



NEVADA LEGISLATURE
LEGISLATIVE COMMISSION'S COMMITTEE TO STUDY
THE DEPOSITS AND REFUNDS ON RECYCLED PRODUCTS
(Assembly Bill 427, Chapter 462, *Statutes of Nevada 2011*)

SUMMARY MINUTES AND ACTION REPORT

The second meeting of the Legislative Commission's Committee to Study the Deposits and Refunds on Recycled Products (Assembly Bill 427, Chapter 462, *Statutes of Nevada 2011*) was held on Tuesday, April 3, 2012, at 3 p.m. in Room 4401 of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. This meeting was videoconferenced to Room 3138 of the Legislative Building, 401 South Carson Street, Carson City, Nevada. A copy of this set of "Summary Minutes and Action Report," including the "Revised Meeting Notice and Agenda" ([Exhibit A](#)) and other substantive exhibits, is available on the Nevada Legislature's website at <http://leg.state.nv.us/interim/76th2011/committee/>. In addition, copies of the audio record may be purchased through the Legislative Counsel Bureau's (LCB's) Publications Office (e-mail: publications@lcb.state.nv.us; telephone: 775/684-6835).

COMMITTEE MEMBERS PRESENT IN LAS VEGAS:

Assembly James Ohrenschall, Chair
Senator Mark A. Manendo
Assemblywoman April Mastroluca

COMMITTEE MEMBERS PRESENT IN CARSON CITY:

Senator Don Gustavson
Assemblyman Pete Livermore

COMMITTEE MEMBER ABSENT:

Senator Ruben J. Kihuen

LEGISLATIVE COUNSEL BUREAU STAFF PRESENT:

Michael J. Stewart, Supervising Principal Research Analyst, Research Division

Matthew S. Nichols, Principal Deputy Legislative Counsel, Legal Division

Matt Mundy, Deputy Legislative Counsel, Legal Division

Wayne Thorley, Program Analyst, Fiscal Analysis Division

Natalie J. Pieretti, Senior Research Secretary, Research Division

OPENING REMARKS

- Chair Ohrenschall called the meeting to order and noted that public copies of the handouts received prior to the meeting are available on the legislative website.

PUBLIC COMMENT

- Chair Ohrenschall called for public comment; however, no testimony was presented.

APPROVAL OF THE MINUTES OF THE MEETING HELD ON FEBRUARY 21, 2012, IN LAS VEGAS, NEVADA

- The Committee **APPROVED THE FOLLOWING ACTION:**

ASSEMBLYWOMAN MASTROLUCA MOVED TO APPROVE THE MINUTES OF THE MEETING HELD FEBRUARY 21, 2012, IN LAS VEGAS, NEVADA. THE MOTION WAS SECONDED BY SENATOR MANENDO AND PASSED UNANIMOUSLY.

- Michael J. Stewart, Supervising Principal Research Analyst, provided an update to the Committee on the status of Senate Bill 417 (Chapter 254, *Statutes of Nevada 2011*) and S.B. 137 (Chapter 222, *Statutes of Nevada 2009*). (Please see [Exhibit B.](#))
- In response to Assemblywoman Mastroluca's inquiry if the Legislative Commission's decision to defer consideration of the proposed regulations was based on any forthcoming information that may be obtained by the Committee, Mr. Stewart responded the Legislative Commission had agreed to defer consideration of all administrative regulations on its March 29, 2012, agenda to a future agenda.
- Upon the recommendation of Assemblywoman Mastroluca, Chair Ohrenschall directed staff to send, on behalf of the Committee, a letter to the Legislative Commission urging passage of the regulations.

OVERVIEW OF RECYCLING EFFORTS, WASTE MANAGEMENT PRACTICES, PARTNERSHIPS, AND RELATED OUTREACH PROGRAMS BY THE UNIVERSITY OF NEVADA, LAS VEGAS (UNLV)

- Tara Pike-Nordstrom, UNLV Solid Waste and Recycling Manager and UNLV Sustainability Coordinator, provided a Microsoft PowerPoint presentation that included: (1) benefits of a bottle bill legislation; (2) Drive Up and Drop Off Program; (3) materials recycled; (4) mission and goals; (5) recycling in other states; (6) services and staffing; (7) special projects and community involvement; and (8) UNLV Rebel Recycling Program. (Please see [Exhibit C.](#))

Discussion ensued between Assemblyman Livermore and Ms. Pike-Nordstrom regarding refuge pick-up and recycling, and proceeds from the sales of materials from Sam Boyd Stadium and Thomas & Mack Center.

In response to questioning by Chair Ohrenschall, Ms. Pike-Nordstrom said sales of the commodity pays for the student workers. She stated she is unable to calculate the rate of recyclable materials that are removed from the campus.

Further discussion continued among Chair Ohrenschall, Assemblyman Livermore, and Ms. Pike-Nordstrom concerning the use of community service individuals and welfare recipients in the program; recycling programs at other universities; and the life span of materials in the landfills.

DISCUSSION AND CONSIDERATION OF POTENTIAL IMPACTS OF BEVERAGE CONTAINER DEPOSIT AND REFUND LEGISLATION ON BOTTLERS IN NEVADA

(As directed by Chair Ohrenschall, this agenda item was taken out of order.)

- Alfredo T. Alonso, Principal, Lewis and Roca, LLP, testified regarding the change in global economy. He spoke in opposition to container deposit legislation (CDL) and in support of the single stream process. Mr. Alonso agreed with the prior testimony of Ms. Pike-Nordstrom that educating the public on recycling was important.

In response to Chair Ohrenschall's inquiry regarding recycled plastics and statistics on usage in states using single stream recycling and CDL states, Mr. Alonso offered to provide the Committee with that information. He commented that Coca-Cola and Pepsi-Cola companies are attempting to keep recycling in-house as much as possible.

- Lesley Pittman, representing MillerCoors, LLC, presented testimony on sustainable business practices and recycling innovations, which includes recycling 99 percent of brewery waste through their "Grain to Glass" program along with reducing the weight of packaging materials. She shared MillerCoors' perspective on CDLs and refund systems and how they compare to other recycling initiatives in which the company participates in communities throughout the country.

Ms. Pittman voiced support for single stream recycling programs and remarked MillerCoors believes the single stream model will increase recycling rates as evidenced by the pilot programs in Clark and Washoe Counties. She expressed concern regarding the negative impact of product re-labeling and impacts to their customers under a redemption refund model.

There was discussion between Chair Ohrenschall and Ms. Pittman pertaining to operations in CDL jurisdictions; the cost of re-labeling the product; and whether MillerCoors has suffered a loss due to a CDL.

Chair Ohrenschall inquired of Ms. Pittman if she knew the amount of recycled materials MillerCoors is using in selling their product, and whether it varies in CDL jurisdictions versus single stream jurisdictions. Ms. Pittman testified that she did not know that information, but offered to provide it to the Committee.

OVERVIEW OF RECYCLING EFFORTS AND WASTE MANAGEMENT PRACTICES IN WASHOE COUNTY, REVIEW OF THE FINDINGS OF RECYCLING FOCUS GROUPS, AND CONSIDERATION OF POTENTIAL IMPACTS OF BEVERAGE CONTAINER DEPOSIT AND REFUND LEGISLATION ON WASHOE COUNTY

- Bob Sack, Division Director, Environmental Health Services Division (EHSD), Washoe County Health District (WCHD), briefed the Committee on Washoe County's solid waste management plan.
- Lee Salgado, Registered Environmental Health Specialist, EHSD, WCHD, provided a Microsoft PowerPoint presentation on the history and infrastructure of Washoe County's solid waste management system. (Please see [Exhibit D.](#))

Discussion ensued among Chair Ohrenschall, Jeanne Rucker, Environmental Supervisor, EHSD, WCHD, and Assemblyman Livermore regarding the comparison of recycling rates within the State to those in California.

- Ms. Salgado resumed her testimony on topics including curbside recycling and recycling rates in Washoe County and the State.

There was discussion among Ms. Salgado, Assemblywoman Mastroluca, Mr. Sack, and Chair Ohrenschall concerning curbside recycling and the Incline Village, Nevada, pilot program.

- Ms. Salgado discussed the findings of the focus group; goals to increase recycling; pilot programs; recycling statistics; and single stream proposal.
- Chair Ohrenschall said he was impressed with the focus group research.

Discussion pertaining to the percentage of illegal recycling by scavengers arose between Senator Gustavson and Ms. Rucker.

In response to Chair Ohrenschall, Ms. Rucker and Mr. Sack opined single stream recycling is the best option for the State.

There was further discussion among Assemblywoman Mastroluca, Ms. Rucker, Ms. Salgado, Chair Ohrenschall, and Assemblyman Livermore on the topics of single stream recycling rates and the pay-as-you-throw (PAYT) model.

OVERVIEW OF RECYCLING ACTIVITIES OF THE SOUTHERN NEVADA HEALTH DISTRICT AND DISCUSSION OF POSSIBLE REFUND AMOUNTS AND ENFORCEMENT ISSUES IN POTENTIAL BEVERAGE CONTAINER DEPOSIT AND REFUND LEGISLATION

- Edward Wynder, Environmental Health Specialist, Southern Nevada Health District (SNHD), testified the SNHD supports all levels of recycling. He remarked the five- and ten-cent redemption system is motivating fraud in Arizona, Colorado, and Utah, as well as Nevada. Mr. Wynder said beginning fraud estimates are in the 10 percent range, which equate to roughly \$100 million.

Discussion ensued between Vice Chair Manendo, Mr. Wynder, and Assemblywoman Mastroluca regarding penalties for illegal scavengers and enforcement of the law.

REVIEW OF RECYCLING EFFORTS, PARTNERSHIPS, AND RELATED ACTIVITIES OF THE AMERICA'S SCHOOLS PROGRAM (ASP)

- Randy Robison, representing ASP, provided a brief overview of the program, including its partnership with Julien Environmental Technology (JET) Recycling.
- Andy Glass, Managing Director, North American Zone, JET Recycling, and Executive Director, Plastic Free Ocean, provided a Microsoft PowerPoint presentation on topics that included: crumb rubber, environmental waste, plastic waste, and the waste to energy process. (Please see [Exhibit E.](#))

There was discussion among Chair Ohrenschall, Mr. Glass, and Senator Gustavson on landfill mining, the PAYT model, presorting recycling, single stream recycling, and touring of the JET Recycling facility.

- Eva White, Ed.D., Academic Manager, Performance Zone 9, Clark County School District, reported on the International Environmental Youth Campaign.

Discussion ensued between Chair Ohrenschall and Dr. White regarding recycling programs and the environmental curriculum in the Clark County School District.

- Don Baird, Team Member, ASP, provided a Microsoft PowerPoint presentation on the focus, mission, and objectives of the International Environmental Youth Campaign. (Please see [Exhibit F.](#))

There was discussion among Chair Ohrenschall, Mr. Baird, and Dr. White regarding the 2011 Youth Summit.

- Assemblywoman Mastroluca praised the work of ASP and encouraged sharing information on the program with as many state representatives and officials as possible.

- Chair Ohrenschall reflected on the Nevada Sun Youth Forum and wished ASP much success.

OVERVIEW OF RECYCLING EFFORTS, WASTE MANAGEMENT PRACTICES, PARTNERSHIPS, AND RELATED PROGRAMS BY MGM RESORTS INTERNATIONAL

- Chris Brophy, Vice President, Corporate Sustainability, MGM Resorts International, presented a brief overview of MGM's sustainability programs.
- Brad Tomm, Director of Sustainable Operations, MGM Resorts International, provided a Microsoft PowerPoint presentation of topics including: awards and recognition; lessons learned; the recycling process; and statistics. (Please see [Exhibit G.](#))
- Chair Ohrenschall commended MGM properties' on their recycling program.

Discussion ensued among Chair Ohrenschall, Mr. Tomm, and Mr. Brophy on competitor recycling programs; composting food scraps; markets for commodities; recycling programs on properties in CDL states; and revenue generated.

There was discussion by Vice Chair Manendo, Mr. Brophy, and Mr. Tomm relating to the customer outreach program.

- Assemblywoman Mastroluca praised MGM's wastewater treatment program.

OVERVIEW OF THE OPERATIONS AND PROGRAMS OF G.E. RECYCLING COMPANY, INC., AND DISCUSSION OF THE USE OF BEVERAGE CONTAINER REDEMPTION CENTERS IN THE STATE OF CALIFORNIA

- Alex Sarkisyan, Operational Manager, G.E. Recycling Company, Inc., presented testimony on G.E.'s beverage container recycling program; California Redemption Refund Value payments; processing fees; and recycling centers. (Please see [Exhibit H.](#))

Responding to Assemblywoman Mastroluca's inquiry, Mr. Sarkisyan stated that California's daily redemption limit is 500 pounds for aluminum cans. He said that California was considering lowering that amount. Mr. Sarkisyan remarked that if the recycling center knowingly receives illegal deposits, the center's certificate would be revoked.

Discussion ensued among Assemblyman Livermore, Mr. Sarkisyan, and Chair Ohrenschall regarding operations in rural areas and subsidies through unclaimed deposits.

- Mr. Sarkisyan resumed his testimony on the topic of processing empty beverage container refunds.

There was discussion concerning kiosk and curbside recycling by Chair Ohrenschall and Mr. Sarkisyan.

In response to Senator Gustavson's question regarding the payment of a refund to a consumer, Mr. Sarkisyan responded the amount is determined by the weight.

Responding to Assemblyman Livermore, Mr. Sarkisyan stated that wine and champagne bottles are not subject to refund.

There was discussion between Chair Ohrenschall and Mr. Sarkisyan on the topics of employees in the company's nine recycling centers, and the possibility of opening centers in Nevada.

REVIEW OF THE OPERATIONS AND ACTIVITIES OF LOCAL AND REGIONAL RECYCLING OPERATORS IN SOUTHERN NEVADA AND CONSIDERATION OF POTENTIAL IMPACTS OF BEVERAGE CONTAINER DEPOSIT AND REFUND LEGISLATION ON THE RECYCLING INDUSTRY

- Tony Salazar, Chief Executive Officer, The Environmentally Responsible Company (ERC) of Nevada, LLC, testified in support of CDL. (Please see [Exhibit I](#).)

Discussion ensued between Chair Ohrenschall and Mr. Salazar on the topics of products recycled at his facility; the origins of the majority of recyclables; the amount of people employed by his company; single stream recycling; and the PAYT program.

There was a discussion regarding CDL versus single stream in Nevada between Assemblyman Livermore and Mr. Salazar.

PUBLIC COMMENT

(As directed by Chair Ohrenschall, this agenda item was taken out of order.)

- Tara Pike-Nordstrom, previously identified, cautioned that the PAYT program should be carefully planned for rural Nevada and Las Vegas.

Discussion ensued between Chair Ohrenschall and Ms. Pike-Nordstrom on the topics of recycled commodities; CDL; unclaimed containers; and revenue.

DISCUSSION OF FUTURE MEETING SCHEDULE AND DIRECTIONS TO COMMITTEE STAFF

- Chair Ohrenschall set the third meeting of the Committee for Tuesday, May 29, 2012, at 3 p.m. and the Committee's final meeting and work session for Tuesday, June 26, 2012, at 3 p.m.
- Assemblyman Livermore encouraged the Chair to contact Costco regarding their recycle program.

ADJOURNMENT

There being no further business to come before the Committee, the meeting was adjourned at 8:24 p.m.

Respectfully submitted,

Natalie J. Pieretti
Senior Research Secretary

Michael J. Stewart
Supervising Principal Research Analyst

APPROVED BY:

Assemblyman James Ohrenschall, Chair

Date: _____

LIST OF EXHIBITS

[Exhibit A](#) is the “Meeting Notice and Agenda” provided by Michael J. Stewart, Supervising Principal Research Analyst, Research Division, Legislative Counsel Bureau (LCB).

[Exhibit B](#) is a memorandum dated April 3, 2012, to the Legislative Commission’s Committee to Study the Deposits and Refunds on Recycled Products from Michael J. Stewart, Supervising Principal Research Analyst, Research Division, LCB, regarding Senate Bill 417 of the 2011 Legislative Session and Proposed Regulations of the State Environmental Commission Regarding Recycling Containers at Certain Apartment Complexes and Condominiums, which includes attachments:

- Copies of Senate Bill 417 and S.B. 137, along with brief summaries of each measure; and
- Proposed Regulation of the State Environmental Commission, LCB File No. R049-11 (Agency Draft dated August 30, 2011, and LCB draft dated September 23, 2011).

[Exhibit C](#) is a Microsoft PowerPoint presentation titled “UNLV Rebel Recycling Program,” given by Tara Pike-Nordstrom, UNLV Solid Waste and Recycling Manager and UNLV Sustainability Coordinator, Las Vegas.

[Exhibit D](#) is a Microsoft PowerPoint presentation dated April 3, 2012, titled “Recycling in Washoe County: Overview of Scope and Structure,” by Bob Sack, Division Director, Environmental Health Services Division (EHSD), Washoe County Health District (WCHD), R. Jeanne Rucker, Environmental Supervisor, EHSD, WCHD, and Lee Salgado, Registered Environmental Health Specialist, EHSD, WCHD.

[Exhibit E](#) is a Microsoft PowerPoint presentation titled “Campaign for a Plastic Free Ocean www.plasticfreeocean.org,” submitted by Andy Glass, Managing Director, North American Zone, JET Recycling, and Executive Director, Plastic Free Ocean, Dix Hills, New York.

[Exhibit F](#) is a Microsoft PowerPoint presentation titled “Nevada Focus of the International Environmental Youth Campaign, Executive Summary and Overview,” offered by Don Baird, Team Member, America’s Schools Program, Yorba Linda, California.

[Exhibit G](#) is a Microsoft PowerPoint presentation dated April 3, 2012, titled “MGM Resorts International Recycling and Waste Management,” given by Brad Tomm Director of Sustainable Operations, MGM Resorts International, Las Vegas.

[Exhibit H](#) is a document titled “CalRecycle – The California Beverage Container Recycling and Litter Reduction Act,” provided by Alex Sarkisyan, Operational Manager, G.E. Recycling Company, Inc., Granada Hills, California.

[Exhibit I](#) is a document titled “California Beverage Container Recycling and Litter Reduction Act (AB 2020),” submitted by Tony Salazar, Chief Executive Officer, The Environmentally Responsible Company (ERC) of Nevada, Las Vegas.

This set of “Summary Minutes and Action Report” is supplied as an informational service. Exhibits in electronic format may not be complete. Copies of the complete exhibits, other materials distributed at the meeting, and the audio record are on file in the Research Library of the Legislative Counsel Bureau, Carson City, Nevada. You may contact the Library online at www.leg.state.nv.us/lcb/research/library/feedbackmail.cfm or telephone: 775/684-6827.