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Recycling chief: Bill would entice his firm

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CHARLESTON — California's container recycling program kicked into high gear once the deposit went from a penny to 5 cents, an industry leader told West Virginia lawmakers Tuesday.

What's more, fraud isn't as much a problem as some suspect, and the proposed West Virginia law is one John Ferrari suggested would inspire his firm, NexCycle, to set up a recycling center here.

California witnessed a 50 percent return rate back in 1988 when the state imposed a 1-cent deposit on used containers, but that shot up to 71 percent when the fee was adjusted to 5 cents last year, the NexCycle president said.

"That's a huge increase," he said.

While he couldn't readily furnish a dollar amount, Ferrari assured Delegate Mike Burdiss, D-Wyoming, cheaters aren't considered a major handicap in the California program.

"It is not a real big problem," he said. "It's not as prevalent as everybody insists it is. The department does a good job with their enforcement division."

Earlier, in his presentation to a joint meeting of the two chambers' judiciary committees, in discussing anti-fraud efforts, he remarked, "Those guys are like CIA."

Nor could Ferrari provide a hard figure on the makeup of bottles in California's litter, but he told Sen. Dan Foster, D-Kana-wha, a leading sponsor of the Senate's proposed 10-cent deposit law, that researchers in San Francisco inspected garbage and concluded half of it involved discarded containers.

Ferrari said his firm would consider opening a glass deposit collection center if it can be shown that "a steady stream" of recyclables is available.

"We would definitely provide jobs for the state by setting up an operation," Ferrari said.

"Everybody wins in the program," said Ferrari, who worked two decades for a recycling program at Reynolds Aluminum and three years at Anheuser Busch Recycling.

This is the sixth year lawmakers have proposed a 10-cent deposit as a means of discouraging consumers from throwing used containers out of motor vehicles and onto highways.

Ferrari said the program, in effect 20 years in California, has proved useful to solid waste entities, recycling centers, grocery store owners and consumers.

"It does work," he said.

A House sponsor, Delegate Barbara Fleischauer, D-Monongalia, told Ferrari lawmakers consistently attempt to make West Virginia more attractive to outside investors and wondered if the proposed deposit law would help bring in more business.

West Virginia's proposed law has been a main legislative goal in recent sessions of West Virginia-Citizen Action Group. A year ago, its bill was bottled up after being sent to three committees — virtually a dead-end for any legislation.

The operator of a California recycling company told West Virginia lawmakers Tuesday that you can be "green" and still be profitable. NexCycle President John Ferrari urged the state legislature to pass a "bottle bill" that requires a refundable deposit of 10 cents on beer, soft drink and other beverage containers.

Ferrari said the deposit encourages consumers to return the containers to get their money back. That, he says, is good for the environment, but also creates jobs through collection and recycling.

West Virginia uses over one billion containers a year, most of which end up in landfills or as trash along highways. Supporters of the bottle bill say the legislation provides incentives for recycling centers and would create hundreds of new jobs.

However, retailers and grocers are concerned. Michael Graney of the Oil Marketers and Grocers Association of West Virginia says a 10 cent deposit would drive consumers in border communities across state lines to buy their groceries.

"What we're very concerned about is placing an additional tax on products that we sell making it uncompetitive on the border," said Graney.

But Ferrari said with the price of gas consumers would be likely to shop closer to home even with the 10 cent deposit as long as they had recycling center close by.