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BEVERAGE CON-
TAINERS--SUFFOLK
COUNTY, N.Y.

MINUTES OF PUBLIC HEARING
BEFORE THE SUFFOLK COUNTY
LEGISLATIVE COMMITTEE ON
ENVIRONMENTAL CONTROL

Wednesday, October 15, 1975

Creative Reporting Company
Martin L. Bloch, President
P. O. Box 602
Shelter Island Hts., NY 11965

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IN THE OFFICE OF
LEGISLATURE BAISLEY

MINUTES OF REGULAR MEETING

-of the-

SUFFOLK COUNTY LEGISLATIVE
COMMITTEE ON ENVIRONMENTAL

CONTROL

-held at-

County Center
Veterans Memorial Highway
Hauppauge, L. I., N. Y.

-on-

Wednesday,
October 15, 1975
at 10:00 A. M.

- - -

HONORABLE PAUL BAISLEY,
Committee Chairman, Presiding.

COURTS-PUBLIC HEARINGS-DEPOSITIONS-EXAMINATIONS BEFORE TRIAL

MARTIN L. BLOCH

COURT REPORTER

PUBLIC STENOGRAPHER

NOTARY PUBLIC

Garder
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CONFERENCES-CONVENTIONS-MEETINGS-LEGAL STENOGRAPHY-IBM TYPING

tram. On my day off I get up at 2:30 and I pick up vegetables and beer. I have to do things I never had to do to survive. If you enact this legislation, I will have to have more help, which I can't afford. It will be extra work. It will be extra room. I don't know where to put the stuff any more.

We have a small box where we put the breakage in. It's just a small box where we get refunds from our suppliers. You're going to go with cans and milk containers. Did you ever smell milk when it's sour?

We are all for our environment. We live in the same environment you live in. We all like to clean up the environment.

(Applause).

We feel this is the wrong way to go about it.

THE CHAIRMAN: You're aware that the new law does not pertain to milk. Please, ladies and gentlemen, if we're going to have an orderly meeting, let's

per cent when purchased in the sixteen-
ounce size.

100

Why does this wide price discrepancy exist? Why is the returnable so much cheaper? As Beverage Industry, a leading trade magazine reports, figures from Anheuser-Busch, Schlitz and Pabst show that packaging is the major factor in production of the beverage product and comprises more than fifty per cent of the total cost of producing the product for marketing.

Returnables are priced lower because the average bottler is able to supply his product more cheaply in refillable bottles than he can in a single trip container. While costs of cans and bottles vary depending on volume, design, and so forth, the approximate costs are six cents for a throw-away bottle, eight cents for a can and ten cents for a refillable bottle.

Thus, in marketing soda or beer, the bottler must include the cost of the container, six or eight cents if it is a throw-away. In contrast, if the bottler

uses refillables and obtains the national 101 average of fifteen return trips per bottle, his container costs become a fraction of a cent for each trip. Even if his bottle washing costs and all extra handling and transportation costs are two cents, he can still supply beverages in refillable bottles to the retailer for four to five cents less than in a throw-away.

If it costs the retailer one cent per bottle to handle returnables, consumers can still obtain a three to four cent savings per can. Based on average consumption rates, New York State residents would save two hundred million dollars annually were there a complete switch to returnables and for an average family of four, this equals a forty dollar per year saving.

These savings will no doubt increase as the cost of raw materials needed for the production of beverage containers climbs. For these reasons, NYPIRG is convinced that returnable beverage containers

will produce significant consumer savings.

Finally, let us look at the economics of the bottle bill. Finally I would like to discuss the economics effects. Contrary to the high-pitched propaganda campaign by the bottle industry lobby, this bill will not result in a net loss of jobs nor should it result in the closing of any bottling plant or brewery.

The New York State Senate Task Force report forecast that in the event of a statewide bottle bill being enacted, 5,200 jobs at retail, wholesale and brewer levels would be created, while 1,200 jobs in the canning and bottling industry would be lost.

What is more, the Task Force notes that the loss of jobs can only be put in perspective when considered along with the dislocations likely to occur if the industry continues down the road of automation, consolidation and innovation. One innovation which creates just such a threat to jobs in the bottling and canning plants is the introduction of the plastic beverage container.

Journal, Coca Cola has contracted with the Monsanto Company to purchase plastic bottles for use as beverage containers. Pepsi-Cola is already marketing a plastic bottle here in New York in Saint Lawrence County. And the September 19, 1975 issue of Beverage Industry reports that the brewers are getting into the act as well. This is a plastic bottle. This will put people who are in cans and bottles out of work.

The Adolf Coors Company, fourth largest brewers in America, is already conducting a developmental program and expects to produce its first marketable plastic bottle by mid-1978. Since it was Coors which pioneered the development of all aluminum containers in the late 1950's, we can say with some degree of support that the involvement of Coors in the plastic container race foreshadows a possible industry-wide shift to plastic containers in the future. Plastic will throw bottle and can people out of work.

The point to remember is that the bottle bill would produce a net gain of four thousand jobs statewide and those jobs which might be lost as a result of the bill may well have been in jeopardy anyway as a result of the introduction of the new plastic bottles.

Finally, it should be noted that the bill which is now before the committee does not require an immediate or complete switch away from cans or non-returnable bottles. The bill permits a gradual phase-in of returnable bottles at a pace which industry, not government, chooses.

As to the threat of closing down factories, we should take note of the experience of Joyce Beverages, Inc., the parent company to New York's Seven-Up. According to Beverage Industry, the conversion of Joyce Beverages to returnables resulted in an enormous boost in sales in Florida. The soda produced by Joyce Beverages, Orange Crush, which was already the leader in orange soda sales nationwide at the time of the shift, experienced an in-

crease in sales of eighty-seven per cent 103
after the switch to returnables. This
is documented in Beverage Industry.

The simplest way to prove to yourself that these companies will not close down is to ask yourself the question: Who will sell Seven-Up to the people of Suffolk County? It is impossible to conclude that a company like Seven-Up is going to give up the largest marketing area and major investments in one of the state's largest markets just because it does not like what it calls restrictive legislation.

Finally, experience has shown that whenever industry is forced to comply with even the most simple of environmental rules, laws, or regulations, it will always claim that it can not comply, no matter how small the outlay. This is what former Compliance Counsel for the New York State Department of Environmental Conservation and now Assemblyman Pete Grannis calls the old watch out or I'll close threat.

But, says Grannis, "In the end, after the bluster, the press releases, the wailing . . . the inflaming of employees and communities, the cries and threats to elected officials and industry lobbying groups, the companies complied with the environmental laws and very few ever shut down or left the state."

In conclusion, NYPIRG, thus, wishes to express its strongest support for the returnable bottle deposit system. It is a proven system working well in many parts of the country. It is a self-policing system, requiring no inspectors. It will save county tax dollars no longer needed for litter collection and solid waste disposal of beverage containers. It will reduce our energy requirements. It will reduce our dependence on foreign sources of raw materials.

It enjoys the support of a vast majority of the public as opinion poll surveys constantly demonstrate. And it is a symbolic step marking the transition from a throw-away society to one more conscious

of our limited resources.

NYPIRG is confident that the Suffolk County Legislature will meet the challenge and take the lead in establishing this sensible and practical system of returnable beverage containers.

Thank you very much.

THE CHAIRMAN: Mr. Goldstein, is this chapter in Stony Brook?

MR. GOLDSTEIN: Yes.

THE CHAIRMAN: Are you a member of the political arm based in Suffolk County?

MR. GOLDSTEIN: Yes, I am.

A LEGISLATOR: Will you tell me why that political organization has not analyzed the positions of the candidates for the County Legislature and the County Executive? Those were held in the summer taking up three or four hours. The bottle ban was mentioned.

At that interview we were questioned on our opinion, which we were solicited, would happen before Election Day, about our views affecting the life-

style of the people of Suffolk County, and I wonder when those reports will be made available to the million three hundred thousand people in Suffolk County.

MR. GOLDSTEIN: I don't think that remark applies to the proceedings but I will be glad to answer it.

It involved funding problems. We thought we would have another school that would come in and help fund it. We were not able to get the funding.

At this moment, the profiles are in abeyance. We are holding them in the hope of getting additional funds.

THE CHAIRMAN: Let's see if we have any questions on the beverage container control.

A LEGISLATOR: Money has been spent for an analysis that was performed by these people in order to come up against us and in favor of this bottle ban, so I feel that money should not have been spent for this purpose if they were funded by the state.

MR. GOLDSTEIN: We were not funded

by the state. We are funded by students contributing a dollar or a dollar and a half. We are not federally funded. We are not funded by the Ford foundation.

A LEGISLATOR: That's what you people's literature said.

MR. GOLDSTEIN: I think we are getting off the topic.

MR. GRANT: I wonder why you limit your whole study on the manufacturing area and not in the retail area.

MR. GOLDSTEIN: I was limited by time. If you like, I can get into that.

THE CHAIRMAN: Can you give a quick answer to Mr. Grant's question?

MR. GRANT: In your comments you related to price but only how it affects the manufacturer. I think the expense comes with the distribution and collection of bottles and the effect it has on the store owners and the retailer which ultimate affects the consumer.

MR. GOLDSTEIN: I think I tried to explain it. I will be glad to explain it now.

do it with the people who are at hand. I want to find out. I think everybody is concerned on the Legislature for the small businessman, and the small taxpayer. If the space impact and the economic impact and if there were some tax benefits, would you still be opposed to it?

MR. KRUTLE: Yes. We have the blue laws on the books that are supposed to be enforced. It was for the protection of the small businessman to survive in New York State. The reason why there aren't more here today is that they can't afford to close their stores to come down here. They can't afford to lose three or four hours of business to come down here.

A LEGISLATOR: We appreciate your coming, sir.

MR. KRUTLE: Thank you.

A LEGISLATOR: I would like to add this with regard to the small businessman, I was a small businessman in the retail business and I had to get out

MR. GRANT: I would appreciate it if you submitted it in letter form.

THE CHAIRMAN: Can you submit something on that aspect of your study to the committee?

MR. GOLDSTEIN: If that's what the gentlemen would like.

MR. GRANT: As to what impact it would have on the price of the product when it reaches the consumers and taking into account the distribution of the product and the space required to deliver and store the non-returnables and the effect on the price.

MR. GOLDSTEIN: I will be glad to furnish that.

MR. NOTO: Has your survey taken into account what it would cost this county and the public if the public did not return returnable products, how much more would it cost to dispose of that unit if in fact the housewife decided to throw it away and not return it, how much more weight would it add to the weight of the garbage?

MR. GOLDSTEIN: No. I didn't realize

I was on trial.

THE CHAIRMAN: You're not on trial.

MR. GRANT: You made a study and I think you should finish it, and another thing I think you'd consider would be what effect would the storing of these non-disposable bottles have on the estimating industry?

(Applause).

MR. GOLDSTEIN: I have a letter from the State Department of Agriculture.

MR. GRANT: No study. I would appreciate it if you would complete your study and forward it to me.

THE CHAIRMAN: Any further information you have on the industry and the effect of the infestation problem and the weight of the housewife decided not to return the bottles.

MR. GRANT: The weight that would be added to the disposal.

MR. GOLDSTEIN: Your question is moot. All the studies show that ninety to ninety-five per cent are returned.

THE CHAIRMAN: Mr. Goldstein,

we don't want to delay the other people. If you would furnish the information desired.

MR. WHITE: Bruce White, B & K Beverage in Westhampton.

You had a gentleman that demonstrated a bunch of throw-away bottles. I would like to show you two things. Gentlemen, this is the deposit bottle of the Schaffer Brewing Company. I'm not familiar with what their company gets for a deposit; it could be three cents. Regardless, that's a deposit bottle that was thrown away. What's going to happen if this goes through? You're going to put me out of business. You realize that.

THE CHAIRMAN: You wanted to point out that in the waste and the litter there are returnable bottles. But just in fairness to the people who put in cards.

MR. WHITE: So did I.

THE CHAIRMAN: I'll get to your card.

(Applause).

THE CHAIRMAN: Mr. William Butler, please.

MR. BUTLER: My name is Bill Butler. I am Eastern District Sales Manager of the Shasta Beverage Company, and I would like to speak in the capacity as a resident of Suffolk County and also as an employee of the beverage industry.

As a citizen I would like put things in proper perspective. We are all aware that we have a problem on solid waste disposal which industry, government, and residents have been ignoring for years until it has in some cases become a critical problem.

Another problem which is part of the first is litter. With regard to our solid waste problem, roughly two to four per cent has been determined to be beverage containers, cans, and bottles. Now, if the law was passed and one hundred per cent effective it would still leave ninety-six to ninety-eight per cent of our solid waste a problem. It would not solve the

problem at hand.

Number one, we still would have ninety-six to ninety-eight per cent of our solid waste to dispose of.

Number two, it would not eliminate litter on our highways, parks and other areas. There still would be paper cups, candy wrappers, cookie boxes, pretzel and potato chip bags, returnable bottles, et cetera, that selfish inconsiderate individuals litter our area with.

The problem is not the containers, wrappers, et cetera, but the individual using it. I ask why the negative approach, rather than a more positive approach. In our past history we have failed with bans on items, liquor, et cetera, and with this ban it would be the same results it would not work.

As for litter, let's take a look at the results in Oregon. Litter counts were initiated in October, 1971 along thirty one-mile sections of the highway and results were reported. After the summer of 1974 the results were discon-

tinued by the Oregon Highway Division. By that time less than two years after the bottle bill went into effect beverage container litter was showing sharp increases and total litter was up six per cent. The same one mile sections counted in 1974 were also included in the 1973 litter count.

In fact in 1973 the figures for Beverage container litter, cans and bottles, was nine hundred thirty-one, and in 1974 over the same area and period it was one thousand seven hundred seventy. The total litter count per mile in 1973 was four hundred forty-five, litter count per mile, and in 1974 it was four hundred eighty-seven, litter count per mile. There was a substantial increase in beverage, cans and bottle litter, and total litter had increased six per cent. If this bill eliminates litter, then why the increase and why have they cut off quoting figures on it and ^{the people} let/know what the increase is?

As for litter, look what the State

of Washington has done with their model litter law. Recent surveys have shown fifty-six per cent reduction in roadside litter within one year. This has been done without any loss of jobs, taxes, or depriving people of their freedom of choice of beverage containers. This program is constantly looking for new ideas and is creating public awareness and concern in the minds of all the people in their state. This is where it must be done, it is people who are littering not bottles, containers, et cetera. Why not take the positive approach such as ARM which is a comprehensive program of litter control. ARM deals with all seven of the major sources of litter not just pedestrians and motorists. It coordinates the combined effectiveness of public education, updates ordinances and improved collection methods without major costs or economic impact in the area.

Now, to get back to the real problem of solid waste disposal, which as I said before, residents, industry, and

government have been ignoring for years. Banning cans and non-returnables will not solve the problem of solid waste nor will it effect the inconsiderate litter bug. So, if we are really looking to conserve our natural resources and energy why not get to the crux of our problem by getting started in the use of resource recovery plants for our door to door rubbish, pick-up in our county. This way additional vehicles to carry antiquated bottles back to plants will not use extra fuel nor extra equipment which requires more electricity. This will conserve energy, cut pollution, not add to it and recycle all our ferrous and other metals, glass, and newspapers, et cetera, plus produce revenue from the resale, and reuse. Then burn the remaining combustibles as a source of new energy (electricity).

Incidentally, on all these things I have listed sources. It will tell you where you can go and substantiate these figures. A recent study showed that nearly all solid waste of the nation's

one hundred fifty major cities could be processed in the above manner at a forty per cent lower net cost per ton than the current disposal costs. This system would recover 7.5 million tons per year of ferrous metals, 510,000 tons of aluminum, 614 million tons of glass, and 3.5 million tons of paper and enough combustible waste to generate the energy equivalent of 123 million barrels of crude oil per year. It would also create 10,570 construction jobs for a ten-year period and 25,700 permanent operating jobs.

The information for solving the problem is readily available to the elected officials of the Federal government, state and counties through the efforts of the beverage industry. It is there for the asking. Also available is a litter program to change the habits of our inconsiderate litter bug. Incidentally, that program of ARM is in three areas of the United States and it is going into seventeen other areas of the United States.

Gentlemen, if we have a head cold,

we do not remove the head; we cure the cold. So why eliminate the can non-returnable when it will also not solve our problem. To date, one thousand so-called "Bottle Bills" have been considered passed over or defeated by concerned legislators at State or local levels. When consumers get a chance to vote on the issues their decision is the same. In recent elections, voters in seven areas of the country had their say on proposed bottle bills and defeated all seven.

I would just like to relate an experience I encountered last year about the time of the Suffolk public hearing. One evening my door bell rang and two high school students asked me to sign a petition supporting a bill to eliminate non-returnable beverage containers. I said I would not and explained why. When I told them why, they said that they were only doing this because they had to get so many signatures as a homework assignment.

of business.

THE CHAIRMAN: Mr. William Kolodnicki of the Huntington Audubon Society.

MR. KOLODNICKI: My name is William Kolodnicki. I am a trustee from the Huntington Audubon Society. I have a statement to read to you.

We commend your statesmanship in introducing this legislation, and are appalled at the campaign delis and markets are mounting in opposition. All these arguments are specious and misleading, probably because there is no fair, truthful, and valid argument for retaining non-deposit containers. Let us speak for the children, the environment, and the economy in refuting these arguments.

People should not break glass. Laws exist because people do things they shouldn't. No one suggests we abolish speed limits in favor of educating people to drive more wisely.

As adults, it is our responsibility to protect children from their

Knowing the parents of the students, I discussed it with them, and when they knew the facts they stated they would not have signed it if they knew what it entailed and they stopped their children from gathering signatures.

Gentlemen, how many of your constituents really know the facts and the positive alternatives to our litter and solid waste situations? As legislators I tell you that the people in your areas are looking for positive solutions to solve the problems in our country, not negative solutions which will eliminate jobs, taxes, and not solve the real problem. Our plant is in Suffolk County and produces different kind of containers.

Our plant produces cans and bottles that are non-returnables, and are distributed through grocery warehouses to the retail outlets and have no source of return to our plant. Thus it would force us to eliminate our product from the shelves of Suffolk County. I dare say it would not eliminate people drinking Shasta

in Suffolk County as it hasn't in Vermont. They are purchasing it in other areas and bringing it into their area. I am not saying they should do this but it is hapening.

In closing, I would just like to say that the beverage industry comprises two to four per cent of the solid waste and offering to help solve our problems of litter and solid waste with a good positive approach, yet you want to eliminate or restrict it and let the other offenders (ninety-six to ninety-eight per cent) continue to create havoc for us. If returnables are the answer, why just beverages? Why not returnables for canned fruit, vegetables, drinks, ketchup, syrup bottles, liquor, and other non-returnable containers currently inthe market.

(Applause).

Gentlemen, before you pass any law on a non-returnable take the above into consideration. This law would discriminate against a portion of the food industry in a country where laws are to be equal for all

men. Why let the others have the use of non-returnables and not the beverage containers? This will will not eliminate litter, nor will it save energy or is it a solution to our solid waste problem.

Thank you, gentlemen, for your time and attention.

THE CHAIRMAN: Let me ask you a couple of questions. Is it your opinion, after your research, after the implementation of a beverage control law, the litter problem increased; is that right?

MR. BUTLER: That's right, that's from the Oregon people themselves, that the litter increased in 1974 or '73 in the same given period, in the same given areas.

THE CHAIRMAN: Is that part of a test area that was controlled to get a result?

MR. BUTLER: I understand it was.

THE CHAIRMAN: Can you make those figures available to the committee?

MR. BUTLER: I would have to get them for you. I don't have them with me. On the bottom it indicates where those

figures can be obtained.

THE CHAIRMAN: I think you indicated there were ^{seven} certain areas where a container law was voted on and they voted negatively?

MR. BUTLER: Yes, one was Dade County, Florida. I understand they are going into a recycling program. You want the seven areas where it was voted on?

THE CHAIRMAN: Yes. You made a statement about the equal protection of the law. I agree with this. You said why just beverage containers with beer and soda, why not maple syrup and apple sauce. If the beverage law would be made a law, on a returnable basis, would you support such a law?

MR. BUTLER: No, but the reason I stated they are using a non-returnable container because society has asked for it. Mrs. Consumer will not purchase it and will not take it back and if she doesn't take it back, what's the difference whether you have a returnable or a non-returnable bottle? An example was shown in the highway

that was picked up was a deposit bottle.

THE CHAIRMAN: You're saying that the consumer who has dictated the nature of advancement in clothes, that the consumer has dictated throw-away bottles?

MR. BUTLER: Yes, our society dictates a one-way bottle. Mrs. Steinberg says the industry ought to do something to solve these problems. In Nassau County the beverage industry have led them to the point that they are about to go into a recycling program, and I will leave this with you also, where they will get electricity out of this and it will cost them five dollars a ton to do this. If you want the benefits to Hempstead, it's right there.

THE CHAIRMAN: I'm aware of that.

MR. BUTLER: May I ask you one question, in places where they found it, Washington State, Juneau, Alaska, Budgeton, Maine, Coon Rapids, Minnesota, Crystal, Minnesota, Dade County, Florida, Yipsilante, Michigan, and it was rejected from fifty-one to sixty-eight per cent, was

the rejection of the bill in the states.

THE CHAIRMAN: Would it be fair to say that the consumers demand the throw-aways?

MR. BUTLER: Yes, there is one thing that disturbs me, to see that people have the same problem in Suffolk County fighting against one another instead of pulling together to solve this problem in a positive way, rather than taking a negative approach to fighting against one another and use all that energy wasted.

(Applause).

We are all going to lose with this if we don't get this resolved.

THE CHAIRMAN: Absolutely. That's the advantage of what we're trying to do is to get everybody together and that's the only way we can resolve it.

MR. BUTLER: Nassau County and New York City have eliminated their environmental council and judging from what they have done, I would like to see what they have done. Maybe we can save some money in this county. I am not looking to be out of work. In the State of Oregon we

only have a two-way operation. Another factor is that out in Oregon it is between forty and fifty per cent of the beverage consumption is down forty-five to fifty per cent. You're eliminating beverage demand, the life of some of the people that are currently buying them.

THE CHAIRMAN:
/We don't want to do that.

MR. BUTLER: I hope not. Are there any other questions I can answer?

MR. GRANT: In Vermont, are they eliminated there, too?

MR. BUTLER: We are selling a lot on the border of Vermont and taking it back there. If you want something, you're going to go and get it.

THE CHAIRMAN: Isn't that pre-supposing that the Vermont line, that they're near the New Hampshire line, that they're going to get it there because buying a product that they have the privilege of throwing away?

MR. BUTLER: People won't bring these back. Pepsi Cola put a plant in an area of low income with a fifteen cent

deposit. They said they would not bring the bottles back. If people in a low income area will not bring the bottles back, how will they bring them back in Suffolk County at three cents and five cents?

THE CHAIRMAN: I don't believe they're going to bring it back because they're going to save money for the piggy bank. They're going to bring it back because they think it's the right thing to do. If it's your feeling that the customer just wants to throw it away, if you're interested in returning these things, then you're making a valid point.

MR. BUTLER: You're probably aware of it because there was a big issue in the news about New York City and Heingold Beer. Don't you think if they could sell a returnable bottle beer where they could sell their beer at lower prices that they would do it? Why aren't they doing it? Because they wouldn't get their bottles back and it would cost more. If people don't want returnables, I can't sell them.

We're trying to help work. Maybe you people ought to get together with the industry.

THE CHAIRMAN: That's why we're here today.

MR. GRANT: We're really talking about an ecology issue and people before us got involved in ecology to the extent they objected to the processing of plywood in Oregon because it resulted in smoke. Now the Japanese process it abroad and sell it back to us at a higher price. It may involve more trucks on the Long Island Expressway running back and forth with returnables. We are being deluged with false promises and the people will pay the higher price for soda just as we are paying the higher price for plywood.

(Applause).

I wonder how many jobs we lost with the ecology efforts in regard to plywood.

MR. BUTLER: I would like to bring out one thing, there is no comparison between the State of Oregon and

New York City where in one square block there are more beverages consumed than in the State of Oregon in a whole year.

THE CHAIRMAN: I think we were comparing plywood in the State of Oregon.

MR. GRANT: Why aren't you involved in the State of Vermont?

MR. BUTLER: Because the cost is too great for one thing. We elected not to go in.

MR. GRANT: How many other companies follow that, too?

MR. BUTLER: I understand five beer companies are out of there, too.

MR. GRANT: These are attributable to the returnable bottles?

MR. BUTLER: Yes, because there's no way of working returnables.

MR. GRANT: Would you be out of business in Suffolk County if this were enacted?

MR. BUTLER: No, we would not put a plant in Suffolk County. We will not market our product if there are returnables. If you consider a given area,

own and others' carelessness. An outing to park or beach should not be spoiled by injury from broken glass, especially to young children who slip out of their shoes and run barefoot before their parents notice them.

While children are most likely to let glass slip and break or to smash it against rocks, they are not the only ones. Of course, they must be educated not to, but protection cannot wait on education.

The world is choking on litter. As anyone can tell you who has taken part in a clean-up campaign, the most prevalent non-degradable item is cans. The predictable twentieth century American artifact is probably the sealer from the flip-top can. The six-pack plastic ring might have been invented as a weapon against birds. We have seen birds starved or strangled by a six-pack ring.

The ban will cost you money. Can you afford to pay extra for deposit bottles? This is simply not true. Beverage bars, where a deposit is required,

you have to consider your cost. This isn't just a light switch. There's a tremendous cost involved in this. There's equipment existing for many years. When you turn around and change this, you're out of business. A lot of beer companies have gone out of business in New York State.

THE CHAIRMAN: Haven't there been a couple of breweries coming into New York?

MR. BUTLER: I have heard of none at all. My brother-in-law works for American Can Company and he has been told by the union they expect Schaffer to move out and go to Pennsylvania. He's laid off right now.

MR. CAPUTO: There's a big sign they're moving to Hauppauge.

MR. BUTLER: That's a distributing point. I don't say they're going to go out of New York. They stated if the bottling bill was passed, they would move out of the state. I've been to a number of these hearings.

Barney Smith is my assemblyman and I've never seen him at one of these hearings.

THE CHAIRMAN: I've introduced this bill in Suffolk County and I want to hear what you have to say.

MS. STEINBERG: I want it clearly understood I am leaving not because I have no concern for your problem, believe me, I do, but I do have another legislative commitment I must go on to take. I will consider everything you said here and I hope you will also consider the concern of those who are in favor of this bill.

Somebody did speak about responsibility and we do have the responsibility of what to do with the final disposal and let's be reasonable and understand that nobody here wants to put you out of a job but we've got to find a better way of handling this problem. You've got to excuse me.

THE CHAIRMAN: The transcript will be available. Ann Sielman, Suffolk County League of Women Voters.

Mr. Baisley, Mr. Caputo, I am Ann Sielman, President, and as such I speak on behalf of the League of Women Voters of Suffolk County, with a membership of between six and seven hundred women.

Before I proceed with my prepared statement, I would like to respond to Mr. Butler's statement. I am a woman. I have four children of school age. I am a consumer. We separate our paper, bottles, and so forth. We save aluminum cans but we can't find a center to take them to.

Living near Nassau County, we do not bring detergents into Suffolk County because we are in support of our water supply than getting clean clothes.

The League of Women Voters has long been concerned with the quality of the environment. Since 1970, we have broadened that concern to include the problems of solid waste. From our study of all solid waste problems (of which one problem is that of non-returnable beverage containers) has come a renewed concern for

our environment, for our wasted energy and natural resources, for the increasing volume of solid waste requiring disposal, and for the higher costs which consumers pay for the convenience of all types of disposable packaging.

Our study led us to conclude that we must do what we can to decrease the mound of solid waste which our throwaway mode of life engenders and which threatens to engulf us. We believe that we must encourage reuse, recycling and reclamation as the individual case may dictate, for not all of these methods are equally appropriate for all waste materials. Above all, whatever solutions are found to the solid waste problem, they must be environmentally sound. Hence, the LWV has appeared at hearings held by EPA and the Federal Energy Administration, by Senator Smith, Senator Pisani and Assemblyman Cooperman, by this county on April 16, 1974, and locally in Smithtown to try to encourage the Smithtown Board to join with Huntington, Islip and Babylon in the new multi-town,

latest technology waste disposal plant.

And, here we go again.

At the Suffolk County hearing on April 16, 1974, attended by a full house of environmentalists and representatives of the bottling, brewery, distributor and trucking industries, the issue of litter and the cost of cleaning it up, as a valid reason for a Suffolk County Beverage Container Act was thoroughly aired so I will not discuss it again today.

The League's contention that manufacturing disposable beverage containers produces five to seven and half times more polluted water than manufacturing the equivalent number of returnables was not particularly addressed because bottles and cans are not produced in Suffolk County in any great numbers, if at all, but I would like to point out that from the point of view of a statewide beverage container law, fifty gallons of wastewater per ton of containers results from the manufacture of all bottles, but for each ton of steel cans produced, there will be

two hundred sixty-two gallons of wastewater produced, and for aluminum containers the wastewater volume rises to eight hundred forty gallons. Since this is a county with serious wastewater concerns, these figures are at least of passing interest.

The subject of resource management was similarly not particularly addressed. Considering the rude awakening that we have felt since even 1974, in terms of resources and the concomitant rise in cost as resources diminish, I would like to point out that a potential shortage of aluminum, steel and tin is more believable these days than in the golden days of the pre-recession era, whereas sand, the basic ingredient of bottles is abundant and will remain so. Since shortages of materials generally increase the price, it seems a fair assertion that within recognizable margins of error, the cost of cans has the potential of rising considerably more than the cost of bottles.

The primary issue which emerged at the April 16, 1974 hearing was the vo-

ciferous concern of the representatives of the industries involved as to the economic hardships which such a law would place upon them. I distinctly remember Mr. Klein stating that he was sick and tired of hearing unsubstantiated cries of economic woe from the industry and would the industry please back their contentions with facts and figures.

To this date, he has received nothing. Mr. Daniel J. Adams, Vice-President, northeastern region of the United States Brewers Association offered "to provide the appropriate information and analyses." Dr. Harris Fischer of the Department of Environmental Control, in following up on Mr. Adams' offer, asked that such a statement would "set forth specific figures and estimates for Suffolk County, dealing with such items as: employment gains and losses, consumer costs, effects on businesses such as supermarkets, delicatessons, beverage distributors, et cetera and short term business effects."

Dr. Fischer's single reply in all this time in one letter from Mr. Adams which offers to "work with," a different matter, Dr. Fischer in the preparation of an economic impact-cost-benefit statement, asks for county data on the annual litter control cost for all litter for 1971, 1972, and 1973, and the per ton disposal cost, and finally, an odd bit about the "intent" of the law.

To my knowledge, nothing further has been received by the government of Suffolk County from Mr. Adams or any other representative of the potentially affected industries. On the other hand, I am aware of busy mailings of statements on 8 and a half by eleven mimeographed sheets to small businesses in Suffolk County for the purpose of frightening them with intimations of dire economic consequences to them if they do not oppose the local law under discussion today. Apparently, these industries have ample funds for scare tactics but no funds for substantiative research.

I do not wish to imply in my criticism of the way in which the affected industries responded to Mr. Klein's request for solid facts and figures, nor even the scare tactics being used today, that the League of Women Voters is not fully aware of what the economic hardships could be.

One problem could be an initial loss of jobs. But the Oregon Environmental Council and a study by two professors at Oregon State University agree that there was an overall gain of about three hundred sixty-five new jobs and an additional payroll of 1.6 million dollars as a result of Oregon's beverage container law.

In the winter of 1975, the New York Chamber of Commerce, reacting to lobbying in Albany by the League of Women Voters of New York State, projected that even a shift in the present container mix would "close one of our largest breweries" and "in the New York State beer industry would have an un-

employment impact in the thousands."

Despite repeated and ~~die~~ predictions of massive unemployment, sharp increases in the costs of beverages, and enormous capital losses in Oregon following the enactment of deposit legislation, even the industry-oriented magazine, Softdrinks, considered the bottlers, brewers, and container manufacturers "on the unfortunate side of a substantial credibility gap. Claiming all along that the law would wreak havoc on their businesses and fail to stop litter, they seem for the most part to have been proven wrong."

Industry predictions of dire economic repercussions from beverage container legislation certainly are worrisome, and are just as certainly the reason why this type of legislation was not passed years ago. But no one can predict with accuracy how a deposit law would affect the economy of New York State if this were Senator Smith's bill nor that of Suffolk County with the local law before

sell soda and beer for less. The deposit is paid on the first purchase only. At any time, the consumer can get his money back.

We all suffer from huge hidden costs for the disposal of non-deposit bottles and cans. Many city managers say their number one problem is solid waste disposal. The tax dollars for sanitary landfills -- which are seldom sanitary -- are enormous and mounting.

Land which could be used for housing or farming must be diverted to dumps, which no one wants in his area and which usually therefore are placed in or near low cost housing. Maintenance is a major item in the cost of running our parks and beaches, where services have had to be cut this year for lack of funds.

It's a bother to store cans and bottles in the home. The town and county is also our home -- an expensive one. Bottles and cans thrown into the garbage do not dematerialize -- they are stored in landfills.

us today.

A great deal depends on the provisions of the proposed law: whether it calls for a deposit, as this one does, or a ban on certain types of containers; whether there is adequate phase-in time to minimize economic disruption in this law a little less than one year, except for present returnable bottles; whether assistance of some kind is offered to industries which must make operational adjustments in order to handle returnable bottles, and this Legislature could consider that.

Stability of the demand for beverages and containers or their semi-finished raw materials, the extent and location of the market area, ability to obtain capital for replacing worn-out equipment or for different equipment, the interest rate for borrowing such capital, and the profit and loss record of the individual companies must be considered.

Energy costs, costs for raw materials, labor costs, costs for transportation,

anywhere along the line, and the resiliency of the particular industries to meet these costs are factors which also must be put into the equation before it will be possible to make reasonable assessment of the impact of a beverage container law.

We will only truly determine the impact after several years of operating under the new law. These factors are best assessed in terms of New York State as a whole rather than Suffolk County, although this proposed county law does provide for a careful impact study to be prepared prior to January 1, 1980.

Then, why shouldn't we listen to the cries of woe emanating from the affected industries?

The reason is that recession or no, the manufacturing of disposable beverage containers causes enormous air and water pollution; our natural resources and energy are wasted dramatically in the production of the once-through cans and bottles; the costs, open and hidden, to the consumer are considerably more for throwaways than

than for reusable bottles; and that the solid waste disposal problem in our county, in our state and our nation is severe and more difficult of solution each year. A beverage container law is but one way to attack the real problem of decreasing the volume of solid waste and saving energy and natural resources. The solid waste problem grows at an average rate of eight per cent per year nationally, while landfill sites disappear.

The energy required for extracting materials from municipal wastes, as in the proposed tri-town system, and the costs involved are considerably greater than simply reusing the beverage containers in the first place. We need to change the public attitude toward throwing away products which are still useful if the disposal problem is ever to be solved.

And, that is why Suffolk County, which has led the way on so many important public issues, should adopt this local law. The greatest value of a local source reduction law is its potential for raising

public consciousness. Aroused public sentiment will encourage the State, and eventually the Federal Government, to adopt more encompassing laws which will benefit not only the consumer, but also the industries affected.

Thank you.

THE CHAIRMAN: Anybody have any questions for Mrs. Sielman?

MR. GRANT: You alluded to Oregon again and I went out to Oregon with a delegation. Unlike the State of New York, the western states have a sense of pride that doesn't exist here.

That sense of pride existed far earlier than the ban on non-returnable bottles. What precipitated the ban in talking to people we visited parks and spoke to the maintenance people and their concern and their interest in non-returnable bottles was brought about by these flip top pieces of metal which they felt they didn't have the equipment to pick them up and this is what brought the law about in the State of Oregon.

You alluded to the fact that people have to be educated. I think that by banning bottles and cans and so on, I think we also have to be concerned with paper. Paper is the largest portion of waste in this state and this county and I think that is where our concern should lie and they should be concerned in general and this is like sweetening a half a cup of coffee; it doesn't work.

MRS. SIELMAN: I can prepare a statement on saving paper but in this case it was only bottles and cans.

MR. GRANT: I understand. We do have laws on the books that concern litter and I don't see it enforced at all. We have people throwing out garbage in front of policemen; you're there and I don't know whether the fault lies with the policemen or the court's fault because the laws are not enforced in the courts.

MRS. SIELMAN: If I may inject a personal experience, we were in New Hampshire along the long trail. There was a

place selling Coke and things we definitely were in need of. I asked the proprietor whether he found it a nuisance to have to collect those cans and return them and his answer was initially there had been considerable resistance -- he was a hotel owner -- from people like him but he felt the difference in the amount of littering, since Vermont is concerned with tourism, it was worth the effort, and I might add that my children then discovered there was money back on the cans and they went into his wastebasket and left his place cleaner than when they went in.

MR. GRANT: Oregon has very few mom and pop delicatessens and that does present a different problem that I am concerned with.

MRS. SIELMAN: One thing that keeps coming back to my mind is that long ago shoes were manufactured in the United States. Nowadays whether people realize it or not, almost all shoes are manufactured in Italy and the entire shoe industry

in New England was wiped out. That was a nationwide problem but the national government did make money available for retraining the shoe manufacturers for other occupations.

MR. GRANT: It was very heavy in the New England area.

MRS. SIELMAN: I think that could be feasible. You are the legislators and I am not but if we could work out some way in which we can assist the mom and pop stores the original conversion they need to handle the returnables, that would be one responsibility to consider.

MR. GRANT: What I have run into is the fact that there are stores located in the Bay Shore area that have no area around the building for storage and to provide any space for storage and fencing would be against the town ordinance and trailers to store the bottles are against the town ordinance. I wonder what put the shoe business out of business in New England.

MRS. SIELMAN: It was strictly

a question of cheaper labor in Italy.

It had nothing to do with ecology.

THE CHAIRMAN: I'm sorry I didn't make that trip with you. Oregon I didn't know about, but I haven't noticed much difference in the eastern part where I've travelled. In the neighborhoods in this county I think it's pride in land and home ownership. If the main reason in Oregon was the flip top I wasn't aware of it.

MR. GRANT: There a main problem was the tops off these flip top cans caused children to be cut and the Park Department claimed they spent hours picking that up and filter tip cigarettes. When we met the man in the first office we went into his first concern was waste disposal and he alluded to the same thing.

THE CHAIRMAN: Mr. Heutchy.

MR. HEUTCHY: My name is Alvin E. Heutchy. I am Vice-President, legal and general counsel of the F. & M. Schaefer Brewing Company, and also Vice-President, Secretary and General Counsel of the F. & M. Schaefer Corporation, the parent of

the Schaefer Brewing Company.

Others may have testified or will testify as to the overall effects of restrictive beverage container legislation such as is here proposed. As you know, the identical bill with a few additions was proposed by your Senator Bernard Smith at the last legislative session of the New York State Legislature.

Probably I would merely be going over ground which has been or will be plowed if I were to discuss such overall effects. Consequently, I will attempt to confine my remarks largely to the effect of such legislation, if it were to eventuate, on the Schaefer Brewing Company.

The Schaefer Brewing Company, founded in New York City in 1842, has been based in the city for one hundred thirty-four years, and is today one of the largest companies doing business in New York City and New York State, employing approximately three thousand men and women in New York State at the Brooklyn Brewery and at sales offices and distributing centers in

Queens, Suffolk, Westchester, Albany and Onodaga Counties, with an annual payroll of about forty million dollars.

As you may know, we have a distribution center on Route 110 in Melville, Suffolk County where we employ approximately one hundred fifteen persons with a payroll of over 1.5 million dollars a year.

Schaefer, while extremely conscious of the solid waste disposal and litter problems of New York Counties, we, however, strongly oppose restrictive container legislation, which mandate deposits on non-returnable beer and soft drink bottles and cans, and which would eliminate these containers for beer and soft drinks in New York, and force brewers, bottlers, wholesalers, retailers, and the consumer into an unwanted returnable bottle system.

We are particularly opposed to the completely unworkable, patchwork system which would evolve if some counties were to pass legislation such as this, since it would make it completely impossible for

People will have to drink less beer and soda if this ban is instituted. Though it is not at all clear just why this should happen, the argument is one for dentists and doctors to answer.

What's the use of a county-wide ban? People will just buy in Nassau and bring it in to Suffolk. Some people will always break the law; most people won't. We need a statewide ban. Suffolk may again lead the way. The fact that a law may be broken is no reason for its not existing.

In states where non-returnables have been banned, opposition has turned to satisfaction as citizens see a cleaner and safer outdoor home and less waste of hidden tax dollars.

We urge you to disregard the results of the anti-legislation campaign because it is based on partial and biased information. We urge you to consider the facts, not emotion. We urge you to pass this legislation because we will all profit by the safety, beauty, and economy

such companies as Schaefer to operate.

However, the main reason for Schaefer's opposition is our sincere belief that this type of legislation merely attacks a very small part of the problem -- the tip of the iceberg, so to speak -- without addressing myself to the larger and more important problem of overall solid waste disposal, to the detriment of many industries and thousands of workers.

Schaefer's present and future prosperity is dependent on its sales in the New York metropolitan area, which includes Suffolk County, and in New York State generally, where forty-one per cent of our product is marketed, of approximately two million barrels of packaged beer which we sell in New York State, ninety per cent is in non-returnable bottles and cans.

As you may have heard or will hear from other brewers and soft drink bottlers, this is entirely consistent with their experience, and reflects the choice

made by the consumer, whom we must serve at all times to stay in business.

Most of the Schaefer products sold in New York are produced at the Brooklyn Brewery, which has an annual capacity in excess of three million barrels. A barrel has thirty-one gallons so you can figure out how much there is. The Brooklyn plant does not have the facilities or the space to accept large volumes of returned containers, and additional space is not available.

We are confined in a small area, bordered by the East River, the Navy Yard, the City Housing Projects, and other city properties and local residences, and the cost of converting our facilities or even part of them to returnable bottles for our large New York State volume, even allowing for a three, four or five-year period during which the conversion might take place, is prohibitive and completely beyond our means.

The purchase and installation of new lines for handling returnable bottle

and construction costs for warehousing facilities and other special handling and disposal equipment, the cost of a float of returnable bottles, the purchase of land, and the building of new buildings if land were available, which it is not, are in the many millions of dollars, and are capital costs which Schaefer very simply cannot afford.

To be specific, should New York State adopt a returnable system for beer and soft drinks, it would be necessary to devote all of our Brooklyn capacity to producing returnable bottles just for the New York market.

The Brooklyn plant, under these conditions, would yield only 2.4 million barrels annually instead of the present capacity of 3.4 million barrels of beer it produced last year where most of the production is in cans and one-way bottles.

If Suffolk County were to adopt such legislation as is here proposed, we would not have sufficient capital to obtain the additional machinery and all the

other items which would go into such a partial conversion and inevitably we would be compelled to close the Melville Distribution Center.

The lower yield of our brewery because of the returnable is caused by several factors, the most important one being the significantly slower line speed achieved on a returnable line of three hundred fifty units per minute as compared to the non-returnable speed of nine hundred to one thousand units per minute. Thus, should all of our Brooklyn lines be converted to returnable bottle lines, we would require the equipment, which is not inclusive of all the equipment, which would come to \$20,000.00 just for that equipment.

The additional items we would require if we were able to acquire the land, the buildings necessary to accomplish what would be required, would cost between eight and ten million dollars, plus the cost of the land -- but as we have said before, there is no land available. Thus,

you have a capital cost of over thirty million dollars.

The 1974 report of the Schaefer Corporation was published in March, which is on file with the Securities and Exchange Commission, which is a public record, and shows a net income after taxes of \$675,000.00 on gross sales of approximately three hundred ten million dollars.

Our net income for 1973 was also less than a million dollars on gross sales of approximately two hundred eighty-six million dollars. The first half of 1975 indicates that we lost two million five hundred twenty thousand dollars, or \$1.36 per share.

This is on gross sales of approximately one hundred forty-one million dollars. The Schaefer Corporation has already borrowed to its utmost capacity, and there is no possible way in which an additional debt may be incurred, in order to accomplish what we have been asked to accomplish here.

I have listened to Mr. Goldstein, and others who have spoken here, and I would like them to tell me how we can do this sort of thing.

Thus, a returnable system or a partial returnable system with substantially lower yield from each line in the package plant, and with the prohibitively costly capital investment and greatly increased cost of handling within the plant and in the chain of distribution -- all would combine necessarily to force a substantially higher level of prices for beer to the consumer and make Schaefer considerably less competitive in the market place.

I am prepared to submit the 1973 and 1974 annual reports, and the first and second quarterly reports of 1975 of the F. & M. Schaefer Corporation, as submitted to the Securities and Exchange Commission and to shareholders, which will show you the state of our finances.

In addition to the capital investment required, other costs of operation

would be increased, with a returnable or partially returnable system. Water and sewage usage, and consequent increased charges and surcharges, would increase substantially in order to clean returned bottles. Diesel and gasoline fuel requirements would increase substantially under a returnable system, since our route trucks and trailers would carry fewer cases per load to the customer, thus requiring more trucks and truck trips.

In addition to employment of so many persons, Schaefer has made and continues to make a significant contribution to the economy of New York. We are a large taxpayer, our payments into the state and local treasuries totalling approximately eight and a half million dollars per annum.

Schaefer procures much of its supplies and services from New York companies. In addition to its own sales offices and distributing centers, Schaefer distributes its products through sixty independent wholesalers

located in all sections of New York, and these businesses give employment to many New York State residents, who pay local and state taxes.

I am sure you have heard or will hear from these wholesalers and their associations. And I can assure you that they will give you the same story of the harmful effect restrictive container legislation would have on us as a brewer would also be incurred on their businesses.

You may also have heard from representatives of retailers throughout the state, from container manufacturers, and from the leaders of unions representing workers in the breweries, bottling plants, beer wholesalers, and container manufacturing plants throughout New York.

You will find that all are in agreement on the harmful effect of restrictive container legislation on employment within the affected industries, and to their economic well-being and, in fact, to the very existence of many individual businesses.

You probably have heard testimony from some of your witnesses who are in favor of such legislation, and who have indicated that to return to a returnable system at breweries and bottlers in general and at Schaefer, in particular, would be beneficial to the company.

These statements can only be made by theorists, and those completely lacking in knowledge of how a brewery and the industry operate. It is pure bunk.

It has been said that energy would be saved by a returnable system. Schaefer does a substantial amount of backhauling with its non-returnable system, of items such as advertising materials, pallets, bottles, cans, et cetera.

This would not be possible with a returnable system, which would require additional trucks in order to do the backhauling we are presently doing, thereby requiring additional energy. It should be noted that in order to make

a returnable system workable, the route trucks -- of which we run a very substantial number in metropolitan New York including Suffolk County -- would have to go out partially empty in order to accommodate the returnables to be picked up at each stop.

This, I am sure you realize, is a very uneconomical way of doing business, and under no circumstances would we be able to afford to do this. This would mean that we would have to send out additional trucks to pick up empties, with a consequently superfluous expenditure of energy and resulting in a very uneconomical use of equipment and manpower.

In addition to that, we presently are able to use pallets of canned beer with one hundred cases per pallet which we deliver. The equivalent in returnable bottles is forty-three cases per pallet, occupying as much or more space as the one hundred cases of non-returnables.

Thus, we would require one hundred

that a ban on cans and non-returnable bottles will bring to Suffolk County.

THE CHAIRMAN: If this proposed beverage container control law were passed, it would not make it illegal for anyone to buy soda or beer in another jurisdiction. You understand that?

MR. KOLODNICKI: Yes.

THE CHAIRMAN: Gentlemen, are there any questions?

A LEGISLATOR: You mentioned about glass on the beaches. Glass can take various forms, a lot in jars; people take a jar to the beach.

MR. KOLODNICKI: Of course.

A LEGISLATOR: Sometime ago the United States became one nation and we sort of broke down the barrier between states. As I read the comments, don't you think the correct approach is the Federal government seeks to control everything in this world and they fail to do less about what they do?

(Applause).

Don't you think if someone in

more route trucks, at an additional expenditure of one million dollars per year, ten tractors costing one hundred twenty-five thousand dollars additional per year, and thirty trailers costing an additional one hundred twenty thousand dollars per year, just for rental and other costs.

While in theory, this would employ more people, you must realize that these people are employed at very high wages, which Schaefer could not, under any circumstances, afford, and consequently, the Brooklyn Brewery as well as the Suffolk Distribution Center would be defunct, and we would go out of business here.

One very serious problem the New York Legislature overlooked at its last session, and which this County Legislature I believe is overlooking, has to do with the availability of bottles. If the bill proposed here were to be enacted, where does this committee in its wisdom think brewers and bottlers are going to get this type of bottles they are requiring

to be certified and used? On a nationwide basis, assuming initially a one-for-one replacement is necessary, if the glass industry devoted its entire output to returnables -- that is making no other bottles, and I am speaking of ketchup, baby food, or whatever you care for -- it would take 2.6 years to make such bottles available. If the glass industry devoted only that portion of its productive capability currently devoted to one-way beer and soft drink containers, it would take 9.5 years.

This would not necessarily be the case, though, since some of the returnables would be returned -- but would be the case if none were returned. Our experience is that a returnable bottle has a trippage experience of no more than three to four trips per bottle. Thus, on this basis, it could be estimated that five to six years would be necessary to fill the present bottle requirements. This, of course, would cause massive layoffs in our industries,

and would probably put some companies out of business completely.

As you can see, this type of legislation would provide for the greatest possible inefficiencies in manufacturing and distribution of our product, and would require additional exorbitant equipment and labor costs, and, as I have indicated previously, there is no way possible that Schaefer, with its present capital structure, could finance this type of an operation and stay in business here.

May I suggest that a look at any kind of supermarket or grocery store will show thousands of items in non-returnable glass and non-returnable cans, as well as in plastic and paper. All this type of legislation does is single out a very small portion of cans and bottles from the total solid waste stream and litter, and make an example of it and this, in the best sense of American tradition, is highly discriminatory.

Schaefer strongly supports the proven principle of solid waste resource recovery, where usable materials are removed from the collected refuse and used to produce energy, with the remaining materials sophisticatedly separated and sold to steel companies, aluminum companies, and glass factories for recycling and re-use of such items.

In our opinion, all that the restrictive container legislative proposals do is attack a very small segment of the litter and solid waste disposal problem, when we should be addressing ourselves to the problem which is going to confront us all in a very short time, and that is disposal of all solid waste.

Schaefer is a member of the New York Industry-Labor committee for resource recovery, from whom I am sure you will also be hearing, and strongly supports and participates in its efforts toward solid waste disposal and an overall resource recovery system.

Schaefer also strongly supports the

type of legislation which would mandate teaching programs concerning littering in our New York public schools, starting with kindergarten. I don't know whether the Suffolk County schools have such a course, but I hope they will. Bottles and cans don't litter -- people do. And, if we start with the very young to educate them to the evils of littering, I am sure they will grow up with a new sense of responsibility against the evils of littering. I would hope this legislature to the extent that it can do so will also address itself to this problem.

Thank you very much for your kind attention. I have also put a copy of our two annual reports so that the figures which I am quoting here in our annual statements.

THE CHAIRMAN: I want to ask you a few questions. I understand your Brooklyn operation comprises the brewery and bottling plants?

MR. HEUTCHY; Yes, under the Federal Alcohol Beverage Control laws,

you have to brew and bottle at the same place.

THE CHAIRMAN: If such a bill as proposed were adopted in Suffolk County, could Schaefer continue to operate the way they are operating now?

MR. HEUTCHY: We would probably move our Melville plant out of Suffolk County because if this bill here passes and unless we were going to change over to returnable bottles in Brooklyn, I doubt we would service Suffolk County except if we did from our Pennsylvania plant.

THE CHAIRMAN: Suppose Suffolk County has a beverage control law and you proceed the same way and the law would require a stamp on it, would it be an additional imposition of having to put a Suffolk County stamp on it? In other words, you would expand the plant in Suffolk County?

MR. HEUTCHY: We wouldn't expand it, no. What we would probably do would be to lose the market considerably and confine

our efforts to other places where we don't have this restrictive container legislation. You told me about putting on the deposit stamp and that type of thing. This would cost me thousands of dollars to do. This costs thousands of dollars to do for us.

THE CHAIRMAN: But you would characterize that as a major economic impact for Schaeffer?

MR. HEUTCHY: Yes, we would consider that a very substantial impact and with a patchwork system throughout the state Schaeffer would have to give up because nobody would do it for us.

THE CHAIRMAN: My point is if Schaeffer was faced with container legislation you would prefer to have it on a statewide basis? I understand you are against any beverage regulation.

MR. HEUTCHY: I don't believe any brewery can do anything on a patchwork basis. Your national breweries are better able to survive, but even if it isn't on a statewide basis we'll abandon

the Brooklyn brewery and leave here.

THE CHAIRMAN: How many jobs are you talking about?

MR. HEUTCHY: You're talking about twenty-one hundred jobs. We have a very substantial number, about two hundred workers here, I believe, in Suffolk County. I believe between Nassau and Suffolk we have between seven and eight hundred of our employees living in those two counties.

THE CHAIRMAN: And it is your statement that the enactment of such a law in Suffolk County would jeopardize the twenty-one hundred jobs in Brooklyn, certainly the two hundred in Nassau or Suffolk?

MR. HEUTCHY: I would think so.

THE CHAIRMAN: At the last hearing there was a Mr. John O'Connor who spoke for Schaeffer Brewing Company.

MR. HEUTCHY: He's no longer with us. He was an assistant counsel who spoke at that meeting.

THE CHAIRMAN: I hope this proposal didn't have anything to do with his

demise.

MR. HEUTCHY: I'm not quite sure.

THE CHAIRMAN: Mr. O'Connor is not employed by you any more but in his remarks he did indicate willingness to work with the United States Brewers Association and the county on the economic impact area. Has your company prepared any kind of data on the economic impact on Suffolk County or the metropolitan region?

MR. HEUTCHY: The metropolitan region we have. Taking Suffolk County I will renew Mr. O'Connor's pledge to work with the United States Brewers Association and any county legislators who want to work on the impact of the brewing industry and any information we have, I don't know. We had participated in the current studies and I didn't find anything in it about the Schaeffer Brewery.

THE CHAIRMAN: You mean the State Task Force?

MR. HEUTCHY: I think we are

mentioned in it but I find at this time it is difficult to find where the information came from.

THE CHAIRMAN: Do you have a copy of that Task Force report?

MR. HEUTCHY: I have a copy of it.

THE CHAIRMAN: I think that's important. If the report is inaccurate information, it's costing us all money and it should be accurate.

MR. HEUTCHY: I don't say they didn't, but I haven't seen it, and if I had it in my possession I would have seen it.

MR. GRANT: Do you do business in Vermont?

MR. HEUTCHY: Yes, we are doing a lot less since the last bill went in with regard to container information.

MR. GRANT: You did have non-returnable bottles prior to the last session?

MR. HEUTCHY: Yes.

MR. GRANT: You're limited to

Washington had a little moxie they would have created a disposal situation?

You're creating a new market situation. Deal with the economy, the resources, the accessibility.

If somebody comes with a flip top box, they come before this group, they say it's a bad thing, but we couldn't control the thing from the beginning. We will have bad feelings for a hundred years. I don't know what we will do with the history.

It is my opinion that it is going to have to come from the top so that if we are going to change some things we will have to find out how we can keep things going so that we can protect the environment.

On the parkway I can tell you exactly where I find the beer cans and bottles and the paper is Sunken Meadow and Sagatos from the beach. What the point is that we are not going to be able to stop people from throwing things around. They should not be doing it,

non-returnables in Vermont?

MR. HEUTCHY: Yes, cans are fifty or sixty per cent of our business so you can see the impact on the business.

MR. GRANT: What is your employment in Vermont?

MR. HEUTCHY: Vermont is a very small state. I think there's four hundred sixty thousand people in Vermont. It's a franchise state. We have distributors who come to New York and pick up their beer and go back to Vermont.

THE CHAIRMAN: You say in Vermont most of your sales are in returnables?

MR. HEUTCHY: Some of our sales are in bottles. There are no cans and they have an additional top, I believe.

THE CHAIRMAN: Where are your returnables bottled, in your Brooklyn plant?

MR. HEUTCHY: In the Brooklyn plant it isn't on the container. Some might be produced in Baltimore or Leigh Valley.

MR. BAISELY: Did you expand

your non-returnables in Vermont? You have a certain ounce returnable bottle now?

MR. HEUTCHY: We have only twelve ounce returnables.

THE CHAIRMAN: You didn't expand it to any other bottles?

MR. HEUTCHY: No.

THE CHAIRMAN: Can you give me some information on any of your competitors? Do you know of any large brewers who will construct breweries around the Syracuse area?

MR. HEUTCHY: Yes, Schlitz and Miller's. These are modern breweries. It's almost as modern as our Leigh Valley and because of returnable bottles, that was one of our decisions to go down there.

THE CHAIRMAN: That's interesting. How old is your plant in Pennsylvania?

MR. HEUTCHY: We began to brew beer there in 1972.

THE CHAIRMAN: And Miller's and Schlitz are constructing a modern type

operation at Syracuse?

MR. HEUTCHY: Yes, I believe Fulton is one and I don't know what the other community is.

THE CHAIRMAN: I understood there were some breweries coming into the state?

MR. HEUTCHY: Yes.

THE CHAIRMAN: Thank you.

MR. NOTO: If this legislation forces the older type breweries out of business, won't we be contributing to the larger layoff because the newer breweries are almost one hundred per cent automatic and we would be fighting the unions and causing some of the labor to be laid off?

MR. HEUTCHY: That's correct.

MR. NOTO: I understand these breweries would put some of the people out of work in Brooklyn and not create business in the other area?

MR. HEUTCHY: Yes, because in your old breweries which are vertical breweries, we have sixteen acres in Brooklyn; we have one hundred sixty acres in Leigh Valley because those are horizontal

breweries. You can run a new brewery with three or four hundred employees, whereas you have twenty-three hundred or twenty-four hundred employees in the old type breweries.

THE CHAIRMAN: You are lobbying for the employees?

MR. HEUTCHY: I am lobbying for the employees because there are a lot of old people working there.

THE CHAIRMAN: One more question: Schlitz and Miller have moved into New York from out of this state; is that correct?

MR. HEUTCHY: Yes, they have moved into the state. Schlitz had a plant in Brooklyn until about three years ago at which time it was closed because of its uneconomic operation and their workers were absorbed to some extent by the rest of the breweries but they're coming in new upstate in the Syracuse area.

THE CHAIRMAN: Would it be your opinion that most of the working people

employed at such a brewery would be recruited and trained from the general local population or would they move them from Milwaukee?

MR. HEUTCHY: I would hesitate to say. Generally, at least, the way we do it, we hire most of our people from the local population bringing in only the brewers or managers from outside.

THE CHAIRMAN: Isn't it a corporate postulate, when you go from the vertical to the horizontal the motivation is to increase efficiency, stay up with costs, and to keep your stockholders happy, if you can?

MR. HEUTCHY: That's correct.

THE CHAIRMAN: Thank you.

MR. HEUTCHY: Thank you very much, gentlemen.

(Applause).

THE CHAIRMAN: Mr. Richard D. Brown.

MR. BROWN: Mr. Richard Brown is not here. I am Mr. John Brown, also with the New York Inter-Public Relations

Group.

Mr. Goldstein left me the two cases of Schaeffer and the next time I come back those will be empty and I will bring them with me. Mr. Baisley, you were concerned about votes in various states on the bottle ban. I have some figures which deal with New York State.

In 1971 a Harris poll was conducted by the Department of Environmental Conservation to find out whether those surveyed would favor a bottle ban. Eighty-three per cent of you were in favor of it. In 1973 Assemblyman L. S. Reifer asked his constituents if there should be a disposition of cans and bottles. Sixty-four per cent responded yes.

In 1963 the League of Women Voters polled people in the State of New York and 2,331 voted yes. In 1968 the citizens of Auburn, New York were asked, and sixty-eight per cent were in favor. In 1973 the residents of Cayuga County were polled and sixty-seven per cent were in favor.

In 1973 Regis O'Neill polled his constituents and eighty-six per cent voted for an outright ban on all beverage containers. In 1974 Hy Muller polled his constituents and sixty-nine per cent in favor of banning non-disposable containers. Martin Feldman polled his constituents and asked them should the state require a deposit on all containers and they said yes. Unfortunately I don't have the prepared text. I thought in light of some of the facts, that's what I have to say. I am a constituent of Mr. Caputo. There seems to be a question of gulls ingesting tops of cans. They do eat the tops of cans and I have seen birds wretching and bleeding as a result of that.

MR. GRANT: My belief is that polls are generally as good as the people who took them.

MR. BROWN: I didn't conduct the poll. I'm reading the results of polls that were made.

MR. GRANT: I know the one that Regis O'Neill took. He just asked are you

in favor of returnable bottles? To me that doesn't indicate a true picture.

MR. BROWN: What I am trying to do is present some of the data.

MR. GRANT: I wonder if you have the questions that were asked.

MR. BROWN: Yes, I do.

MR. GRANT: I would like a copy of that. We had a feeling that people were against off shore drilling and I think when we experienced our shortage of gas that feeling has changed to reflect get those drills out there, we want the gas now, so a poll doesn't mean anything.

MR. BROWN: Hopefully the results of this hearing may clear the problems of employment versus unemployment and the other problems.

MR. GRANT: We were interested in this information.

THE CHAIRMAN: There are people who gave that information.

Mr. Milton W. Segal.

MR. SEGAL: I am Milton W. Segal. I am Vice-President of First National,

vice-president in charge of governmental affairs.

We operate seventy stores in the State of New York, about ten or twelve in Suffolk County. I do have an analysis of the Oregon and Vermont reports. I have some data, if you wish, on the Oregon and Vermont laws. First, the issue, the economic, and the health and the issues of the supermarkets. I'm sure you realize the small bottlers will be put out of business, by this bill. It is the changing of the equipment, the plant and equipment.

The small bottlers will be out of business. They do not have the money to put in for this new plant and equipment, new bottles and the printing costs. This has happened to us already as private label manufacturers. We are going out of business. We would go out of business if it went in effect in Suffolk County.

The second thing that happened to us, we have limited the variety of products. When private label does disappear

the private label is a positive factor in reducing prices. It is cheaper the same to you and the consumer does lose some value. We have already lost our Vermont market. One of the reasons when we delivered beverages to Vermont it becomes economic to go to Vermont due to our back haul.

It produces higher prices. I hate to bring up Oregon. It is negligible in the amount of soft drinks they consume. The Oregon manufacturers, the big manufacturers, had to go in and spend 8.5 million dollars in capital expenditures plus the fact that the single thing that happened with the loss of the fringe competitor can reduce the internal competition in the market place.

There is a loss in uncollected deposits which the consumer has to bear. You heard about New York City that they put on the market sixteen-ounce returnables, one where later eleven million disappeared. From a retailer's viewpoint, from the point of view of storage, we have

but they do it.

Don't you think it's a more practical approach that we don't create feudalistic state barriers so that it is done on a nationwide basis so that we can clean up? You can have somebody as soon as possible to develop. When you're developing something you've got to take care of it administratively in authorizing the disposal factor. I don't think any individual county or state can do it because you've got European imports.

MR. KOLODNICKI: If we wait for Washington. You're asking a rhetorical question. The question, if you legislators don't take a stand, when they start drilling off Montauk Point, I want to see where your noxie is.

THE CHAIRMAN: Let's hold it down. I would like to confine it, but I would like to keep it on a straight question and answer basis.

A LEGISLATOR: You have an opinion and I have an opinion to make and I think this is where it is at. How to

strage problems. In Oregon dead cover; in this particular market place we would probably have to go up to twenty-five hundred square feet of storage space to handle our returns. A survey four years ago of supermarkets made on the west coast in California, it showed up four cents a bottle. This is just for storage and carrying everybody's bottles back and deposits paid back on non-returnables.

On the question of health, we have been investing anywhere from twenty-five to seventy-five thousand dollars in improving our sanitation facilities. I have handled bottles. You can come and see it for yourself, you can't understand the filth, the vermin, the rodents that come back in bottles. How can you stand up to a customer and say you're a slob? We have found the same vermin traced back to our bakery manufacturing. This is what happens when we introduce the filth back into the store. Cans and bottles constitute about twenty per cent of our litter problem.

In Oregon the study showed that bottles actually reduced the litter, of bottles, but the total litter problem increased. There is definitely something wrong. How do you stop non-returnables from entering Suffolk from Nassau County. I'm smiling because there's a big war on between Massachussets and New Hampshire.

They're open on Sundays; they have state liquor stores. The Massachussets stores are closed on Sunday. There's an actual fight going on. Very interestingly during one year in Vermont, the one year of operation of the law, the State of New Hampshire picked up \$387,000.00 extra in excise tax because of the attrition by the bottles.

How much will a deposit on a bottle stop a litterbug from litter? The State of Washington has an anti-litter law. They have probably done the finest job of litter pick up, more successful than Oregon. We need a national recovery act. You have heard this before. You .

have heard the bottlemakers and the brewers and everybody in this business willing to help. I know in two cities in Massachussets, Waltham and Newton, got together on a recycling plant. We have been working on this problem for years.

What we are doing in addition to curing the sanitation problem we are putting bailers in all our plants and at least we have cleared the labor problem. We are testing computers in order to produce the quantities. In other words, we are trying to solve the litter problem we are faced with. I do not think this kind of bill can cure the litter problem in the United States today.

I will be very happy to answer any questions you have.

THE CHAIRMAN: May we have a copy of your report?

MR. SEGAL: I'll be happy to write it out and send it to you. Thank you.

THE CHAIRMAN: You're welcome.

The next speaker is Teresa Dowd.

MS. DOWD: My name is Teresa Dowd, and I represent Environmental Action of Stony Brook.

I am here today to encourage the passage of the proposed Beverage Container Control Law. Although this law is limited to the beer and soda containers, it is a progressive bill and must be passed. I believe that this bill is environmentally sound. The passage of this bill would result in a reduction in litter, solid waste, and bottling costs, as well as saving energy and natural resources.

The non-returnable beverage container is a relatively new invention. According to the Wall Street Journal, in 1965 non-returnable containers comprised on three per cent of the market. This three per cent has increased by leaps and bounds until today, ten years later this thru-put mentality has created a real solid waste problem. Here we have an example of a technology that is

having a detrimental effect with a clear solution. A solution that was in effect over fifty years and is known to work.

Besides the demand on the solid waste disposal system, the non-returnable beverage container creates a demand on our limited resources. It is obvious that if you produce one item and use it over and over again it will require less energy and natural resources than if you produce ten one use items.

It appears that Suffolk County has learned from Oregon and Vermont. Take Section 106 of the proposed law for example. This section calls for containers to be uniform in size and interchangeable. This flexibility would eliminate costly sorting at home and at the redemption center, as well as reduce personal and business losses.

There is great potential in this bill. It was encourage recycling. It will get the consumer back into the saving ethic. And it will get people back into the habit of toting things back to a

redemption center for reuse. Sections 101 and 108 may even legitimate the recycling center and turn it into a place of serious business, rather than a voluntary center for public good.

Although this bill does not cover all beverage containers and other forms of excess packaging, nor does it address the problems of recycling directly. Environmental Action at Stony Brook sees the proposed Beverage Container Control Law as a step in the right direction and strongly urges its passage.

I have been talking to many of the people here. Many of you assure me that you are concerned with the Solid Waste problem. Some of you even assure me that you would attend a Resource-Recovery meeting in similar numbers as you are today. I doubt it.

This is a bread and butter issue. The proposed bill will directly affect ninety per cent of the people in this room. Any Solid Waste management bill would not affect any of you in the same manner.

Mr. Bassano seems rather willing to shift all responsibilities to the federal government. But what has he and the other people here done to pass effective Resource Recovery legislation?

Laws, such as I.C.C. Rates and depletion allowances, favoring big business are still on the books. These laws discourage Recycling and Resource Recovery. The public must be taught to recycle. The five-cent deposit is nothing but a teaching aid.

Real Solid Waste management is a thing of the future. It will take over ten years for any good system to be installed.

The people here today are reacting to an immediate personal problem. What this country needs is a Rational Plan that considers all aspects and long range goals. If all aspects of the non-returnable bottles were properly analyzed before they were introduced to the market, we would not be here today.

Thank you.

MR. BASSANO: I would like to respond.

I believe this is my first hearing on the proposal made, the creation of a four-town solid waste disposal. It was tabled and ultimately the three towns got together.

I have taken a trip to Ohio to look at a disposal plant. They said I am trying to shift the responsibility to the federal government. I don't think we are at odds at trying to protect the environment.

It is a question of trying to bring about something has been constituted because you and I are consumers.

(Continued next page - Page 187).

To Coca Cola, all of those bottles and cans, they have done their thing, with the flip top cans, these are basically not the items that the federal government has the total control over. When they come out with new mechanics for marketing, we should have somebody figure out the research and the market and the disposal. Unfortunately we have a high economic problem and I can try to match environment with unemployment; if it does cost a couple of hundred jobs at stake, and since you and I are idealistic about environment, we are not going to get off first base.

I think the federal government should put this thing together because they have a problem with the oil. They have a problem with the natural gas. I think we've got plenty down there but somebody is playing games. They go forward and pass a bill that would require this sort of thing. I'm not shifting the responsibility. We would not only fight bottles; we fight cars. When the economy

is high there are more cars on the road. We should clean up the environment but you've got to start in Washington because it's got to come from the top down. It's a national problem.

It's not just Suffolk County. You talk about contraband over borders. You might say I'm going to bring a six-pack into Nassau County. You've got to take the big approach to get those things done through the federal government. Don't come to the local governments to clear up the environment. You don't do it by throwing people out of work. I point out before the danger, especially to the working guy. The fact is that I don't think there is any American that wants to see this program go down the drain. I don't think they want to see the litter on the roads. I think they want to help the effort, but what has caused a lot of confusion we have terms like now, when, it, you, that all mean different things to different people.

Basically we've got to give people an opportunity to make comments about how to cure the worse conditions when we have the control to do it from the top down and nobody is doing it.

MS. DOWD: The I. C. C. rates, which are favorable to virgin material rather than recycling the depletion allowances.

MR. BASSANO: Iron out of the ground is supposed to be cheaper to haul it to the mill. When it is a manufactured product, it is higher. It may go to another point to be completely put together, assembled. That has always been done in such situations like commodities, fruits, vegetables, iron or manufactured product. That's nothing new.

MS. DOWD: I think we're agreeing on a lot of issues. I am saying you have to start at the local level because the federal government is not going to take care of it until it becomes a major crisis.

MR. BASSANO: It is the natural

get the job done the best so you don't mess up the place all over. You don't leave any back doors open either.

(Applause).

DR. FELDMAN: Do we have legislation banning beverages?

THE CHAIRMAN: I don't think so. I think it's alcoholic beverages.

A LEGISLATOR: Can you explain the continuity between Section 105, number 2 and number 5, where you talk about a dealer and they bring them to the redemption center? Who brings them to the redemption center?

THE CHAIRMAN: It can work both ways. The manufacturer or there can be redemption centers operated by the mercantile establishment or their company. It could be anybody that wants to operate such a redemption center so that it would minimize the impact on the small delicatessen where there are space problems and so on.

A LEGISLATOR: Then the dealer or store owner could deal directly with the

resources the federal government has to control. It's the government that has to do these things to protect the people.

MS. DOWD: I want to make one point. When I was speaking to people here they were saying they would come to a resources recovery meeting. I don't think they would. It's a bread and butter problem.

THE CHAIRMAN: Maybe it will help solve the problem. Thank you, Miss Dowd.

MR. BASSANO: I don't believe that's true. I spoke with the beverage people and they do have a program that will go into the solution and discuss and talk about cleaning up litter and so on and unfortunately the school people are not receptive to these people.

MISS DOWD: Recycling is a real problem which it is hard to get people to sort their garbage. These people won't do it, when they get paid for it and people aren't going to do it when they don't get paid for it. These are people that

believe that the environment is unimportant.

The kids will not make that type of commitment.

MR. BASSANO: Have you ever availed yourself of a program called pitch in? That program is available. They have been trying to get into various schools and they have not been able to do so.

These people have the expertise and they have spent money on this program and unfortunately they are not being received in this county.

MISS DOWD: They won't even go through the garbage when they're getting paid for it.

MR. BASSANO: Nobody has to go through the garbage that these people are putting on the streets.

THE CHAIRMAN: We appreciate the fact that you came down to make remarks.

MR. BASSANO: I think some of you people that are concerned with ecology. I have my reservations about some of your

concerns but I think that a lot of your intentions are good but I think you should avail yourself of the opportunity that these people present in their educational programs.

It doesn't make sense that these things are available, and you are not even aware that these programs are available to you, and these people have gone to --

THE CHAIRMAN: The program is fair minded. I know they're doing it. I didn't know they were running the program as far as getting into the school house door. Something should be done so that their worthwhile program can get into the schools. I don't think it's difficult, young lady, to carry it forth.

MR. BASSANO: Why I'm saying, these people you say are concerned with the ecology. These people have a program. You can help put it before people who are not aware of the program. They have a program in the schools where people who speak of ecology are turned off when

they get there.

MR. BASSANO: Somewhere along the line someone will get up to speak from that Pitch In program. I'm sure it's a worthwhile program and I hope more people will avail themselves of it.

THE CHAIRMAN: Mr. Anthony J. Napodano.

MR. NAPODANO: Mr. Chairman, my name is Anthony J. Napodano. I am Assistant General Counsel-Public Affairs for the Pathmark Division of Supermarkets General Corporation. Pathmark operates one hundred four supermarkets in Connecticut, Delaware, New Jersey, New York, and Pennsylvania.

Eight of our one hundred four stores are in Suffolk County and a ninth store is scheduled to open within the next two weeks. Pathmark employs approximately 1,265 people in Suffolk County.

I am appearing before you today to express our views in opposition to legislation that would ban the non-returnable bottle or prescribe a mandatory

deposit.

We know that you are concerned, as we are, with the need to conserve natural resources and deal effectively with the environmental problems created by the ever growing volume of solid waste. Solid waste management is a problem which we believe should be solved at the Federal and State levels through resource recovery programs.

The proposed Beverage Container Control Law under consideration, is not a meaningful solution to the solid waste problem and, is at best, a short range approach that could prove to be economically regressive and perhaps harmful to the public health.

If Suffolk County were to adopt a prohibition against the non-returnable bottle, it would have the following impact on us as a Suffolk County retailer:

- 1, the law would be economically regressive, in that retailers may suffer substantial losses of beverage and other sales to competitors operating outside the

county. Decreases in sales would, in turn, mean a decrease in tax revenues.

2, the law would restrict our ability to sell private label beverages in our Suffolk County stores, which are competitively priced at a greater consumer savings than the national brands. Our private labeled brand is manufactured only in non-returnable or disposable containers. If we are restricted from selling our private label brand in Suffolk County, such a restriction would result in economic hardship to us, our manufacturer, distributor, their employees, and result in higher prices to the consumer.

3, on the operations side, we would incur the following additional direct costs associated with the handling of returnable beverage containers:

a, labor costs which would involve clerical help in ringing and refunding deposits, salaries to box boys who would need to rack, sort, and move empty bottles from place to place, besides veri-

fyng bottle counts with beverage drivers, et cetera.

b, equipment costs which would include bottle racks and shipping carts necessary in temporarily storing empty bottles.

c, additional storage costs involved in the utilization of floor space for returnable bottles, which could otherwise be used for sale or food storage purposes. We estimate that an additional 2500 square feet of storage space would be required in each of our stores at an annual cost of \$9.36 per square foot, or \$23,400.00 per store annually.

d, studies conducted by Pathmark indicate that the cost of handling each returnable bottle to us would range anywhere from four cents to five cents per bottle. Thus, the law would have the effect of unnecessarily increasing prices at a time when consumers are already hard-pressed by recession and inflation.

4, last but not least, the returnable bottle would mean insanitary con-

ditions at retail food stores at a time when we are trying to maintain the highest sanitary standards possible. There is perhaps no better breeding ground for cockroaches and rodents than dirty bottles returned to supermarkets. Indeed, several years ago, food chains were strongly urged by public health officials to carry only non-returnable bottles because of health conditions.

As an alternative, we suggest that the solution to the solid waste problem lies not in a short-range non-returnable bottle bill, but rather in a program to utilize technology to develop a resource recovery system with local and regional waste recycling centers.

Resource recovery through recycling and the use of unrecyclable raw garbage for energy is not just a theory. A reclamation facility is the only practical solution to the solid waste problem and is a positive step towards resource and energy conservation.

Thank you for giving us this oppor-

tunity to express our views.

I think what we are talking about is what we are making is a cosmetic. It is dealing with one symptom. It is not making any effort to get to the real sickness. The real sickness can only be handled by a federal reclamation bill, not just the bottle bills.

Your proposal would restrict and prohibit our ability to sell private label bottles. All of our private labels are in non-returnable containers. There is no way we can switch over if your law becomes effective. That's something I would have to look at with regard to private label operations.

We would need additional equipment costs in the store. Perhaps one of the most important items is that we do not have the ability to store returned bottles. That we would need a minimum of twenty-five hundred square feet to store bottles. That twenty-five hundred square feet would have to restrict us now. We would have to deal with our directives.

We would have to use selling space for storing bottles.

We have the recent studies to determine what it is going to cost us to handle the bottles. The National Federation of Food Stores has done studies and they have done studies in the average supermarket and it costs to them would be about two cents a bottle. Pathmark Supermarket is well over two hundred thousand dollars a week. It costs us five cents a bottle. Converting these costs when we talk about storage costs we talk about actual handling costs. It would mean \$912,600.00 outlay to Pathmark.

Who is going to pay that? Pathmark has a profit margin of less than six cents on each ten-dollar order that we ring out. It becomes obvious that this cost would have to be passed on to our customers and at a time when our customers face unemployment, face inflation issues, face a recession issue.

Several years ago most of the

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MINUTES OF REGULAR MEETING

-of the-

**SUFFOLK COUNTY LEGISLATIVE
COMMITTEE ON ENVIRONMENTAL**

CONTROL

-held at-

**County Center
Veterans Memorial Highway
Hauppauge, L. I., N. Y.**

-on-

**Wednesday,
October 15, 1975
at 10:00 A. M.**

- - -

**HONORABLE PAUL BAISLEY,
Committee Chairman, Presiding.**

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THE CHAIRMAN: Ladies and gentlemen, I would like to get the public hearing started. I know there are a lot of people here and it is crowded, so I think if we work you in an ordinarily fast fashion it will be satisfactory to everybody.

The hearing this morning is of the Environmental Control Committee of the County Legislature on the proposed Disposal Container Control law. We have cards filled out and we will continue.

I would like to ask everybody if they will limit their remarks to five minutes and I would ask each speaker to come to the podium where the microphone is so they may be heard and I would appreciate everybody's cooperation to remain quiet as possible while someone is speaking and I guarantee I will stay here to hear what everybody has to say even if it takes a long, long time.

The first speaker will be the Attorney General of the State of New York.

wholesaler or take it to the redemption center?

THE CHAIRMAN: He could deal directly. Thank you. The next speaker --

FROM THE FLOOR: Mr. Chairman, you have a question from a legislator. Could the question be answered?

THE CHAIRMAN: Certainly. His question can be answered. I didn't see him or I would have had it answered.

The next speaker is Mr. Berberich.

MR. BERBERICH: Mr. Chairman, Honorable Legislators, my name is Dennis E. Berberich. I am Divisional Sales Manager for New York Royal Crown Cola which is a subsidiary of Joyce Beverages, Inc. My firm has a distribution center on Route 112 and Commercial Boulevard in Medford.

From this depot Royal Crown Cola, its affiliate products, Diet Rite Cola and Nehi, as well as Nestea Iced Tea in cans are distributed to Suffolk County. All of our products are sold in non-returnable containers. Twenty men are

Departments of Health asked us to handle a sanitary condition. We would have severe sanitary problems in our stores if we had to take back these bottles. As an alternative we suggest that the solution lies in a system where resources can be utilized to bring back and put back in the market place and other facilities, actually doing this in Monmouth County. In fact there is a complete reclamation facility for that county. I urge you not to adopt this legislation. I thank you for giving us this opportunity to appear and answer any questions if I may.

THE CHAIRMAN: You understand under the proposed law there is nothing that would require you to change your system of operation. You could still have your banded items in non-usable containers?

MR. NAPODANO: I understand it but what would we do with the bottles?

THE CHAIRMAN: You would be charged with giving a return on them because you charged a deposit on them.

MR. NAPODANO: What would we do with these bottles? These bottles would not be subject to be sterilized and put back into use.

THE CHAIRMAN: That would be your choice. You could use a non-reusable or reusable bottles. It seems under a law such as this that you or other chains or some other merchants could possibly band together to form a redemption center. I understand the health problem, and so on, so the answer might not be you would have to find all that space in each one of your stores.

I am suggesting that as possibility. So you did not have the idea you would have to find space for all of those returns. You say the real answer is resources recover, and I think it's a further answer in the long run.

What would be your answer to supporting container legislation, and also lend itself to resources return, which I don't know what's going to happen? There might be something wouldn't lend itself to

the resources recovery we're now embarking on.

MR. NAPODANO: We're not supposed to change. It's difficult for me to express an opinion for a technical advance we're theorizing on. When we deal with a cosmetic approach, let's understand it's only a cosmetic approach.

THE CHAIRMAN: Because it's patch work?

MR. NAPODANO: It would be cosmetic on a state or a federal level. It's only addressing itself to litter. The illness itself is reclamation, getting our resources back into the market to be used for reuse, using raw garbage for electrical power.

If we just look at this as a theory that may or may not materialize, that's the way it's going to be. There are facilities in this country. There are studies going on in Monmouth County. We are not supposed to change. I am not saying that this is cosmetic only because it is one county in this state. I would say

it was cosmetic even if the whole State of New York was considered in it. I would say it was cosmetic even if the federal government was considered in it. Most of the procedures on the federal level have been withheld because I think others are of the same opinion.

MR. NYDICK: How do these redemption centers propose to dispose of the non-reusable containers?

THE CHAIRMAN: That would be available for the distributors to pick it up.

MR. NYDICK: I asked Mr. Napodano how would they be picked up?

THE CHAIRMAN: They would be picked up for recycling.

MR. NYDICK: Are you we going to create a cluster site with no way of disposing of it?

THE CHAIRMAN: I understand that has a great influence on zoning and that might be another problem. What was hoped with the redemption center was to provide some outlet that would not

crowd the retailers that don't have enough space.

MR. NYDICK: I think you'd better make some law of disposition of non-usable containers for redemption centers or I can see an indication that nobody is going to use them.

MR. GRANT: I think the basic question is who is going to pay for the redemption centers? Are they talking about figures of expense?

MR. NAPODANO: Yes, sir.

MR. GRANT: Who is going to bear those expenses?

MR. NAPODANO: When you consider that our sales for fiscal 1974 were 1.5 billion dollars and our total profit was six million dollars I think the answer is we cannot afford to absorb these expenses.

MR. GRANT: What is your average mark up?

MR. NAPODANO: In the vicinity of twenty per cent.

MR. GRANT: The consumers would be

bearing one million two hundred thousand dollars then?

MR. NAPODANO: No, I'm talking about direct cost of nine hundred thousand dollars and when we set down a figure of what we need, nine hundred thousand dollars.

This doesn't necessarily mean that just the price of soda. In essence this man didn't go back to the price of soda. You may spread in answering some of your other products in that store by taking a half a gallon of soda.

The national brand may retail at 90 cents, 99 cents; the private label brand will retail at 60, 63, 65 cents. We would not be able to bring that private brand into this county. What would we do with these bottles? We have no need for these bottles? What do we do with them? Does that mean the store disposes of them? What happens when they get into a reclamation center?

We are charging the customer for

something that is not reusable, but that she's going to pay for someone has to get that five cents back because if we're going to be giving it to him, the whole system is not going to work, I don't believe, as you're envisioning it at the moment.

MR. GRANT: Is there a different unit?

MR. NAPODANO: I couldn't answer that.

MR. GRANT: I see the trend in Oregon is to move away from the large container?

MR. NAPODANO: I don't have the answer to that.

MR. GRANT: You work out of a central distribution point, don't you?

MR. NAPODANO: Yes.

MR. GRANT: Is that in Suffolk County?

MR. NAPODANO: Woodbridge, New Jersey.

MR. GRANT: How would you envision passing on the cost? Would the cost be

borne in all of your stores throughout the state or would it be levelled through Suffolk County?

MR. NAPODANO: That's an extremely difficult question to answer. Our advertising experts would have to wressle with that problem but usually the stores themselves are operating as profit centers. This requires stores in Suffolk County would be absorbing that cost. I would think most of that would have to come out of Suffolk County if those stores were to continue to be profitable.

Breakage is definitely a cost, but I cannot put a figure on it. How much money are we going to have tied up in merchandise I can't put a figure on that either but that's a cost to us. How much is it going to cost us when we have to bring trailer loads of bottles back to the redemption center. If the trailer is going to add four or five stores, that won't pay.

MR. GRANT: If added cost is

generated in Nassau County that could conceivably be passed along to your stores in Suffolk County?

MR. NAPODANO: Yes, sir.

MR. GRANT: Which would be passed on to your customers?

MR. NAPODANO: Definitely.

MR. GRANT: We have ten towns, twenty-nine villages, one hundred some fire districts; I don't know what jurisdiction would legislate the location of redemption center? Would we have anywhere from ten to five hundred centers?

THE CHAIRMAN: I can't give you the answer to that.

MR. GRANT: I think it is important because if my people have to drive great distances to deposit these bottles or containers, what have you, that is going to put more trucks on the road. It is a whole new ball game.

THE CHAIRMAN: It is a whole new ball game. That's why we're here.

I would be glad to sit down with

you. I don't know that the proposed bill had the right to set forth where redemption centers should be.

MR. GRANT: We're talking about cost. If we are talking about redemption centers what are we talking about? I think someone with some expertise should inject something here because I think these are very important factors some of these people would like to respond at this point. Where are they? How many are there? Who is going to pay for them? I've got a couple of little guys in my district who aren't going to pay for anything.

(Applause).

THE CHAIRMAN: If it gets severe, maybe it will become a public charge.

MR. GRANT: This is a very important factor with somebody who should come forward and state what they propose.

MR. NYDICK: If these are redemption centers are going to ship them to little field centers we are

directly employed or are self-employed distributors in our Medford location. All of these people and the families that depend upon them for their income are indigenous to this county.

My company has been involved in the distribution of soft drinks for over ^{five} twenty years. In Suffolk County, we began with our present enterprise just eleven years ago. By present standards, the case volume and gross dollar sales generated from our Medford operation would put it in a medium business classification.

The question of how big or relative size is not of importance when the decisions that could be rendered as a result of today's hearings could definitely effect the future well being of my business associates who more importantly are close friends.

A cursory review of my industry's and New York Royal Crown Cola's development would be that consumers had been supplied with soft drink products in return-able bottles for many years. It was a system

going to have the same problem we have now.

THE CHAIRMAN: The sole problem was to provide an outlet so there wouldn't be a shortage of space. Hopefully if the law were going to be implemented it would get to a manageable situation. If there were a redemption center that they would retain it from the company that distributes it.

MR. NYDICK: Ultimately your intention is to eliminate non-useable containers.

THE CHAIRMAN: Ultimately it is the return to deposit bottles.

MR. NYDICK: If that is your ultimate objective, why don't you put it in the bill?

THE CHAIRMAN: Nobody knows how it is going to go in the market place.

MR. NYDICK: It seems to me the simplest solution would be for the grocer to throw it in the garbage dump. There is no sense in bringing it to some other place because if they can dump it anyway,

the closest to the garbage can, that's where it's going to go.

THE CHAIRMAN: Thank you.

Mr. Berryman, Mr. Calvey, Mr. Simmer.

MR. SIMMER: Mr. Chairman, ladies and gentlemen, I am from Quality Delicatessen. We represent eighty-seven deli stores on Long Island.

Our objection to this legislation is not only the extra cost for handling and storing but right now Suffolk County has a new problem with the Health Department because there is right now going on an education course -- because there is right now going on a course in food handling on Long Island where right now up to December 31 of this year there will be six hours and next year it is supposed to be fifteen hours.

Right there we are talking about a galaxie of stores having three sinks in the store, having new filters put in stores; it all takes up space. They are

all small stores. We have stores that have twice a week delivery and no storage space. Now we are supposed to take every bottle back. We are supposed to store the empties. Twenty years ago when I started in this business we had a bottle boy. He was getting a dollar an hour. Today we can't hire anybody for \$2.20 an hour. We might have to hire two. Besides all these bottles, they have to clean it. If they have to stay there and wash out every bottle, it's impossible.

MR. GRANT: That can be done in the redemption center.

THE CHAIRMAN: It will keep it off the roads.

MR. GRANT: We will not be able to get on the roads with all the trucks.

(Applause).

MR. SIMMER: I heard about Oregon. In Oregon they don't have delis like we do. Dr. Fisher, I don't see him come in any delis. Nobody in a deli I know of ever knew of anybody coming

and asking about the problem with the legislation, what it is. When I started business we had eight stores out of ten stores, roaches were running on the counter and today the modern places are like palaces. The Health Department did a good job of cleaning them up and now we're going back to the old standard.

First of all, if the Coca Cola man came, they don't like to pick up empties. They just put them behind the store and say I take them next week, and they'll hang around. I know at one time they were giving a big nickle to pick up a case of empties. I know on Rockville Road I had a big cellar under the store and half of the store was a box of empties, and the other half was beer. Today I don't think all of the stores even have a basement.

The storage facilities are less than they were in the old stores in the modern stores. I can see no other way than throwing them in the back. A landlord who owns a shopping center, he don't

want trailers; he wants customers. That's all I have to say.

(Applause.)

THE CHAIRMAN: Mr. Joseph Sinatra.
Mr. Gil Grady.

MR. GRADY: Mr. Baisely, I am a Coca Cola distributor. I hae a route. I have it about a year. I paid sixty thousand dollars for it and I am on the border line. Where does that put me? I hope to compete with Nassau County. Nassau County is going to have Shasta. Supermarkets are going to have all the priced stuff.

People aren't going to shop there. My Pathmark is on the border line and see how much soap powder they have. Go to the first supermarket in Nassau and see how much soap they have. We're all going to get hurt. We're not in Vermont. We're not in Oregon. We're in Suffolk County. The only thing that separates the two counties is a line. We have three more people between Nassau and Suffolk. It's two different counties

and we're going to get hurt very bad.

Any questions?

THE CHAIRMAN: Do you feel the reason you would be hurt the most is the proximity to the Nassau line?

MR. GRADY: That reason would hurt me very much. It would be the ones in front. There's too much work with bottles in Nassau. The cost has to be based on him hurting now just from the economic situation.

The tremendous increases we have had in the year and a half and I'm sure the distributor in Smithtown would be hurt by another increase in costs which is more to operate his business and as far as myself personally just being by the line I would be out hours no doubt. I wouldn't last three months.

THE CHAIRMAN: If you could be compensated for picking up return bottles, how would you feel about that?

MR. GRADY: That wouldn't help me. I would lose so much. We have a petition. We asked the people how they

feel and we have some petitions. Eighty-five per cent to ninety-five per cent signed them. Do you want to look at them?

THE CHAIRMAN: If you leave them we would like to have them with the record.

MR. GRADY: We're going to make duplicates. We'll have them for you, all of them. Any other questions?

MR. CAPUTO: Give it to the clerk and ask him to distribute it to us.

MR. BAISLEY: Thank you, sir.
Mr. Richard Poillon.

MR. POILLON: Mr. Chairman,
Distinguished Legislators:

My name is Richard Poillon. I am the Vice-President of Pep Com Industries and General Manager of the Pepsi Cola Bottling Company of Long Island, a wholly owned subsidiary of Pep Com Industries.

We produce Pepsi-Cola and other Pepsi-Cola products, Orange Crush and

the Schweppes Mixer line. We have these items available in returnables if you can sell them. We have two plants on Long Island, one in Garden City, Nassau County, and one in Patchogue, Suffolk County.

The Patchogue operation produces all the cans for both counties. I will not bore you gentlemen by repeating industry figures, which I am sure you have heard, concerning the mandatory deposit bill on bottles and cans. I do want to tell you how I think it will effect our company, our employees, and our stockholders.

We are a relatively small company. We have had the Pepsi franchises in Nassau and Suffolk Counties since 1943. We have a strong union. We feel that our employees are paid well. They have a good retirement plan and a good Blue Shield Blue Cross plan. We feel our benefits are good. Most of our employees stay with us for a long time.

The foregoing was to give you a feel of our company background and why we are concerned. We are concerned that

the passage of a bill such as you are discussing here today would eliminate jobs and would cut the pay of the employees involved through less work availability for those fortunate to survive.

Previous speakers have outlined to you the cost involved in making the change to an all returnable system if this could be done. We are concerned, and it is doubtful whether a firm our size could finance this cost, particularly at interest rates which we could afford in this type of economy that we are going through now.

The rates are high if a source can be located. Banks do not look upon the soft drink industry as a favorable place to lend long term money. Our prices have been raised because of increased prices in everything we use. Because of the economy and the increased prices our unit sales are down. While I am pleased to report that recent reductions in sugar have allowed us to make some decreases in

price to our customers, with unit sales down the investment community does not find us an attractive prospect for the lean commitments over an extended period of time -- further decreases do not seem to be in the wind because of continuing cost increases in all areas, gas, oil, glass, cardboard, et cetera.

We have one hundred seventy employees in Nassau and Suffolk Counties. Among other things we have our own can line in Patchogue which is providing good paying jobs in Suffolk County. Of course, this bill would eliminate all of these jobs in addition to other jobs and our investment in the equipment.

Another point I would like to bring out is that we are a small publically held company. We have ^{been} known as a little old ladies' stock as we have paid dividends for over eighteen years. We have approximately two thousand stockholders and pay forty cents a share dividend. This bill would force us to eliminate our dividend and reduce the income of many people who

that worked well at a specific time when both economic and sociological conditions were different.

But factors came into being as the years passed. The two major ones were:

Number 1, the returnable bottle that historically had been acceptable to the New York consumer began to lose favor and decline in trippage

A deposit structure which increased from two cents to five cents to seven cents was no longer respected by the consumer and instead the package was discarded by them. When my company was confronted with its ultimate decision in reference to ceasing the production of a returnable package trippage was in the range of three to four. The consumer was telling us quite clearly that she did not want to return bottles any longer.

Number two, retail outlets that sell soft drinks became more sophisticated. Chain store personnel realized

have put their savings into our company. Among the stockholders are many employees, retired people, and others depending on us for income.

Because of the lack of sewers in Patchogue, we have agreed with the State Environmental Protection Agency to put a post water treating system there to eliminate any pollution of the water table that may be occurring because of the waste sugar that is flushed from our production lines. The estimated cost of this project is \$150,000.00 plus we have invested another \$30,000.00 in enforcement costs. Another additional burden would be more than our finances could bear and we would more than likely close the Patchogue plant.

These long term employees would probably have trouble finding a good job at their age and with today's economic conditions, they could become a burden to Suffolk County if they had to rely on welfare to exist.

As a citizen, I am also concerned

with the environment. I have lived on Long Island all my life and have seen it grow and progress to what it is today. There is nothing like it. I suggest that the better way is total resource recovery, which would also furnish electric power for sale, and possibly reduce your taxes.

A system such as the Black Clawson unit being put in the Town of Hempstead. I understand this unit will be going through. It will be a self-amortizing system. Isn't this a better way than attacking a problem piecemeal? I submit that it is necessary to continue our efforts toward improving our environment but without the unnecessary loss of jobs in today's economy, without imposing undue price burdens on the consumer and without writing the death certificate for many small companies.

In closing I would like to make the following points:

One, this bill would definitely eliminate jobs and the opportunity for

future jobs in our community.

Two, it is doubtful whether we could obtain conventional financing to make the capital investment necessary to make these changes.

Three, this would most certainly call for elimination of dividends by our company, which so many people depend on as a part of their income.

I ask that you not pass this bill.
Thank you.

MR. GRANT: Sir, I would like to know how many employees you have in the Suffolk County?

MR. FOILION: Nine hundred seventy employees in the Patchogue plant alone.

MR. GRANT: Thank you.

THE CHAIRMAN: Mr. Fortuna.

MR. FORTUNA: My name is Nick Fortuna. I am an independent Seven-up distributor. I am a resident of Smithtown and my four children go to the local schools.

I am community minded and ecology minded person as well as a member of my

civic association.

I have been involved with Boy Scouts for several years. I was there when we planted trees for erosion at Fire Island. I was there when Bill La Pone started his one man campaign with his car and then with two Highway Department trucks and then fourteen trucks and forty volunteers later, a successful organization. My company gave him a paper compactor. You see, gentlemen, I am a responsible citizen and caring conservationist.

I have been with Seven-up for ten years. Before that I was an independent Italian bread distributor. In other words, I have been my own boss and delivery man for most of my life -- since I was sixteen, to be exact. This kind of business, small business, has allowed a person like me, one who had to quit school at sixteen and help support my family, to gain a certain amount of security and freedom in this society.

Without money and education, where

do you suppose I'd be now if it weren't for business -- a factory worker maybe. No thanks.

By irresponsible legislation, by voting for the return of deposit bottles, you men will be forcing many small business men out. I don't have to go into statistics or the whys and wherefores here -- others who are more qualified have done or will do that.

I came to speak from my own point of view, the one I experienced and know about.

It won't work. People will not bring the bottles back. I saw with my own eyes that this was true. Seven-up was one of the last to convert its system of bottling to no-return. People in this country are not savers -- they use things once and then throw them away -- from paper napkins to the five-year planned obsolescence of the automobile. The reason the beverage industry resorted to a no-return system -- a big expense to the bottlers, especially Seven-up, our plant was

fairly new -- was because the bottles were not coming back.

People threw these expensive bottles away.

Gentlemen, if you pass this law my cost for delivery of soda would double. My route is now doing fifty thousand cases a full eight-hour day's work. I would be handling at least an extra forty thousand cases of empties more.

I would have to get another truck and deliver, the company does not pay me for handling empties. I would soon go out of business.

No one wants to bother lugging bottles back to the supermarket. It's much easier to throw them away or set them aside for a special ecology pickup. If you doubt what I say, ask your wives, ask your children; they will be the ones who either throw the bottles away or return them.

By exterminating the small business man you are creating an either-or economy. Either you're educated and in a managerial

executive position or you're uneducated and a factory worker or laborer.

The independent businessman is the foundation of the community. He is proud of his world and wants to better it. In order to instill this kind of pride in the ghetto the United States Government extended generous loans to ambitious black businessmen.

I'm not asking for a loan. I'm asking for the freedom to do what I do best, to build up and maintain my business. One last remark.

My route is in Suffolk on the Nassau-Suffolk border line, Huntington to be exact. One of the strongholds of ecology minded people, a community of above middle income families. I took a survey of all of the stores who sell soft drinks in the area, and have one hundred per cent acknowledgement and signed signatures that they do not want a forced deposit legislation and they have pledged themselves in getting more signatures.

I have here the pledges with con-

sumers' names from Huntington and by next weekend I will have a thousand.

MR. GRANT: Yours is a franchise operation?

MR. FORTUNA: Yes.

MR. GRANT: You own the trucks yourself?

MR. FORTUNA: Yes.

MR. GRANT: You feel if this was implemented you would have to get two trucks?

MR. FORTUNA: Yes. If I continue to do that type of business, I would get another forty thousand empties.

MR. GRANT: You feel it would cut your operation in half?

MR. FORTUNA: Yes.

MR. GRANT: How many people in this county are in the same type of situation you are?

MR. FORTUNA: I think the same. We have roughly -- I am with the Seven-up people. I am not sure of the Coca Cola business.

MR. GRANT: How many people in the

Seven-up?

MR. FORTUNA: We have about sixteen franchises in this line.

MR. GRANT: Do you know if a man would take him from Suffolk to Nassau?

MR. FORTUNA: In Huntington there are two that take care of Huntington. There are none that I know of that cross that line. We have a plant in Melville that takes care of the fifteen distributors in Suffolk County and the five distributors in Nassau County. This plant is about eleven years old. It can take care of sixty to seventy routes without building any more facilities.

We have a plant in Mineola. We have one in Brooklyn. There are five distributors in Nassau in Mineola.

MR. GRANT: You don't cover Nassau now?

MR. FORTUNA: No, I don't.

MR. GRANT: If you bought another truck, you would have to hire another man?

MR. FORTUNA: Yes. When I bought a truck two years ago it cost ten thousand

dollars. Now a new truck costs fifteen thousand dollars.

THE CHAIRMAN: Mr. Ken Meyer.

MR. MEYER: Mr. Chairman, Legislators, and Guests:

My name is Ken Meyer and I am a driver-salesman for Clare Rose, Inc. I am speaking not only on my behalf but on all other routemen like myself.

I drive a ten-bay truck; it holds a minimum of eight hundred forty cases of cans and non-returnable bottles. If we were to change over to a returnable system, the truck could hold only for hundred ninety cases.

The reason I am pointing this out is because all route men work on a commission basis. As one can see, if you only go out with approximately one-half the amount you go out with now, your commission will be cut in one-half.

I realize that no one out there except for drivers and driver-salesmen really cares that our work will be doubled.

By being doubled I mean for every stop

that this system was archaic. Soft drink merchandise had to be handled, two, three, and sometimes four times in the process of a sale and a return. Valuable space was being utilized to store empty containers which also created numerous sanitary or unsanitary conditions. I can attest to the validity of this statement because for two years I distributed my company's products in returnable packages from my own route truck.

The consumer and the accounts that are serviced by our products wanted our liquid refreshment provided to them in containers similar to the other seven thousand to ten thousand items displayed in your own neighborhood grocery store. Gentlemen, my company did not move into one hundred per cent one way packaging by design. We were simply supplying the consumer and our accounts with the type of packaging that they desired.

There are two areas of the country to which we can look to as a guide for your proposed restrictive container legis-

we bring something in we will have to take empties out. This means we can now do only one-half the amount of stops. Another point of interest: Since we will now only be able to do one-half the stops, one half the volume, and will have to pick-up empties at every stop, you can expect a price increase because now we get paid for what we bring in, not what we take out.

This will cause the first price rise. The deli owner needs a bottle boy. Wholesalers need more trucks and warehouse room. And do you know who will pay for these increases? You, the consumer.

I would like to bring to your attention the health hazzard involved. I have one hundred eighty-eight accounts. Out of these only four use returnable bottles and they all have cockroaches. If any one finds this hard to believe, I will be glad to show them.

I also made a study of my own this past week on what a problem storage of bottles would be to the deli owner.

Most delis range from twelve to sixteen feet wide and eighty to one hundred deep. Fifteen feet of this length is given to the kitchen where they cook meats and prepare food. It also includes a walk in freezer where cold beer, soda, and perishables are kept. The remaining sixty-five to eighty feet in length are used for selling space.

Now let me ask you a question: Where the hell can they store empties? Most all bars and restaurants have the same problem with storage space. I know we have a solid waste problem in Suffolk County, but believe me the answer is not a five or ten cent deposit. The answer is solid waste resource recovery. You will hear more about it today. So let's have Suffolk County take steps into the future with resource recovery and not into the past with deposits. Thank you.

MR. GRANT: You have a similar operation as the previous gentleman?

MR. MEYER: I work for a company. I work a certain route.

MR. GRANT: A franchise operator cannot expand outside that territory?

MR. MEYER: That's right. I would be only able to handle one-half of what I am doing now.

MR. GRANT: Do you own your own truck?

MR. MEYER: No, I don't. The petitions you were talking about, I would like to show Mr. Baisley.

These start last Tuesday. You can look through these. These were originals turned in today. I will check them up before I leave.

MR. GRANT: Mr. Meyer, you distribute in the Brentwood area?

MR. MEYER: Yes.

MR. GRANT: You are familiar with the Washington Deli?

MR. MEYER: Yes.

MR. GRANT: You are familiar with his space inside and outside the building?

MR. MEYER: Yes, they have built a bank next to him. I have put money in the bank.

MR. GRANT: How many similar situations are you familiar with?

MR. MEYER: There is one other delicatessen. This delli is also approximately forty feet wide and eighty feet deep. He handles approximately three to four hundred cases a month of Budweiser. Someone mentioned out in Oregon for \$500.00 you construct a shed, to store your empties.

Maybe he's not familiar with Brentwood or Central Islip. A shed with empties worth five cents a piece wouldn't last five minutes in Brentwood.

MR. GRANT: Going into the other shopping centers, the A. and P., and Hills, you service all those?

MR. MEYER: Yes.

MR. GRANT: Isn't the situation similar?

MR. MEYER: None of them have basements. I handle the whole Brentwood area. The only reason I got all the bottles back there is because it's drunk on the premises. I get the empties back.

I brought the packs in there. They're against the bottle law but they don't lose anything so they keep it right there.

MR. GRANT: In your experience in going in those places would it be likely that these people would have to eliminate some part of their present operation in order to provide space for storage of bottles?

MR. MEYER: He would have to do away with the meat section of his store. He would have to let go of the butcher and make room for his bottles.

MR. GRANT: Wouldn't that occur in other areas of Brentwood?

MR. MEYER: Almost every store.

They said they would be put out of business and they can't believe such a law is being proposed.

MR. GRANT: Knowing the location of the Washington Deli, can you envision a trailer truck parked in front of that delicatessen?

MR. MEYER: Not really. I have a hard time parking my truck to make a de-

livery.

MR. GRANT: Thank you.

(Applause).

THE CHAIRMAN: Mr. William Bengin.

MR. BENGIN: Thank you, Mr. Chairman, Mr. Grant, members of the legislature:

I appreciate your hearing me. I am going to cut my remarks short. I know what it is when you have been misquoted or misrepresented by somebody. It happened to me earlier today. I want an opportunity to set some of those things straight.

My name is William Bengin. I am director of environmental programs for the Seven-up. There is only one company that is allowed to sell Seven-up on Long Island. We have Nassau, Suffolk, Brooklyn and Queens. There was a Mr. Dick who used Mr. Mudd's name. He was from New York and misusing our figures.

I would like to set the record straight. Just a short word about our operation. We have three plants. One of them is in Melville. We employ about

forty production employees and we service the fourteen per cent distributing agents, it's about fourteen cans, about fifty-one per cent in no deposit bottles and four per cent returnables. This particular piece of legislation would have a significant effect on our operations.

We have the figures in black and white giving you the breakdown by category of the amounts of money required and capital investment and recurring costs. Mr. Dick was talking about \$91 million dollars capital investment figure for our entire company; capital investments and management are completely different. That 91 million dollars is the amount of money we would need for entire company on Long Island to convert to returnable bottles. We would need one million dollars a year for handling the bottles. I don't know where we would get money like that. I have the six-page analysis for our whole company but for your own interest I have prepared one for Suffolk County. I have copies but just to summarize in Suffolk

County we have put a quarter million dollars capital investment for expansion of our plant and additional costs and recurring costs of four hundred thousand dollars a year, but this is a tough time for the beverage industry. We don't think it is a solution to any problems, but at a time like this when we're talking about running only three or four days a week it would be to our disaster.

We don't have the space. We would be in trouble. We would have to go out of business. I am almost finished. One additional thing. This sort of legislation which has been proposed for four or five years now, every company has plans they would like to implement, and in our particular case we don't produce our own cans and our idea has been to put a canning line in the Melville plant which represents about a one-million dollar investment. If we had a canning line put in the one day that canning line would be shut off and we would lose four hundred thousand dollars. The canning line people

who have been trying to sell us a canning line have backed off for this reason. We would have at least fifteen additional employees to our Melville plant. I would like to invite any of the legislators who are so interested to come down to our Melville plant and who haven't seen a soft drink operation. I would be glad to show you the returnable bottles that aren't going any place even at a sixteen-cent deposit. Thank you very much.

MR. GRANT: You employ so many men?

MR. BENGIN: Forty men.

MR. GRANT: Is that a distribution plant?

MR. BENGIN: Yes.

MR. GRANT: How many people are employed?

MR. BENGIN: We have independent distributors. There are fifteen of them, in Suffolk County. They would need an additional truck. You have to be a businessman like that to understand the cost to them with no increase in volume. I am certain they would lose volume. They have

the same sales but vastly higher operating costs.

MR. GRANT: You mentioned you had intentions of expanding your facilities to include a canning operation?

MR. BENGIN: Right.

MR. GRANT: Has the threat of a bottle ban caused you to do that?

MR. BENGIN: Absolutely, for the past four years we have forestalled that. If this legislation was put on the shelf and we had some sort of a promise you were not going to get into this, we would put a canning line in tomorrow, but we can't afford to take the risk.

MR. GRANT: Unfortunately we did have a hearing a while back and I thought that was an indication as to how Suffolk County stands as regards non-returnable bottles but I think reverse action will take place in the sense that this is the second public hearing we had and I can assure you there is no support in this legislature to get involved in non-returnable bottles.

lation.

They are Oregon and Vermont:

Number one, in Oregon, according to the most recent information available to me beverage related litter increased during June to August, 1974, over the same period in 1973. The conclusion appears to be that container legislation has little if any lasting effect on litter in Oregon.

Number two, the Vermont venture in container legislation brings to light some facts which should be of financial concern to you. In fiscal year 1974, Vermont spent \$45,106.00 less for litter cleaning than in fiscal 1973, a savings which may be attributed to the presence of legislation in 1974. The population of Vermont is 480,000. The savings on litter clean-up averaged 9.4 cents per person. During this same year, the overall cost of container legislation in lost tax revenues, retailer and wholesale handling charges and forfeited deposits approximated

(Applause).

I think if the state has any indication of voting a bill to ban non-returnable bottles in the state, I think you people can use the two hearings we have had here and tell the people of the State of New York that Suffolk County has had two hearings and it is apparent that we are not going to have another hearing.

Although all you people have come out today and I appreciate it and I commend your interest, but I think it will have a reverse action in regard to what the State of New York is going to do.

MR. BENGIN: I want to thank you from the bottom of my heart and from the bottom of the hearts of every person in this room.

(Applause).

THE CHAIRMAN: Mr. Grant has said there was a prior hearing a year and a half ago. I am not talking about the merits of this bill. This bill is here because I felt there was some reason for it to be here. Apparently Mr. Grant

professes to know what the legislature is going to do but a year and a half ago when this first was introduced in Suffolk County it did lay on the shelf and I don't think that's the way the legislature should resolve the problem you mentioned before. If we are not mature enough to throw a problem out on the table and have somebody vote on it, there is something wrong.

MR. HENGIN: Mr. Baisley, we appreciate your having held this hearing. We think this has brought these issues out in the open and I think it is a good time to move on to solid waste recovery and get away from this restrictive legislation.

THE CHAIRMAN: Mr. Rollin Seip.

My name is Rollin Seip and I am the Manager of the Reynolds Metal Company Aluminum Can Plant near Middletown, New York where we produce all aluminum recyclable beverage cans for soda, beer, and soft drink manufacturers. We employ approximately three hundred New York

citizens at an annual payroll of four and one-half million dollars. We also spend an additional one and one-half million dollars locally for goods and services necessary to run our operation and more than one hundred thousand dollars in school and property taxes.

While I want to be as brief as possible, I want you to know of our strong objection to mandatory deposit legislation such as you are considering today.

Similar legislation when passed in the State of Oregon resulted in the loss of ninety per cent of our can sales in that State. While our Plant does not directly supply any brewery or soft drink manufacturer here in Suffolk County, we do supply Pepsi-Long Island, Budweiser, Rheingold, Pabst, Miller and other companies who distribute their product in our cans in Suffolk County. A ninety per cent loss of this business, which represents a major Northeast market to us, would have a severe adverse effect on our operation in Middletown, New York.

Our plant is currently operating at seventy-five per cent of capacity, a further loss of sales will result in more lost jobs and could make our operation uneconomical and result in our closing. This is especially true when you consider that Reynolds has another aluminum can plant in Woodbridge, New Jersey that could be in a position to supply our remaining northeast sales volume.

The high economic penalties of a deposit system in terms of lost jobs and higher consumer prices far outweigh the questionable environmental benefits. This is hardly the time to take ill-advised action that will cause further economic disruption to Suffolk County and the State of New York. The aluminum industry, like the rest of the country, is currently in recession. Production at some of our reduction plants has been cutback or stopped. Our Massena, New York plant, where some eight hundred New York Citizens are employed has escaped cutbacks so far, but if you start

knocking our can off the market through this legislation the impact will also be felt in Massena, New York, as our can has been one of the more stable products of Reynolds operation.

Basically there are no sound technological reasons for legislating the aluminum can out of business in Suffolk County.

It is fully recyclable and is being recycled into new metal with just five per cent of the energy required to make the metal in the first place.

The can is compact and light in weight -- saving energy in transportation. You can deliver twice as much beverage per gallon of gas in aluminum cans as you can in the heavier refillable container that this legislation encourages. Reynolds Metal Company has been a pioneer in the field of recycling. Through a National network of more than thirteen hundred aluminum collection centers, including locations here in Suffolk County, we are currently recycling the equivalent of more

than thirty-five percent of the cans we produce. At all our locations Reynolds has also embarked on an expansion program that within the year, will more than quadruple our number of permanent recycling centers and increase our mobile recycling units on the road by more than five times.

We pay fifteen cents per pound for the cans brought back to us and for just the first six months of this year have paid the public 5.8 million dollars for their efforts. This is proof positive that recycling works and results in litter reduction, energy saving, and solid waste reduction without costing people their jobs and increasing costs to the consumer.

Reynolds is also intensely active in the field of solid waste technology working with the Federal Government, the National Center for Resource Recovery, Municipalities and other industries to recycle all solid waste, including aluminum.

Aluminum, worth three hundred dollars per ton is one of the most valuable materials in solid waste. Although it

represents less than one-half of one per cent of the total solid waste stream, it can provide the key to economic viability for municipal waste recovery systems.

Let us summarize by stating there is no reason for legislation that discriminates against our product and attacks the jobs of the people who produce that product. The Oregon experience shows that you would not reduce your litter by more than ten per cent of your solid waste handling costs.

There are better, more positive ways to solve the problems we are all concerned with.

Thank you.

THE CHAIRMAN: Thank you.

Mr. Calamis?

MR. CALAMIS: Mr. Chairman, and Members of the Suffolk County Legislature: Thank you for the opportunity to speak at this hearing.

My name is August Calamis, and I am a union representative of the International Brotherhood of Electrical

Workers, Local 363; representing fifteen hundred members, of which three hundred members are employed by Reynolds Aluminum, Walkill Can Plant, New York.

Our memberships average hourly salary is seven dollars. This does not include our medical and dental plans.

Reynolds annual payroll is approximately four and one-half million dollars. Their annual school and property taxes approximately one hundred fifty thousand dollars. Reynolds also spends about 1.3 million dollars annually for local products and services -- equipment and supplies, utilities, trucking, et cetera.

Do we really need a bill that would shut down bottle and can plants and punish the people that work there?

The most serious need that we have in New York State is for increased employment. The bill you have before you can only lead to unemployment.

Dr. Frankenstein created "the monster." What will passage of this bill create?

It will create tremendous hardships on the truckers, manufacturers, the bottlers and distributors, supermarkets and last but not least the "mom and pop" grocery store.

You, the Legislators of Suffolk County and the State of New York hold the welfare of your constituents in your hands.

In closing, I would just like to say that I consider myself to be an environmentalist. With one difference, I feel one of the most important factors in the environment is not just wildlife, the trees, the fields; it is, people -- and our people need their jobs.

Thank you.

THE CHAIRMAN: Mr. Frank Asselta.

MR. ASSELTA: Mr. Chairman, Mr. Grant, my name is Frank Asselta. I live on Aloma Road in Rocky Point. I am the research analyst for the Bureau of Government Research, a division within the Long Island Association of Commerce and Industry.

The LIA membership includes over one thousand individual companies represented by more than two thousand executives of the Island's leading organizations.

The Long Island Association of Commerce and Industry supports the efforts of government agencies to reduce the sources of litter which bespoil beaches, parks and roadways. However, the Association opposes proposed local laws which would require retailers in selected areas or counties to charge and refund deposits on each beer, soft drink, and other containers.

Being a regional business organization, representing both Nassau and Suffolk Counties, we view local issues and legislative proposals that promote the bi-county economic well-being and welfare of the business community.

The legislation before us today, the Beverage Container Control Law for Suffolk County, will create an inequity in doing business in the bi-county area.

If refund laws are considered only

\$8,000,000.00 or \$12.50 per person.

The financial trade-off in Vermont for a 9.4 cents per person savings on litter clean-up was \$12.50 per person.

Realizing that the population of Suffolk County is three times greater than the State of Vermont the financial ramification of this proposed legislation if effected conceivably could cost this country in excess of \$10,000,000.00.

If this mandatory deposit is effected, you will be asking the consumer to pay a higher price for soft drink products, asking the consumer to return for their deposit refund non-returnable bottles and cans, asking the grocery owner to store these one-way containers which would be picked up by the soft drink distributor for what purpose? The non-returnable bottles can only be used for cullet and the cans for recycling. They most certainly cannot be re-filled.

As recently as May of this year,

on a local basis, for example at the county level, these conflicting provisions will occur between counties:

One, Distribution: Inventory problems will develop when a distributor supplies a "deposit area" such as Suffolk County and non-deposit areas such as Nassau County and New York City. Even if the distributor is presently supplying returnables, different inventory of stock between counties will exist.

Two, Inequity in delivery of product: The "route salesmen for Suffolk County, as opposed to the "route salesmen" in Nassau County will experience less productivity due to the increase in his workload handling empties and in some cases he may pick up an additional cost by having to hire a helper to make up for his additional work and loss of time.

Three, Retailers: The retailers in Suffolk County will also be charged with additional hardships. Even retailers who are financially compensated for handling of returned containers as put

forth in the bill are still subjected to space availability and sanitation control problems.

Four, Litter: If Suffolk County has a deposit law and Nassau County and the rest of the state haven't, then throw-away containers are still going to appear as litter on the roads of Suffolk County as thousands of tourists travel to Long Island's East End.

The Long Island Association of Commerce and Industry believes that this legislation is only a piecemeal approach to Long Island's litter problem. The solution may be in a concentrated effort on a bi-county basis with proper public education and an improved resource recovery system for solid waste, similar to that project in the Town of Hempstead. Or just a substantial increase in the fines for littering with strong enforcement.

In other words, people must treat their environment like their homes and not throw trash on the floor.

THE CHAIRMAN: Thank you.

(Applause).

MR. GRANT: I wonder if I might suggest that anyone who has a prepared statement will submit it and it will be entered into the record, possibly we will cut down on the time. We have a number of people who have requested to speak. I would like to make the suggestion to the chairman that anyone who feels they would rather speak rather than submit their statement, I think the chairman will cut down on the number of speakers and I would like to commend Mr. Baisley for conducting this hearing today. I think it took a lot of guts to ask for a second hearing in view of the fact that we did have a hearing in the past.

As chairman of the Environmental Protection Committee for the Legislature, he has a responsibility to the Legislature, and he also has a responsibility to his constituents. I wonder if we could have a showing of hands of those who insist on speaking and maybe the chairman could

cut down on the number of speakers by asking anyone who has a prepared statement to submit it and we could enter that in the record.

THE CHAIRMAN: Daniel Adams.

MR. ADAMS: I will submit a statement.

THE CHAIRMAN: I was anxious to get your October 6, 1975 reports.

MR. ADAMS: The only thing we have done now regarding an economic impact statement, I feel like a carpet bagger coming down from Albany because I think everybody who has spoken before me has made a damn good economic statement. I have made a note. When I get back to my office I'll mail that to the Legislature.

THE CHAIRMAN: Mr. Adams, I know you're competent in this area and you're familiar with the State Task Force report.

MR. ADAMS: You're talking about time and no deposit return?

THE CHAIRMAN: Yes, the February, 1975 report.

MR. ADAMS: I am very familiar

with that report.

THE CHAIRMAN: I would like your summary of that report.

MR. ADAMS: When you're discussing legislation in Suffolk County, we would only do a report in Suffolk County.

THE CHAIRMAN: I would like your expertise in Suffolk County.

I would like to meet with you about it.

MR. ADAMS: I will meet with you if you like and I can personally go over that economic impact statement with you and I can present a view taking from that statement for Suffolk County.

THE CHAIRMAN: I would appreciate that.

(Applause).

Mr. Juliano.

MR. JULIANO: I am a beverage distributor and we have a composite business of both pick-up and delivery. I am on the border. I am concerned most about that corridor causing inconveniencing one of us with putting us out

of business. You only have once chance to make your guess. If you guess wrong, you don't have any recourse. I had an opportunity to get the petition signed. Everybody we asked to sign a petition, they said who is behind this. They were very upset about this. We didn't give them any names.

When they blamed Mr. Klein in the newspapers, they said he didn't have all the facts. In New York City everybody is looking for a rap. They're going bankrupt. In Reingold they have agreed to work one week and let their buddy work one week. We are not talking about cutting into the profit of these big businesses.

My daughter graduated from college. She was educated in college how to spend money but spending money is only good when you spend your own. When you spend other people's money you can't do any good. That's what bothers me about young people. We have people, they don't want any handouts. They want

to work. I'm twenty-nine years in business and I'll be resentful if you legislate me out of business. I don't want you to put any soda suppliers out of business.

When I went in business I had about thirty breweries trying to make deals and they would give discounts. If you let Schaeffer Breweries go out of business, these national breweries will put us out of business. I also notice something else. When I get out of here those expressways are clogged with those bound for Nassau County. If I have to charge them more for the beer, if you think the people going down. I never leave my business. I've never been to one of these meetings before. You mean to tell me that guy is going to come back and wait until he gets to Suffolk County, and pay me two dollars more a case for beer.

The only one I can educate is my daughter so I can teach her what work is now.

(Applause).

THE CHAIRMAN: Mr. William Piera?

MR. PIERA: I will submit two statements. One is mine and repeats nothing more than what I said the last time I was here but the other one is a statement by William Trebilcock of Coca Cola and it is his testimony before the committee in Albany this year. Eight bottling plants closed in Oregon, five of which are Coca Cola plants since the bill passed last year.

Thank you, gentlemen.

THE CHAIRMAN: Gerard Weber.

MR. WEBER: Mr. Chairman, I represent Local Number 8 of the Glass Blowers Association. My local objects to this legislation in any shape or form.

THE CHAIRMAN: Mark Rose.

MR. ROSE: I don't have a prepared statement. I have notes. I will give them to you very quickly.

My name is Mark Rose. I am an employee of Clare Rose, Patchogue. We employ approximately forty people. We do business in Suffolk County only.

Last year operating at one hundred per cent capacity, Clare Rose delivered one hundred forty cases of beer last year. We operated with four delivery trucks and three tractor-trailers.

If this bill goes through we would need additional five trucks and additional trailer tractor at a cost of three hundred thirty-one thousand dollars. We operate with eighteen thousand square feet of storage space. We would need an additional six thousand square feet at a cost of one hundred fifty-two thousand dollars. Storage space for the new equipment would cost seventeen thousand eight hundred and fifty-seven dollars. Last year we had unloading equipment and this increase cost an additional five thousand dollars.

Mechanical time to cover the maintenance of the new equipment would be fifteen thousand dollars. Last year we paid thirty-eight thousand dollars for fuel. Eight thousand six hundred eighty-six dollars for diesel tax and eight thousand three hundred ninety-five dollars for

mileage tax, one-third more because of this legislation would mean an additional eighteen thousand three hundred sixty dollars for fuel. If they ban the one-way bottle, the first year Clare Rose would have a cash layout of five hundred thirty-nine thousand dollars would have to add to their income. Consider the effect it would have on the price of beer and I am just a wholesaler. This is my wholesale cost.

These figures do not include taxes or insurance or the interest on moneys to finance these. Some of my brands would be withdrawn on these import brands. I have a small local brewery in my house and I doubt they could afford to make a special package for Suffolk County.

At this point I would like to submit into evidence, this is a twelve-ounce can. This is a twelve-ounce returnable bottle. I can put eighty-four cases of this can on a pallet. I can put forty-two of this returnable bottle on the truck. My report was based on only increasing

Sidney P. Mudd, Chairman of my company, publically stated before a hearing on container legislation in Jamaica, Queens that to re-convert to returnable packaging in our two plants and at that time seven warehouses -- as of October 1, there are nine warehouses -- would be a capital expenditure of \$30,000,000.00.

To quote Mr. Mudd: "A forced return to packaging in returnable bottles would purely and simply put this company out of business." A company which employs over five hundred people in the metropolitan area.

Restraints such as the legislation under consideration have been considered in every state of the union. In ninety-six per cent of the instances intelligence has overridden the emotional appeals that surface in situations such as today's hearings.

Government, labor, and industry working together can and will overcome problems in the areas of:

Number one, litter;

forty per cent so I will have a margin. The weight, and it was brought up by Mr. Noto, the bottle here empty weighs twenty-four times this aluminum package. In rough figures if four or five per cent of this item was to be thrown in the garbage pail we would be right up to the total waste.

Clare Rose increased the numbers of products. We have donated a thousand dollars of our money to the National Center for Recovery. We have prepared programs in the local towns. I don't think you could see a garbage can that does not have a pitch-in sticker actually produced by the town that we have not donated to the town. We have submitted Jonathan Winters films in the school. Every school will not run this program. We have negotiated with the Suffolk Community College. This is the only college we have gotten to respond to the pitch-in programs we have wanted to run.

We have applied to Stony Brook University and we have heard nothing in the past year. We have applied to the Southampton College and SUNY at Farmingdale.

Suffolk Community is the only college that has cooperated with us. The lady from the Women's League of Voters said all the money we have for scare tactics on the petitions we signed. The wife of one of our drivers made up these petitions at no cost on her time.

MR. GRANT: Mr. Rose, you said you had a small brewery in your home. We have two policemen here. I don't want them to follow you to your home.

THE CHAIRMAN: I'm sorry.

MR. ROSE: It was worth the weight.

THE CHAIRMAN: We'll take notice of the size. I don't think we need the can and the bottle.

(Applause).

THE CHAIRMAN: Mrs. Grady.

MRS. GRADY: I'll pass and send my statement to Mr. Baisley.

THE CHAIRMAN: Mr. Kendrick.

MR. KENDRICK: I am Secretary of the United States Brewers Association. A threshold question at any hearing on a proposed county law requiring that there be

a mandatory deposit and a mandatory redemption by vendors for all beverage containers sold within the county should be, I submit, "Does the County Legislature have the legal authority to adopt such a measure insofar as it pertains to the sale of alcoholic beverages, namely, beer?"

While thousands of words have been spoken at various public hearings conducted by local legislative bodies on proposed container legislation, this subject -- the right of a local legislative body to enact provisions dealing with the sale of alcoholic beverages -- is rarely discussed. Cayuga County adopted its container legislation without the subject of the State's preemption of the entire field of regulating the sale of alcoholic beverages having been discussed, either at the public hearing or mentioned by any legislator at the session where the measure was adopted.

The powers of a County Legislature are limited. It has no inherent power

to pass legislation which its members feel might be beneficial or in the public interest. Every valid local law of a County Legislature can be traced to some provision of law authorizing the county to legislate in the area where the county has acted.

While a county may under Section 10 of the Municipal Home Rule Law adopt laws dealing with the "safety, health and well being of persons or property --", such local laws are to be "not inconsistent with any general law relating to the same subject."

Has New York State pre-empted to itself the right to regulate exclusively upon all aspects of the sale of alcoholic beverages? If one studies the State's comprehensive enactment on that subject found in its Alcoholic Beverage Control Law and the rules of the State Liquor Authority promulgated under that law and decisions of the courts interpreting that law, one reaches the conclusion that the State has completely pre-empted the field of regulating the sale of alcoholic beve-

Some states have granted to municipalities broad authority to participate in the regulation of the sale of alcoholic beverages, but New York has not. In the past, several local governmental units have had legislation adopted by their Legislatures invalidated on the grounds that the local enactment impinged upon the State's exclusive authority in regulating the sale of alcoholic beverages. Some municipalities have had parts of their zoning ordinances declared invalid as being in conflict with provisions of the Alcoholic Beverage Control Law. Other municipalities have had other ordinances declared invalid by courts for the same reason, namely, the municipality has trespassed upon a field of regulation pre-empted by the State.

One of the best and most comprehensive analyses of the State's complete pre-emption of the field of regulating the sale of alcoholic beverages was expressed by Justice George M. FANELLI in a case

involving a local ordinance which attempted to restrict hours in which alcoholic beverages could be sold on Memorial Day. The court stated:

"It is quite apparent that the provisions of the Alcoholic Beverage Control Law are exclusive and State-wide in scope and that the power to restrict and regulate the sale of alcoholic beverages is solely the province of the Legislature of the State of New York (William Mullare, Inc. v. Town of Hempstead, et al., 11 Misc. 2nd, 245, 136 N.Y.S. 2nd, 55; Grundman v. Town of Brighton, 1 Misc. 2nd, 860, 150 N.Y.S. 2nd 326) and was not intended to be shared with the multitudinous municipalities in the State. There can be no doubt that through the Alcoholic Beverage Control Law and its comprehensiveness the State has pre-empted the field in dealing with the sale, regulation and distribution of alcoholic beverages and, so long as such legislative declaration and mandate continues to express the legislative intent, this court will not

construe Section 86 of the General Municipal Law as indicative of a contrary intent and a repeal by implication of the pertinent sections of the Alcoholic Beverage Control Law, particularly Section 106, Subdivision 5 thereof. The positive policy expressed by the Legislature in the Alcoholic Beverage Control Law should not be overridden or curtailed insofar as the sale, regulation and distribution of alcoholic beverages are concerned except by another equally plain declaration and command."

Does the State in its regulation of the sale of alcoholic beverages have anything to say on the question of deposits on containers and the redemption of containers? It most certainly does, and Rule 89 of the Rules of the State Liquor Authority deals specifically with deposits on beer containers. Let's analyze this rule and how proposed container legislation adopted at the local level could nullify the policy pertaining to deposits on containers adopted by the

In the first place, the Liquor Authority does not require a licensee to impose a deposit charge on a non-returnable container for the State's rule requires a deposit only upon a sale in a reusable container; thus retail licensees are privileged under the license granted to them by the State Liquor Authority to sell beer in non-reusable containers without imposing and collecting a deposit charge on non-reusable containers. If the proposed county container law is adopted the exercise of the privilege existing under the State license permitting the sale of non-reusable bottles or containers without a deposit would subject the licensee to a fine under the proposed county enactment.

Isn't it obvious that the Legislature never intended to permit municipalities to adopt different and conflicting rules regulating the sale of alcoholic beverages -- a field in which the State has steadfastly refused to share its

Authority on this subject with the various municipalities of the state?

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There is another way in which the proposed county enactment runs afoul of Rule 89 and the State's policy expressed therein. When it comes to the redemption of deposits Rule 89.6 provides that only the original vendor in a contract of sale is obligated to redeem the container when it is presented for redemption. The proposed county enactment would require any vendor selling beer at retail to redeem any container presented to him of the kind, size and brand sold by the vendor, even though the dealer to whom the container is presented for redemption was not a party to the original sale of the container.

Picture the dilemma in which the retail licensee would find himself if a county had authority to adopt this proposed measure. The explicit rule of the licensing authority which granted him his license informs him that he need not redeem a container in instances where he

was not the vendor in the original sale. The county's enactment tells him he must make a redemption even though he was not the vendor in the original sale.

Should not the licensee be able to rely on the specific rule of the licensing authority which tells him he need not make a redemption when he is not a party to the original sale? Does it stand to reason that the State ever intended to have its comprehensive regulation of the sale of alcoholic beverages confused, contradicted and nullified by enactments on the subject by the sixty-two counties and more than nine hundred towns of the State?

In a 1972 case the State's highest court in discussing the State's pre-emption of the regulation of abortions and the lack of power on the part of a municipality to require that abortifacient acts be performed only in a hospital, the Court of Appeals pointed out that the State policy having been expressed a municipality lacked authority to deal with the matter "unless it is specifically empowered to

Number two, Resource Recovery;

Number three, Energy

Restrictive legislation is not
the answer

THE CHAIRMAN: Thank you.

MS. STRINBERG: Could I please
ask you a question? There is no spite
involved in this. Just the gathering
of information. It appears that space
is a very important item in this argu-
ment.

I heard the Bell say they have no
space. I heard you mention about cost.
Think about the municipalities; the
municipalities are also involved with
space and cost.

I would like you to tell me whe-
ther the industry and your companies
have some kind of responsibility to the
municipality who is trying to deal with
the cost of final disposal and find space
for that final disposal? How do you
expect a governmental agency, such as ours,
to deal with that? There is a problem
of space and money. We are all facing

do so in terms clear and explicit." The court rejected the contention that authority for the village's enactment could be found in its general power to enact ordinances deemed expedient or desirable for the health of its inhabitants. The Court then went on to point out that local health regulations "may be enacted by a municipality, in spite of general State regulation, only if there exists a 'real distinction between the city and other parts of the State.'"

The Court then concluded by stating, "It is hardly necessary to remark, however, that there are no 'special conditions' concerning the performance of abortions in the Village of Hempstead as opposed to the rest of the State which warrant enactment of the local ordinance."

The 1972 decision of the Court of Appeals demonstrates that despite the Bill of Rights for local governments, since 1964 a part of the State Constitution, municipalities still lack power to legislate in an area whose regulation has been

pre-empted by the State.

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On April 10, 1974 the Circuit Court for the County of Washtenaw (Michigan) held invalid a deposit container ordinance of the City of Ann Arbor, principally upon the ground that the subject matter had been pre-empted by the State's law pertaining to the sale of alcoholic beverages and the Liquor Control Commission's rules issued thereunder.

The informal opinions of the Attorney General to the County Attorney of Rockland County dated June 26, 1972, and to the County Attorney of Onondaga County dated July 22, 1974, disregard the thrust of the State's complete pre-emption of the field of the sale, regulation and distribution of alcoholic beverages, and these opinions should be considered in the light of the failure to recognize that thrust.

The Rockland County opinion completely ignores the issue of pre-emption insofar as it pertains to the Alcoholic Beverage Control Law. In the Onondaga County opinion the Attorney General held

that "the Alcoholic Beverage Control Law 272
has not pre-empted local regulation of
alcoholic beverage containers." The
Attorney General went on to state "the
state's sole concern is 'to regulate and
control the manufacture, sale and distri-
bution within the state of alcoholic
beverages . . . and does not indicate
any attempt on the part of the State to
regulate alcoholic beverage containers.'" "
This statement completely ignores the
numerous specific provisions in the rules
of the State Liquor Authority pertaining
to containers, and in particular to de-
posits on containers. See Rules of the
State Liquor Authority, Part 89.

The Attorney General's contention
that Part 89 pertaining to deposits on
containers is to prevent the giving of
gifts of containers by wholesalers and
manufacturers to retailers and "would not
appear to apply to purchases by individual
consumers from retailers" is untenable.
Section 89.1 reads "every licensee shall
charge and collect in connection with the

sale of beer in reusable containers, a deposit as hereinafter provided." That section clearly applies to sales by retail licensees to consumers, and Section 89.6 pertaining to redemption of deposits obviously pertains to deposits collected by retail licensees from consumers.

Justice Fanelli, in *Blumfield v. Town of Ramapo*, 30 Misc. 2nd, 678, in his opinion quoted above held that "the power to restrict and regulate the sale of alcoholic beverages is solely the province of the Legislature of the State of New York and was not intended to be shared with the multitudinous municipalities of the State." Surely that power is not to be rendered impotent by recognizing in a municipality power to regulate the sale of alcoholic beverage containers, which regulation could negate the State's policy with respect to containers and deposits thereon.

We urge this Committee to seriously consider this issue of pre-emption, and we are confident that any study which you

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which will lead to the conclusion that a County Legislature lacks authority to deal with the subject under consideration because of the State's complete pre-emption of the "sale and distribution within the State of alcoholic beverages . . ." Alcoholic Beverage Control Law, Section 2.

THE CHAIRMAN: Thank you very much. Mr. Post.

MR. POST: My name is Paul Post. I reside in Suffolk County, Legislative District Number 15. I hold the position of Industrial Relations Director at the Lily Technical Center on Commack Road in Commack. Lily is a division of Owens-Illinois, Inc.

First, I would like to commend the Committee on their efforts to resolve a problem of concern to all of us, solid waste and the use of valuable natural resources. However, I would like to point out some unforeseen ramifications of this bill should it be passed.

Owens-Illinois is a manufacturer

of packaging products and as such, a large manufacturer of glass containers. Aside from the corporate implications of this restrictive legislation, I am concerned about the negative impact to our facility here in Suffolk County in Commack and the livelihood of our one hundred eighty-one employees and their family, a majority of whom reside in Suffolk.

Our function at Commack is research, development and engineering for paper and plastic cups, plates and other related products, including Plasti-Shield. In addition, we have a machine shop to produce machine parts for other plants and for our internal machine building programs.

At Commack we have recently oriented ourselves heavily towards the development of Plasti-Shield and foam related products.

In fact, currently ten million dollars are allocated towards the development of Plasti-Shield and similar containers. I would like to mention that approximately 1.5 million dollars are sub-

contracted locally. In wages alone, we at Commack have an annual expenditure of two million dollars.

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Should this regressive legislation be adopted in Suffolk, and especially if the State follows suit, it will have a drastic effect on our business. I would like to display an article published in Newsday.

I would like to quote an article from Newsday dated October 1, 1975. "Commack has consistently been among the highest taxed school districts. Only one major industry, Lily Tulip Manufacturers, assumes a large share of the tax burden."

I do not believe the Commack School District is interested in jeopardizing the loss of our tax contribution, not to mention the loss of jobs and other revenues we generate for Suffolk.

In behalf of myself and my fellow employees, I urge the rejection of the Beverage Container Control Bill.

I thank you for the opportunity to appear before you today.

I would like to mention one million five hundred thousand dollars subcontracted in Suffolk County alone.

MR. GRANT: Mr. Post, you draw a distinction between state and county. Do you feel the effect would be to close up your operations or being curtailed or shut down?

MR. POST: It would jeopardize the continuation of our operation.

THE CHAIRMAN: John Shenetti.

MR. SHENETTI: Thank you, Mr. Chairman. I think the previous speaker took the words out of my mouth. I happen to be the business representative of 70 machinists in that building. Fifteen years ago the Lily Tulip Corporation which was in College Point was invited out to eastern Long Island in Suffolk County, by John Klein who is the County Executive of Suffolk County. I happen to know him and when Lily Tulip came there were petitions circulated that they didn't want a "factory," and John Klein told me that these people were so happy with this

"factory" on Commack Road, with all the acreage they have there and they are paying better than seventy-five thousand dollars a year to Suffolk County and these seventy people whom I represent have moved out to Suffolk County and they are buying and paying taxes to Suffolk County.

Thank you very much.

THE CHAIRMAN: I had an opportunity to visit the Lilly facility and I think it is a fine neighbor for Suffolk County to have.

MR. GRANT: Originally you were looking for a facility in Brentwood. If you want to move you are welcome to move to Brentwood.

THE CHAIRMAN: Robert Donovan.

MR. DONOVAN: I represent the Glass Manufacturers Institute and I will submit a statement. We would be adamantly opposed to any legislation which would cause a demise of the glass soft drink container.

THE CHAIRMAN: Are you familiar

with the report of the Task Force?

MR. DONOVAN: I am familiar with it.

THE CHAIRMAN: I would appreciate your submitting your thoughts on this report.

MR. DONOVAN: There is no immediate thought. It does not include any reference to a plant we are building now in Oswego County.

THE CHAIRMAN: If you can, I would appreciate your comment.

MR. GRANT: Mr. Baisley is the chairman of the Environmental Committee of Suffolk County. This report is very important to the people of Suffolk County, and to his committee. He did ask Mr. Adams if he would contact him in a meeting. Now he has asked you and I would urge everybody else who has any information, maybe Mr. Baisley would call a meeting to sit down and submit what your thoughts are. A great many of the inferences drawn in this report are contrary to what you heard today.

that. There is the problem we feel you have to assume in dealing with this.

MR. BERBERICH: There is definitely a responsibility, through each firm that is represented here, to make a statement to work alongside of the county in order to implement plans that would help in the area of resource conservation. In my own area I can speak of Mr. Mudd. Mr. Mudd is involved in many kinds of programs and will give his assistance in implementing programs.

MS. STEINBERG: Can we hear what kind of plans you have? We have a very serious problem here, we're bothered with litter, a problem where we have to ask the taxpayer for the privilege of throwing his things on the ground.

It makes logical sense to limit the amount of garbage that has to be disposed of. That makes good sense.

MR. BERBERICH: That makes good sense, but you are attacking a portion,

MR. DONOVAN: Fine. Thank you. I'll be happy to do it.

MR. BAISLEY: Lloyd Curtis.

MR. CURTIS: I don't want to misuse you. I have been with you since quite early. However, there are two or three items I do want to draw to the attention of the remaining members of the committee that I heard today but more important I would rather say when we talk about going back to a returnable system we are not talking about the beverage system buying one or two bottles for their bottling customers.

Pepsi Cola has twenty per cent and I am the Environmental Director of Pepsi Cola. We would have to spend much more for equipment than trucks. Some of our distributors have thrown away their washers which you need for returnable bottles. These washers cost a half a million dollars to a million dollars. You don't make the profits you did previously. Mr. Grant's statement, you are in good company if you turn

this particular legislation down. Since 1969 at a state level there have been over one thousand such bills introduced. I have seen one thousand fifty bills of this type of legislation. There are only two states which have this legislation, Oregon and Vermont, and South Dakota has a bill that will become effective January 1, 1976 and they will see what that bill will do to their state's employment and that has to do with this ARM program. It is taking everything we know and getting a community to enact that program.

If you meet with Dan Adams and some of the other people I would be glad to come over and talk to you, too, In Sioux Falls, South Dakota, it has caused the litter to come down fifty per cent. The other towns where this has been tested the litter is fifty to sixty per cent. Dade County has one of these programs. So far they have been very successful and they do hold a tremendous hope for this.

Glass is a clean thing. To clean a case of returnable bottles you have to use ten gallons of water. That's a large factor in Suffolk County. I think it's important for you to realize that a returnable bottle does require a tremendous amount of water. I think I will pack up and shove off for home, but I would like to leave for you several exhibits and in the back of this exhibit, my testimony plus the exhibits I ask you to look at a piece that has been done by the National Center and this shows on going recovery plants in various stages of construction and there are twenty-four of those around the nation and this is how I hope Suffolk County will go.

You have members of the beverage industry working with you. We would like to give you our expertise. I was down in St. Louis attending several meetings of the Environmental Committee of the United States Chamber of Commerce. This is a matter of taking everything out of the garbage which becomes landfill.

Everything is energy. The pick-up must be twenty per cent of the garbage and the rest is collecting punch power. If this hearing has anything to do with going in that direction it was a pleasure to have spent the day with you and it will be a pleasure to come out and spend the day with you.

THE CHAIRMAN: Leon Polansky.

MR. POLANSKY: I would like to call to your attention that I am the owner of a Coca Cola distributor mortgage. I represent twenty other Coca Cola mortgage distributors. In the County of Suffolk there are thirty-eight distributors. Out of the thirty-eight distributors there are twenty-two distributors who are actually Coca Cola mortgage distributors.

That means that these people have gotten themselves a one-man business. Most of these people have invested most of their savings to get started in business and they are paying mortgages off to people like myself and twenty other

mortgagors in the county. I would like to bring to your attention over the past year and a half our business had dropped off in the Suffolk County area anywhere from twenty to forty per cent. This alone was all caused by the increase passed on to the distributors by the company for the manufacture of their product and the reason for that is like the sugar, raw materials and other incidentals.

I would like to state that there are distributors who are having a tough time. The way things were in regard to making industry submit when they lost this great amount of business. Now, with this new tax and this new bottle ban that is supposed to go on our business would be dropping off still more causing quite a catastrophe to most of these Coca Cola mortgage distributors that might even reduce their business. The Metropolitan Distributors Association has made a survey of what it would do by this deposit ban law. The cost is astronomical. I don't

know how the mortgagee that is paying me,
I don't know how he could make it.

I would like you to give this bill every
consideration upon what I have explained
what it would do for us with the economic
situation of these people.

Thank you.

MR. GRANT: Sir, you have your own
truck?

MR. POLANSKY: I have a mortgage
on a distributorship. The mortgagee is
the one that is paying for the truck and
paying me the price of what the Coca Cola
route cost.

THE CHAIRMAN: Marvin Fretwell.

MR. FRETWELL: I will submit a
written statement, but I want to make two
statements. One is in regard to the
Task Force report. If that is the re-
port prepared by Jack Fawcett Associates.

THE CHAIRMAN: It is Robert
Quinn and Steven Sloane and they also
employed outside analysts from what
I understand.

MR. FRETWELL: The informational
gathering

gathering to denote that they came from
this outside source. I have one beer
wholesaler, they sent an informational
questionnaire to me and I received it in
the mail on Thursday to write a reply by
the following Tuesday, and they requested
the information which would have required
the work of an accountant. I could not
respond. I called the office at Beth-
esda and I told them it was preposterous
burden. I would say most of the beer
wholesalers like me didn't get the time
to furnish their information.

It required professional informa-
tion to fill that out and many did not
give their information. I know they had
none of my input. The one comment is
that there have been certain references
to the number of public hearings we have
had in Suffolk County. To my knowledge,
we have at least three and at everyone
of those hearings the evidence has been
presented from the industry side and the
workmen's side seems so vastly overwhelming
that it seems that this type of legislation

has no room in Suffolk County. How-
ever why we are here with that type of
information, because nothing is new. We
have been telling the truth from the
original hearing in 1972. Then I ask
you do you intend to bring this back on
another hearing on this same old thing?

THE CHAIRMAN: No. What I would
like to be able to do is resolve the
thing so that persons like yourself in-
volved in the industry will know what
the Legislature of Suffolk County will
do on this subject. It has never been
resolved and I think it should be.

MR. FRETWELL: On the basis
of the evidence presented today, how do
you feel?

THE CHAIRMAN: Mr. Fretwell, I
haven't been in your business. There
has been an awful lot of information pre-
sented. I am aware of everything said
against the bill. I am very anxious to
hear the experts on your side comment on
this report and I would like to take the
information out of it. I don't think

this problem has to stay up in the clouds. I think I have to get everything together or you can come to a conclusion that is speculation. I recall there have been this many hearings.

MR. FRETWELL: This is the third public hearing that most of the information has been presented before and it has been there for someone to read.

THE CHAIRMAN: I will give you the transcript of the April, 1974 meeting and there has been a lot here today that wasn't there.

MR. FRETWELL: Thank you, sir.

THE CHAIRMAN: Mr. Leaycraft.

MR. LEAYCRAFT: Rather than dwell on everything here on waste and litter, I will discuss, I will read it briefly.

Another concern regarding beverage containers that has been often expressed is the detachable tab on cans. The present end took years and millions of dollars to develop. It has received complete consumer acceptance and made possible many benefits of convenience to consumers.

The industry recognizes the problem created by this end and has accepted the challenge of developing a suitable replacement. We have invested millions of dollars over the past four to five years working on new concepts in refining prototype samples to market test. I happen to have with me today an end I just received this week from our own research and development organization.

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As with any new development extensive testing is required before these ends can be made suitable for wide spread use. Tests are required to make sure the end will satisfactorily hold the product under all conditions without any adverse effect on the product or people using them. Tests prove the reliability of the manufacturing process over millions of ends and testing is required to make sure the consumer considers the ends suitable in ease of opening, pouring and drinking.

The metal can industry operates more than two hundred fifty press ma-

which is approximately 2.5 per cent of the whole litter that has to go through the system. There is another 97.5 per cent such as paper that nobody makes any comment about.

MS. STEINBERG:

∟ We are talking about this particular product and it is important for you to come up with some kind of responsibility you are going to share with municipalities. You have a problem of space and price and we have a problem of space and price and I don't see where your industry is offering to share some of that responsibility.

THE CHAIRMAN: Please keep the comments down.

MR. BERBERICH: Without making any complaints, there are recycling programs where people won't come in with bottles and bring them back and they had to be closed down because nobody would come on Saturday with bottles.

THE CHAIRMAN: Legislator Hall, I believe you have a question?

MR. HALL: You used some figures

chines to produce easy open ends for the 290
United States market. Nearly one hundred
million will be required to make the neces-
sary tooling and equipment changes to
convert these presses to make a non-de-
tached beverage end. It will take many
months depending on the style ultimately
approved and a conversion program to build
and install new tooling must be inte-
grated on a machine by machine basis.
If the industry is forced to make this
huge investment over a short period of
time, would drain resources needed to
expand facilities and create new jobs so
sorely needed in the face of today's high
unemployment. Certainly, a development of
this kind can only be paid for from the
earnings of the containers we are making
today.

If the present lift tabs were
banned in Suffolk County or elsewhere
in New York, we would be forced to supply
the old style flat top ends opened by a
church key type opener. This is the same
end we produced before 1962 when the easy

open end was developed. Our marketing experts tell us that the sale of beverage containers would decline sharply. This then would impede the conversion to a better non-detachable end since the earnings flow would be reduced drying up the capital source to pay the huge conversion cost. Then, too, other states might follow New York, resulting in chaos to the metal container industry.

The massive adjustment, such as the conversion to the non-detached end, requires a consistent and stable market to justify the investment.

A ban on the ring pull end is not necessary. The industry is making the change as fast as it can. We have heard the voice of the consumer and the environmentalists, and we see the same pull tabs discarded carelessly as you do. A law will not accelerate this process for it is not possible that the can industry can make huge capital investments to improve the metal can when the life of the can itself is threatened by a deposit law. I am sure

you will agree it would not make sense to make the investment when the real possibility of being put out of business exists.

Thank you for giving me this opportunity to express our views and concern about this issue.

By the way, this is the one that I left in my office this week. I don't think it takes a great deal of understanding that regressive legislation such as this would put industry out of business.

THE CHAIRMAN: You are in the process of that now?

MR. LEAYCRAFT: Yes, sir.

THE CHAIRMAN: Do you have any prognosis of when it will be on the market place?

MR. LEAYCRAFT: We have been in the process for four or five years. You bring it to your staff and talk about it and you make the same kind of statement if everything goes well we could make it in eighteen to twenty-four months later. Here we are four years later and my esti-

estimates have been thrown out but I would guess if this is successful that the industry could make a reasonably ordinary conversion in two or three years, perhaps sooner if we're lucky.

MR. GRANT: Can you leave it with the committee?

MR. LEAYCRAFT: This is the only one I have. I would prefer to keep it.

MR. GRANT: Can you get another one?

MR. LEAYCRAFT: Yes, I will send it to you.

MR. GRANT: I appreciate it. These people that read the books, I would like them to see the items, too.

THE CHAIRMAN: Vincent Murphy.

MR. MURPHY: I represent Local 3, Brewery Workers Union, Schaeffer's and Reingold's. I also represent Local 64, the drivers. We oppose this legislation. We have enough trouble keeping this business alive in New York. I represent some twenty-five employees from Brooklyn, out of which many of them live

in Suffolk County. They have signed petitions out here. They drive trucks for the breweries. My wife signed petitions for this bill not knowing what it provided for. I have seen suppliers leave in twenty-six years.

I stayed around so long because it is so important to the people who asked me to come here today. I have been to most of the hearings throughout the state. The jobs they have in Brooklyn give them a wage of somewhere between two hundred fifty and three hundred dollars. The jobs that are going to come out of any new employment from this bill, \$2.25 to a child or a school boy who is going to repack these bottles, is not going to replace the pensions of these people. I don't know if I could get a pension. It would be wasted. I just can't get another job to give my family what they need.

I don't live in Suffolk County, but I have my friends and relatives who live in Suffolk County. Reingold has already closed and we have given up a

great many things we have fought for over the years. What I would like to impress on you right here is that our average wage in the brewery is somewhere between fifty-four and fifty-six years of age. Within a ten-year span there will be many opportunities for the youth for jobs provided that these breweries stay open in Brooklyn. If these bills would have passed, Mr. Hershey from the Legal Department of Schaeffer's stated the brewery would be closed down.

These people would be without a pension. They would be without a job. Right now I have three hundred people on unemployment on my desk due to Schlitz and Piels shut down. A handfull of these people have gone to work in Schaeffer's. I have seen a case of cans where six men can make fifteen thousand in a shift, where it would take fourteen to eighteen men to make a case of stehies. The reason why this item can be bought for such a cheap price is because of the saving of the cans. If the can was done

away with the price the price of that case of steinies would be so much that Schaeffer or Beingold couldn't exist. Schaeffer has a chance to go to Baltimore, but that would do us no good here in New York.

We had five thousand when I first went there. Now we have twenty-four hundred not fully employed, one week on and one week off. The union has become well aware that there is an economic problem within our industry. We want the industry to stay here. We have worked the last three years without an increase in salary. When they don't get an increase, I don't get an increase as business manager. I would rather have a job than an increase.

Maybe legislation will come along to help with the elimination of cans and bottles as such where they can be recycled, all the statistics I have heard in all these hearings, I don't know if the moneys will ever become available, but there should be enough

know how where they can do something taking my people and putting them in a job without putting them on home relief.

Thank you.

THE CHAIRMAN: That's all the cards I have. Anybody else want to say anything?

(There was no response.)

The hearing is closed. I thank you for your patience. It has been a long day. I appreciate it as the chairman. I know Mr. Grant does also.

- - - -

(Whereupon, at 7:00 o'clock p.m., the hearing was closed.)

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THE CHAIRMAN: Ladies and gentlemen, I would like to get the public hearing started. I know there are a lot of people here and it is crowded, so I think if we work you in an ordinarily fast fashion it will be satisfactory to everybody.

The hearing this morning is of the Environmental Control Committee of the County Legislature on the proposed Disposal Container Control law. We have cards filled out and we will continue.

I would like to ask everybody if they will limit their remarks to five minutes and I would ask each speaker to come to the podium where the microphone is so they may be heard and I would appreciate everybody's cooperation to remain quiet as possible while someone is speaking and I guarantee I will stay here to hear what everybody has to say even if it takes a long, long time.

The first speaker will be the Attorney General of the State of New York.

MR. PROUDFIT: My name is John G. Proudfit. I am an Assistant Attorney General. I appreciate your accommodating me. I would like, with the Committee's permission, to read a statement of the Attorney General.

I would like to commend Suffolk County for taking the lead in the fight for throwaway bottle and can legislation in New York State.

It is imperative that we examine our increasing solid waste problem which is due in substantial part to the throwaway beverage container -- a burden on every taxpayer as well as an eyesore and health hazard.

Discarded throwaway beverage bottles and cans are not only unsightly, they are hazardous. Shards of glass and metal pose dangers to bare feet, to animals, and to auto and bicycle tires.

The cost to every level of government, and thus to each of us, of collecting and disposing of bottles and cans increases every year. Even when collected,

and repeated them.

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Could you tell us what the basis for those figures were?

MR. BERBERICH: With reference to Oregon it's for a highway survey. I can leave a copy with you.

MR. HALL: The \$12.50 you said was in New Hampshire?

MR. BERBERICH: The \$12.50 was in Vermont.

MR. HALL: How did you come to the \$12.50?

MR. BERBERICH: Working on the fact the population is 480,000 people.

MR. HALL: How do you get the \$12.50?

MR. BERBERICH: I will make photostatic copies of all the information I have.

MR. HALL: Where is the \$12.50 referred to?

MR. BERBERICH: The \$12.50 refers to a few different areas. Number one, you have the cost of container legislation, the lowest tax revenues. You have

a section where Vermont borders on
New York and Massachussetts.

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You have lost tax. Forfeited deposits is lost money. If people pay an extra sixty cents for soft drinks that sixty cents is thrown into the garbage. That's sixty cents a day lost.

MR. HALL: Do your figures show how much was spent on deposits they didn't get back?

MR. BEBERICH: Yes, that's in these figures. I'll photostat copies for you.

MR. HALL: Thank you.

THE CHAIRMAN: Dr. Feldman?

DR. FELDMAN: It goes back to the original question of who picks up the bottles and brings them to whom.

You have the situation where the wholesaler is supposed to pick up the bottles from the dealer. He can also go to the redemption center.

The wholesaler is now the person who has the storage problem. Now you

have a dealer, the redemption center and wholesaler in the middle and the brewery is on the far end. Either he has to start making the pick-ups or the wholesaler has to make the pick-ups.

THE CHAIRMAN: Along this chain you're right that somebody is going to have to store it or make more trips so that this is the position of a redemption center concept, to reduce the area of storage, because if the customers will take the returnables back to the storage center. It's conceivable that from the distributor picking them up at a redemption center, it might go back to the brewery or the soft drink manufacturer.

MR. HALL: The wholesaler would come out with full trucks and he distributes to the area. I think we are causing the brewery to come out more often and for the wholesaler to come out more often.

MR. BERBERICH: The way the system would work from the initiation is that

each one would have a greater storage 33--
space problem than they have now. Even
if the ^{bottle} returns were only twenty-five per-
cent, what would be picked up can only
be used for cullet and the cans would
only be recycled because there is no way
of refilling them.

MR. HALL: I have received fifty
personal communications from my constitu-
ents. All fifty are against the legis-
lation. In addition to the fifty let-
ters I also received two phone calls, all
opposed to the legislation.

Do you know how many bottles and
cans you deliver in Suffolk County in
the course of a year approximately?

MR. BERBLICH: Approximately two
million individual cans and bottles -- no
cases -- multiply that by twelve, so you
would be talking about twenty million
individual cans and individual bottles.

MR. HALL: I'm sorry I missed it
before but you had already started to speak
when I came in. Which cans or bottles
are these?

MR. BERBERICH: Royal Crown Cola, Diet Rite Cola, Nani and Nestea Iced Tea, four products.

MR. HALL: Thank you very much.

THE CHAIRMAN: Mr. Michael Dick, aid to Senator Smith.

MR. DICK: Good morning, gentlemen. Thank you for the opportunity to speak here today. Mr. Haisley, members of the committee, and other legislators here today.

Senator Smith was summoned to Albany or New York City for the purpose of further scrutiny by the Legislators.

I am in charge of this potential bill, S-193. Senator Smith has asked me to relate to you where we're going and the problems we have encountered. Senator Smith commends to Suffolk County for its consideration this most valuable piece of legislation.

He has always been supportive and deeply appreciative of business and private individuals and organizations whose personal involvement is testimony to the

widespread and growing support for reasonable beverage container controls. While we feel that federal legislation would most appropriately address this issue, Suffolk County has once again been in the vanguard of this action to mandate environmental control programs. I am sure many of you have something to say so I would just like to run through our services and I am ready to answer any questions you might want to ask me.

In 1962 the pendulum swung the other way. The task of the 70's is one of implementing reasonable measures to accomplish what we have set out to do. Obviously this is made much more difficult by the unusual unemployment and inflation such as we are now experiencing. The problem with developing the potential bill has been compounded even further by the fact that a complete understanding was necessitated in research and analysis than one would first imagine.

It has recently been said that probably one of the prime problems facing

local government today is the unusually 36
vast unemployment problem. Back in
1971 when Senator Smith first introduced
his beverage container legislation it was
practically strictly in solid waste im-
pact control. Since that time we have
come to realize that esthetic value and
even concern for public safety was not
enough to convince those who would not
voluntarily use refillable bottles to
return to a refillable system and who
considered it an unreasonable intrusion
in their business affairs.

I can't support that in any shape
or form. We have looked at this and we
have gotten experience in other states.
Oregon's law in 1972 was a new mandatory
deposit approach to facilitate the col-
lection and storing of these containers.
It has been a big marketing part of their
operations out in Oregon. Vermont
in 1972 after having a law between 1952
and 1957 took a tax approach and these
taxes were used to support field main-
tenance and recycling programs.

In 1972 they adopted an approach similar to Oregon's. They have banned non-refillable bottle containers. South Dakota has adopted this legislation and we cannot comment on this. We would have been lax in our responsibilities had we attempted to go without some substantive law on the books of our state and I think in spite of the fact that public arguments against it, the fact that the law's constitutionality has been upheld, and we have begun to uncover more positive benefits both in terms of ecology and jobs to be created, in spite of this we had to do the leg work and I will indicate the steps we have taken.

I would like to take issue with Mr. Caputo's statement that fifty people sent letters against this. I would say fifty letters were received by our office in Albany that support this and the League of Women Voters in Huntington submitted a petition with nineteen thousand names.

THE CHAIRMAN: Please keep your remarks informative and then we will have questions.

MR. DICK: The sinecure of legislators has been devoted to the job impact here and I would like to emphasize this, because I see many of the officials for Seven-Up, Budweiser, et cetera, so I am sure they are concerned about this. There is no way we can make this search for what we consider a reasonable approach without concerning ourselves with some of the problems of employment we are facing.

Our concern for labor has been over the last five years when beyond normal attrition rates the decline in regional distributors and employment has been far greater than that which could happen in a bottle bill in New York State. In the past two years many governmental and industrial representatives and those operating independently have conducted many analyses of impact beyond New York and statewide.

The demonstrated interest in this 39
actively have discussed legislation in
open hearings such as this one in about
twenty of the sixty-two counties in New
York State. Cuyoga County's law, which
has been effective since last January 15,
was temporarily restrained from implemen-
tation by court order. Our attorney
has been instructed to petition the court
to lift that restraining order.

I would like to point out the
main problem we have encountered along
the way is a very concentrated well-
founded lobbying impact by business
interests. I think some of the prime
proponents are here today and you will
hear from them. I would like to point
out at any time they have had to point
out or set out to prove the efficacy
of their approach, but you analyze it
and if given the time I will explain
that.

THE CHAIRMAN: Please, we're
doing fine and orderly, so let's keep
it that way.

MR. PROUDFIT: My name is John G. Proudfit. I am an Assistant Attorney General. I appreciate your accommodating me. I would like, with the Committee's permission, to read a statement of the Attorney General.

I would like to commend Suffolk County for taking the lead in the fight for throwaway bottle and can legislation in New York State.

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Discarded throwaway beverage bottles and cans are not only unsightly, they are hazardous. Shards of glass and metal pose dangers to bare feet, to animals, and to auto and bicycle tires.

The cost to every level of government, and thus to each of us, of collecting and disposing of bottles and cans increases every year. Even when collected,

many of these containers defy incineration. Returnable bottles and recyclable cans would be an economical solution to this problem.

In addition, throwaway glass and metal containers constitute an unjustifiable waste of our finite natural resources. Each beverage container we discard costs us about half a kilowatt hour of electrical energy -- enough to operate a one-hundred watt light for five hours.

As you know, we have introduced legislation at the State level in this area as early as 1971. At the past Session bills to require a refundable deposit were introduced by Senator Bernard C. Smith and Assemblymen Harris and Caputo. Regrettably, none of these measures has yet been enacted. While it would be most beneficial if the entire state were to have a consistent law requiring refundable deposits on beverage containers, such a law in Suffolk County would constitute a major step forward.

You are just about out of time, Mr. Dick. I think your value to the legislators would be by way of questions if they have anything for you.

MR. DICK: Could I make a one-minute comment?

THE CHAIRMAN: Sure.

MR. DICK: Back in May when there were legislative hearings conducted counsel John Heidelberg made the following statement, if any part of the industry claims it will be unable to adapt to the bottle return, notice the facts we have accumulated before that such a system will not increase the capital investment or damages beyond what such figures are invested if it were for new equipment nor will it decrease the size of the profits. Many of the figures have been determined by the task force experts to be out of line and industry normally invests some forty million dollars per year in new equipment would be twenty-three million dollars more industry wide.

The fact is that there will be a 41
net increase of four thousand jobs and
I would like to bring out that in response
to the statements by Mr. Mudd, I am glad
that that thirty million dollar figure
was used, by Seven-Up, such as Mr. Mudd,
who directs a larger operation on this
Island, said that the 9.1 million dol-
lars in capital investment would be re-
quired to convert, and the major ones
to be put in new jobs in the transporta-
tion because of the fact that refillable
bottles that we expect will be the al-
ternative here because of more trucks
handling these things.

THE CHAIRMAN: Does anyone have
any questions of Mr. Dick?

A LEGISLATOR: Mr. Dick, you
alluded to the fact that four thousand
jobs or what have you would be created.
From the standpoint of the retailer,
what would be the impact upon his situa-
tion? Would he have to increase the
price?

MR. DICK: I was not given figures

to report on all the earnings. There would be a small decrease in price. From the standpoint of the retailer, there would be a small extra handling charge which probably would be the extent of it. The retailer will hire additional people to handle the bottles.

A LEGISLATOR: Don't you think four thousand jobs would be passed on to the price of the product?

MR. DICK: No, sir, I do not.

A LEGISLATOR: Mr. Dick, I would appreciate it if you would do a little more homework in that area. Another thing you alluded to was capital investments. Has any consideration been given to the retailer in this area with regard to added space or what have you or possibly deleted some operation in the store to provide for space or storage of bottles which do not provide an income? Has any consideration been given to that?

MR. DICK: Considerably. I think the small merchant is our primary concern. We have seen a decrease in the small

merchant's working hours. The consultant's work which was done for us took a look at society's approach to the problem and concurred in precisely what you say, the storage problems, that's being felt throughout the whole spectrum. This is a tangled mess.

THE CHAIRMAN: I would appreciate it if you would untangle it. You said capital improvements were not needed?

MR. DICK: I did not say that.

THE CHAIRMAN: May I misunderstand you. Did you not say that?

MR. DICK: I did not talk about Capital improvements. I talked about capital investments.

A LEGISLATOR: What would the retailer have to do to provide for storage space for returnable bottles?

MR. DICK: He would have to expand. We have tried to take this into consideration with the redemption center which would reduce his storage cost.

A LEGISLATOR: He has to provide

some space for storage even on an interim basis?

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MR. DICK: Yes.

A LEGISLATOR: I think that's quite a problem to the retailer?

MR. DICK: In what way, sir?

A LEGISLATOR: Let me tell you something. One store owner would have to provide some type of trailer in front of his store for the storage of bottles. I don't know whether they would allow it under the ordinance.

If he is not allowed to do that, he has to eliminate the meat section of his delicatessen. That would result in the firing of the butcher that works for him.

(Applause).

If you disagree with me, I would appreciate that you would talk to him. That man is very concerned because he feels that that meat market is going to go and replaced with empty bottles that do not produce any income. The man is a very nice man and we're going there for

lunch.

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MS. STEINBERG: I would like to address myself to this. Once again we are hearing this problem about space. Who's going to pay? Can you give me some indication as to who is going to pay for the ultimate disposal of these bottles?

MR. GRANT: I think we should bring paper in. We also have a dump in my district, too.

MS. STEINBERG: I would like to shed some kind of light on who is paying the total amount, on who is going to pay for the ultimate disposal. Everybody recognizes we have a problem of disposal and that is the meat of the argument. Nobody wants to see the meat man out of business. I'm very happy to accept that invitation for luncheon and talk about this.

The time has come right now where we have to face the fact that taxpayers are paying for the privilege of throwing their cans and bottles wherever they damn please and that's the whole problem.

What I would like to know, who pays for that ultimate disposal? Are we putting it on the head of the taxpayers? Are we placing this responsibility on the governmental agency that legally runs this? How many people want to have their taxes lowered? One way of doing it is by eliminating the amount of garbage we are throwing away. If you don't believe me, people are increasing the problem of solid waste material. I'm not talking about littering; I'm talking about the ultimate disposal and it is true that people are pigs, and slobs, and what not, if they are throwing their garbage in Sunken Meadow than behaving in a responsible fashion.

Where is the responsibility for the ultimate disposal? Who is going to pay for it? I would like to hear something from you on that subject.

MR. DICK: Resources recovery is a fine comprehensive approach. The problem with the bottle bill is that

a resources recovery system is mainly derived for fuel. Recycling has not been followed up on any long standing basis. The possibility exists but it is really a problem of getting some cooperation from industry, and the people, which as you say, they are the final payors of this price.

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THE CHAIRMAN: Any other questions?

A LEGISLATOR: The sole problem, as I visualize it, is the waste disposal aspect. I don't know whether this is the sole problem with waste disposal. What percentage do these bottles make of disposable waste?

MR. DICK: Twenty to thirty per cent is comprised of beverage containers.

A LEGISLATOR: What source?

MR. DICK: I think it is twenty or thirty per cent of litter and five or six per cent of the main stream.

A LEGISLATOR: It is five per cent of the total waste?

MR. DICK: Yes, sir.

A LEGISLATOR: Do you think in the relative waste disposal area you have a significant problem or we should tax a particular area of the business community for that?

MR. DICK: I think it's a necessary first step.

A LEGISLATOR: Do you believe in doing it in stages or do you believe in meeting the overall problem?

MR. DICK: I would like the overall problem met.

A LEGISLATOR: Wouldn't it be more logical to work on the overall problem when we could have disposed of the entire area?

MR. DICK: I don't agree with that.

THE CHAIRMAN: I have been asked to call a gentleman who doesn't feel well and would like to be called out of order, Mr. Taddeo.

MR. TADDEO: Ladies and gentlemen, my name is Bill Taddeo. I am the vice-president of the Metropolitan

Beverage Distributors Association. We 49
represent approximately one hundred forty
distributors of Coca Cola. They live
in this area and pay their taxes.

I see here and here gentlemen
telling me that -- by the way, I'll tell
you how I got out of SA in school. The
teacher sent me home for a shave, but I've
been in this industry thirty-seven years
or more. Let me tell you one thing
that happened to this industry recently.

Approximately a year ago your
sugar market went crazy. Sugar went
up as high as seventy-one dollars a hun-
dred pounds. That raised the price
of your canned beverages and sodas to
approximately six dollars a case. Our
business fell off so bad, the layoffs,
that people have not yet gone back to
buying our products because we out-
priced ourselves.

I hear some of you gentlemen say
what are you going to do with cans.
I am going to tell you something, if
you intend to keep your waters clean,

My office has investigated the power of a county to enact legislation on this subject, and we are satisfied that a county has such power. The City of Bowie, Maryland, and Richland County in Wisconsin have successfully required deposits for beverage containers.

The Maryland-National Capital Park and Planning Commission has prohibited throwaway metal and glass beverage containers and the Province of British Columbia in Canada has done the same.

Perhaps with Suffolk County showing the way in New York, our State can follow the examples already set by the States of Oregon and Vermont.

Oregon, which has required deposits for beverage containers since 1972, has found that this act alone has substantially decreased the amount of litter throughout the state. An Oregon litter survey estimated that beverage containers comprised two-thirds of roadside litter and that the probability of throwaway containers being discarded as litter was

don't vote for this bill because your waters will be so full of caustic you just won't be able to swim in your waters. It will cost you over fifty million gallons of oil to clean your bottles that will be taken from your homes.

If that is what you want to do, you do it, but don't hurt one hundred thirty-seven Coke distributors and someone asked a question, what is big business going to do about this legislation. I was shown films; there is a city in Michigan that when they get finished with their garbage they have sources where they take every bit of metal out of the garbage. They pack up the rest of it and here are these big companies begging to buy it. I know my country fought two hundred years ago to give me the right to drink out of returnable or non-returnable bottle container.

Here a gentleman says four thousand jobs are going to be made. Just study, my friends, what happened to our industry when sugar went up.

Please don't hurt us. We can't be hurt. You hurt yourself when you hurt us. I saw something on television the other night and I assure you gentlemen it is not like that. A little boy was asked what were the politicians doing about unemployment. The little boy looked up and said they're not doing anything because they've got jobs.

I consider this law you're going to pass the most unconstitutional and discriminatory law I have ever seen.

Thank you very much.

(Applause).

Do you want to ask any questions?

I'm sorry. Just one little thing I would like to research on this. I'm sorry I forgot. I don't like to call people pigs; the way these people did, probably they are. Let's do something to educate them but up until recently the Coca Cola Bottling Company of New York discarded over to hundred thousand empty shells. What more do you need? What is the public telling you? We don't

want your disposable bottles.

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Are there any questions?

THE CHAIRMAN: Are there any questions?

MR. TADDEO: Thank you very much.

THE CHAIRMAN: Miss Gloria Levin.

MISS LEVIN: Thank you very much, the honorable chairman, Paul Baisley specifically, my friend, Mrs. Steinberg. I am reading a prepared statement. I am going to introduce the philosophy of ecology. Now I must put my glasses on.

Let us formulate a long-range philosophy of ecology.

The passage of time doesn't obscure the necessity for decisive legislation in environmental ecology.

Remember the frenzy of activity several years ago, when the conscience of the general public was rightfully awakened -- action was demanded -- several measures of environmental control were legislated at that time on a Federal, State, and County level.

The point of my request to speak

is to ask or implore the County Legislature not to bend to the persuasions of the Beverage Industry. Well, we know how much money is at their disposal to pay commercial lobbyists to convince you and the public that "Ban the Can -- Ban the Bottle" legislation is not wise or good for the public.

What the Beverage Industry is saying is that this legislation is not good for them! They fear that their profit boats will be rocked and ultimately may be reduced. That may or may not be true. This is not my concern.

I remember how successful the Beverage Industry was the last time concerned citizens pressed the legislature to consider similar legislation, which unfortunately met with defeat.

We in Suffolk and Smithtown particularly can't let this happen again. In Smithtown we are burying our garbage, compacting it. How archaic. But, if we must bury, let's bury less.

The county legislature represents

the people and if you haven't heard as many voices crying out for this legislation it's not because the people don't care -- they are temporarily silent because their fright and fear of the future has been displaced by their battle for economic survival.

We all know that. But above all this remains our fight to survive on this planet -- reduce our garbage level before refuse, cans and bottles cover our towns and parks and seashores. Let's take one tiny step forward!

Don't accept the facts and figures of the Beverage Industry. Let us follow the lead of the State of Oregon that has had a similar successful plan in operation successfully for several years.

MR. GRANT: I'm not your representative. I represent Bay Shore, Brentwood and Islip.

MISS LEVIN: I live in Commack, Mr. Fitzpatrick's balliwick. I know you are my representative.

MR. GRANT: I'm not your represen-

tative. My constituents are affected. Business creates profits. Profits create revenues. Revenue is paid to the government. Business creates business. Business creates profit. Profit creates revenue. We are all interested so I resent that you object to these people being here.

MISS LEVIN: I'm glad they come. They have a right to be heard as well as me.

MR. GRANT: I'm very interested in what you're saying because I'm very interested in the people in my area.

MS. STEINBERG: I don't believe that this witness is here to say that she doesn't care about these people here I take issue with you on that. We're here to listen to everybody and if certain voices are louder than others, we have to hear the voices that are soft. I resent your saying that to this witness.

THE CHAIRMAN: We agree everybody is going to be heard I would like to get to more productive questions if anyone has

any.

A LEGISLATOR: In looking at this Harris report what is attributable to this?

MISS LEVIN: If you look at the charts which show return rate, you will see a return rate of ninety per cent in bottles.

That represents an attrition of ten. These figures are for 1974 so I don't know what the return rate is but you can see that the change from '73 to '74 is substantially increased.

In the New York Center report they also plotted the month by month increase in attrition.

You can see a return increase so what you're talking about there is an attrition of ten.

THE CHAIRMAN: Our next speaker is George F. Walsh.

MR. WALSH: Thank you very much. I spoke here a year ago. I think some of the people who seem to have paid some attention to the people at that time I had

several conversations with legislators -- 57
he's not here -- and we were told that
there would be committees formed and
there would be ^{an} economic impact study
made before anything was done.

THE CHAIRMAN: I think you're
right. There was a great deal of un-
certainty on the economic impact level,
and I believe there have been some studies
done. I know the State Senate Task Force
has the most recent report but there is
more significant information on economic
impact.

MR. WALSH: Basically this ^{is} my
complaint. I am the owner of George's
Market, in Shelter Island. I am also
the president of the Chamber of Commerce
on Shelter Island. It is a small busi-
ness operated for thirty years in a re-
sort area where we increase our business
threefold in the summer time from what
we do in the winter.

Anybody who lives on the East End
is basically an ecologist. However,
we have unique conditions out there. The

labor
/market is small and we feel that in the current economic situation we are in now this would definitely put quite a few small businesses on the east end out of business. In addition, you check up the daily papers, you will find that the retail food industry is on the rocks now in a good many places and our most recent Chamber of Commerce meeting we discussed the Public Service Commission's ruling on eighty-five per cent charge to all businesses on their peak demand meter which means that businesses which have a high peak in July, August, are going to have to pay eighty-five per cent throughout the year.

We feel this is discriminatory and we are fighting it. We feel this bill would be discriminatory to people like ourselves and I think it would be unreasonable in a town like this. It would be impossible for us to put up a trailer or any fabricated layout. You would have to go into building a separate building. I would like to know what the

officials of the Health Department think about this. Furthermore, not being in a town like Huntington where I see most of the people who are for this bill live, in areas where we are some of these distributors can't afford to come and see us every week.

I can see a good many of them sitting in this front row. There's the cost of going across the ferry, the mileage is more for them, and the trucks that come twice a week in the summer time come to us once a week and then it goes to once every two weeks. Those that can come every two weeks in the winter time will come every five weeks. That means that we will have to store these bottles for a matter of five weeks. What happens if Coca Cola comes with a hundred cases and we only need twenty cases and he comes with a full truck? I was assured last week something would be done along these lines. I volunteered to go on that committee.

I think we are back to where we were

twenty-one times greater than the same probability for containers having a refund value.

Opponents of legislation to require deposits have said that it would raise prices, eliminate jobs and reduce sales. But those claims have been convincingly refuted in a report on the Oregon bottle law prepared by Oregon State University in March, 1974. The report stated that:

A net total 365 new jobs with an annual payroll of \$1.6-million had been created by the law.

When compared to states without such a law, Oregon beverage prices had not in fact increased significantly.

Total beer and soft-drink sales had increased.

Oregon enjoyed a ninety-two per cent reduction in the number of bottles and cans found along roadsides. Since Oregon had mandatory deposit law that state has conserved energy and resources, decreased its amount of roadside litter,

last year. There is a detergent ban and being from the east end we are certainly for good water. The detergent bill we were for because it was for our water resources. You talk to any of your men who operate the vehicles or who go out on their routes, and you will find how many cases of detergents are being brought over. It is lost revenue to us and to the county.

Here is a situation where we feel that hope is available and we are willing to go along with that. What we are talking about here, there are cars that come from Nassau or Queens or New York, some from New Jersey or Connecticut, any of these places who can bring their soda with them. It is not going to help the Town of Shelter Island because these bottles are here. I employ five people on the Island right now and Mr. Grant's situation is exactly mine. Any distributor that has been in my back room, who asks what I have space for, I tell him we can fit fifty, I put them in there.

I won't have the space for the fifty because I have twenty of somebody else's empties. It will be a loss of revenue to our towns; it will be a loss to the county, and I can't see how the county can go along without a complete economic report.

I don't have the figures with me but the figures brought in by Senator Smith's aid don't agree with the grocers and a lot were put out of business in Vermont and it was a small community similar to ours. People went across the border to Massachusetts and it certainly isn't a way of taking care of your own constituents and when someone asks where does the money come from, it comes from the same person, the consumers and the taxpayers.

There will be a loss of revenue in this county and we have to take care of it.

Thank you very much.

(Applause).

THE CHAIRMAN: Anybody have any

questions for Mr. Walsh? The next speaker is William C. Roberts of the Suffolk County Department of Environmental Control.

MR. ROBERTS: I would like to express Commissioner Flynn's regrets at not being able to attend this hearing today.

The first public hearing relative to the ban on non-returnables was held in this room April 21, 1972. We heard arguments pro and con, and promised to study the proposal and all of its implications and return at a later date to give our recommendations.

On April 16, 1974 a second hearing was held on a proposed Beverage Container Act for Suffolk County, drafted by the Department of Environmental Control.

Over three years have passed and the non-returnables are still with us. I can't be certain, but I would guess that if in that three year interval all the cans that have been thrown on to Suffolk's

roads, fields and waterways were to be placed last evening around this hearing room, the hearing would be cancelled for a week just to clear a path to the front door.

Today's hearing is on a proposed bill that is based on State Senator Bernard Smith's Senate bill 129-B. Like the proposal prepared by DEC, the State bill follows the pattern of Oregon's successful bottle bill, and is based on thorough and objective studies demonstrating the need for such legislation.

However, I do not intend to be constrained by a dispassionate view of the problem. I am biased against litter and I am non-objective when it comes to insults to the environment.

I have read and listened to the threats, pleas and cajolings of private industry in defense of their fouling of our land, water and air for nearly two decades. The arguments never vary. Any measure intended to halt their depredations of our environment will lead to

economic disaster, increased costs and deprivation to the public of their overly advertised products.

Meanwhile, be it an industrial waste, detergent, or non-returnable container, industry's thrust has never been to solve the problem at its source, but rather to resort to inciting public and political pressures and, finally, if these maneuvers fail, to resort to the courts.

We labored five years documenting the obvious to show that synthetic detergents polluted our ground water and surface water before we succeeded in procuring a ban on detergents. The dire predictions and outright lies by industry failed to materialize -- clothes in Suffolk are still clean; housewives have long ago adjusted to the use of soap.

Sure you will hear of bootlegging, et cetera; but more importantly, our stream and well monitoring programs are showing a steady and significant trend in improved water quality. We can now

look forward to the day when detergents are a rare substance in our waters.

The act to ban detergents required our Legislature to take a bold step on the recommendations of a handful of engineers and scientists. It required our residents to change long ingrained habits established by the hypnotic gibberish of TV commercials; but it was worth it. Our streams and ground waters are recuperating.

I cannot take an unbiased view of the throw-away can or container. It is every place I look and everywhere I go; roadsides, fields, marshes, woodlands, lakes, streams and even on the bottom of our bays, inlets, sound and ocean. Even if we were to pass this law today, we would be cursed with the omnipresent throw-aways for decades to come. If we do not call a halt now, we can project the problem to a point in time where we could not get a can of beer because we could not get through the empty beer cans between the home and the local deli.

We have on numerous occasions

documented the hard facts of energy conservation, resource recovery, costs and environmental benefits, to be gained from beverage control legislation.

I will only point out, in conclusion, that I fully understand the inclinations of industry relative to inconvenience and cost to the Suffolk residents. However, by their past performance, I am firmly convinced that the average Suffolk resident, given the alternate, will opt for land and seascapes free of the ubiquitous beer can, in the face of some inconvenience and even increased cost.

Regretfully, two decades of dealing with industry has only served to make me the complete skeptic when they voice concern with the common good, including the environment, versus corporate profit.

Thank you.

MR. GRANT: I would like you to go back and tell Mr. Flynn that Davis Gillenback letter exists. I have the copy for this hearing. This is twice and

he hasn't showed up.

(Applause).

THE CHAIRMAN: Mr. Grant has left. Maybe he can hear me.

A LEGISLATOR: He has another meeting going on and that's the reason why he's left the room.

He hasn't run away from the hearing.

THE CHAIRMAN: I wasn't suggesting he was running away from the hearing. He was in the transcript of the April, 1974, meeting. With respect to this situation, Mr. Flynn had nothing to do with it, only myself.

I was the one who submitted this proposal. I never told the Department of Environmental Control I did so. I will state I want to set the record straight as to what happened.

Any questions?

A LEGISLATOR: The gentleman mentioned before we were supposed to get some impact statements regarding this total question for the county and

nobody did it.

I don't think we're here to fight. I think we're here to listen to speeches. When this thing was proposed two years ago somebody forgot to get that report that they promised the people. I think it's appalling that the committee has to look to a grueling day.

Can I ask a few questions? The thrust of your argument seems to be the garbage problem which you seem to be attempting to resolve.

What are you doing about the litter problem now?

MR. ROBERTS: The Department is not doing anything about the litter. If I could answer that.

Presently litter is under the control of the various highway departments throughout the county. There isn't much that can be done other than I do to prevent it.

A LEGISLATOR: I disagree with you, because we have already passed a bill to set up a waste control management.

What is the second thrust of your argument?

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MR. ROBERTS: Those arguments put forth by the industry against the proposed bottle ban in that they were similar to those brought forward when the detergent ban was first suggested.

A LEGISLATOR: The only thing you're saying and the only reason we should have a bottle ban is because of the litter problem.

Are there any other problems?

MR. ROBERTS: The only other problems are the total solid waste.

A LEGISLATOR: Do you think looking at this peripheral issue is going to solve the solid waste problem?

MR. ROBERTS: I think we are talking about attacking the problem at the root or the source.

We have solved five per cent of the problem. We still have ninety-five per cent of the problem to go.

A LEGISLATOR: Do you have any suggestions for the balance of the ninety-

and actually increased its beverage sales and employment.

In the past few years, every level of government has become increasingly responsive to the growing problem of roadside litter and the increasing expense of picking it up, transporting it, and disposing of it.

The time for additional studies is past, and now is the time for action. The bill proposed by Representative Baisley provides an incentive for the return of bottles and cans while retaining the freedom of choice of the consumer. We support its enactment.

I am pleased to see Suffolk County leading the way in this fight. You have my full support for this legislation which is so important to us all.

THE CHAIRMAN: Will one of the aids keep it quiet in the lobby?

Are there any questions by the legislature?

MR. PROUDFIT: Mr. Chairman, I have some additional copies of this

five per cent?

MR. ROBERTS: In 1969 the report alluded to as the Baffa Report, which we have been pursuing as a department to implement provisions of this, including the right to assist the three towns, originally four towns, when the concept was developed, a realization I got is the only solution or the best solution, the most economic solution for solid waste.

A LEGISLATOR: I think it is going to have to be a countywide program so that we can take control of this. There is a big difference between the soap ban and the bottle ban. You buy a box of detergent and use it and throw the box away. You go out and buy soap, use the soap, and throw the box away. Now we're talking about bringing something home, bringing it back, somebody has to provide some space. We all want to clear up the environment. The endangered species today seems to be the average working guy and nobody is talking

about him.

(Applause).

I personally believe that the federal government, the fellows in Washington, we all agree ought to find out about the marketing aspects when they come up with a new product because I think we are all assigned to resolve the engineering and disposal problem. You can't do it on a local level. As far as I am concerned you can't build up feudal states again because this is fifty some odd states.

MR. ROBERTS: There is no question that the bottle problem is a national problem.

A LEGISLATOR: We ought to get them off their hands so we can solve that problem.

MR. ROBERTS: Larger government has been reactive rather than taking leadership. We have seen it with the detergent ban, that product amassed. The state innovated a phosphate ban. The industry picked it up and started

to put an end to the detergents. If we don't on a local level initiate some solution on the problem of solid waste, we will have nothing to look forward to.

A LEGISLATOR: If we agree all the fifty states ought to cooperate, don't you think that this marriage has to take place with all the partners on both side of this. The federal government, do they want to give us money to solve the solid waste disposal; isn't that correct?

MR. ROBERTS: No, that's not correct.

There's very little money for solid waste disposal. There are some very minor grants from the federal government. There is a state agency, not state money. There is a little money from --

A LEGISLATOR: There is a lot of money from outside this county. Isn't the E. P. A. concerned with this problem?

MR. ROBERTS: Correct.

A LEGISLATOR: The problem we have

now is trying to split Suffolk County from the rest of the country. We don't have any facts against the facts from this as the impact statements shows we are going to have problems with the people being out of work and nobody is going to understand the environment.

I think we should find out factually. We all know we have the problem with solid waste. The next thing to do is to find out what to do about this, and not throw people out of work.

MR. ROBERTS: I think the whole problem is well documented.

A LEGISLATOR: We have too many books and radios. People are built on emotion. As a personal fact of life I'm sure our stands override other factors but so long as that exists the problem is to get emotion down to the smallest level.

THE CHAIRMAN: Are there any other questions?

A LEGISLATOR: There was a gentleman who said he was from Shelter Island

and he had a store and he didn't have a place to store the bottles that are returned. Do you have any solution of his problem?

MR. ROBERTS: At the present time we don't but there could be modification of the can depending on how the companies reusing these cans and bottles would use them. It might be that the procedures could be used in small delicatessens would be adequate for recycling since it would be remelted.

A LEGISLATOR: Maybe I could help you because I went out to Oregon, to take a look at it. Mike and Regis were there. We were going into the back-room of a supermarket and smaller stores to find out how that problem was handled and they complained about it in advance and at that time, but they handled it without any addition of space. They pushed things around and made more room. I'm not telling you what you can do. I'm telling you what I saw.

A LEGISLATOR: There are a lot

of stores that don't have warehouse space. They put things on the floor and they sell it from the floor and they get new deliveries. I believe we have a lot of stores like that. What are we going to do with the people when they have to have a hundred or two hundred cases of soda. We don't have a place to put it.

I'm telling you what I observed on our trip to Oregon. They have made some notes on what they observed and their requirements for handling containers. For example, it says the only investment reported on the grocers who have individual stores were extra storage room for extra containers.

One retailer bought a shed for three hundred dollars while another one added to the store for five hundred dollars.

A LEGISLATOR: What works in Oregon might possibly not work on Long Island but it gets down to whether or not that space is available.

Maybe it is and maybe it isn't. When we say we're going to rearrange things in the backroom of the store, we're kidding ourselves because the space is not there. That's the thing we could find out.

A LEGISLATOR: Have you gone through the statistics of industry sales prior to the Oregon ban and since the ban?

A LEGISLATOR: I can give you the reports.

A LEGISLATOR: So long as the doctor is recalling Oregon, I only spotted one family-type of store and that was in the downtown area. Most of the stores are comparable to Seven-elevens here and maybe food chains.

Characteristically I think this area is a whole lot different.

(Applause).

A LEGISLATOR: Has anybody done a survey of the bottling companies that are in New York, especially those that serve this area to determine what the financial impact if any would be on them?

A LEGISLATOR: The study was done for the State of New York and that's a fairly thorough and comprehensive one that I can read. As far as Suffolk County that would have been or could have been done if a comprehensive study of the economics had been made as a result of the last hearing -- I don't want to get into that but there is some controversy of what was supposed to have been done after that hearing.

The request from the county executive is that the industry themselves document the situation and complaints they are making and when we asked them to do that they said they understood the study was going to be made by us and they were going to cooperate with us. No study was made.

A LEGISLATOR: I recall industry said they were going to cooperate with us but if they don't I think they should be taken to task. On the other hand, it is us who are going to do it. We need to know what we are going to do and where

we are going to go. There is no point in our county having a higher unemployment rate than we have; before we do that I think we should determine what the exact effect will be on employment.

THE CHAIRMAN: Any other questions from Mr. Roberts?

MR. ROBERTS: If I might respond, we have heard that all the studies done have indicated there would be an increase in employment on the bottle ban.

A LEGISLATOR: I appreciate it will take more drivers to bring the bottles back and forth. On the other hand, I've noted that Seven-Up and some beer companies, of which there are very few left in New York, state that they would actually close and leave if that happened, and I would like to know if that is going to happen, whereas the truck drivers may get some people working, in the long run but the people who brew the beer and make the beverages may have enough

living in New Hampshire or somewhere else so we are liable to have a very negative effect and I am very much concerned about that negative effect.

MR. ROBERTS: We still will not stop drinking beer or soda and these products will still continue to be sold. Slight price increases probably will not affect the market substantially. The cost of transit outside the metropolitan area would probably negate a shift by moving outside the area.

A LEGISLATOR: Historically that's not so because we have only two breweries left in New York, Ruppert's and Schaeffer's, and that's all. We had a lot more breweries and they moved out of the area and I am told that these personnel are thinking of moving out and if we put this additional burden on them they may move.

Schaeffer has some eight hundred people who live in Nassau and Suffolk Counties and if they move that eight hundred people will not go with them and

statement, if you like.

THE CHAIRMAN: If you will leave your copies with the reporter we will distribute them.

Thank you.

Mr. Krutle of the Quality Delicatessen.

MR. KRUTLE: Thank you very much for giving me a chance to speak because I have to go to work.

I am representing the Quality Delicatessen. We have about eighty stores, and we would like to say we are opposed to this law. Everybody is speaking about the environment, and I would like to point out that the environment in which the small businessman operates today is getting increasingly hostile because this would make it almost impossible for us to survive.

One of the reasons that would put a lot of us out of business is that we would be trying to do what you are trying to legislate here. It would be almost impossible for us to comply with the

we can't afford eight hundred more unemployed people.

MR. ROBERTS: Only industry can respond to that.

A LEGISLATOR: Industry won't respond to that. We have to find out for ourselves so that when these people are threatened with this, we can tell them whether we factually believe it to be true.

You can't enforce any mandate on the legislature to put eight hundred men out of work and the trouble is that the people we ask to give us this information don't have the information.

A LEGISLATOR: From this report here the sales had fallen off from '71 to '73 five per cent and the entire marketing situation changed completely where the sixteen-ounce containers were changed to eleven-ounce containers and this is the Oregon report by Don Wagner.

A LEGISLATOR: The numbers in related studies go to '74. They lost those percentages in years of conviction

so you never make up the loss.

THE CHAIRMAN: It is now 12:25.
We will break for lunch and be back here
at 1:30.

- - -

(Whereupon, at 12:25 o'clock p.m.
the hearing recessed for lunch.)

AFTERNOON SESSION

(Whereupon, at 1:35 o'clock p.m., the hearing resumed as follows):

THE CHAIRMAN: Ladies and gentlemen, I think we can get started. The next speaker is Mr. Jules from the New York State Beverage Industry Work Force.

MR. JULES: Mr. Chairman, you legislators that are still there, I expect the rest will be back. I had some formal testimony which I am putting aside because there is an issue here, that is we, the workers in the beverage industry in the State of New York.

We are comprised of people in can factories, glass factories, beer wholesalers, soda distributors, people in the soda industry, and there isn't a legislator in this county up to now or in the State of New York or at the federal level that thinks about us who work for a living.

Where do we set in the State of New York or in Suffolk County? We pay taxes and support our families; in fact some of our moneys put this building up, built this

center. If it was a social thing that was happening we would go to Washington. However, that which you gentlemen want to know we try to state. A gentleman testified from the Audubon Society that a bird choked on a beverage can. Absolutely right. Where was it that Bill Botwinick said that that bird died on a beer can.

This was a copy of the letter. Another gentleman testified here -- you know the fact that you fellows memorialized Barney Smith had a bill at the state level that they didn't think was good enough to get out of the Rules Committee because of the economic situation, I composed the memorializing that was done of that bill and that possibly happened to you; it happened to me.

You walk ina wake and Bernice died. She was never any good; she was lousy. There's Smitty sitting there and he looks up to you and said wasn't Bernice a nice gal, and you make a split second decision and you say yes, she was. If you knew

he was going to dig her up, you would say Smitty, she's a louse. One of the legislators spelled it out. I believe there is a Michael Dick that testified this morning. He's on Barney Smith's staff. I thought we were talking about the bill in Suffolk County. I didn't think that a paid legislative assistant would be testifying at this hearing. Are you appalled, Mrs. Steinberg?

MS. STEINBERG: Yes, we are here to hear everybody's opinion.

MR. JULES: We are not here to hear anything about state level. This is Mr. Baisley that brought this bill here. I don't blame Mr. Baisley. He had that memorializing resolution.

THE CHAIRMAN: I don't want to interrupt you. You're right. It is essentially the Smith bill that was introduced here. I talked to the Senator and invited him to testify if he wanted to and he couldn't make it and he said I'll send one of my aids. I don't think

there is anything improper in that. His input and you and in fact everybody in this room is what we're after.

MR. JULES: My input is job and family. I've been in this business for thirty-five years. This is part of the situation, problem number one.

Problem number two, the capital investment necessary to our employers can only come from one place and that's the employee. All our other costs are fixed. You're not going to reduce the taxes

I've worked in breweries. I was taught to cut. Cutting our trucks or warehouse space couldn't cut costs; we cut our employees. If Mr. Fisher or anybody wants to debate I'll take five other people in the industry and I'll tell you about our industry.

We'd like you to visit our plants. We'll explain the expansion needed. We'll take you through delis. If you walk in a deli, I hope you know it, there is no space, and that five hundred

dollar fellow in Oregon, you can't build a dog house in Suffolk County for five hundred dollars.

(Applause).

Mr. Fisher, I have no intention of offending you but this is directed at you.

MR. FISHER: I think this hearing is being held by Mr. Baisley. If you want to talk to me, talk to me later.

MR. JULES: I will talk to you later. Mr. Hill said there was an economic impact report requested in 1974 and part of the need to prepare this report was some material from Mr. Fisher and Dan Adams of the U. S. B. A. wrote to Mr. Fisher on July 18, 1974 and requested -- I'll read it to you -- it said I'll give you the data you requested and ask you to furnish me with information on litter control and disposal costs to Suffolk County, specifically what was the annual litter control cost for all litter not including road maintenance for 1971, '72 and '73 and what was the

disposal of garbage each year, '71, '72, '73, '74 cost on litter control and disposal and as far as I know that was never supplied. There was a cost profit analysis and that Mr. Adams has made but he had to make his own observations about what it cost the other parts of the country -- I should say what it costs in other areas and apply it to Suffolk County because he wasn't supplied with this information.

THE CHAIRMAN: There's a question about that. The way I understand it some of the information that was requested was not available through that source and again that aspect of it I think can be best worked on directly with Mr. Adams, Mr. Fisher and the Department or whatever.

MR. FISHER: I think I should have received some correspondence, and if that wasn't available because they're blaming industry people --

THE CHAIRMAN: Wait a minute. There is no intent to blame industry

people or anything like that. Let me hear what you have to say.

MR. JULES: I'll get off. I have one thing to say. I think every legislator in Suffolk County before he goes ahead if there is anything that would harm workers in this county or this state should thoroughly study this thing because the total answer to this and it's going to have to be most of the people who have gotten off memorializing Barney Smith, you can make Jericho Turnpike heaven but don't hit the employee in this county and this state because we're supporting our employer because I think if you're attacking the employers in our industry you're attacking every worker and every employee in this state because somewhere or later you're going to get to them and I say get some compensation in this industry and visit every plant in this state and see what's going on in this industry.

THE CHAIRMAN: That's why we're having this hearing. There is no

intention of any legislator to attack any employer or any employee. The only intent is to attack what we recognize as a problem and that's all it is.

MR. JULES:

∟ You have to recognize it as a problem and we say the solution is not unemployment. I think Mrs. Steinberg agrees with that. You're for the working people. I didn't know you were. I didn't know that Mrs. Steinberg was. You make me so happy. I want to answer Mrs. Steinberg's question.

MS. STEINBERG: If you find out the economic attitude was not what you thought it was would you change your mind and admit to me that the overriding issue, and I have to admit we have enough people on welfare to have more, and what I mean to say is that the overriding issue is whether there is going to be a loss of jobs. If that is going to be the overriding issue, I am not going to vote for legislation that will get you off your jobs. I don't believe that particular question is at hand and before

legislation you are trying to legislate. We have blue laws today on the books. The small businessman cannot survive any more. There are many things with the Health Department. We have the Agricultural Department. It is getting to the point where things are getting too difficult.

We are strictly opposed to it and some of us are planning to move out of the State if this is enacted. Thank you very much for your attention.

(Applause).

A LEGISLATOR: Can we have a show of hands as to how many people are for this legislation and how many are against it?

THE CHAIRMAN: We can do that. I do appreciate the problems of the small businessman. What specifically, sir, do you see in this proposed law that would affect your business? Is it economic or is it more paper work or could you elucidate a little bit?

MR. KRUTLE: It's the whole spec-

you jump at conclusions that you are right in saying there will be this economic impact or we should do as responsible people say, let's get at the facts and see what it is.

MR. JULES: Number one, I am not irresponsible. One other thing, if what you said was true there would be forty-nine union delegates saying we want this legislation and we need jobs. Have you heard any statement testifying to that? You want to hear him? I have one from Reynolds Metal. Do you want to hear from him?

MS. STEINBERG: I would like to find out if there^{is} any kind of loss of jobs.

MR. JULES: Are you going to get us jobs?

MS. STEINBERG: I'm not in the employment business. I did not say anything that was personal against you being irresponsible. I am saying that when a decision such as this which is on a very important issue is made without

having the full facts about the economic impact that is irresponsible to me; I wouldn't want to be a partner in making a decision about that until I knew what that economic impact was. At this point I hear people say we are all going to lose our jobs. I heard other people say that's not so. I'm not convinced there are.

MR. JULES: Mrs. Steinberg, don't experiment with our lives.

THE CHAIRMAN: We don't want to keep this up. I think your position is clear.

MR. JULES: I want to thank the legislature for listening to this and especially to Mrs. Steinberg for listening to this. We'll take you through some plants, Mrs. Steinberg.

(Applause).

MR. WEGNER: Ladies and gentlemen, I have listened to the arguments on this issue. I've gone out in the area and I feel that the arguments suggest a low motivation on those ^{who} are in favor of

this law. Unfortunately this is the reason for my making this statement now. Unfortunately I have another committee meeting in this building. They call this a part time job. Before I leave I would like to make my position perfectly clear. I am opposed to any bottle ban in the county and the state and I will not vote for the legislation if and when it comes up for action before the Suffolk Legislature.

(Applause).

THE CHAIRMAN: Mr. Fuoco, do you want to say something?

MR. FUOCO: I would like to submit on behalf of business men in my district thirty-four letters opposed to this law. I also would like to say I am opposed to the adoption of this local law.

(Applause).

THE CHAIRMAN: Thank you, Mr. Fuoco.

The next speaker is Eric A. Goldstein, representing the New York Public Interest Research Group.

MR. GOLDSTEIN: My name is Eric A. Goldstein, and I am a staff coordinator with the New York Public Interest Research Group. NYPIRG, as you may know, is a non-profit research and advocacy organization, directed and supported by a New York State college and university students. NYPIRG has been active on a variety of consumer and environmental issues.

Today I am here to speak in support of the bottle deposit legislation which is currently before your committee. It is appropriate that the Suffolk County legislature, which took a leading role in protecting our fragile water supply by banning phosphates, should once again be placed in a position where it can be in the forefront of an equally important campaign.

The issue of whether to adopt a system of returnable beverage containers and abandon the throw-aways is of crucial importance. There are two compelling reasons which require passage of this

bottle deposit bill. In the first place, NYPIRG believes that a returnable beverage container system would result in reduced prices for consumers, decreased litter throughout the county, smaller energy demand for container production, and increased savings of county funds otherwise needed for pick-up and disposal of throw-away containers.

But perhaps more importantly, the bottle deposit bill must pass because it is such a key symbolic issue. Americans are now beginning to face the fact that the earth's resources are limited, that our existing energy supply and raw materials are finite. In the second half of the 1970's, we can no longer afford the luxuries of a throw-away society. NYPIRG hopes that the Suffolk County legislature will be at the forefront of this drive for a less waste-oriented lifestyle. Passage of the bottle deposit bill will symbolize a recognition that if our waste of resources and energy continues unabated, the day will soon come when we run out of

these valuable commodities.

I would like to concentrate the rest of my remarks on essentially three areas involved in the bottle deposit issue: litter, consumer prices, and economic effects.

Let me take these areas up individually.

First, litter. Assume a friend of yours comes to your home and asks you for a glass of juice. You take a glass out of your cabinet, pour some juice into it, and give the glass to him. After your friend finishes drinking the juice, he simply throws the glass in the waste basket.

What is your reaction? Obviously, it would be one of shock at this exhibition of senseless waste. Yet this story parallels the current system used in the consumption of beer and soda beverages in Suffolk County.

Suffolk County, with its beautiful beaches, recreation areas, farmlands and residential communities, is needlessly be-

ing subjected to continued visual pollution. This basket of throw-aways which I seem to have thrown away was collected in two minutes in an area less than one hundred yards from a Dr. Pepper bottling plant near the Long Island Expressway.

As Suffolk County continues to grow, and if throw-aways continue their unchecked expansion in the marketplace, the county runs the risk of being swamped under mountains of container litter.

Just how serious is the litter problem? Beverage container litter has been shown to comprise almost fifty per cent of all litter by volume. A volume litter survey conducted in Cayuga County in 1978 showed that beverage containers accounted for sixty-six per cent of the total litter by volume.

Even by piece counts, where beverage containers average twenty to thirty per cent, the impact is substantial. In piece surveys, where a cigarette butt is considered the same as a shiny aluminum can, mere figures themselves do not reflect

litter problem.

The cost of litter collection in New York, according to the New York State Senate Task Force on Critical Problems, I am not making this up; this is the State Task Force, is twenty million dollars annually. The Task Force study found that a percentage reduction of twenty per cent in total litter collection costs could be realized if a statewide bottle bill were to be enacted. County savings from such a bill enacted in Suffolk County would be proportionately as large, presumably would save twenty per cent in Suffolk County. By the way, I have all of these studies available, and I would like to make them available to this committee.

The Oregon experience confirms the benefits of such a bill in terms of reducing litter. A comprehensive study of the Oregon bill reported that roadside litter was reduced overall twenty-six per cent on a piece count and thirty-five per cent on a volume count during the first

year after the bill's enactment.

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And litter reductions increased during the second year to thirty-nine per cent overall by piece count and forty-seven per cent by volume, all with no increase in enforcement actions and with no additional expenditures for increased litter pick-ups.

Bottles and cans constituted six per cent of the county's total garbage in 1973 and after incineration, they made up thirty-five to forty per cent of the remains which must be transported to landfill sites. In times such as these when every tax dollar is important, a reduction of county costs for litter pick-up and solid waste disposal is by itself a sufficient reason to pass this legislation.

Now let us look at the effect which the proposed legislation would have on consumer prices.

By now it is clear to everyone but the bottle industry people that a returnable bottle system would be less

costly to consumers than the current throw-away operation. A random sampling of twelve retail beverage outlets in Suffolk County, completed this week by NYPIRG revealed that savings of as much as \$1.67 per case of beer are available to consumers who purchase returnable containers instead of throw-aways. These two cases of Schaefer beer right here, as an example, contain equal amounts of liquid, and yet the case of throwaways is priced at \$6.36 while the case of returnables costs \$4.69, a savings of \$1.67. On the average, our survey found an average of ninety-two cents savings on comparable cases of beer sold in returnable vs. non-returnable containers.

Similarly, savings for six-packs of Coke and Pepsi bought in returnables averaged twenty-five to thirty cents a pack, or one dollar to \$1.20 for twenty-four bottles. And the New York State Senate Task Force report found that throughout the state, the returnable bottle is less expensive by about twenty