



**LEAGUE OF WOMEN VOTERS®
OF OREGON**

May 5, 2011

To: Joint Committee on Tax Credits
Senator Ginny Burdick, Co-Chair
Representative Jules Bailey, Co-Chair
Representative Vicki Berger, Co-Chair

From: League of Women Voters of Oregon
Marge Easley, President and Susann Kaltwasser, Solid Waste Portfolio

Re: HB 3597A, tax credit for plastics pyrolysis - OPPOSE

Dear Members of Committee:

The League of Women Voters is a nonpartisan, grassroots political organization that encourages informed and active participation in government. The League of Women Voters of the US supports policies to reduce the generation and promote the reuse and recycling of solid wastes. It supports decision making processes that recognize suitable solid wastes as potential resources. Therefore the LWV of Oregon opposes HB 3597A that would undermine recycling of plastics.

This bill would alter Oregon's longstanding hierarchy for waste management--reduce, reuse, recycle, compost, recover energy, landfill--without adequate public notice. The hierarchy was created because those methods at the top save more energy and resources and avoid more pollution than those at the bottom. This bill would move plastics pyrolysis, an energy recovery method, up to the recycling level without any evidence that it saves more energy or resources than other energy recovery methods.

A tax credit for plastic pyrolysis would undermine recycling of plastics. Currently, a low-grade mix of plastic containers is being sent to Asia where it is sorted into different resins for recycling. As prices of oil rise, more of these lower-grade plastics will be recycled domestically. However, if pyrolysis facilities have tax credits, they will be able to offer processors a higher price, and thereby undercut recycling.

A study of the energy return on energy invested is needed for new technologies like plastics pyrolysis. Greenhouse gases created by such technologies could be greater than gases diverted. Rather than giving a tax credit, the legislature should provide funds for DEQ to do such a study and thereby determine whether any refinement of the reduce-reuse-recycle hierarchy is needed.

Thank you for considering our opposition to this bill.