Approved: February 21,2008

MINUTES OF THE SENATE NATURAL RESOURCES COMMITTEE

The meeting was called to order by Chairman Carolyn McGinn at 8:30 a.m. on February 1, 2008 in Room 423-S of the Capitol.

All members were present except: Janis Lee- excused Mark Taddiken- excused

Committee staff present:

Raney Gilliland, Kansas Legislative Research Department Emalene Correll, Kansas Legislative Research Department Jason Thompson, Revisor of Statutes Matt Todd, Revisor of Statutes Adrienne Halpin, Committee Assistant

Conferees appearing before the committee: Tom Thompson, Sierra Club, Kansas Chapter Ron Klataske, Audubon Society of Kansas Carey Maynard-Moody, Lawrence Kevin Dietly, North Bridge Environmental

Mike Beal, Balls Foods

Others attending:

See attached list.

The meeting commenced with Raney Gilliand's overview of <u>SB 258</u> which deals with the redemption of certain beverage containers. Mr. Gilliand stated that eleven other states have such a program in place where, with every purchase of a designated beverage container, the consumer pays a deposit to a retailer which can then be redeemed with the return of the empty beverage container to a designated redemption center. <u>SB 258</u> would require (1.) that redemption centers be established and designated, (2.) that every beverage container have a label denoting the refund value of the container, and (3.) that certain beverage containers be of uniform size.

Tom Thompson, Kansas Chapter of the Sierra Club, stood before the Committee testifying as a proponent. (<u>Attachment 1</u>.) Mr. Thompson's statements supporting the bill included the following points: (1.) that many states have bottle deposit laws, (2.) that the recycling of glass is problematic in many areas, and (3.) that a refund provides incentive to reduce litter. Mr. Thompson stated the Sierra Club would propose certain amendments to the bill including: (1.) the addition of the word "prohibit" to line seven of page three, (2.) a requirement to place the redemption value on bottle and not the bottlecap, and (3.) the removal of the requirement for certain containers to be of the same size. Mr. Thompson stood for questions.

Ron Klataske, Executive Director of the Audubon Society of Kansas, spoke in favor of the bill. (<u>Attachment</u> 2.) Mr. Klataske stated that redemption programs have formally existed in Kansas; the recommencing of such a program would, he said, resolve many litter problems. Mr. Klataske cited Michigan's rural highways as an example of the effectiveness of a similar program. Mr. Klataske added, however, that in its present form, the bill would place an inappropriately large burden on small retailers and that this problem should be examined. Mr. Klataske stood for questions.

Next, Carey Maynard-Moody of Lawrence, Kansas spoke in favor of the bill. (<u>Attachment 3</u>.) Ms. Maynard-Moody stated that beverage companies and distributers would save from reduced trash handling and fewer landfills and that recycling bottles would be cheaper than manufacturing new ones. Kansas distributers would not lose money from individuals crossing state lines to redeem bottles, she stated, because most people would not take the time to do so. Furthermore, the program would provide a means of fund-raising for small organizations who could hold bottle drives. Ms. Maynard-Moody added that, by reducing litter, there would be a reduction in the number of children, livestock, and farm equipment hurt or damaged by broken bottles. Ms. Maynard-Moody stood for questions.

Next, Kevin Dietly of North Bridge Environmental, Boston, Massachusetts spoke against the bill. (<u>Attachment 4.</u>) Mr. Dietly stated that, after more than seventeen years of experience in this area, he is not

CONTINUATION SHEET

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in favor of beverage container redemption programs for both economic and environmental reasons. Economically, although retailers are paid a two cent compensation by distributers, Mr. Dietly stated this sum is insufficient to cover the total cost of handing the beverage containers, including accepting, sorting, and storing them. Mr. Dietly countered that bottles do cross state-lines and that residents of other states would come to Kansas to redeem bottles purchased elsewhere, causing distributers of border counties to incur a financial loss. Environmentally, Mr. Dietly stated that this type of redemption program compounds the number of trips made to recycle a single bottle since each consumer and distributer must make a separate trip to redeem or collect the bottles thereby increasing the actual amount of energy being used in transportation. Mr. Dietly expressed that, while recycling is a positive concept in itself, the state should pursue a more cost-effective and environmentally sustainable method than the present program would. Mr. Dietly stood for questions.

Lastly, Mike Beal of Balls Food spoke against the bill. (<u>Attachment 5.</u>) Mr. Beal stated that Balls Foods which is comprised of eighteen retail locations in Kansas, is opposed to the beverage container redemption program. While Balls Food has actively invested in store recycling procedures and offers recycling solutions to customers, Mr. Beal stated that the redemption program poses problems of space, staffing, and sanitation to the stores. Mr. Beal stood for questions.

Written testimony was provided by:

Kenny Messick, 15th District (<u>Attachment 6</u>) Marydel Grayum, Wichita (<u>Attachment 7</u>) John Cunningham, Kansas Food Dealers Association (<u>Attachment 8</u>) Thomas Palace, Petroleum Marketers and Convenience Store Association of Kansas (<u>Attachment 9</u>) Neal Whitaker, Kansas Beer Wholesalers Association (<u>Attachment 10</u>)

Chair McGinn stated that the Committee would continue to hear testimony on the bill the following week.

The meeting adjourned at 9:30.