% of solid waste and 7.5% of all litter is from beverage container that would be covered under this proposal.

Harmful to Voluntary Recycling - By diverting valuable beverage containers from curbside programs, many voluntary recycling activities will be damaged or eliminated, including Kansas BIRP founded and funded by Kansas businesses.

Costly - The law will cost consumers more than \$74 million in higher beverage prices each year.

Public Opposition - Other approaches which rely on broad-based and comprehensive approaches to recycling are less expensive and more effective. The public overwhelmingly supports these types of programs over forced deposits.

Job Losses - In most deposit law states sales have declined by about 10%, a loss which is never recovered by the beverage industry. Fewer sales mean fewer jobs. More than 20,000 people are directly employed in the beverage and retailing industries in Kansas. A 10% drop in sales could directly translate into a similar percentage drop in jobs.

Needless Complexity and Bureaucracy - Consumers must pay deposits on more than a billion containers each year. This will create a complex system which will require more government bureaucracy to administer.

No state has adopted a forced deposit law in more than a decade. But during that time period thousands of state and local governments have enacted creative and effective approaches to managing their litter and solid waste

problems. Instead of stepping backwards with forced deposits, Kansas lawmakers should move forward with a more comprehensive recycling and anti-littering program. That would be a *win* for consumers, government and industry alike.

FACT SHEET

Forced Deposits in Kansas

House Bill 2102 is a Step in the Wrong Direction



Anheuser-Busch Companies, Inc.
Department of Industry & Government Affairs

6-2

House Bill 2102 would require consumers to pay a refundable 5¢ deposit on most beverage containers sold in Kansas, including containers for soft drinks, bottled waters, beer, wine, wine coolers and liquor. Proponents claim that H.B. 2102 will result in a host of benefits. In reality, however, this proposal will cause large consumer price increases, reduce state revenues, inconvenience retailers and consumers, and damage voluntary recycling efforts in the state. There are many other ways to address solid waste management and litter reduction, solutions which are far superior to this narrowly targeted proposal. House Bill 2102 should be rejected in favor of these more effective and less costly approaches.

Forced Deposits Mean Higher Costs

Kansas Citizens Will Pay Millions More Each Year

The economic effects of mandatory deposits are typically ignored by the proponents of deposit legislation. The actual costs, however, are very real and will amount to *millions of dollars* each year for the state's consumers.

In those nine states which have enacted mandatory deposits the price of beer increased by 25¢ to 75¢ per 6-pack over and above the deposit. Soft drink prices also went up, by about 15¢ to 45¢ per 6-pack.^{1,2,3} Why do prices increase with forced deposit laws? Because beverage wholesalers and retailers incur much higher labor costs to handle, sort, store and transport the empty beverage containers.

These are real costs – Kansas lawmakers need only look at the experiences of other states for confirmation. In New York retailers spend an estimated 62 cents in handling fees per

case to collect empties from consumers, refund deposits and store the containers until they can be picked up by the beverage distributor.⁴ Several deposit states are considering raising retailer handling fees to 3¢ per container (72¢ per case). In addition to these retailer costs, wholesalers also incur higher costs for labor, storage, and transportation costs for handling the empty containers.⁵

In Kansas, consumers would pay more than \$74 million each year as a direct result of H.B. 2102

<i>The Consumer Cost of Forced Deposits in Kansas</i>
<ul style="list-style-type: none"> + Transportation costs + Handling of empties + Sorting empties by brand + Storage prior to pickup + Accounting + Sanitation costs + Lost Deposits
<hr style="width: 80%; margin-left: 0;"/> <p>= \$74 million per year costs for beverage consumers</p>

House Bill 2102 Will Cut Kansas Tax Collections

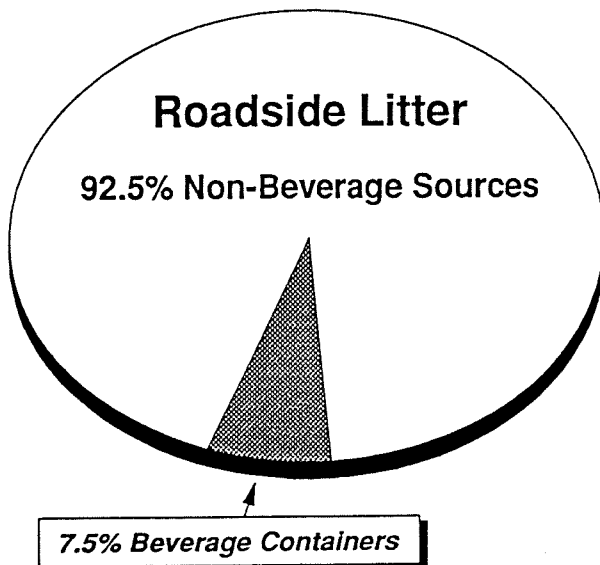
Because consumer prices – and inconvenience – substantially increase, forced deposit laws result in greatly reduced beverage sales. Studies of the impact of deposit legislation on beverage sales in Michigan⁶, New York⁷ and Massachusetts⁸, clearly show significant declines of beverage sales. Industry forecasting models suggest that deposit laws typically result in a 10% decline in beverage sales — a drop in sales which is never recovered.

When sales go down, so does tax revenue. Kansas would forfeit approximately \$3.5 million in lost excise tax revenues for beer, wine and distilled spirits (See the Fiscal Impact Worksheet on page 9 for details.)

An Ineffective Way to Reduce Litter and Solid Waste

Forced Deposits Will Not Substantially Reduce Litter

The Institute for Applied Research, directed by Daniel Syrek, is one of the country's leading authorities on the magnitude and composition of both urban and roadside litter. In 1990, the Institute analyzed the composition of litter around the nation. The research findings: *beer and soft drink containers were estimated to comprise only 7.5% of all litter.*⁹



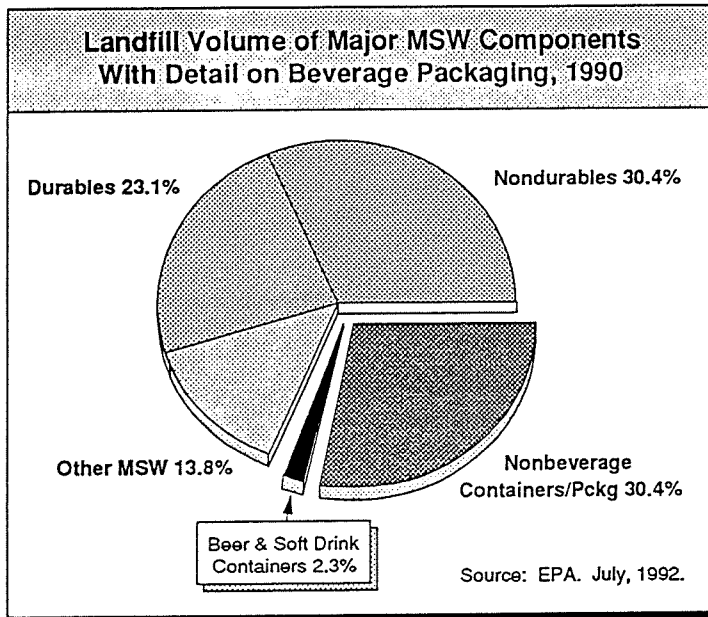
Certainly, deposit laws do reduce some littering of beverage containers. But it is nothing more than wishful thinking to assert that deposit laws have substantial benefits in reducing litter in our cities or on our roadsides.

Even if H.B. 2102 could successfully remove every littered beverage container in Kansas, more than 92% of all litter would still remain untouched on the state's streets and highways.

Targeting all forms of litter makes much better sense.

Little Impact on Municipal Solid Waste

The enactment of a forced deposit law would do little to reduce the amount of material entering the solid waste stream. In fact, according to EPA estimates, if a deposit law were



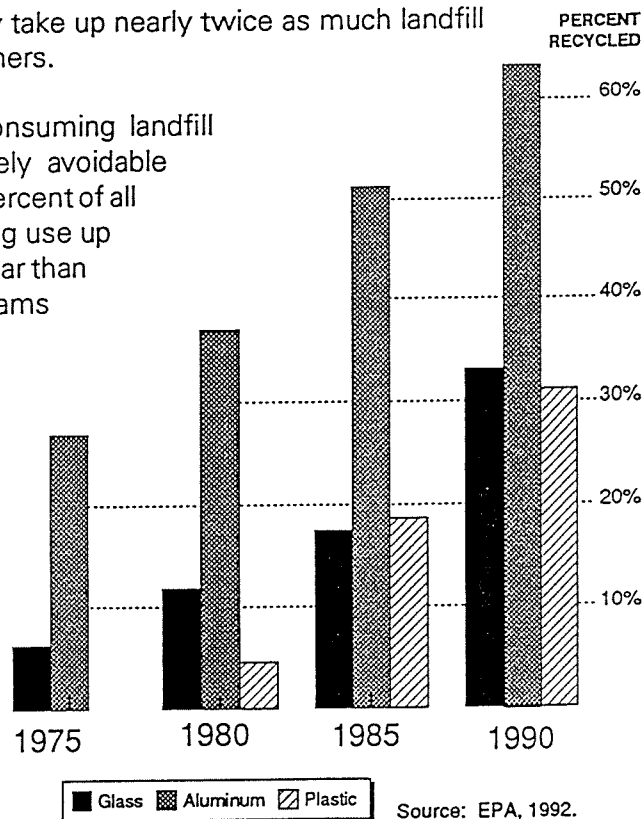
to eliminate all beverage containers from the solid waste stream, the impact on the state's landfills would be virtually unnoticeable.

Since 1980, beer and soft drinks have been an ever-decreasing portion of municipal solid waste. Today, according to a 1992 EPA report, 63% of all aluminum cans are recycled nationally, along with about 33% of all glass beer and soft drink bottles, and 31% of plastic soft drink bottles. As a result, *beer and soft drink beverage containers now comprise only about 2.3% of discarded municipal solid waste by volume.*¹⁰

By comparison, newspapers presently take up nearly twice as much landfill volume each year as beverage containers.

And one of the major culprits for consuming landfill space is yard trimmings, a completely avoidable component of MSW. Consuming 10 percent of all landfill volume each year, yard trimming use up four times more landfill volume each year than beer and soft drink containers. Programs to encourage composting of yard wastes would be far more helpful and cost-effective in maximizing our landfill capacity than a forced deposit law like H.B. 2102.

Kansas simply does not need another layer of government bureaucracy costing consumers millions of dollars each year when voluntary recycling programs are working – and achieving very impressive results.



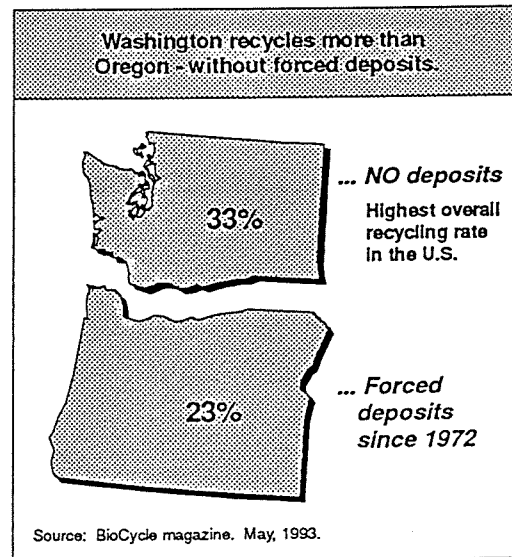
6-5

Forced Deposit Laws Hurt Broader Recycling Efforts

Although promoted as a way to encourage recycling, House Bill 2102 has the potential to do great harm to a wide range of voluntary recycling programs across the state.

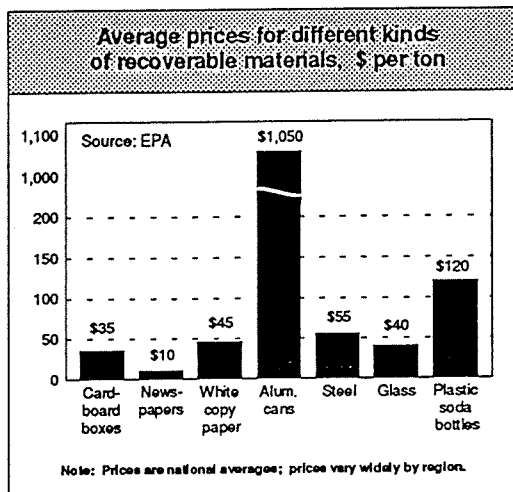
Kansas already has a strong voluntary recycling program in place. Through this voluntary system, consumers return their empty beverage containers to recycling centers where they receive payment for the empties. As a result, today recycling benefits consumers – those who recycle receive payments for the beverage containers they recycle. In the proposed system, however, recycling will cost consumers – rather than being paid for returning containers, they will simply be refunded the 5¢ they have already been forced to pay when they made their beverage purchase.

It's a bad deal. And it's a counter-productive way to promote recycling.



Ironically, the proposal will also harm the growing number of curbside programs around the state. Currently, beverage containers make up only about 20 percent of the materials collected by curbside programs, but they represent more than 70 percent of the monetary value of the materials collected.¹¹ In effect, beverage containers subsidize the costs of recycling many other kinds of materials in curbside programs. House Bill 2102 would force

people to return empties to retailers or to redemption centers, thus diverting these containers away from curbside programs. This would be disastrous for each and every curbside program around the state.



Nor would the law necessarily reduce overall landfilling costs. A recent study which looked at California's AB2020 system (which imposes a deposit-like refund value on each beverage container) found that the diversion of each ton of material costs two to four times as much as a community-based integrated recycling system.¹²

Finally, it should be noted that many deposit states actually recycle less materials, overall, than nondeposit states which have enacted comprehensive solutions. Washington, for example, with no deposit law recycles much more than neighboring Oregon, which has had a deposit law in place since 1972.¹³ Kansas should be looking for comprehensive approaches, not focusing exclusively on beverage containers.

6-6

Other Approaches Just Make More Sense

Cost-Effectiveness of Deposits vs. Other Options

Given their high cost and narrow focus, deposit laws do not fare well when stacked up against other, more comprehensive approaches to recycling and litter reduction.

A study prepared for the Kentucky Department of Natural Resources and Environmental Protection, for example, assessed the relative cost of a variety of litter control programs. The study found that *the estimated costs ranged from a low of one cent per littered item through the Clean Community System to a high of \$1.21 per littered item through forced deposit laws.*¹⁴

There is a tremendous difference in the cost of these programs. That is because under forced deposits, all consumers must pay more for beer and soft drinks, regardless of whether they ever contribute to litter. Since most containers are never littered, on a per-container basis, the cost of removing those few cans and bottles which are littered is exorbitantly high.

Directly targeting all forms of litter, at considerably less cost, makes much better sense.

<i>Cost-Effectiveness of Alternative Litter Cleanup Options</i>	
TYPE OF LITTER CLEANUP USED	EST. COST PER LITTERED ITEM
Deposit Legislation	\$1.21
Litter pickup - clean each mile every two weeks	3¢
Add more litter receptacles	2.5¢
Special litter law enforcement	6¢
Clean Community System	1¢

Avoiding Needless Health Hazards

Deposit laws force grocery stores and restaurants to become garbage collection sites. These establishments must store returned beverage containers, and for many, the only available space is near other food products. Many retailers find that they must significantly increase their use of toxic pesticides in order to avoid insect and rodent infestation.

According to a report issued by Oregon — which enacted the first forced deposit law in 1972 — during a one year period from July 1985 to June 1986, *42% of the sanitation warnings issued to food stores involved the handling of returned beverage containers.*¹⁵ *Other approaches avoid these needless health risks.*

The Public Disapproves of Forced Deposits

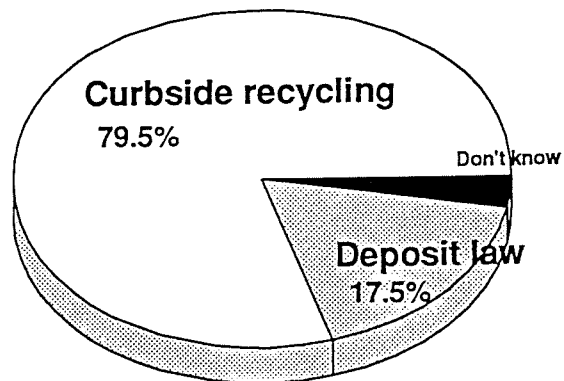
Voters Have Repeatedly Rejected Forced Deposits

During the 1980's, seven different deposit proposals were placed on the ballot through the initiative process. Not one passed. And in the most recent votes in Colorado, Montana, Washington and Mercer County, New Jersey, deposit proposals lost by an average of three to one. Once these voters heard all the facts, not just the claims of the proponents, they strongly rejected forced deposits.

Citizens Strongly Prefer Comprehensive Approaches

What polling does show is that when asked to compare deposit law systems against comprehensive recycling programs, citizens believe that comprehensive recycling systems are more effective than forced deposits. For example,

- A recent Gallup poll found that 71 percent of adult Americans would rather separate recyclables at home for curbside pickup, or take them to a recycling center for cash, than return them to the store to recover their deposit.¹⁶
- A 1992 survey by Voter/Consumer Research asked voters which they thought would do a better job of keeping bottles and cans out of landfills. Curbside recycling was chosen by a margin of more than 4 to 1 over forced deposits.¹⁷
- A 1990 survey by Market Opinion Research found that 61 percent of Michigan voters would like to replace their current deposit law with a more comprehensive recycling program.¹⁸
- A 1989 survey of in Vermont found that 81 percent of adults would support replacing their state's deposit law with a comprehensive recycling program.¹⁹



*Which is more effective at keeping
bottles and cans out of landfills?*

H.B. 2102 Is a Step in the Wrong Direction

The enactment of a mandatory deposit bill like H.B. 2102 will hurt Kansas consumers, grocers, recyclers, and beverage distributors. A forced deposits law will produce the following impacts:

- **No Real Benefits** — The impact on litter and solid waste will be negligible – less than 3% of solid waste and 7.5% of all litter is from beverage containers that would be covered under this proposal.
- **Costly** — The law will cost consumers more than \$74 million in higher beverage prices each year, plus another \$7.7 million annually in unredeemed deposits.
- **Harmful to Voluntary Recycling** — By diverting valuable beverage containers from curbside programs, many voluntary recycling activities will be damaged or eliminated.
- **Public Opposition** — Other approaches which rely on broad-based and comprehensive approaches to recycling are less expensive and more effective. The public overwhelmingly supports these types of programs over forced deposits.
- **Job Losses** — The higher prices which will result from this proposal, combine with added inconvenience for consumers, will mean that fewer beverages are sold. In most deposit law states, sales have declined by about 10 percent, a loss which is never recovered by the beverage industry. Fewer sales mean fewer jobs. More than 20,000 people are directly employed in the beverage and retailing industries Kansas. A 10% drop in sales could directly translate into a similar percentage drop in jobs.
- **Needless Complexity and Bureaucracy** — Consumers must pay deposits on more than a billion containers each year. This will create a complex a system which will require more government bureaucracy to administer.
- **Discriminatory** — Forcing consumers to return empties rather than other approaches such as curbside programs would be an inconvenience for all consumers and an especially discriminatory burden on the poor, elderly, handicapped and citizens who live in rural areas.

No state has adopted a forced deposit law in more than a decade. But during that time period, thousands of state and local governments have enacted creative and effective approaches to managing their litter and solid waste problems. Instead of stepping backwards with forced deposits, Kansas lawmakers should move forward with a more comprehensive recycling and anti-littering program. That would be a *win* for consumers, government and industry alike.

Fiscal Impact Worksheet — Forced Deposits in Kansas

BEER, WINE & LIQUOR SALES, CONSUMER COSTS AND STATE TAX REVENUES:

Beer sales (barrels)	1,581,000	
Reduced sales (-10%, in six-packs)	8,101,000	
Total beer containers requiring a deposit	437,447,000	
Average price increase with deposits	\$0.35	
<i>Increased cost to consumers</i>		\$25,518,000
Total deposits paid	\$21,872,000	
Beer excise tax rate (\$/barrel)	\$19.49	
<i>Reduced excise tax revenue from beer</i>		\$2,865,000
Wine sales (gallons)	2,080,000	
Total wine containers requiring a deposit	9,434,000	
Average price increase with deposits	\$0.15	
<i>Increased cost to consumers</i>		\$1,415,000
Total deposits paid	\$472,000	
Wine excise tax rate (\$/gallon)	\$.30	
<i>Reduced excise tax revenue from wine</i>		\$62,000
Liquor sales (gallon)	2,550,000	
Total liquor containers requiring a deposit	12,850,000	
Average price increase with deposits	\$0.15	
<i>Increased cost to consumers</i>		\$1,735,000
Total deposits paid	\$578,000	
Liquor excise tax rate (\$/gallon)	\$2.50	
<i>Reduced excise tax revenue from gallon</i>		\$637,000

SOFT DRINK SALES, CONSUMER COSTS AND STATE TAX REVENUES:

Packaged soft drink sales (gallons)	113,498,000	
Total number of deposit soft drink containers	1,089,580,000	
Average price per 6-pack	\$2.50	
Average price increase w/ deposits	\$0.25	
<i>Increased cost to consumers</i>		\$45,399,000

SUMMARY:

Higher consumer prices	\$74,067,000	
Lost consumer deposits	\$7,739,000	
Total Consumer Cost annually		\$74,067,000
Total lost state tax revenues annually		\$3,564,000

Footnotes

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4. Nelson A. Rockefeller Institute of Government. Op cit.
5. Ibid.
6. Sjolander, R. and P. Kakela. Op cit.
7. Franklin and Associates. The fate of used beverage containers in the state of New York. Prepared for the Aluminum Association, Inc. July, 1986.
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10. U. S. Environmental Protection Agency. *Characterization of municipal solid waste in the United States: 1990 update*. U. S. Government Printing Office, 1990.
11. Gershman, Brickner and Bratton, Inc. Impact of container deposits on curbside recycling: Two case studies. Falls Church, VA 1991.
12. R. W. Beck and Associates and Northbridge Environmental Management Consultants. Review of the waste diversion aspects of the California AB2020 program. December, 1993.
13. Robert Steuteville. The state of garbage in America, *Biocycle*, May, 1994.
14. Kentucky Department of Natural Resources. Estimated cost-effectiveness of alternative anti-litter measures. 1979.
15. Zermer, Melany. Oregon's bottle bill, an overview. *Legislative Research*. February 9, 1987.
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17. Voter/Consumer Research, Inc. Voter attitudes on recycling issues. Bethesda, MD, March, 1992.
18. Market Opinion Research. Attitudes regarding solid waste: voter attitudes in Vermont. Washington, D.C., October, 1989.

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Ronald R. Hein
William F. Ebert
Stephen P. Weir
Stacey R. Empson

House Federal and State Affairs
TESTIMONY RE: HB 2102
Presented by Ronald R. Hein
on behalf of
Kansas Drink Association
January 25, 1995

Mr. Chairman, Members of the Committee:

My name is Ron Hein, and I am legislative counsel for the Kansas Soft Drink Association (KSDA), which is composed of the soft drink bottling companies operating in Kansas.

The Kansas Soft Drink Association strongly opposes HB 2102. This Legislation is bad policy for the soft drink industry, for the retail industry, for other beverage manufacturers, for the consumers, for the state of Kansas, and for the environment.

Back in the 1960's and early 1970's, it was believed that the litter problem should be addressed by imposing mandatory deposit legislation on beverage containers. A hand full of states passed such legislation. Since that time, some of the strongest proponents of bottle bill legislation have reversed their position and have called for repeal of such legislation.

Beverage containers represent a very insignificant percentage of the municipal solid waste stream, as can be seen from the attached fact sheet. In addition, the soft drink industry has been very successful in initiating efforts at recycling of its containers, and today recycling of aluminum is primarily responsible for the many recycling projects and programs in the state of Kansas and throughout the nation.

It doesn't make sense to attack an industry which has been highly successful in recycling.

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HB 2102 will also increase costs to the consumer in a variety of ways. First of all, there is a two cent per can charge to the manufacturers which is to be paid to the retailers or redemption centers for processing cans. But this is just the tip of the iceberg. For processing and returning to the original manufacturer, cans have to be sorted by brand and handled on individual basis to check for the stamp. Separate warehousing and inventory will be required, especially in bottling plants along the state border. Production runs will be slowed down and even halted in order to comply with the Kansas Act. All of these will contribute to significantly higher costs for Kansas consumers.

These higher costs in Kansas will also have the effect of causing lost sales of soft drink product, lost sales in other products that are purchased at the same time, and corresponding lost sales and income taxes because of consumers choosing to purchase soft drinks in bordering states with out these built-in, additional costs.

Currently, aluminum cans provide the cash flow necessary to sustain many of the 550 recycling centers in the state of Kansas. If aluminum cans are required to be redeemed by the manufacturers, those cans will be taken out of the recycling centers and without aluminum, those centers will not be able to continue with regards to the other commodities such as plastic and paper.

The industry has argued for years that the solution to litter and solid waste management is a comprehensive solid waste management program, not an isolated attack on specific products. The business and industry recycling program was formed in order to deal with these issues, and the state of Kansas has made tremendous strides in developing a comprehensive waste management program. This is not the time to go backwards and try old gimmick approaches at solid waste management which have failed in the past, and will continue to fail in the future.

I understand that the proponents of this legislation are concerned about the issue of litter, but the facts do not reflect that mandatory deposit legislation is not more effective at controlling litter than other more comprehensive approaches. In fact, once again as noted on the fact sheet, states with mandatory deposit legislation often times have more beverage container litter than those states which do not have bottle bills, but instead rely on other more proven methodologies for controlling litter.

As you will hear from retailers in this state, bottle bill legislation will require retailers to house dirty, used soft drink containers. These containers must be delivered intact, (not crushed) so that they can be individually inspected to determine whether or not they are subject to the mandatory redemption. The consumers must keep the cans intact, and must separate the redeemables from the unredeemables. The retailers must insure the same thing, so that they do not get ripped off by consumers attempting to be paid for cans on which the deposit has not been paid. Manufacturers and redemption centers must do the same, and the net result is a great deal of inefficient, nonproductive time and cost being spent with a lot of manual labor simply to check the cans. In the final analysis, cans must be sorted by brand in order to be returned to the appropriate vendor.

At a time when the attitude of the state and private industry is to "pack them high and tight", this type of legislation represents a tremendous step backwards for inefficiency, lack of effectiveness, increased cost to the consumer, and in the long run, extreme detriment to the environmentally sound recycling efforts already in existence in the state.

Thank you very much for permitting me to testify, and I will be happy to yield to questions.

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EXECUTIVE DIRECTOR

Ronald R. Hein

FORCED DEPOSITS ("BOTTLE BILLS")

A Kansas Fact Sheet

***Soft Drink Containers are a Small Percentage of the Waste Stream**

A recent Franklin Associates study (1994 Update of Characterizations of Municipal Solid Waste) for the U.S. Environmental Protection Agency reveals that in 1993 soft drink container material weight dropped to 1.08% of the municipal solid waste stream, down from 1.17% in 1992. The percent of soft drink container discards (containers remaining after recycling) has decreased 32.5% since 1988.

***Forced Deposits Will Not Solve the Litter Problem**

In Vermont, after nearly 20 years of forced deposits, beverage containers still account for almost 7% of roadside litter, according to a recent survey. Vermont roads have more beverage container litter per roadside mile than do roads in Florida, Hawaii, Texas, and Washington - all non-deposit law states with comprehensive litter abatement programs including "adopt a highway" and other litter control efforts.

***Forced Deposits Will Hurt Recycling Programs**

Beverage containers are the most profitable recyclable material. Without them many recyclers could not afford to stay in business. Beverage containers make up to 73% of recyclers scrap value, while the same containers are less than 3% of the waste stream.

***Debunking the Forced Deposit Popularity Myth**

During the 1980's, voters in seven states and the District of Columbia defeated forced deposit proposals. Once educated about the issue and alternatives, voters oppose forced deposits.

***Forced Deposits are Discriminatory**

Forced deposits place an unnecessary and discriminatory burden on highly recycled packages. Soft drink containers (aluminum, steel, glass, and PET) are recycled at a national rate of 57.6%. Aluminum cans, the soft drink industry's most used packaging, are recycled at a 63.1% rate. These rates are achieved primarily through voluntary recycling programs. Forced deposits do not address major elements of the waste stream, such as newspapers, which are more than 6% of the municipal solid waste stream.

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***Forced Deposits Create Higher Food Prices**

Under a forced deposit law, bottlers and retailers will be forced into the recyclable collection business. They will have to sort, store, and transport empty containers. In addition, beverage distributors must pay mandated retailer handling fees as high as \$.03 per container (\$.18 per 6-pack) in some forced deposit states. All of these higher costs, including an increase on sales taxes on the product, will ultimately be paid by Kansas consumers. These price hikes are extremely regressive, most severely impacting Kansans least able to afford them, such as families, the poor, and the elderly.

***State Tax Collections Will Decline**

Beverage sales drop when forced deposits are implemented because of price increases at the retail level. As a result of sale declines, state and local governments collect less tax revenue.

***Purchase of High Fructose Corn Syrup Will Decline**

The soft drink industry is the largest purchaser of high fructose corn syrup, the primary sweetener in soft drinks. As a direct result of beverage sale decreases, soft drink industry purchases of high fructose corn syrup and other ingredients and material decline.

***Higher Paying Skilled Jobs in the Container Manufacturing Industry are Lost**

A 1985 Rockefeller Institute study reported that some 1,015 high paying container industry jobs were lost as a result of New York's deposit law. Menial jobs were created as retailers and distributors hired can and bottle sorters to process containers returned for deposits.

***Forced Deposits Inconvenience Consumers**

Forcing citizens to sort and store empty containers and then return them to a retailer is a major inconvenience and a real burden to elderly and handicapped Kansans. It makes greater sense to put recyclables at curbside or local drop-off centers.

***Forced Deposits Create Health and Sanitation Problems**

Grocery stores, restaurants, and beverage distributors may be forced to store empty beverage containers near other foods. This creates a public health hazard.

***There are Viable Alternatives to Forced Deposits**

Other states have found they can significantly reduce solid waste by providing local governments the direction and resources to develop and implement comprehensive recycling programs, including the collection of beverage containers, newspapers and magazines, and yard waste (in 1993, yard waste was 16% of the waste stream).

Kansas lawmakers may wish to study solid waste management programs in Missouri, Georgia, and Minnesota and litter control programs in Ohio, Texas, and Washington State.

***For more information, contact Ron Hein at (913)273-1441.**

*Information provided by the National Soft Drink Association, Washington, D.C.

Testimony on HB 2102

Presented to the Committee on Federal and State Affairs
By Chuck Wilson, Seven-Up Bottling Co. of Topeka, Inc.

Jan. 26, 1995

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

MY NAME IS CHUCK WILSON. I'M OPERATIONS MANAGER FOR THE SEVEN-UP BOTTLING COMPANY OF TOPEKA. THE SEVEN-UP BOTTLING COMPANY HAS BEEN IN BUSINESS SINCE 1928 AND IS A FOURTH GENERATION, FAMILY OWNED BUSINESS.

WE ARE A SMALL SOFT DRINK BOTTLER AND DISTRIBUTOR SERVING TOPEKA AND THE SURROUNDING AREA. WE LIKE TO SAY "WE DON'T HAVE COKE OR PEPSI, BUT WE HAVE EVERYTHING ELSE": 7UP, DR PEPPER, RC COLA, SQUIRT, CANADA DRY, SUNKIST AND HIRES ROOT BEER. WE ALSO DISTRIBUTE SNAPPLE, EVIAN, BLUE FALLS AND CLEARLY CANADIAN BOTTLED WATERS. WE ACTUALLY CARRY 78 DIFFERENT PRODUCTS, IN 17 DIFFERENT PACKAGES, MAKING 190 DIFFERENT ITEMS.

WE CARRY ALL OF THESE PRODUCTS BECAUSE THAT'S HOW WE SURVIVE AS A SMALL COMPANY IN A VERY COMPETITIVE BUSINESS. I'M HERE TO TELL YOU HOW THIS BILL, #2102 WOULD CREATE SERIOUS PROBLEMS FOR OUR BUSINESS.

MANY OF THE PRODUCTS WE SELL ARE NOT SOLD IN LARGE QUANTITIES. WE SELL A LITTLE BIT OF ALOT OF PRODUCTS. THAT'S HOW WE STAY IN BUSINESS. ONE PROBLEM THIS BILL WOULD CREATE IS WHEN WE PRODUCE THESE PRODUCTS. WE BOTTLE ABOUT A FOURTH OF THE PRODUCTS WE SELL. WE BUY EMPTY BOTTLES, PRE-LABELED, FROM A SUPPLIER IN LENEXA. THOSE LABELED BOTTLES ARE COMPETITIVELY PRICED BECAUSE WE CAN BUY A PART OF A MASS PRODUCTION OF BOTTLES, THAT GO TO DIFFERENT STATES. THIS BILL WOULD REQUIRE THAT OUR

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SUPPLIER LABEL OUR BOTTLES SPECIALLY FOR KANSAS. FOR MOST OF OUR PRODUCTS, WE ARE THE ONLY CUSTOMER OUR SUPPLIER HAS IN KANSAS. THEY CAN'T JUSTIFY MAKING A SPECIAL KANSAS LABEL FOR 1 SMALL KANSAS CUSTOMER. WE WOULD EITHER HAVE TO FIND A SUPPLIER WHO WOULD PRODUCE FOR A KANSAS CUSTOMER, OR WE SIMPLY COULDN'T CARRY THAT PRODUCT. SO AT BEST, THE PROCESS WOULD INCREASE THE COST OF MANY OF OUR PRODUCTS. MORE LIKELY, WE WOULD HAVE TO SHUT DOWN OUR PRODUCTION LINE.

THE PRODUCTS WE DON'T PRODUCE, WE BUY FROM 11 DIFFERENT SOURCES AND HAVE TRUCKED INTO OUR PLANT. IT WOULD BE VERY DIFFICULT TO GET "KS" LABELED PRODUCTS FROM ALL THESE SOURCES, MANY OF WHICH ARE OUT OF STATE. AGAIN, WE GET GOOD PRICES FROM THESE PEOPLE BECAUSE WE'RE GETTING A PARTIAL SUPPLY OF A MUCH LARGER PRODUCTION THAT GOES TO MANY STATES. THEY WOULD HAVE NO REASON TO PRODUCE SPECIAL CONTAINERS FOR US, UNLESS WE PAID A SUBSTANTIAL UPCHARGE. OUR COSTS WOULD GO UP, WHICH WOULD AGAIN KEEP US FROM BEING PRICE COMPETITIVE.. COMPETITIVE PRICING IS THE BACKBONE OF OUR BUSINESS.

ONE SECTION OF THIS BILL WOULD REQUIRE US TO PICK UP EMPTY BEVERAGE CONTAINERS FROM OUR RETAILERS, FOR ANY PRODUCTS THAT WE SELL THEM. OUR TRUCKS ARE "ROLLING WAREHOUSES". THEY DRIVE TO A STORE'S DOOR AND SELL OUR PRODUCTS RIGHT OFF THE TRUCKS. WE SIMPLY DON'T HAVE THE ROOM ON THESE TRUCKS TO PUT USED CONTAINERS BACK ON THEM. EVEN IF WE DID, IT WOULD BE UNSANITARY TO PUT DIRTY CONTAINERS ON THE SAME TRUCKS AS OUR BEVERAGE PRODUCT. WE WOULD BE FORCED TO MAKE ADDITIONAL TRIPS TO OUR ACCOUNTS WITH EMPTY TRUCKS, JUST TO PICK UP EMPTY CONTAINERS. THAT WILL DRIVE UP FUEL COSTS, LABOR COSTS, AND OUR PRICE TO OUR CUSTOMERS.

IN ADDITION, BECAUSE OF THE LARGE NUMBER OF PRODUCTS THAT WE SELL, HAVING STORE PERSONNEL SORT OUR PRODUCTS, IN THE BACK ROOMS OF GROCERY AND CONVENIENCE STORES WOULD BE A NIGHTMARE. COKE AND PEPSI'S CONTAINERS WOULD BE OBVIOUS. BUT WITH ALL OF OUR LITTLE BRANDS, WE WOULD PROBABLY GET ANYTHING THAT THE SORTERS DIDN'T RECOGNIZE, CAUSING US TO EITHER SORT THESE DIRTY CONTAINERS AGAIN, OR PAY DEPOSITS AND HANDLING FEES ON PRODUCTS WE DON'T EVEN SELL!

EVEN IF WE WERE ABLE TO STAY IN BUSINESS UNDER THESE HARDSHIPS, WE WOULD BE FORCED TO INCREASE THE PRICE OF OUR PRODUCTS TO OUR CUSTOMERS.... MUCH MORE THAN JUST THE COST OF THE DEPOSIT AND HANDLING FEE ON EACH CONTAINER.

AND FINALLY....

THIS BILL IS A SLAP IN THE FACE TO AN INDUSTRY THAT HAS BEEN ACTIVELY INVOLVED IN SUPPORT OF LITTER REDUCTION, RECYCLING AND SOLID WASTE MANAGEMENT SINCE THE 1970'S. BEVERAGE CONTAINERS ARE ALREADY THE MOST RECYCLED CONTAINER OF ANY IN THE COUNTRY! (SOFT DRINK CONTAINERS ARE CURRENTLY RECYCLED AT A NATIONAL RATE OF 57.6%).

BEVERAGE CONTAINER RECYCLING IS WORKING IN KANSAS. RECYCLING IS NOW OPERATED BY PRIVATE ENTERPRISE AND IT'S RETURNING THE MONEY FROM VOLUNTARY RECYCLING TO THE CITIZENS WHO RECYCLE. YOU GET MORE BEARS WITH HONEY THAN YOU DO WITH A STICK. I SUPPORT A SYSTEM THAT REWARDS PEOPLE WHO RECYCLE, INSTEAD OF PENALIZING EVERYBODY BECAUSE SOME DON'T.

I URGE YOU TO VOTE "NO" ON HOUSE BILL 2102, A BILL THAT IS ANTIQUATED AND ANTI-BUSINESS.

THANK YOU..... I WOULD BE WILLING TO ANSWER ANY QUESTIONS.

8-3

IN ADDITION, BECAUSE OF THE LARGE NUMBER OF PRODUCTS THAT WE SELL, HAVING STORE PERSONNEL SORT OUR PRODUCTS, IN THE BACK ROOMS OF GROCERY AND CONVENIENCE STORES WOULD BE A NIGHTMARE. COKE AND PEPSI'S CONTAINERS WOULD BE OBVIOUS. BUT WITH ALL OF OUR LITTLE BRANDS, WE WOULD PROBABLY GET ANYTHING THAT THE SORTERS DIDN'T RECOGNIZE, CAUSING US TO EITHER SORT THESE DIRTY CONTAINERS AGAIN, OR PAY DEPOSITS AND HANDLING FEES ON PRODUCTS WE DON'T EVEN SELL!

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THANK YOU..... I WOULD BE WILLING TO ANSWER ANY QUESTIONS.

8-4

City Hall • 8500 Santa Fe Drive
Overland Park, Kansas 66212
913/381-5252 • FAX 913/381-5756

January 24, 1995

SUBJECT: Hearing before the House Federal and State Affairs Committee regarding House Bill No. 2102, AN ACT relating to litter control; requiring certain beverage containers to be redeemable; providing penalties for violations relating thereto.

Chairman Boston and Members of the House Federal and State Affairs Committee:

Mr. Chairman, members of the Committee: Thank you for allowing me to testify before you this afternoon. My name is Jim Twigg. I am the Special Projects Coordinator for the City of Overland Park.

Overland Park favors creative solutions to the solid waste management challenges which face the citizens of Kansas. Overland Park also favors solutions which would minimize the volume of materials disposed at landfill by encouraging residents and businesses to practice waste reduction and recycling.

Unfortunately, HB 2102 is not one of those solutions.

Overland Park residents have demonstrated their support for the concepts of waste reduction and recycling during the past year by collecting and returning to commerce almost 16 million pounds of aluminum, steel, plastics, glass, and paper which would have otherwise been buried in a landfill. Materials collected as part of our recycling programs are sold to companies which use them as raw material to manufacture new products such as carpet, containers, and insulation. The revenues generated by these sales are used to help offset the costs of the collection programs. While containers such as those proposed to be collected as part of HB 2102 account for less than 14 percent of the recyclables collected in programs such as ours, they represent almost 38 percent of the materials revenue. The loss of such a significant revenue source could adversely affect the ability of recycling programs to collect the other materials which are currently recycled. It is quite possible that the cost of offering recycling would spiral upward at such a rate that the programs would no longer be feasible. For Overland Park residents, this would mean that each year over 13 million pounds of discards, which were previously recycled, would be landfilled.

Overland Park has been very active in promoting recyclables collection and is generally supportive of efforts which encourage waste reduction and recycling. We ask that you allow us to continue in a positive direction by voting against HB 2102.

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Atch #9

Congratulations, Kansas...



You Helped Us Keep More Than 22 Million Pounds of Material Out of Landfills Last Year.

Working together through our recycling efforts in 66 Dillon stores throughout the state, customers turned in tons of plastic and aluminum for recycling during 1994. We're proud to be a part of this recycling program. Keep it up Kansas...together we're making a difference! Look what was collected this past year:

Pop Bottles

372,823 pounds of plastic was collected and recycled. This amounted to more than 2 1/2 million bottles.

Milk Bottles

460,687 pounds of this type of plastic was turned in, amounting to nearly 4 million milk jugs.

Plastic Sacks

Customers brought back 171,952 pounds of plastic shopping bags for recycling last year.

Aluminum Cans

Dillons paid its customers cash for nearly 41 million cans last year! This amounted to 2,532,453 pounds of aluminum for recycling.

Polystyrene

Foam containers of all types and sizes were also collected and 31,320 pounds of this Polystyrene was recycled.

Recycled Cardboard

Every Dillon store processes its cardboard boxes in large compactors. Last year, over 18 million pounds of cardboard was collected and recycled into other useful paperboard products.



TECH, Our Good Working Partner

This unique recycling system, which Dillons pioneered, could not work without the day to day efforts of The Training And Evaluation Center for Handicapped in Hutchinson. TECH people sort and process the recyclable material collected in our stores and ship it on to recycling centers throughout the country. WE value this unique working relationship with the good people of TECH, our partner, along with YOU, in making recycling work.



Jan. 15 - 95

F&SA
1-26-95
Atch #10



DILLONS STORES DIVISION

2700 EAST FOURTH STREET
HUTCHINSON, KS 67504-1608

CONCERNS REGARDING THE ADOPTION OF A MANDATORY DEPOSIT BILL FOR THE STATE OF KANSAS:

DILLONS STORES DIVISION IS A COMPANY THAT WAS FOUNDED IN KANSAS AND NOW HAS OVER 9,000 EMPLOYEES. OUR 66 STORES SERVE KANSAS IN 14 COMMUNITIES AND WE HAVE MADE A COMMITMENT TO BE ACTIVE LEADERS IN ENVIRONMENTAL ISSUES THROUGHOUT THE STATE.

IN THE EARLY 70'S WE STARTED RECYCLING CARDBOARD IN ALL OF OUR STORES. WE BALE THE CARDBOARD AND BACKHAUL IT TO HUTCHINSON, WHERE IT IS SOLD TO A COMPANY IN HUTCHINSON CALLED REPUBLIC PAPERBOARD COMPANY.

IN THE EARLY 80'S WE STARTED A PROGRAM TO RECLAIM AND RECYCLE ALUMINUM BEVERAGE CONTAINERS. THESE CANS ARE PURCHASED FROM OUR CUSTOMERS AT OUR STORES AND THEN RETURNED TO HUTCHINSON. THE CANS ARE TAKEN TO THE TRAINING AND EVALUATION CENTER OF HUTCHINSON (TECH) WHERE THEY ARE SORTED AND PROCESSED INTO BALES. THE ALUMINUM BALES ARE THEN SOLD TO A MAJOR SMELTER TO BE PROCESSED INTO NEW ALUMINUM MATERIALS.

IN 1990, DILLONS BECAME THE FIRST SUPERMARKET CHAIN IN THE UNITED STATES TO BEGIN A STATEWIDE COLLECTION PROGRAM FOR PLASTIC MILK AND SOFT DRINK CONTAINERS. ALL INCOME FROM OUR PLASTICS PROGRAM GOES BACK TO TECH TO ALLOW THEM TO PROVIDE ADDITIONAL JOBS TO THEIR CLIENTS.

EACH OF OUR 66 STORES SERVES AS A COLLECTION POINT FOR THESE MATERIALS AS WELL AS PLASTIC SACKS AND POLYSTYRENE. TO OUR KNOWLEDGE, WE ARE THE ONLY RESOURCE FOR KANSAS TO RECYCLE THEIR FOAM TRAYS AND POLYSTYRENE MATERIALS.

IN MOST CASES, ALUMINUM IS THE ONLY RECYCLABLE WITH ANY MARKET VALUE. UNDER A MANDATORY DEPOSIT BILL, WE BELIEVE THAT WE WOULD HAVE TO REDEEM THE ALUMINUM CANS WHOLE, NOT CRUSHED, AND READ THE LABEL TO VERIFY THE CAN IS FROM KANSAS. A DEPOSIT BILL MIGHT ENCOURAGE PERSONS IN BORDER TOWNS IN OUR STATE TO CROSS STATE LINES TO BUY BEVERAGES AT LOWER PRICES (NO DEPOSIT) AND THEN TRY TO REDEEM THEM FOR MONEY FROM KANSAS BUSINESSES. CANS WOULD THEN HAVE TO BE SORTED FOR CREDIT FROM THE PROPER VENDOR. ALL OF THIS ADDS LABOR AND EXPENSE TO A PROCESS THAT IS A SIMPLE, MARKET BASED, SYSTEM. WE ALSO BELIEVE THAT A DEPOSIT BILL JEOPARDIZES OUR RELATIONSHIP WITH TECH. TECH PROVIDES A NUMBER OF JOBS FOR THEIR CLIENTS WHO ARE MENTALLY OR PHYSICALLY CHALLENGED.

DILLONS CONTINUES TO SUPPORT COMPREHENSIVE SOLID WASTE MANAGEMENT PLANNING INCLUDING CURB-SIDE PROGRAMS AND COLLECTION OF MATERIALS AT SORTATION FACILITIES.

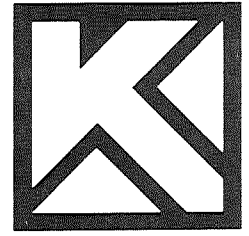
WE FEEL A MANDATORY DEPOSIT BILL WOULD INTERFERE WITH FREE MARKET PROGRAMS ALREADY IN PLACE AND WOULD FALL SHORT OF PROVIDING A COMPREHENSIVE SOLID WASTE MANAGEMENT PLAN.

JANUARY 26, 1995

10-2

LEGISLATIVE TESTIMONY

Kansas Chamber of Commerce and Industry



835 SW Topeka Blvd. Topeka, Kansas 66612-1671 (913) 357-6321 FAX (913) 357-4732
HB 2102

January 26, 1995

KANSAS CHAMBER OF COMMERCE AND INDUSTRY

Testimony Before the

House Committee on Federal and State Affairs

by

Terry Leatherman
Executive Director
Kansas Industrial Council

Mr. Chairman and members of the Committee:

My name is Terry Leatherman. On behalf of the members of the Kansas Chamber of Commerce and Industry, and the Kansas Retail Council, a major division of KCCI, I would urge you to reject HB 2102 for the following reasons.

The Kansas Chamber of Commerce and Industry (KCCI) is a statewide organization dedicated to the promotion of economic growth and job creation within Kansas, and to the protection and support of the private competitive enterprise system.

KCCI is comprised of more than 3,000 businesses which includes 200 local and regional chambers of commerce and trade organizations which represent over 161,000 business men and women. The organization represents both large and small employers in Kansas, with 55% of KCCI's members having less than 25 employees, and 86% having less than 100 employees. KCCI receives no government funding.

The KCCI Board of Directors establishes policies through the work of hundreds of the organization's members who make up its various committees. These policies are the guiding principles of the organization and translate into views such as those expressed here.

1. HB 2102 PLACES A LARGE BURDEN ON KANSAS BUSINESS

Approval of HB 2102 tells a number of Kansas businesses, particularly retailers of beverages, that they are in the recycling business. That will require these businesses to take steps to collect and account for deposits received and paid, assign stations and personnel to accept returns, find

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state space for recycled materials, and take measures to assure sanitation. Their only other option is pursue a contract arrangement with a redemption center to meet this new requirement from state government.

There will be a price paid to meet this regulatory challenge. According to the National Soft Drink Association, soft drink prices have risen 13% to 17%, and beer prices have risen 18% to 30%, in states where forced deposit laws have been enacted.

2. HB 2102 TARGETS THE "SUCCESS STORY" OF RECYCLING

The purpose of HB 2102 is to keep beverage containers from becoming litter or landfill deposits. With that in mind, there are a couple of key facts to consider about beverage containers. First, beverage containers are a small element in the waste stream generally estimated at 3% to 5% of all waste. Second, beverage containers are a shining example of recycling today. For instance, the Aluminum Association estimates that 64% of aluminum beverage containers were recycled in 1990, up from 15% in 1972.

For a moment, let's concede that a mandatory deposit law will increase the recycling of beverage containers. HB 2102 means the Kansas Legislature will burden citizens with deposit taxes, hand new regulatory burdens to retail and distribution businesses, and dismantle much of today's successful recycling network to reduce the Kansas waste stream by maybe one percent.

3. HB 2102 REPRESENTS TAXING AND INTERFERING IN THE LIVES OF KANSANS

In short, HB 2102 tells Kansans they are not able to properly manage beverage container refuse to the degree government deems proper. As a result, government is compelling Kansans to do what it desires. This is accomplished by telling consumers they will pay a five-cent tax for each beverage container purchased if they do not carry out government's desire to return beverage containers. To the retailer, distributor, manufacturer, redemption center or landfill, regulators from the state are ready to impose fines if government's desire is not carried out.

HB 2102 is about more government taxes and regulation, which goes counter to the direction citizens seem to feel government should be headed.

The Kansas Chamber of Commerce and Industry, and specifically the members of the Kansas Retail Council, strongly oppose passage of HB 2102. Thank you for this opportunity to explain the reasons for our opposition.

I would be happy to attempt to answer any questions.



EXECUTIVE DIRECTOR
JIM SHEEHAN
Shawnee Mission

HOUSE FEDERAL & STATE AFFAIRS COMMITTEE 2-26-95

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DIRECTOR OF
GOVERNMENTAL AFFAIRS

FRANCES KASTNER

OPPOSING HB 2102

I am Frances Kastner, Director of Governmental Affairs for the Kansas Food Dealers Association. Our members are OPPOSED to HB 2102.

More than a half a dozen years before the forming of Kansas BIRP (Beverage and Industry Recycling Program) we were involved in litter control measures.

We saw the need to address a problem without the involvement of government, and were instrumental in the formalization of BIRP in 1983. There were 43 recycling centers and programs in place in Kansas at that time. Now, 12 years later Kansas has over **550 RECYCLING CENTERS.**

That significant increase in the participation of Kansas' businesses and the industries involved in manufacturing, handling, retailing, and recycling speaks for itself: There is no need for HB 2102.

WE CAN CONTINUE TO ADDRESS THE WRONGLY-PRESUMED LITTER PROBLEM CAUSED BY BEVERAGE CONTAINERS WITHOUT THE INVOLVEMENT AND EXPENSE OF A GOVERNMENT AGENCY.

We ask you to remember that organizations like girl and boy scouts, 4-H club members, and senior citizens, would soon see a source of revenue taken away from them. These organizations actively seek participants to SAVE the beverage containers for them. These groups return the containers to recycling centers, and USE THE FUNDS FOR THEIR ACTIVITIES, bringing NEW MONEY into their communities.

Everyone is asking for LESS government intervention, and FEWER REGULATIONS imposed upon the business community. We respectfully request that you NOT APPROVE this bill.

Frances Kastner
Frances Kastner, Director
Governmental Affairs, KFDA

TESTIMONY PRESENTED TO THE
HOUSE FEDERAL AND STATE AFFAIRS COMMITTEE
re: HB 2102

January 26, 1995

by: Rebecca Rice
Legislative Counsel for Kansas Retail Liquor Dealers Association

Mr. Chairman and members of the committee. My name is Rebecca Rice and I appear before you today as an opponent to this legislation on behalf of the Kansas Retail Liquor Dealers Association.

We are uncertain whether this proposed legislation applies to us because retail liquor dealers are specifically prohibited from providing services, or anything of value. We are assuming it is the intent of this legislation to apply to retailers and, therefore, we are opposing this legislation. The KRLDA has traditionally opposed "bottle bills" due to the large amount of time and manpower which must be devoted to administering the program at the retail level. Although we support the concept of recycling and efforts to educate the public to eliminate carelessness resulting in littering, we believe the efforts of private industry to create commercially viable recycling programs is the correct approach.

We would request the committee report this legislation unfavorably. Thank you, Mr. Chairman and members of the committee. I would be happy to answer any questions.

F+SA
1-26-95
Atch # 13

K · A · N · S · A · S

WINE & SPIRITS

WHOLESALE ASSOCIATION, INC.

January 26, 1995

TO: House Committee on Federal and State Affairs
FROM: R.E. "Tuck" Duncan *[Signature]*
Kansas Wine & Spirits Wholesalers Association
RE: House Bill 2102

The Kansas Wine and Spirits Wholesalers Association opposes HB2102. Kansas has a significant history of reducing recyclable materials through private enterprise solutions. This bill is nothing more than an unnecessary governmental mandate on private enterprise. On CNN's Earth Matters program last week one recycling entrepreneur stated it best when he commented that he would not have made the investment to create his business had it been that governmental mandates existed which would dilute the market and made his enterprise economically unfeasible.

Thank you for your attention to and consideration of this matter.

*F+SA
1-26-95
Atch #14*

STATEMENT of
THE DISTILLED SPIRITS COUNCIL

in OPPOSITION to
House Bill 2102

Federal and State Affairs Committee
Kansas House of Representatives
The Honorable Garry Boston, Chairman

January 26, 1995

FISA
1-26-95

Atch #15

FACT SHEET

MANDATORY BEVERAGE CONTAINER DEPOSITS

Experience in the United States and abroad shows that voluntary citizen action in partnership with positive government programs, not mandatory container deposits, is the most effective, lowest-cost route to solve litter and solid waste management problems at national, state and local levels.

- o The GAO Report¹ is misleading. It concludes that beverage deposit laws are an effective and efficient means to reduce litter, energy and national resource consumption and to improve solid waste management at no governmental expense. In fact, however, beverage deposit laws are not the most efficient, are not a comprehensive approach to waste and litter problems, will not achieve expected results, and will be a more costly solution to all concerned.
- o The GAO conclusion that a combination of curbside and deposit systems is a cost-efficient system for the municipality to keep recyclables out of landfills ignores costs to the community at large, underestimates the loss of revenue from recycled materials diverted thereby, and assumes an unrealistically high landfilling cost of \$260 per ton.²
- o Beverage container deposits only partially address the complex waste management issues faced by modern society. Worse, they detract from publicly supported efforts for source reduction, voluntary separation, recycling and litter abatement.
 - Deposit laws do not create a recycling infrastructure, or encourage the recycling of other materials or make the public more aware of the need to recycle.
- o The GAO study fails to ask what strategy would maximize environmental benefits at lowest cost and inconvenience to consumers, businesses and government.
- o By its own admission, the GAO's support of beverage container deposit laws rests on "value judgements" of claimed "environmental benefits" and the "desirability of federal involvement in ... an area that has generally been a local responsibility." (page 5)
 - While all effective recycling strategies generate "environmental benefits" such as litter reduction, energy and natural resource conservation, and solid waste diverted from landfills, a container deposit scheme is but one, rather narrow, strategy.
- o The GAO report is not a scientific study which sets out objectively to "test the validity" of available evidence for and against beverage container deposits (page 18). The GAO report simply dismisses evidence contrary to the solution it advocates. The report ignores the fact that:
 - Forced deposits have proven costly and inefficient. When forced deposit laws have been enacted, consumers, businesses and state governments have suffered significant losses through higher prices³, lower sales⁴ and reduced tax revenues⁵ due to lower sales tax and alcohol beverage excise tax collections⁶.
 - Costs to the beverage and retail industries of complying with mandatory deposit laws per container are considerably higher than the cost of litter abatement or processing a container in the waste stream.
 - Meaningful reductions in litter have not materialized in states mandating container deposits. The report cites studies in deposit states claiming 50% to 80% reductions in beverage container litter.

These results are in conflict with documented studies showing the effects of litter abatement in these and other states⁷.

- Recycling rates for aluminum and glass are lower in states with mandatory deposits than states with comprehensive recycling laws.
- Voluntary action by industry (not beverage container deposits) encouraged the establishment of a PET recycling facility in Washington state in 1989.
- o GAO overestimates the potential net impact on landfills by claiming that they could reduce solid waste by up to 4% by weight. A more reasonable estimate might be between 1.4% to 2.4%.
 - Beverage containers comprise only 4.1% by weight of municipal waste, with liquor containers significantly less than 1% by weight of municipal waste.
 - A rising percentage, now 25%, of beverage containers in the municipal solid waste are recycled by local government and thus kept out of landfills. A further 12% is voluntarily recycled, never entering the municipal waste stream.
 - Once allowance is made for double counting, the maximum reduction in municipal waste kept out of landfills would be 2.8% by weight, not 4% claimed by GAO. Historically not all redeemed containers are recycled and thus kept out of landfills [see footnote 2, p. 34, GAO].
- o The GAO report dismisses the conflict between comprehensive waste management and beverage container deposits which divert recyclable material.
 - Deposit systems divert recyclable material and, thereby, potential revenues away from curbside recycling programs.
 - The proceeds of high-value PET containers and aluminum cans offset between 19% and 40% of solid waste management cost.
 - History shows, when high-profit container materials are diverted from independent recycling centers, the latter can no longer afford to process low-profit materials for which secondary markets are not as strong, and have to close down.
- o Beverage container deposits are regressive taxes because, as a proportion of expenditures, beverages constitute a much larger share for low income families than for higher income families.
- o Revenues raised by beverage container deposits are not used to stimulate recycling or subsidize the use of secondary recycled materials.
- o Levels of public support for beverage container deposits based on the GAO commissioned telephone survey are misleading.
 - Individuals polled in a telephone survey were asked only whether they would support a nickel-a-container tax to secure claimed environmental benefits, and not which alternative strategy they would choose to achieve these benefits.
 - The results of the telephone survey are in conflict with the fact that since 1980 voters and legislators in 41 states have rejected some 2,000 container deposit proposals.
 - The GAO report ignores third-party polls which consistently have shown more support for alternatives to deposits.

2. Tellus Institute, untitled draft report commissioned by the EPA, 1989 referred to on pages 36 and 37 of GAO report.
3. After Michigan's container deposit bill became effective in 1978 "the price consumers paid for beer was almost 20% higher than national price trends", according to Sjolander & Karela, Effects of Michigan's Mandatory Beverage Container Deposit Laws, June, 1984, p.7. In the Northeastern states, Professor Starr S. Scholobohm found that "[t]he return flow of beverage containers in states with mandatory deposit requirements cost the consumer between 12% and 13.5% more for soft drinks and malt beverage purchases", 1982-3 Beverage Price Study, March 1983.
4. In New York, Franklin Associates, Ltd. found that, "Overall packaged beverages sales decreased 5.6% following the implementation of the [container deposit] law" (see The Fate of Used Beverage Containers in the State of New York, Franklin Associates, July 1986). The Rockefeller report, (The New York Returnable Beverage Container Law, March 1985) concluded that beer sales declined 7%. In Massachusetts, Temple, Barker & Sloane, Inc. found that soft drink sales declined 6.4% (see Soft Drink Bottler Costs Under the Massachusetts Bottle Bill, 1988). In the year following the introduction of deposit laws, beer consumption in Connecticut declined 10.6%, Iowa declined 7.4%, Michigan 11%, Vermont declined 9.1%, and in Maine beer sales declined 6.8%, according to the National Soft Drink Association (see Forced Deposit Laws: There Are No Winners, 1989).
5. Temple, Barker & Sloane, Inc. estimated that New York's treasury lost \$1.5 million in lost malt beverage excise tax collections and \$5.7 million to \$7.7 million from lost soft drink sales as a result of the state's beverage container deposit laws (see Economic Effects of the New York Returnable Container Law on Soft Drink Bottlers, January 1985).
6. After Vermont imposed beverage container deposits, Vermont consumers purchased 7.9 million, 12-ounce containers of beer in New Hampshire. In 1981, New Hampshire netted an additional \$510,480 excise tax revenue in additional out-of-state purchases, according to Scholobohm (see New Hampshire's Solid Waste Management Problem, 1983).
7. In Michigan, although beverage containers in litter slightly diminished, total non-beverage container litter increased by 10% and the state's litter control budget rose 30% in the year after deposits went into effect, according to the Michigan Department of Natural Resources (see Highway Maintenance Division Report, 1981). In Maine, total litter rose 5% in the year after deposits were introduced, according to Scholobohm (see New Hampshire's Solid Waste Management Problem, 1983). In Oregon, Applied Decision Systems' Study of the Effectiveness of Oregon Minimum Deposit Law found litter rates higher than in neighboring Washington, which had no deposit law.

Presentation to:

**Federal and State Affairs Committee
Kansas House of Representatives**

By:

**Deffenbaugh Industries, Inc.
Shawnee, Kansas**

Michael H. Clagett, Recycling Coordinator

January 26, 1995

Re: House Bill 2102

Deffenbaugh Industries, Inc. began its recycling efforts in November of 1989. Since that time this division of our company has grown to the point where we process and market in excess of 800 tons of recyclable materials each week. Deffenbaugh is currently building a new Materials Recovery Facility (MRF) which will allow us to more efficiently deal with the increasing volumes of recyclables being generated. The idea behind the building of this MRF is the continuing commitment to recycling which, in order to reach maximum effectiveness, must be long-term in nature.

Deffenbaugh operates several types of collection programs in its recycling efforts: curbside, drop-off and commercial. Through these efforts, more and more materials continue to be diverted from landfills. Materials collected through these efforts are brought to our processing facility where they are sorted and either baled or crushed in order to be made ready for shipment to various markets. The revenues derived from the sale of these materials is critical to the on-going viability of recycling. To remove a substantial portion of this revenue through the implementation of this "deposit legislation" would be to very severely impact recycling programs now in place. Should these recycling programs now in place, be discontinued because of such legislation, the diversion of materials from landfills which is now taking place (at ever increasing levels) would be greatly diminished.

The containers addressed under this proposed legislation makes up approximately 22% of the recyclable materials collected in our programs. The revenues derived from the sale of these materials comprise approximately 35% of revenues derived from sale of all recyclable materials marketed.

We would like to point out that this sort of legislation has not been passed on a state-wide basis in any state for a long number of years. Instead, more comprehensive recycling programs addressing a wider range of materials have sprung up in their place. Deffenbaugh Industries, Inc. stands in opposition to HB2102 because we feel that more meaningful recycling efforts are in place and being expanded upon on an on-going basis. Deposit legislation, such as this, take a costly approach to a perceived problem which is being much more effectively dealt with through comprehensive recycling programs throughout the country.



SENECA WHOLESALE CO. INC.

36 South 8th • Seneca, Kansas 66538 • (913) 336-2118

JANUARY 25, 1995

HB 2102, THE BOTTLE BILL

SENECA WHOLESALE CO., INC. IS A FAMILY OWNED BUSINESS LOCATED IN SENECA, KS., TEN (10) MILES FROM THE STATE OF NEBRASKA. WE DISTRIBUTE SOFT DRINKS AND/OR BEER IN BOTTLES AND CANS IN WASHINGTON, MARYSVILLE, SENECA, Sabetha, HIAWATHA, AND OTHER TOWNS IN NORTHEAST KANSAS. CUSTOMERS BUY BEVERAGES ON THEIR WAY TO AND FROM WORK, AT WORK, AND WITH THEIR GROCERIES.

THE WOMAN WHO LIVES IN HIAWATHA AND WORKS IN FALLS CITY, NE. WILL SHOP IN NEBRASKA. THIS PERSON WILL BE ABLE TO SAVE THE DEPOSIT ON BEVERAGES IF SHE BUYS HER SOFT DRINKS BEFORE SHE RETURNS TO KANSAS. ALSO, SHE CAN SAVE A TRIP TO THE STORE IF SHE BUYS ALL HER GROCERIES AT THE SAME TIME.

THE MAN WHO LIVES IN FALL CITY, NEBRASKA AND WORKS IN HIAWATHA WILL, IN THE SAME WAY, BYPASS THE OPPORTUNITY TO SHOP IN KANSAS.

I OPPOSE FORCED DEPOSIT

I OPPOSE HB 2102

DON F. STRATHMAN

F&SA
1-26-95
Atch #16



"Building On Abilities"

Nemaha County Training Center, Inc.

NCTC West, Main Office
12 S. 11th Street • Seneca, Kansas 66538
913-338-8116

January 25, 1995

NCTC Group Home
602 South 2th
SENECA, KS 66538
913-336-8223

NCTC East
329 North 11th
SABETHA, KS 66534
913-284-3666

NCTC Group Home
328 North 13th
SABETHA, KS 66534
913-284-3732

To Whom It May Concern:

The Nemaha County Training Center, Inc. (NCTC) is a private, not for profit, community based agency providing vocational and residential services to adults affected by mental retardation and/or other developmental disabilities. As part of NCTC's training program and fund raising, we operate an aluminum beverage can recycling program that is sponsored by Seneca Wholesale Co.

During the past year, NCTC has received approximately \$6,700 from its recycling program. These funds, along with others received, have enabled NCTC to provide programs and services to meet the individual needs of the people receiving services from NCTC. This income is equivalent to one-half of a staff position. Without this income, we may be forced to increase our reliance on funding from county and state tax sources or reduce current services being offered.

Thank you for your consideration of this information.

Sincerely,

Alice Lackey
/mrs

Alice Lackey
Executive Director

AL/mrs

WRITTEN TESTIMONY ON HB 2102
PRESENTED TO
THE COMMITTEE ON FEDERAL AND STATE AFFAIRS
by
Gail Ederer, Regional Director
GLASS PACKAGING INSTITUTE, SOUTHWESTERN OFFICE
January 26, 1995

Mr. Chairman and members of the Committee:

The Glass Packaging Institute is a national trade association which represents the glass container makers in the United States. I am writing to ask you to oppose HB2102; an act, which if passed, would establish a beverage container deposit system for the state of Kansas.

This proposal is an expensive and inconvenient approach to waste reduction or litter control which is out of step with today's voters and with existing recycling efforts in the state.

Hundreds of voluntary waste reduction/recycling programs already exist in Kansas which are successfully operating within a free market environment. Consumers are taking full advantage of community based opportunities to recycle all their household recyclables through curbside programs, drop-off systems and buy-back centers. The fair market scrap value of the recyclable materials provides the economic incentive that drives the efforts.

Recycling efforts have become extremely successful in recent years, resulting in dramatic decreases in the beverage container portion of municipal solid waste. According to a 1992 EPA study, they make up only about 3% of all MSW by weight and only 2.3% of all MSW in terms of its actual volume in a landfill. Actual recycling rates for glass, plastic and aluminum containers continue to grow every year. The rate in 1993 for glass containers was 35% - up for a 5th consecutive year.

The contention that a deposit system will encourage the return to refillable containers simply is not true. The old nickel deposit on bottles that we remember nostalgically existed because the beverage production and distribution

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system which was in place included local producers with washing and refilling operations and local distribution systems. Those days are simply gone.

Today's marketplace reflects consumer preference for lighter weight, nonreturnable, recyclable packaging. Beverage production and distribution systems are quite different as well, with most taking place regionally. The reality is that refillables are not an economically efficient nor advantageous package. Switching back to a refillable system would require immense capital investments by beverage producers and distributors as well as greatly increased transportation and storage costs. Surprisingly also, refillable containers are not free of environmental negatives. Much more water is required to wash refillables than to manufacture new ones. And, because they must be durable to withstand multiple uses, refillable containers are much heavier and take up more space, which translates to higher gasoline usage by distributors, higher cost of containers and higher storage and transportation charges.

Forcing a deposit system on the consumers of Kansas would effectively impose a beverage tax. Such a law would be costly in terms of increased beverage prices, lost sales and sales taxes. Consumers would lose money on unredeemed deposits and the system would compete with, confuse and jeopardize existing recycling efforts - especially curbside recycling efforts which depend so heavily on the sale of beverage containers to help defray the cost of collection.

The deposit system proposed in HB2102 would create a truly unnecessary and expensive layer of state bureaucracy at precisely a time when voters are demanding less government and soundly rejecting higher taxes. If you are truly listening to the will of the people, you will reject this proposal. It creates far more problems than it was ever conceived to solve.

THANK YOU FOR CONSIDERING THIS TESTIMONY
Gail Ederer/Regional Director/Glass Packaging Institute
4825 S. Peoria, Suite 4/Tulsa, OK 74105/(918)742-8343