

Testimony of
Oregon Refuse and Recycling Association
Before the House Committee on Energy and Environment
House Bill 2048
March 14, 2013

Good Afternoon, Chair Bailey, members of the committee and staff. For the record, my name is Laura Leebrick, and I am the Governmental Affairs Director for Oregon Refuse and Recycling Association (ORRA). ORRA is the statewide trade association representing solid waste management companies in Oregon. ORRA members collect and process most of Oregon's residential and commercial refuse and recyclables, as well as operate material recovery facilities, compost facilities, and many of Oregon's municipal solid waste transfer stations and landfills. In most communities across the state, ORRA members do this work under the direction of, and in partnership with, city and county government.

ORRA and its members have participated in Paint Product Stewardship Pilot Program discussions since the first bill was considered and passed in 2009. We have devoted time and effort to interim discussions and offered suggestions for improvement of the pilot program. DEQ also summarized the needed improvements to the pilot program in its 2011 Report to the Legislature. Most of the necessary corrections are included in HB 2048, and ORRA agrees with much of the bill. However, not all of the corrections noted in the 2011 Report from DEQ were incorporated into HB 2048, and therefore, as drafted and in its current form, ORRA is opposed to the bill.

ORRA has suggested some amendments to the bill, and those have been submitted to Legislative Counsel. However, the amendments were not ready in time for this hearing. If those amendments were to be adopted, ORRA would move to supporting the bill.

Conceptually, there are 3 amendments, and they are designed to do the following:

1. Require that there is complete cost recovery for all collection costs;
2. Allow for cities and counties to have the option to offer "premium service" collection programs for paint, if the local ratepayers are willing to bear those costs, and;
3. Extend the pilot program status of the law until 2018.

Briefly, here are the reasons ORRA supports these conceptual amendments:

1. Require that there is complete cost recovery for all collection costs. Since the implementation of the pilot program began in 2010, ORRA and its members have consistently asked that the pilot program meet its statutory requirement to “cover the cost of collecting, transporting and processing the post-consumer architectural paint managed through a statewide architectural paint stewardship [*pilot*] program.” (p.1, lines.23-25 of HB 2048). Currently, over 60% of the paint collected pursuant to this pilot program is delivered to county household hazardous waste programs and to solid waste collection companies, which make up 19% of the paint take back locations in the state; PaintCare has refused to pay any of the collection costs incurred by those programs prior to the point where PaintCare picks up the collected paint for transport and disposition.

The pilot program law requires that the paint assessment – which is the amount added to the purchase price of architectural paint sold in Oregon – will cover the costs of collection, but it is not doing so. Therefore, those costs are borne by ratepayers, and they could be paying twice for the paint take back: once, when they pay the fee upon paint purchase, and again, through their solid waste collection service bills, or through their taxes. Additionally, for people who are not consumers of paint, they are paying to help subsidize the collection of paint through their garbage rates. The conceptual amendment will require PaintCare to reimburse those counties’ and companies’ costs, as envisioned in the pilot program originally.

2. Allow for cities and counties to have the option to offer “premium service” collection programs for paint, if the local ratepayers are willing to bear those costs. This conceptual amendment would allow cities and counties to provide programs to collect paint in their curbside collection programs, so long as those cities and counties do not charge that cost to the PaintCare program. An example of this is Marion County, where residents can set out their paint for recycling collection, and they pay for that service through their solid waste and recycling collection rates.

3. Extend the pilot program status of the law until 2018. Oregon's paint pilot program is the first in the nation, and as a result, many other states are watching how it works. It is a pilot program for the very practical reason that the Legislature recognized it would likely require amendment before considering making it permanent. HB 2048 seeks to correct a number of the issues that have arisen during this pilot, and ORRA's conceptual amendments are designed to cover the rest. However, ORRA believes that it makes sense to implement the changes and give the program another opportunity to continue as a pilot in order to determine if the changes correct the existing problems. The pilot has only been in place since mid-2010, so extending it again will provide enough time to decide if permanent status is warranted.

Thank you for your time and consideration.

Respectfully,

A handwritten signature in cursive script that reads "Laura L. Leebriek".

Laura Leebriek
Governmental Affairs Director
Oregon Refuse and Recycling Association