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THE WHITE HOUSE
WASHINGTON

July 16, 1975

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MEMORANDUM FOR JIM CAVANAUGH
FROM: MIKE DUVAL *D*
SUBJECT: ENVIRONMENTAL PROBLEM

There is a very serious problem developing on the environmental front. EPA has drafted guidelines concerning non-returnable containers which they intend to publish in the Federal Register after interagency review.

The guidelines would require that all carbonated beverages sold on Federal facilities be packaged in returnable beverage containers. (Such a container is defined as having a five-cent deposit.) In addition, the guidelines would describe labeling of containers and recommend conversion of any vending machine to returnable containers rather than cups.

I also understand that they might include recommended guidelines for State and local governments.

EPA claims that they are forced to do this under a ruling in a suit filed by the Natural Resources Defense Council against EPA under Section 209 of the Solid Waste Disposal Act. My sources tell me that this was a "sweetheart" suit involving collaboration between EPA staff people and the plaintiffs and, in any event, the ruling does not require the issuance of these guidelines.

The soft drink and beer industries are up in arms, claiming that these guidelines will be the deathblow to their industries. I understand that their labor unions are with them in opposition to EPA. I cannot overstate the intensity of their feeling on this subject.

From a policy standpoint, I think the EPA action is totally indefensible. As you may recall, there has been a question within the Administration of whether we would support legislation banning non-returnable containers or instead take the



alternative route of encouraging recycling of waste materials. The current Administration position is that we do not support legislation banning non-returnable containers because we do not know what the full impact would be on the environment, energy savings and unemployment. My own feeling is that we should support recycling as an alternative that will not cost jobs, will clean up the environment and have significant energy savings.

If EPA is successful in getting these guidelines through the interagency review process, they virtually preempt the policy decision on banning non-returnable containers vs. recycling.

I do not know who is going to handle the environment on our side of the fence, but suggest that somebody get on top of this ASAP.



Jerry Ray

- DRAFT -

PROJECT COMPLETION REPORT

STUDY OF THE EFFECTIVENESS AND IMPACT OF THE OREGON MINIMUM DEPOSIT LAW

September, 1974

Presented To

— Oregon Legislative Fiscal Officer
and
Department of Transportation
Oregon Division of Highways



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DEPARTMENT OF TRANSPORTATION,
HIGHWAY DIVISION
LEGISLATIVE FISCAL OFFICE

Hi Bothe

--Consumer Attitudes

Consumers in Oregon know of the Minimum Deposit Law and approve of it overwhelmingly. Four out of five interviewed had heard of the law, and half could recall some specific provisions--86% of those named litter reduction, pollution control, or recycling as objectives of the law. Of those interviewed in September 1973, 91% were in favor of the law and only 5% disapproved. When asked about their disposal habits for beverage containers, 90% indicated that they throw none away--all are either returned or recycled. That seems to be borne out by the return rates being experienced by bottlers and brewers: over 95% for soft drinks, and approximately 85% for beer.

In a series of questions designed to measure their attitudes toward the law, over 80% either found it no inconvenience to return empty containers, or were willing to put up with the inconvenience if it helped to reduce litter. Over 80% also indicated a willingness to pay "slightly" higher prices for beer and soft drinks in order to reduce littering.

Other Comments

As the reader will notice, the comparisons of post-law to pre-law behavior are, for the most part, based upon the first twelve months under the law (October 1972 through September 1973). That "first year" horizon has been used consistently in all sections of the study to measure impacts. In some instances where more recent data is available it has also been included.

It will also be noticed from the comparisons above that the primary criterion for measuring impact has been change vs. the prior year. Litter has been measured against its level in the year before the law; economic measures, such as employment, sales, and profits have been compared to their levels in the prior year; and, consumers were asked how their behavior had changed from the year prior to the law. The changes identified by measurements against that criterion are actual changes and not hypothetical gains or losses.



III-C SUMMARY

The analysis of the Consumer Survey which comprises the body of Section III presents a complete set of results on the consumers' behavior and attitudes as they are affected by the Minimum Deposit Law. The following summary is intended to highlight the most interesting or outstanding features of those results; it should in no way be construed as an adequate or complete representation of all the relevant information.

Overall, from the consumers' perspective, the Oregon Minimum Deposit Law is a very well-received piece of legislation. This positive theme is reinforced to varying degrees throughout the five elements of the analysis. Statistics can sometimes support conflicting hypotheses. In this instance however, it is difficult to conclude anything other than that majority of Oregonians support the intent and spirit of the legislation and feel their behavior corresponds to that support.

Awareness & Attitude

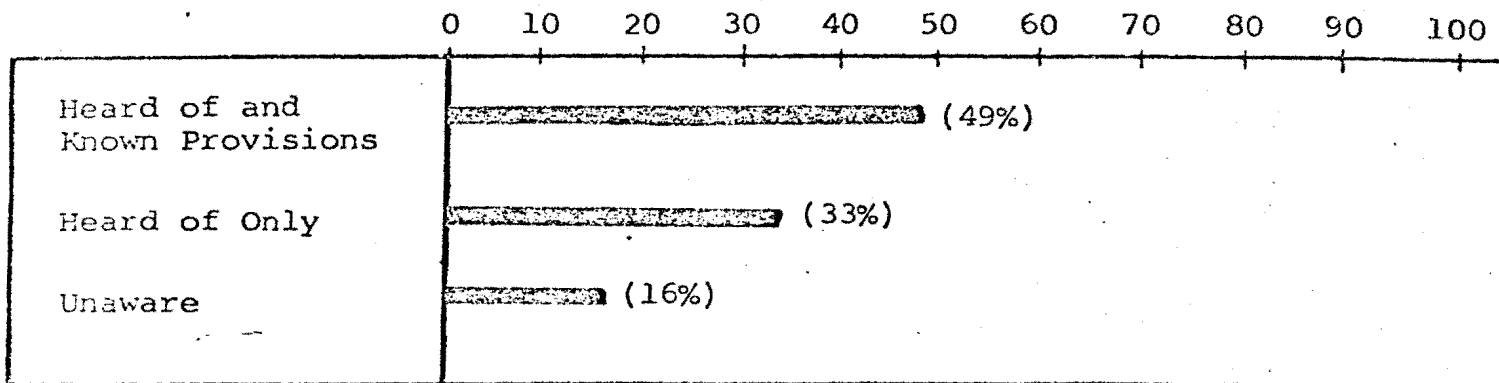
The public's awareness of the "Bottle Bill" is high. Only sixteen percent (16%) of those interviewed did not recall having heard anything about it. Four out of five residents of Oregon (82%) claim to have heard about the "Bottle Bill", while nearly half (49%) have not only heard of the bill but were able to recall some of its specific provisions (Exhibit :

When asked to state the main purpose of the legislation eighty percent (80%) said it was to reduce pollution and littering. Another six percent (6%) said it was to insure the recycling of containers. Interestingly, the young were the most apt to mention recycling as a main purpose of the bill. Fifteen percent (15%) of those between 17 and 24 said recycling was the bill's chief goal, while only eight percent (8%) of the next age group (25 to 34) said the same thing. Recycling is a term and concept much more familiar to younger generations and this probably accounts for their higher than average tendency to mention it as the "Bottle Bill's" main purpose. Urban area respondents (12%) also mentioned recycling more than non-urban respondents (4%).

In view of the high level of public awareness, the positive disposition toward the bill and its requirements came from a relatively well-informed citizenry. Nine in ten people (91%) said they approved of the Minimum Deposit Act while only one in twenty (5%) voiced any disapproval at all (Exhibit III-1). And surprisingly, those who frequently enjoy outdoor activity approve of the bill (91%) as much as those who do not engage in such activities (91%).

Exhibit III-1

AWARENESS OF BOTTLE BILL



APPROVAL/DISAPPROVAL OF BOTTLE BILL

	APPROVE %	DISAPPROVE %	NO OPINION %
All Respondents	90.8	4.7	4.5
Soft Drink Consumer	90.8	4.6	4.6
Beer Consumers	90.3	5.0	4.7

