MINUTES
SENATE HEALTH & WELFARE COMMITTEE

DATE: Thursday, March 14, 2019
TIME: 2:00 P.M.
PLACE: Room WW54
MEMBERS PRESENT: Chairman Martin, Vice Chairman Souza, Senators Heider, Bayer, Jordan, and Nelson
ABSENT/ EXCUSED: Senators Lee, Harris, and Burtenshaw
NOTE: The sign-in sheet, testimonies and other related materials will be retained with the minutes in the committee's office until the end of the session and will then be located on file with the minutes in the Legislative Services Library.
CONVENED: Chairman Martin called the meeting of the Senate Health and Welfare Committee (Committee) to order at 2:00 p.m.
GUBERNATORIAL APPOINTMENT VOTE: Senator Heider moved to send the Gubernatorial re-appointment of Britt Raubenheimer to the Idaho Commission for the Blind and Visually Impaired to the floor with the recommendation that he be confirmed by the Senate. Senator Jordan seconded the motion. The motion carried by voice vote.

PRESENTATION: Roy Eiguren, Attorney representing US Ecology, opened the presentation by explaining that the company makes a presentation to the Legislature every year, and introduced Mr. Jeff Feeler, President, Chief Executive Officer and Chairman, US Ecology. Mr. Feeler led a panel discussion, along with Simon Bell, Executive Vice President and Chief Operating Officer; Terry Geiss, Vice President, Western Region Operations; and Jason Evens, General Manager, US Ecology. Mr. Feeler provided an overview of the company that included their commitment to protect human health and the environment. It is a multinational company traded on the NASDAQ; one of the few companies in Idaho that is publicly traded. The company has 15 treatment facilities nationwide, with one radioactive landfill site in Washington, and also provides a range of field and community services. They have experienced tremendous revenue growth, from $169 to $620 million between 2012 and 2019. Boise is the company headquarters, with 164 staff in Boise and 1,671 globally.

Mr. Geiss gave an overview of the two Idaho facilities: their treatment storage disposal facility near Grand View, and the rail transfer facility, which together employ a staff of 42. The Grand View facility received Occupational Safety and Health Administration (OSHA) recognition as a "Star worksite." They have contributed approximately $2 million over 11 years to the General Fund.

Mr. Bell touched briefly on the explosion incident that occurred on November 17, 2018. They immediately enlisted the foremost experts to investigate the incident, and the company is working to safely restore operations. The incident resulted in the only fatality in the company’s 66 year history and in significant damage to the facility. While the investigation continues, preliminary findings show the receipt of magnesium fines (that may have been contaminated or commingled with other unexpected waste elements), may have caused a chemical reaction and resulted in the explosion. Moving forward, the primary focus has been to support the affected employees and their families while the investigation continues. They continue to support the regulatory investigations from OSHA, the Environmental
Protection Agency (EPA), and the Department of Environmental Quality (DEQ), and are working closely with DEQ to safely restart operations. Federal government revenues have been declining: Idaho facilities are disadvantaged since they are geographically far from major cleanup projects on both coasts, and competitors have replicated some of their capabilities. Efforts are underway to grow retail and recycling enterprises.

**DISCUSSION:**

**Senator Heider** had questions about providing consumer recycling guidance. **Mr. Bell** responded that it presents a real challenge and is an issue handled more at the municipal level that requires education and funding. Another issue is that much of our recycling infrastructure came from China and is no longer accessible. **Senator Bayer** asked for more information regarding recent restrictions placed on plastics recycling, and wondered if US Ecology had tremendous competition from China. **Mr. Bell** replied that the company's primary focus was not in plastics recycling, but shared that competition is really about technology: many companies are working to develop sorting technology that can detect differences in materials.

**Senator Nelson** commented that he used to be in the refining business where the culture of safety is key, and wondered if they found anything in their root cause analysis that led to changes in operations. **Mr. Bell** responded that he was not in the position to share details at this time, but reported that the materials they believe were involved are not being accepted while the investigation continues. **Senator Heider** expressed admiration for their organization and appreciation for the way they were handling the investigation. **Senator Jordan** expressed empathy for their loss. She wondered if having to close down a section of their facility presented any storage hardship. **Mr. Feeler** replied that the company is large and was able to redirect materials to other sites. **Mr. Evens** commented that US Ecology continues to be a strong company and he is amazed at the level of commitment to their team members and to the environment. He has been given full authority to take care of team members to get them through this incident. The company has provided counseling, retraining opportunities and more, with no loss of pay to staff.

**Chairman Martin** asked for more context regarding the decline in revenue at the Grand View facility, compared to the growth seen in the company overall. **Mr. Feeler** explained that the facility is geographically far from industry and transportation cost is high. Other sites see growth because they are located near industry, but emphasized that this facility is still critical to their network. They continue to look for growth opportunities for this site. **Mr. Feeler** invited Committee members to tour the facility.

**ADJOURNED:**

There being no further business at this time, **Chairman Martin** adjourned the meeting at 2:40 p.m.

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Senator Martin
Chair

Margaret Major
Secretary