

In The Matter Of:
Department of Environmental Quality

Waste Tires Meeting
March 25, 2015

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1 DEPARTMENT OF ENVIRONMENTAL QUALITY
 2 *****
 3 *****
 4 *****
 5
 6 The Meeting of WASTE TIRES, taken in
 7 connection with the above captioned matter
 8 at the Galvez Building, North 5th Street,
 9 Baton Rouge, Louisiana on Wednesday, March
 10 25, 2015, beginning at 9:06 a.m.
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 12 Tara Torres-Blank
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1 A P P E A R A N C E S
 2 VINCE SAGNIBENE
 3 MIKE WELLS
 4 JOHN BRUCE
 5 ROBERT THOMAS
 6 CATHY GAUTREAUX
 7 NICHOLAS COLE
 8 DEIDRA JOHNSON
 9 KIP VINCENT
 10 BUDDY DUPUY
 11 DENNIS RICHARD
 12 JIM BENSON
 13 MIKE WALSWORTH
 14 LLOYD WARD
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1 MR. SAGNIBENE:
 2 I'd like to call this meeting to
 3 order. This is our second Waste
 4 Tire Program Task Force Meeting.
 5 I'd like to do a roll call.
 6 MR. WELLS:
 7 Mike Wells.
 8 MR. BRUCE:
 9 John Bruce, Winnsboro Rubber
 10 Recycling.
 11 MS. GAUTREAUX:
 12 Cathy Gautreaux, Louisiana Road
 13 and Transport Association.
 14 MR. WALSWORTH:
 15 State Senator Mike Walsworth.
 16 MR. BENSON:
 17 Jim Benson, Benson
 18 Environmental.
 19 MR. RICHARD:
 20 Dennis Richard, Louisiana
 21 Independent Tire Dealers
 22 Association.
 23 MR. DUPUY:
 24 Buddy Dupuy, Environmental
 25 Industries.

1 MR. VINCENT:
 2 Kip Vincent, Colt, Incorporated.
 3 MR. SAGNIBENE:
 4 Vince Sagnibene, the Secretary.
 5 MS. JOHNSON:
 6 Is Nick Cole here? Anyone
 7 representing Gordon Dole? And John
 8 Bruce, you're here for Elton
 9 Williams?
 10 MR. BRUCE:
 11 Yes.
 12 MS. JOHNSON:
 13 And anyone here on behalf of
 14 Lloyd Ward?
 15 MR. SAGNIBENE:
 16 Thank you for coming. I really
 17 appreciate you-all taking time out
 18 you all business schedule to be over
 19 here today. I need a motion to
 20 approve the minutes of the last
 21 meeting.
 22 MR. WELLS:
 23 I make the motion to approve the
 24 minutes of the last meeting.
 25 MR. DUPUY:

1 working as hard as you're working,
 2 but I'm only going to pay you 60
 3 percent or 50 percent over the next
 4 six months, and we'll try and catch
 5 you up a little bit later on."
 6 I don't think any of us would
 7 like that, and probably wouldn't
 8 stay around very long. I will tell
 9 you, we need you, probably more than
 10 you need us, to be honest with you.
 11 I think we all remember when we
 12 used to be with tires everywhere.
 13 And now, we've got a good program.
 14 But, you know, we've got 1.6 billion
 15 dollars in the hole. We'll try to
 16 figure out how to do it.
 17 And all of a sudden there was a
 18 little pocket of money out there
 19 that the administration thought,
 20 "Hey, let's scrap it."
 21 So here's where I'm at. If I'm
 22 going to work, if the State's going
 23 to be that way, then I've held -
 24 I'm holding a bill open. I want us
 25 to work together, but I want to make

1 I'll second.
 2 MR. SAGNIBENE:
 3 Those minutes are approved.
 4 Okay. If you would refer to your
 5 agenda, under topics, as we all know
 6 and especially with Senator
 7 Walsworth, we have an upcoming
 8 legislative session.
 9 And if you-all would like to
 10 discuss some legislation you-all
 11 would think would be pertinent to
 12 you-all. Or Senator Walsworth, if
 13 you would want to discuss some
 14 things, the floor is open.
 15 MR. WALSWORTH:
 16 Well, as part of joint budget,
 17 first of all, I was part of -
 18 Although, I did voice my concern to
 19 administration when they took money
 20 out of the Trust Fund. I don't like
 21 it.
 22 I don't think anybody would like
 23 it when all of a sudden, if your
 24 employer was, come back and said,
 25 "Now, look, I want you to keep

1 your life a little bit easier
 2 somewhere else.
 3 And that might be in a way, once
 4 you, whatever you do with a tire,
 5 chop it up, cut it up, whatever you
 6 do with it, I want that - I want us
 7 to be a partner with you and try to
 8 make your life a little bit better.
 9 So if we're going to cut your
 10 money, and I can't promise you, but
 11 I'm going to do everything I can to
 12 make sure you're paid back as
 13 quickly as you possibly can.
 14 Because you've got creditors.
 15 You've got bills. You've got
 16 everything else that you've got to
 17 be paying.
 18 And I'm a small business guy,
 19 and I know my creditors don't
 20 understand, "Well, you know, the
 21 State's got little budget problems.
 22 I'm not going to get my money, so
 23 I'm going to - I guess I'll have to
 24 wait on you." That's not how that
 25 works, so.

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1 I want to make your life a
 2 little bit easier, and I want us to
 3 work together. So in seeing how we
 4 can make your life a little bit
 5 easier. So that's what -
 6 And we'll probably talk about
 7 it. If anybody wants to talk about
 8 it now, that's fine.
 9 MR. SAGNIBENE:
 10 And Senator Walsworth, the money
 11 hasn't been swept just yet. And we
 12 entered a Promissory Note with one
 13 of the processors to pay back some
 14 dollars that were allocated, and
 15 didn't satisfy the contract
 16 agreement.
 17 Like I said, I think we got
 18 \$42,000 dollars a month for a couple
 19 of months, and we're getting
 20 \$15,000. Now, I think everybody is
 21 paid up right now. Like I said, the
 22 sweep hadn't taken place.
 23 MR. WALSWORTH:
 24 May I see a shake of heads on
 25 everybody being paid their money?

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1 Everybody -
 2 MR. DUPUY:
 3 I'm not paid up.
 4 MR. WELLS:
 5 No, I'm not.
 6 MR. WALSWORTH:
 7 All right. I think we all know
 8 we're going to sweep those funds. I
 9 mean, whether we like it or not,
 10 we're going to probably sweep those
 11 funds.
 12 MR. SAGNIBENE:
 13 And I've asked them to sweep a
 14 little at a time, that would make it
 15 easier. And didn't really get a
 16 good answer on that.
 17 MR. WELLS:
 18 And refresh my memory, what is
 19 the amount that's going to be swept?
 20 ??????:
 21 \$329.
 22 MR. VINCENT:
 23 \$300, plus.
 24 MR. WALSWORTH:
 25 \$300, plus.

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1 PUBLIC MEMBER:
 2 Sir, I have a question. Why are
 3 we taking money out of the tire
 4 fund, instead of taking it out of
 5 the underground fuel tank storage
 6 fund, which has an \$8 million dollar
 7 surplus?
 8 MR. WALSWORTH:
 9 I was - I asked the
 10 administration and the Committee and
 11 that's where that was at, so.
 12 MS. JOHNSON:
 13 Okay. This is something else.
 14 If you have a parking ticket from
 15 the parking garage, I need you to
 16 sign it and then hold it up for me
 17 so I can collect it, and I can get
 18 that validated for you. And Nick,
 19 come to the table.
 20 MR. SAGNIBENE:
 21 That's not Nick Cole.
 22 MS. JOHNSON:
 23 Oh, that's not Nick Cole? Okay,
 24 well come to here, because I know
 25 you might say something. We know

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1 you're going to say something. And
 2 if you have a parking ticket, sign
 3 it and hand it, and we'll get this
 4 taken care of for you.
 5 MR. SAGNIBENE:
 6 I guess my question is, and I'm
 7 pretty sure Senator Walsworth's
 8 question is also, I guess what can
 9 we do to make your life easier?
 10 Because you all have a great
 11 program.
 12 You know, I mean, we did the
 13 export to foreign countries. And I
 14 think Benson is fixing to do some of
 15 this stuff. Aren't you-all the tire
 16 stuff?
 17 MR. BENSON:
 18 We're separating the metal from
 19 the tires, yeah. But I don't know
 20 if we're going to go overseas with
 21 any of it.
 22 MR. SAGNIBENE:
 23 Why don't I - Okay.
 24 MR. BENSON:
 25 I understand that they pay more

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1 money, but so far we don't have no
 2 connection.
 3 MR. VINCENT:
 4 When we were trying to send TDF
 5 over seas, we got a pilot program
 6 approved. The problem was the way
 7 the rules read on how the manifest
 8 had to follow the product.
 9 And sending, not only your
 10 product and your paperwork over
 11 seas, and expecting to get it back
 12 any time soon, and that paperwork is
 13 what we got paid off of.
 14 So that was the holdup, as far
 15 as having an overseas market. So I
 16 don't know where - Markets is the
 17 biggest battle that processors, you
 18 know, fight every day.
 19 And you know, I would like to
 20 see, you know, something happen with
 21 deregulating the market side of the
 22 program, as far as once whole tires
 23 are processed, they become a
 24 product. Because we're sending out
 25 into the marketplace as product,

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1 replacing other products.
 2 You know, that I think would be
 3 a huge help to, you know, the
 4 processors and the program. I think
 5 that there's a lot of markets out
 6 there that, you know, we don't get
 7 to explore because of the way that
 8 the reg's and everything are written
 9 today.
 10 MR. SAGNIBENE:
 11 Is the exports still a viable
 12 option?
 13 MR. WALSWORTH:
 14 Exports, they come and go. It
 15 just depends on what the market -
 16 It's a timing issue. You know when
 17 we were trying to do it, it was hot.
 18 We got the pilot program approved,
 19 and it was gone. So we never got to
 20 send any material anywhere.
 21 MR. SAGNIBENE:
 22 But the opportunity is there for
 23 a short time. So you had to go
 24 through the process of applying for
 25 official use. By the time we get

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1 that back, that opportunity is gone.
 2 It's just a very short time.
 3 Now, I'm not criticizing the
 4 department process, it's just that's
 5 the reality of it.
 6 MR. SAGNIBENE:
 7 So I guess, Kip, what could we
 8 do to lighten you-all's burden? To
 9 make it easier for you all business?
 10 MR. VINCENT:
 11 Well, I mean, I think that we're
 12 -
 13 MR. SAGNIBENE:
 14 And I'm not just asking the
 15 question to Kip, I'm asking it to
 16 everybody.
 17 MR. VINCENT:
 18 As far as, you know, we're - we
 19 have a processing permit. We're
 20 considered processors. The program
 21 used to be set up this way. And
 22 that is to get paid for processing
 23 tires. And to let the marketplace
 24 take care of itself.
 25 That can be done in a lot of

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1 different ways. We're not asking to
 2 have carte blanche, or I'm not
 3 asking to have carte blanche to do
 4 whatever we want to do.
 5 We don't need to be able to
 6 dispose of our material in
 7 landfills, you know? We can come up
 8 with a list of what approved markets
 9 are, and you know, guidelines.
 10 However far we want to take that
 11 part of - But it needs to be - We
 12 don't need to go through - I'll
 13 give you an example for Colt.
 14 We've probably done 150
 15 bulkheads over the period of us
 16 being in business in Louisiana. A
 17 bulkhead may take three loads of
 18 material.
 19 We generate 120 loads a month of
 20 material. We ask for a bulkhead,
 21 sometimes it takes two months, three
 22 months to get it approved. And a
 23 lot of times, we lose that market
 24 because of the same thing that
 25 Mike's talking about.

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1 And we understand why you have
 2 to do the approval process, the way
 3 it is today, but for three loads of
 4 material? And, you know, bulkheads,
 5 the way the program was in the past,
 6 bulkheads were an approved market.
 7 So we were able to take material to
 8 approved markets.
 9 And we don't have a, "we", as
 10 far as Colt, does not have a problem
 11 letting the Department know where
 12 we're sending material. Whatever
 13 reports we need to give -
 14 ???????:
 15 Where and how much.
 16 MR. VINCENT:
 17 How much we're sending. We're
 18 not saying you just need to let
 19 anybody run rampant with what they
 20 want to do. We understand it needs
 21 to be -
 22 MR. SAGNIBENE:
 23 Some checks and balances.
 24 MR. VINCENT:
 25 - some checks and balances to

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1 two to three months for those.
 2 We'll see more like, you know, it is
 3 within days rather than -
 4 MR. SAGNIBENE:
 5 Really it's supposed to be a
 6 qualified recycler. I see no reason
 7 for that.
 8 MR. VINCENT:
 9 Well, the qualified recycler is
 10 a whole other issue in the reg's.
 11 So I think -
 12 MR. SAGNIBENE:
 13 Maybe we should have a list of
 14 things.
 15 MR. VINCENT:
 16 That's what we're talking about.
 17 MR. SAGNIBENE:
 18 Okay. That's where you-all are
 19 going? Well, I'll let you-all talk.
 20 Go ahead.
 21 MR. DUPUY:
 22 I think where Senator was going
 23 was, if we have an approved project,
 24 we just got through doing it at this
 25 facility. We did the left side of

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1 what's going on.
 2 MR. SAGNIBENE:
 3 And that comes back to our
 4 earlier conversation. I mean, if
 5 they want to do a bulkhead, they
 6 should be able to tell us, "We're
 7 doing a bulkhead. It's going to be
 8 10,000 yards. We're doing it here.
 9 We're planning on getting through."
 10 MR. WALSWORTH:
 11 If it's approved, then why are
 12 we having to go through every single
 13 20 steps to make sure -
 14 MR. THOMAS:
 15 Well, we had the last bulkhead,
 16 that didn't take two or three
 17 months, did it?
 18 MR. VINCENT:
 19 No, I'm not saying there was one
 20 of us.
 21 MR. THOMAS:
 22 And I think we're on the right
 23 track of getting things like
 24 bulkheads approved, where hopefully
 25 we won't see the days where it takes

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1 the hill with erosion.
 2 And you pay \$5,000 engineering
 3 to get it done. When we pay this
 4 \$5,000 to get these things done, and
 5 you guys turn it down, we got to pay
 6 five - we got to pay more money
 7 again to go look at it, the way you
 8 guys want us to look at it.
 9 The thing that I think, and
 10 we're all asking, what would make
 11 things easier? If we had a list of
 12 all the things that were approved,
 13 whether it be just like, if we took
 14 on now and said, "Okay, your end use
 15 is any and all of your past
 16 approvals by D.E.Q., you can do from
 17 this point on, if we make a list of
 18 them."
 19 All Dr. Humphrey's approvals in
 20 1998, we brought Dr. Humphrey down
 21 here and went to Alexander. He put
 22 on a seminar. He's most probably
 23 the strongest guy that knows about
 24 tires than anybody.
 25 E.P.A. approvals, why for any

Page 21

1 reason at all, can't we look at EPA
2 on the computer, everything they've
3 done, and it be approved? R.M.A.
4 approvals, why can't we go when we
5 do them?
6 There's no reason for us to ask
7 for the same thing over and over,
8 and keep paying for the same thing
9 over and over. Kip was talking
10 about altering a tire, and it
11 becomes into a product.
12 Once it becomes into a product,
13 it needs to be taken out of solid
14 waste, because it's no longer a
15 tire. Then that is not regulated
16 through solid waste, because it's a
17 product.
18 We're regulating tires. We're
19 trying to regulate the thing all the
20 way throughout, which is very unfair
21 to us. And the Department is
22 operating their checkbook according
23 to the approvals that they give.
24 If it takes two or three months
25 to get an approval, like Kip was

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1 saying, the checkbook might be low.
2 When the checkbook is high,
3 approvals go through, boom, right
4 on.
5 So we've seen this, I've been
6 doing it 20 years. Kip's been doing
7 it 20, 25 years. You look at all
8 these different things, and you ask
9 yourself all these questions.
10 We took out the 115 percent
11 rule, whenever Katrina came, so you-
12 all could cleanup different places,
13 Vince. The 115 percent rule is in
14 - was in landfills and everything.
15 This, if we're sitting here and
16 we're going to open our markets up,
17 we've got to bring the 115 percent
18 back into play. Because if we don't
19 bring it back into play, we're
20 getting a 75 and 80 percent of our
21 money example now, then our money is
22 going to go lower.
23 Because more people are going to
24 want to come in. Your markets are
25 easier; right? So we only got four

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1 and a half million tires coming off
2 of cars, in Louisiana, every year.
3 Every one of us needs a million
4 tires just to make ends meet.
5 If you haven't got a million
6 tires, you're not going to stay in
7 business. The Task Force, I think,
8 is one of the best things that has
9 come into play, just in two meetings
10 being here.
11 I would like to see the Task
12 Force approve any and all new
13 approvals for end uses, from this
14 point on. I don't feel we need to
15 go into the Engineering Department
16 and D.E.Q. when all of these
17 approvals have been approved.
18 We've already paid to get them
19 approved. Why do we need to pay,
20 and send it back in, and bother
21 anybody, when we could continue to
22 move on? And we're talking about
23 making things easier for the
24 processors and the program, and how
25 to get more money into the program.

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1 I mentioned landfills 115
2 percent rule. Just an example,
3 nursing homes. I was involved in
4 nursing homes years ago. They had
5 what they called a Certificate of
6 Need.
7 They take a survey of 60 percent
8 of all the homes in the state. Or
9 60 percent, they're not going to let
10 you build a new thing, so you can't
11 get a Certificate of Need. Your
12 gambling boats are regulated. Three
13 and four different boats. You can't
14 just have boats to where it's not -
15 It's not that you want to corner
16 the market, you want a monopoly or
17 whatever, but everyone is asking me
18 all the time, "What can we do to
19 make this program better?"
20 It's in the right direction.
21 But the people who are taking care
22 of the work need to be paid. And
23 they need to be paid on time. We're
24 not following all the statutes that
25 we need to be following.

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1 We're supposed to get paid on.
 2 the 12th of the month. And I know
 3 they try to do it, but the reason
 4 why they don't do it is because, and
 5 it's not - everybody's trying to
 6 make it work the best they can.
 7 They don't have enough money.
 8 So somewhere back in here, money
 9 has got to come into play, so Vince
 10 and them can do their job and
 11 operate a business like a business
 12 needs to be run. If you don't have
 13 money in your checkbook, you can't
 14 do the things you need to do to
 15 regulate it.
 16 And I think that this panel can
 17 help the department get money to
 18 operate. That's pretty much on a
 19 couple of things that, like I say,
 20 I'm hitting on that I thought was
 21 real important.
 22 MR. SAGNIBENE:
 23 Okay, go back to the approvals
 24 and the reg's that are going to have
 25 to be changed, where we don't have

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1 to see every approval, and see how
 2 much. Because we get audited for
 3 that stuff. And the auditors kill
 4 us on this stuff.
 5 They want to know where every
 6 tire chip went, when it went, where
 7 it went.
 8 MR. DUPUY:
 9 I think the most important
 10 thing, Vince, is - I'm sorry, Kip.
 11 MR. VINCENT:
 12 That's all right.
 13 MR. DUPUY:
 14 The most important thing is when
 15 the auditors ask a question, someone
 16 needs to be able to answer it
 17 correctly. That's where the problem
 18 is at. And no one knows how to
 19 answer that in your Department.
 20 And because I've talked to the
 21 auditors myself and asked them the
 22 questions. Because that's all we
 23 ever hear.
 24 I mean, I've spent, in my place,
 25 four hours with them one day. And

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1 all they wanted to know is, "What
 2 can we do to make it work. Work
 3 easier, work better."
 4 And it's been tough over the
 5 last 20 years, because, you know,
 6 Tony was there for a long time and
 7 did us a heck of a job. After Tony,
 8 we had someone else that came in.
 9 Then after that, we had someone else
 10 came in, now we got Rob.
 11 And Rob's learning. He's trying
 12 to do the best job that he can for
 13 as long as he's been there, and I
 14 feel like he's doing it. But it all
 15 comes back to, you can't operate a
 16 business if you don't have funding.
 17 And you're not going to ever get
 18 your business right, until you have
 19 funding. And you can't keep hitting
 20 on the processors all the time when
 21 we need money. Because that's where
 22 we've been going over the last 15
 23 years.
 24 Everybody feels, you pay the
 25 processors, and they got the money,

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1 that's where we go get it. But if
 2 the Department would follow the
 3 statutes and the reg's, I think, and
 4 get paid for everything that they
 5 are paying out on, their money
 6 problem would be better also.
 7 MR. SAGNIBENE:
 8 Well, you know, we ramped up
 9 enforcement a lot on this waste tire
 10 stuff. Some of your guys had helped
 11 us. And I think the presence is out
 12 there. And I mean, we've put people
 13 in jail over this stuff. So we're
 14 really trying with what resources we
 15 have.
 16 MR. VINCENT:
 17 So is the reason the auditors
 18 are wanting to know where every
 19 pound of material is going is
 20 because the money is tied to the -
 21 in the market?
 22 MR. SAGNIBENE:
 23 I would imagine so.
 24 MR. VINCENT:
 25 Right. The statute states that

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1 we don't get paid until it's
 2 delivered to a market.
 3 MR. THOMAS:
 4 Right.
 5 MR. VINCENT:
 6 That's approved by you-all's
 7 department. So -
 8 MR. SAGNIBENE:
 9 Okay. This says, "reaches in
 10 use," actually. There may be a
 11 little distinction in there. But I
 12 know we do pay on --
 13 MR. VINCENT:
 14 Approved in use, yeah, or
 15 recycled. So anyway. I mean, you
 16 guys, we don't get paid until it
 17 gets delivered.
 18 MR. SAGNIBENE:
 19 Okay. You guys work with this
 20 every day. I mean, you-all better
 21 than us could probably come up with
 22 a way to make it work better in what
 23 you see as the problem.
 24 MR. VINCENT:
 25 We just want to be - We are at

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1 a competitive disadvantage with any
 2 processor who is out of state, okay?
 3 Because an out-of-state processor
 4 can bring material into the state,
 5 can go to a customer, can deliver
 6 material to a customer, and never
 7 have to contact the Department.
 8 They don't have to get an
 9 approval. The user, the end user
 10 does not have to even let them know
 11 they're using it.
 12 MR. SAGNIBENE:
 13 But you-all have to jump through
 14 all of these hoops, you know.
 15 MR. VINCENT:
 16 And we have to jump through -
 17 MR. SAGNIBENE:
 18 That's a problem. That's a
 19 problem.
 20 MR. WALSWORTH:
 21 That is, right there. That's
 22 part of the problem.
 23 MR. VINCENT:
 24 Yeah. We can't compete with
 25 some of that. So we're at a

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1 competitive disadvantage in that
 2 sense. And most states, I mean, I
 3 have some information here on what
 4 other states around us are doing.
 5 You know, Texas, they have no
 6 fees or anything they collect on the
 7 front end. It's all free market.
 8 The transporters charge, and the
 9 dealers collect whatever they want
 10 to collect and pay the transporters.
 11 Then it's up to the transporters
 12 to take it to a recycling facility.
 13 But what Texas does have, even
 14 though they don't control what's
 15 going on in the front end, is on
 16 their website, they have all the
 17 uses that you can do with all of
 18 your material.
 19 MR. SAGNIBENE:
 20 Texas doesn't pay for the chips;
 21 right?
 22 MR. VINCENT:
 23 They don't pay for. No.
 24 MR. WALSWORTH:
 25 Do they collect a fee?

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1 MR. VINCENT:
 2 They don't collect any fees.
 3 ??????:
 4 They don't collect anything.
 5 MR. VINCENT:
 6 The state does not. So but they
 7 have all the proof for processors to
 8 be able to take their material to.
 9 You know, in Mississippi, they
 10 collect a fee. They collect a
 11 dollar a tire. But it goes into a
 12 grant program.
 13 The tire is still left at the
 14 dealer, and that is dealt with on
 15 free market. The dealer has to
 16 collect additional monies on top of
 17 that dollar in order to get rid of
 18 the tire. And, again, it's paid to
 19 a transporter.
 20 And it's left up to that
 21 transporter to take it to a
 22 recycling facility. It doesn't
 23 always happen. You know, Texas is
 24 still - Texas has got some of the
 25 largest tire piles in the country

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1 right now.
 2 I mean, here's an article that
 3 just came out. "Tire pile continues
 4 to grow in Texas." It was a half a
 5 million tires, now it's a million
 6 tires, you know?
 7 So I mean, that program doesn't
 8 work very well. This program works
 9 great because it controls what is
 10 happening.
 11 MR. SAGNIBENE:
 12 But we need to make it easier
 13 for you all to do business.
 14 MR. VINCENT:
 15 Absolutely.
 16 MR. SAGNIBENE:
 17 That's where we need your help.
 18 You know, like if he wants to send
 19 something to out of state to Alabama
 20 or something, we have to call that
 21 person. They have to be a qualified
 22 recycler.
 23 I mean, I don't know how we can
 24 regulate or have the authority to
 25 make somebody from out of state do

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1 something.
 2 MR. VINCENT:
 3 Right. You can't do that. We
 4 have a hard time -
 5 MR. SAGNIBENE:
 6 It's in the rules.
 7 MS. GAUTREAUX:
 8 Interstate Commerce.
 9 MR. VINCENT:
 10 We run into that. And we have a
 11 lot of customers that just flat
 12 refuse to fill out Louisiana
 13 paperwork because it says, you know,
 14 that by signing this document,
 15 you're liable for - And they don't
 16 know what's the Louisiana laws.
 17 MR. SAGNIBENE:
 18 And if the processor says, "It's
 19 going here and it's going for this
 20 use," that should be good enough, in
 21 my view. Unless the attorneys tell
 22 me something different.
 23 MR. VINCENT:
 24 Right. If we're getting paid to
 25 process, material is not solid

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1 waste.
 2 MR. THOMAS:
 3 But you're not really getting
 4 paid to process. You're getting
 5 paid to find beneficial end use.
 6 That's when the payment is - I
 7 mean, we're not paying you to chop
 8 it up, and then we pay you.
 9 You chop it up, you find the
 10 beneficial end use, we approve the
 11 project. And then once it's
 12 actually recycled, that's what the
 13 payment is for.
 14 MR. DUPUY:
 15 What he's saying, we need to
 16 change it.
 17 MR. THOMAS:
 18 Well, that's your suggestion, is
 19 to change it to -
 20 MR. DUPUY:
 21 Once a tire has been altered,
 22 it's not a tire. It shouldn't be
 23 regulated by the department, because
 24 it's a commodity.
 25 MR. SAGNIBENE:

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1 I guess how are we going to -
 2 what's going to be our check and
 3 balance? And I know it's to your
 4 advantage to get rid of it, but how
 5 are we going to assure that you get
 6 rid of that in a beneficial manner?
 7 MR. VINCENT:
 8 Well, we're a registered,
 9 permitted, processing facility. We
 10 have to put up financial assurance.
 11 We're only allowed to store so much
 12 material on our facility. And
 13 that's what you have to regulate.
 14 I mean, it's to our benefit.
 15 Either, we're going to go out of
 16 business after we stack material on
 17 our facility, you know? You-all are
 18 going to put us out of business. Or
 19 we find markets for our material. I
 20 mean, we have to find markets.
 21 MR. SAGNIBENE:
 22 Well, you want to move it. I
 23 mean, you don't want to keep it
 24 there.
 25 MR. VINCENT:

1 Absolutely, it costs money to
 2 handle material twice.
 3 MR. BENSON:
 4 It's not edible either.
 5 MR. DUPUY:
 6 I think the biggest problem,
 7 Senator, that was an issue, when you
 8 got paid to shred it years ago, you
 9 got paid so much per tire. It
 10 wasn't on by weight. And no one
 11 bonded material back in the olden
 12 days.
 13 So someone come in and grind,
 14 and leave the material, the state,
 15 we had to go in and clean up. We
 16 cleaned up, I guess, '95, '96, 12
 17 million tires, I believe it was.
 18 But now, it's bonded.
 19 And each time, it's the
 20 Department's duty to see if you put
 21 more material. Because they're
 22 looking at your monthly report and
 23 they know what your limits are. You
 24 keep increasing your bond.
 25 But your object of the thing is

1 there. But that's not what you want
 2 to do because you're moving it and
 3 handling it two times.
 4 MR. SAGNIBENE:
 5 I know that's what Mr. Vincent
 6 did.
 7 MR. DUPUY:
 8 That's a, you know, I've done
 9 that in the past. But it's not
 10 something you want to do. You can't
 11 make money like that.
 12 So Rob, what Kip was talking
 13 about was, once the tire is altered,
 14 you would be paid on shredded
 15 weight. You wouldn't be paid on
 16 marketing your material.
 17 If you market material and get
 18 paid, they want to know where the
 19 material went, what it is. Once it
 20 became a product and a commodity, it
 21 wouldn't be regulated. Because it's
 22 not a tire anymore.
 23 And all the, everything has been
 24 checked; tires, the chromium, the
 25 magnesium, steel, throughout the

1 to keep 100 percent going out all
 2 the time, and keep a little storage
 3 pile, if need be. But that's not
 4 your - your goal is not to
 5 stockpile.
 6 But if it don't have the end use
 7 where you can go to get paid,
 8 because you don't get paid until you
 9 market it, you get over here at the
 10 problem where they're holding up
 11 your in use, Vince.
 12 And then, when they holding that
 13 up, and you can't deliver, you're at
 14 a standstill, and you still got
 15 bills for this month, and this
 16 month, and you don't -
 17 MR. SAGNIBENE:
 18 And you don't get your financial
 19 insurance, too.
 20 MR. DUPUY:
 21 Right. So you could go ahead
 22 and go, if you got paid to shred it,
 23 you could increase your financial
 24 insurance when you saw it needed to
 25 be. And you could put it right

1 ground water. Every test has been
 2 made. No hazardous in any way,
 3 shape or form. And the Department
 4 has got all those spec's.
 5 MR. BENSON:
 6 The thing that creates the
 7 biggest point of contention, is you-
 8 all charge \$2 dollars a tire. And
 9 you say the tire weighed 20 pounds.
 10 That doesn't happen anymore.
 11 What we've got to resolve is -
 12 I mean, you-all pay us on weight.
 13 What we've got to resolve is,
 14 getting you-all paid on weight,
 15 also.
 16 Or we've got to change
 17 something. Because it makes you
 18 think we're cheating you. And we
 19 know that we're not.
 20 MR. SAGNIBENE:
 21 But the tires are heavier now
 22 than when the program started.
 23 MR. BENSON:
 24 Sir?
 25 MR. SAGNIBENE:

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1 The tires are heavier.
 2 MR. ROBERTS:
 3 They are heavier. I did a
 4 pretty extensive test on the tires
 5 we received. I weighed hundreds of
 6 passenger tires. Just grabbing them
 7 as they come by.
 8 And the weight that I got after
 9 weighing, I think it was 400, just
 10 individual tires, on an individual
 11 weight, double checking my math and
 12 everything, it comes to 27.7 pounds
 13 per tire.
 14 MS. JOHNSON:
 15 Can you give her your name?
 16 MR. ROBERTS:
 17 Chad Roberts. Just to throw
 18 that out there.
 19 MR. BENSON:
 20 And by the time we get them,
 21 they wore off a pound or so.
 22 MR. ROBERTS:
 23 This is tires coming in, just
 24 randomly picking, not grabbing a big
 25 mud grip and then grabbing a little

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1 bitty tire. This is just grabbing
 2 tires.
 3 MR. WALSWORTH:
 4 How much money will you pay them
 5 if they shred up 27 pounds?
 6 MR. SAGNIBENE:
 7 Seven and a half cents pound.
 8 See, but we don't take in that.
 9 That's the problem. That's
 10 lopsided. Because tires that have
 11 got -
 12 MR. WALSWORTH:
 13 That's where I'm going. All
 14 right, so how much per pound?
 15 MS. JOHNSON:
 16 Seven and a half cents.
 17 MR. SAGNIBENE:
 18 Seven and a half cents.
 19 MR. WALSWORTH:
 20 And how much are you getting per
 21 tire, \$2 bucks? So I mean, it's -
 22 MR. SAGNIBENE:
 23 It's lopsided. Just like on a
 24 medium truck tire, we take in \$5, I
 25 just calculated we pay out \$7.

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1 That'll never work.
 2 MR. BENSON:
 3 Actually, we pay out about \$10
 4 probably.
 5 MR. DUPUY:
 6 On a truck tire, you're paying
 7 out \$7.50.
 8 MR. SAGNIBENE:
 9 Okay, \$7.50. And you know, we
 10 tried to do something (inaudible)
 11 system a while back, and we
 12 couldn't. But I mean, the program
 13 is never going to be balanced until
 14 it's reflective of what we see out
 15 there. Like you just said, 27
 16 pounds.
 17 MR. DUPUY:
 18 I think what you're saying
 19 there, Vince, is we overlooked that.
 20 And everybody goes trying to find
 21 money everywhere else. You've got
 22 to fix that before you go anywhere
 23 else.
 24 But everybody wants to avoid
 25 fixing that. They want to think

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1 they're going to find money where
 2 they can't find it. But you can't
 3 pay all the processors for tires
 4 that everything we pick up, if you
 5 don't get paid for everything we
 6 pick up.
 7 MR. SAGNIBENE:
 8 I can't take in \$5 and pay you
 9 \$7.50.
 10 MR. DUPUY:
 11 No, but you can't - I can't
 12 pick up 500, okay, and money was
 13 only sent in to the Department for
 14 400. Because if the generator tells
 15 you these are all eligible tires, we
 16 don't get anything that says, "Hey,
 17 go to Dennis' place and pick up 400
 18 tires."
 19 We go there, and we pick them
 20 up, and he says they're eligible.
 21 If he says this is ineligible, and
 22 that's the only way we know. But
 23 the check and balance - Go ahead,
 24 Vince.
 25 MR. SAGNIBENE:

1 Our auditors have snagged some
 2 generators. We've been checking on
 3 that.
 4 MR. DUPUY:
 5 Oh, yeah. I'm not hitting on
 6 the generators. I'm just saying
 7 that you can't pay me - you can't
 8 pay the processors for what you
 9 don't get paid for.
 10 MR. SAGNIBENE:
 11 You could do everything perfect,
 12 as long as you're taking in \$5 and
 13 paying \$7.50, it isn't going to
 14 work.
 15 MR. DUPUY:
 16 Right. Well, you take a three-
 17 quarter ton truck tire; 39 pounds.
 18 A dually tire; 39 to 44. Right,
 19 Dennis? That's two tires, and you
 20 only got \$2, and you're paying out
 21 \$4. Just on one tire. So that's
 22 got to be done to make this program
 23 work.
 24 The program, the way it is set,
 25 just needs some fine tuning. It's

1 But hold on. Back, even on the
 2 tire dealer side, and I guess the
 3 transporter, the biggest thing was
 4 keeping, especially the border
 5 businesses, bordering other states,
 6 competitive. And that's always
 7 going to be our concern.
 8 MR. BENSON:
 9 I would think though, that the
 10 manufacturer of the tire, can tell
 11 you to within two ounces, how much
 12 each tire weighs. What size. Now,
 13 I don't know that that's right, but
 14 I would believe that it is.
 15 MR. DUPUY:
 16 Oh, yeah. Dennis has got a
 17 book. I got a book.
 18 MR. BENSON:
 19 They can tell everything by the
 20 pounds.
 21 MR. RICHARD:
 22 They do, but here again, you're
 23 asking us to keep track of every
 24 different tire, by every
 25 manufacturer, the weight of -

1 in the right direction. You can't
 2 operate any business without
 3 funding.
 4 And we get the funding, then we
 5 fine tune, we got the best program
 6 in the country. Because it's trying
 7 to work with barely enough money to
 8 operate.
 9 MR. RICHARD:
 10 But on the history lesson, on
 11 the weights, we went down this path
 12 another time. And the conclusion
 13 was that it would alternately take a
 14 tire dealer to have a scale at his
 15 facility.
 16 Weigh the tire. Print a label.
 17 Stick it on the tire. Calculate all
 18 that. Put it on the manifest. It
 19 was just a huge task. Burden all on
 20 the tire dealer. It's so to match
 21 the weights -
 22 MR. WALSWORTH:
 23 I'm a consumer. I would get mad
 24 about that if I was -
 25 MR. RICHARD:

1 MS. GAUTREAU:
 2 When the weight says the
 3 difference - When the weight says
 4 between the different tires. I'm
 5 here for the trucking industry more
 6 for the trucking companies, not the
 7 transporters.
 8 Because we're going to be in
 9 their hands. And we want a fair,
 10 legitimate, successful, effective
 11 program.
 12 MR. RICHARD:
 13 We do as well.
 14 MR. SAGNIBENE:
 15 Something reflective of every
 16 tire.
 17 MS. GAUTREAU:
 18 Right. We just don't want truck
 19 tires to pay for the program.
 20 Because it's easier to raise fees on
 21 trucks, than it is the general
 22 public.
 23 MR. RICHARD:
 24 Absolutely.
 25 MS. GAUTREAU:

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1 Which is why I'm here. I'm here
2 to help solve the problems.
3 MR. SAGNIBENE:
4 But the truck tire is not the
5 bulk.
6 MS. GAUTREAU:
7 Right. Exactly. So what you're
8 telling me is, you know, you pay -
9 we pay \$5 a tire, for a truck tire,
10 not a dually. I'm here for the big
11 - And you paying out \$7. I get
12 that. That's math. That's upside
13 down. Are the regular, the truck
14 tires, do they vary that much in
15 weight?
16 MR. RICHARD:
17 Yes.
18 MS. GAUTREAU:
19 How much?
20 MR. WALSWORTH:
21 100 to 139, to 144 pounds.
22 MS. GAUTREAU:
23 A typical 18-wheeler, the tires
24 that we're using, not the super
25 treads?

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1 MR. WALSWORTH:
2 139 to 144.
3 MS. GAUTREAU:
4 Well, I mean, we're talking -
5 That's not that -
6 MR. RICHARD:
7 That's not much.
8 MR. WALSWORTH:
9 But what I'm saying -
10 MS. GAUTREAU:
11 I mean, if you use 140 for -
12 MR. RICHARD:
13 Well, you have some 19-1/2 inch
14 tires that qualify for a truck tire.
15 It is maybe 100 pounds versus 11-24-
16 5, which is on the majority of your
17 vehicles, is about a 50-pound spread
18 maybe.
19 MS. GAUTREAU:
20 I think that's a lot easier to
21 get to. That's not that big of a
22 challenge. But I mean, it may take
23 us a little work, but I think when
24 it comes up -
25 MR. SAGNIBENE:

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1 We got to make something easy.
2 MS. GAUTREAU:
3 Oh, I agree. And I have a lot
4 of truck dealers that -
5 MR. SAGNIBENE:
6 And I think what she's saying
7 is, you know, basically, tell us
8 what's a reflective program, and we
9 don't have a problem.
10 MS. GAUTREAU:
11 Well, as long we know how we get
12 there, and we're not used to fund
13 the program. My biggest concern,
14 like Senator Walsworth, we've got
15 other programs that we're watching.
16 It's the diversion. That's a big
17 problem.
18 Now, there was money that was
19 taken. And I've got other funds
20 that are doing the same thing. You
21 know, how do we correct that? We're
22 not sure. But there's money there.
23 And it's hard to go back and
24 sell to the public. We want you to
25 increase fees. Oh by the way,

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1 because the government took the fee
2 again. That's the trust. That's
3 public trust, and that's going to -
4 MR. RICHARD:
5 We're going to raise more money
6 to be gone again.
7 MR. SAGNIBENE:
8 And I agree with you. But, I
9 think, and you all correct me,
10 because you all be in this longer
11 than me, but it's only happened
12 twice; right? In the history of the
13 program, that the funds have swept.
14 MS. GAUTREAU:
15 How much? It's a big swipe.
16 MR. VINCENT:
17 Well, Blanco did it. And wasn't
18 there two per thousand taken earlier
19 this year? And now \$322,000. So
20 it's -
21 MR. DUPUY:
22 Blanco's was something like \$5
23 million dollars.
24 MS. GAUTREAU:
25 Yes, Blanco was the biggest hit.

1 MR. VINCENT:
 2 But the money was taken out of
 3 the fund when all the processors
 4 were owed money. We weren't paid
 5 100 percent when that decision was
 6 made. We were in deficit ourselves,
 7 and they took the money.
 8 MR. SAGNIBENE:
 9 Well, Senator Walsworth, is
 10 there somehow they can protect -
 11 And any funds are protected. But I
 12 mean, is it some kind of protection
 13 you can build into this fund where
 14 it can't be swept? And I don't
 15 know.
 16 MS. GAUTREAU:
 17 We have that question for every
 18 fund out there. You're not alone,
 19 if that will make you feel any
 20 better.
 21 MR. DUPUY:
 22 I think what - go ahead and
 23 finish where you were going, Kip.
 24 With the -
 25 MR. VINCENT:

1 MR. CAZEAUX:
 2 If you say so, Buddy.
 3 MR. DUPUY:
 4 But anyway, what Kip was saying,
 5 we were \$3.5 million in the hole
 6 then. We got that because you all
 7 took it out of the general fund. If
 8 we wouldn't have took it out of the
 9 general fund, I don't know where we
 10 would be today.
 11 So it's always been a problem to
 12 all us processors, when you read
 13 this thing, it says money is in the
 14 fund, you will be paid. I've never
 15 liked that in there.
 16 I would like it to come out to
 17 where it says that you will be paid
 18 for the work that you do. But, it
 19 was put in. And we've never written
 20 - We had so many other issues, we
 21 never really got to that issue,
 22 because you were trying to get money
 23 all the time.
 24 But we went to the general fund,
 25 always, and you-all guys were there

1 I don't remember where I was.
 2 MR. DUPUY:
 3 Well, what he was saying, that
 4 the fund was in a deficit when she
 5 took \$5 million. I went back into
 6 the legislature. Don Cazeaux was
 7 there, you was there.
 8 All the processors were \$3.2
 9 million in arrears, on back money,
 10 hadn't been paid. Vince wasn't here
 11 then, I don't think.
 12 MR. SAGNIBENE:
 13 No.
 14 MR. DUPUY:
 15 But you guys told us, "We can't
 16 do it this year, but you come back
 17 next year, we're going to pay you."
 18 The Department was paying us 65, 70
 19 percent. We wasn't getting all our
 20 pay.
 21 We kept trying to do it. The
 22 last raise that we got was in 2000,
 23 and I think Don Cazeaux carried that
 24 bill. Don, am I right? That was
 25 \$1.50 per 20 pounds?

1 for us.
 2 MR. BENSON:
 3 And we appreciate it.
 4 MR. WALSWORTH:
 5 I don't - I think it would be
 6 hard for us to get. It doesn't
 7 sound like a passenger tires that
 8 we've got to, I mean, we're going to
 9 have to up them slightly. I don't
 10 think we've got to double. I don't
 11 think it's got to go to \$4.
 12 MR. SAGNIBENE:
 13 No. No.
 14 MR. WALSWORTH:
 15 My math had about, basically,
 16 about 50 cents more, would probably
 17 get us fairly close to it.
 18 MR. SAGNIBENE:
 19 And we ran scenarios on that
 20 stuff too.
 21 MR. WALSWORTH:
 22 I would, as I'm going forward,
 23 and we don't know what the next
 24 election this Fall is going to be.
 25 But I would tell you that I think

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1 most of us believe that if you have
 2 a program like this, it makes it
 3 easier if it's self-funded.
 4 If, and that's what "fees" are
 5 supposed to be for. It's for a
 6 program. And I would hope that the
 7 next legislature and the next
 8 governor will round up, you know,
 9 that we can get ourselves back in
 10 order where we don't have to go
 11 after some of these funds that are
 12 out there.
 13 So, but I think that's what we
 14 should be trying to do is, we know
 15 we're upside down already. Whether
 16 we took money out of this fund or
 17 not, we were upside down. And we
 18 were - So if we're going to try to
 19 fix it, let's try to fix it
 20 correctly.
 21 But I think what I've heard
 22 before is if we go to \$4, then
 23 they're probably going to go across
 24 - they may go from, you know
 25 Shreveport over to Texas.

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1 Or I don't have many big tire
 2 dealers on the Arkansas border, that
 3 I'm aware of, not seem to have, but
 4 they could go from, I guess, Lake
 5 Charles or Shreveport, over to
 6 Texas. I can't really see going
 7 beyond that to be honest.
 8 But I - But we should be more
 9 - We shouldn't be asking more than
 10 what the cost is.
 11 MR. SAGNIBENE:
 12 Not \$4.
 13 MR. WALSWORTH:
 14 And so, if we could go to \$3.50
 15 or something like that, and try to
 16 get ourselves balanced out again -
 17 MR. SAGNIBENE:
 18 We ran some scenarios, and the
 19 guy that did it is not here, but I
 20 would think - I was thinking around
 21 50 cents on a passenger tire. Or it
 22 was something like that. But you
 23 know, we need to get that dispersed
 24 on a truck tire. We need to go from
 25 \$5.00 to \$7.50. You know, that's a

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1 big difference.
 2 MR. WALSWORTH:
 3 And I don't think, what I heard
 4 from one truck - one person that's
 5 with the truck - They don't mind
 6 going from \$5.00 to \$7.00, if that
 7 is a fee that, that's what the cost
 8 is.
 9 What they don't want to do is go
 10 from \$5 to \$15 and say, "I'm
 11 supplementing everybody else. A
 12 passenger tire and everybody else."
 13 MS. GAUTREAU:
 14 Right.
 15 MR. SAGNIBENE:
 16 And if we would do something
 17 like that, we'd have everybody at
 18 the table. Because we want
 19 everybody onboard when we go up
 20 there.
 21 MR. VINCENT:
 22 Can we get scenarios out of the
 23 Department, as to what the 50 cents,
 24 or what a \$1 could do? Going from
 25 \$5 - You all have all the numbers.

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1 MR. SAGNIBENE:
 2 Yes. And I think 50 cents was
 3 our magic number. And we went to
 4 \$7.50. We have a bunch of
 5 scenarios. I can get that for you.
 6 MR. RICHARD:
 7 What about all the trailer
 8 tires? The trailer tires, that
 9 aren't collected at all. Like, you
 10 know, like Academy sells. The one
 11 on the wheel. We had discussed that
 12 earlier.
 13 MR. SAGNIBENE:
 14 You know, I bought some trailer
 15 tires the other day, for my trailer,
 16 and they charged me \$2 a piece on
 17 those.
 18 MS. GAUTREAU:
 19 They're supposed to charge on a
 20 trailer.
 21 MR. SAGNIBENE:
 22 They did.
 23 MR. RICHARD:
 24 Like Academy and those people.
 25 MR. SAGNIBENE:

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1 They charged me \$2 a piece.
 2 MR. RICHARD:
 3 Well, the tire dealer typically
 4 will, because he's more afraid of
 5 being audited. He just as soon
 6 collect the \$2, turn it in, and be
 7 done with it, because it's not worth
 8 it.
 9 But a majority of them aren't,
 10 you know, you go to Walmart and buy
 11 a wheel, tire already mounted on a
 12 wheel, you're not. Not to my
 13 knowledge.
 14 And we were told way back when,
 15 it was physically impossible to
 16 audit all those people, therefore,
 17 we just wasn't going to -
 18 MS. GAUTREAUX:
 19 Do the used tire dealers also
 20 get audited?
 21 MR. RICHARD:
 22 They should.
 23 PUBLIC MEMBER:
 24 Yes.
 25 MR. VINCENT:

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1 Yes, they're saying yes.
 2 MR. SAGNIBENE:
 3 They do, but we know they're
 4 doing 5 percent total.
 5 MR. DUPUY:
 6 But let me tell you something,
 7 Vince, that's very important. We
 8 talked about money to help the
 9 funding. And we talked about the
 10 money for the processors here and
 11 there.
 12 But it's very important for you
 13 guys to get enough money to where
 14 you guys can run your Department
 15 efficiently. Be able to do all the
 16 things you need to do to mandate it
 17 and run it correctly, so that all
 18 these other problems don't come back
 19 to us.
 20 MR. SAGNIBENE:
 21 So that's cutting 330 positions
 22 since '08.
 23 MR. DUPUY:
 24 I know, but what I'm saying,
 25 right now, the last - We've been 14

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1 to 15 years, well, 2000 to now,
 2 since anymore money was put into the
 3 fund to help you guys and us.
 4 MR. SAGNIBENE:
 5 And we had no fee increase since
 6 2002, so.
 7 MR. DUPUY:
 8 Right. So what I'm saying to
 9 you - But what I'm saying, we took,
 10 - we had \$2 coming in. We had \$1,
 11 they got \$1. We came in \$2 and gave
 12 them 50 cents, and we got \$1.50 per
 13 20 pounds.
 14 Then we changed \$1.50 per 20
 15 pounds to \$7.50. So these guys
 16 needed more than 50 cents to do what
 17 they needed to do to help us where
 18 we can get a check every month.
 19 And so, no matter what it is,
 20 whether it be a 50 cent or \$1
 21 increase, the Department needs to be
 22 - Somebody needs to go to the
 23 Department to help all of us. We're
 24 not worried about -
 25 It's not going to work if we get

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1 the money, and don't get enough. We
 2 got to get enough to fix the
 3 problem. And if you don't have
 4 money in your checking account, you
 5 can't pay us.
 6 MR. VINCENT:
 7 I'm not trying to - One of the
 8 things that we hear from our
 9 customers, not trying to speak for
 10 the dealers, but from our customers,
 11 what we hear all the time is, the
 12 same people get inspected.
 13 I don't know about auditing, I
 14 think that's a different process.
 15 But the inspections, it's always,
 16 you know, they keep going back to
 17 the same people.
 18 And their competitors down the
 19 road never get inspections. You
 20 know, that's a big issue for a lot
 21 of our customers. And I don't know
 22 what kind of system is in place.
 23 MR. SAGNIBENE:
 24 I don't know how they pick who
 25 they get.

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1 MR. WALSWORTH:
 2 Customer on the front end, or
 3 the customer on the recycler? Which
 4 customer?
 5 MR. RICHARD:
 6 The dealer. You know, so that's
 7 something that could be -
 8 MR. WALSWORTH:
 9 Could it - I'm just going to
 10 ask. Can you have that, everybody
 11 like, most agencies, they hit you at
 12 least once, maybe once a year, maybe
 13 once every two years. They're just
 14 trying to get -
 15 MR. SAGNIBENE:
 16 I can talk to inspections, they
 17 do that. You know, we are on the
 18 audit part. But I tell you, from
 19 the audit part, Simon, the other day
 20 snagged an internet company not
 21 submitting in 2000, for like
 22 \$170,000.
 23 So I'm just saying, we kind of,
 24 we try to focus on the big guys on
 25 the audit, you know?

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1 MR. WALSWORTH:
 2 You always going to have those
 3 that are bad apples that if you
 4 send, you're going to wind up -
 5 we're going to look at you a little
 6 bit more, you know? And maybe a
 7 little faster.
 8 But everybody ought to get some
 9 kind of audit, you know? That's
 10 what I'm saying, you know, you would
 11 think that you - Everybody's going
 12 to get hit at least once in a
 13 certain period of time.
 14 I don't know if that's one year,
 15 two years, three years, that's you-
 16 all's business. And then you've got
 17 a little rotating group that says,
 18 "Well, you know, you did this last
 19 year, I'm going to come back and
 20 make sure you're clean this time."
 21 Does that make sense? I would
 22 sort of think most other departments
 23 are doing, other agencies.
 24 MR. RICHARD:
 25 Absolutely. That's fair as can

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1 be.
 2 MR. RICHARD:
 3 But while we're talking fees,
 4 the only person that doesn't get any
 5 money is the tire dealer themselves.
 6 That's my contention all the time.
 7 And we, you know, we do all the
 8 paperwork. We take, you know,
 9 audits and everything else, just
 10 like you guys. But we take nothing
 11 of the \$2.50. Now, some of them
 12 have, to this point, started
 13 charging a separate fee. And we -
 14 MR. WALSWORTH:
 15 Handling fee.
 16 MR. RICHARD:
 17 Yeah. Because of that.
 18 Legally, we get nothing of the \$2.50
 19 that's collected. We just go out on
 20 our own, and everybody independently
 21 puts a separate charge on there to
 22 compensate for the work we have to
 23 do.
 24 MR. BENSON:
 25 I don't have a problem with

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1 that.
 2 MS. GAUTREUX:
 3 Well, if that's the case we may
 4 have to change that really.
 5 MR. RICHARD:
 6 I mean, she can get her group to
 7 pay it. Who is your group?
 8 MS. GAUTREUX:
 9 I'm representing the trucking
 10 industry. The motor carriers. The
 11 ones who are buying the tires.
 12 MR. WALSWORTH:
 13 18-wheelers.
 14 MS. GAUTREUX:
 15 18-wheelers. And, well,
 16 everything from, you know, small -
 17 I've got some one-tons and all the
 18 way up. You know, if it's a truck,
 19 it's mine. So it's not just 18-
 20 wheelers. But the 18-wheelers
 21 purchase and use the bulk. The
 22 bigger ones.
 23 MR. BENSON:
 24 I'm glad to know you're looking
 25 out for me.

1 MS. GAUTREAUX:
 2 I'll do my best.
 3 MR. SAGNIBENE:
 4 So we've discussed, I guess, a
 5 lot of things, so I guess, how would
 6 the Task Force would like to
 7 proceed? I mean, one, would be
 8 making the end markets more
 9 accessible to you-all. Is that the
 10 first part? And the second would be
 11 fees?
 12 MR. DUPUY:
 13 Well, one, as I mentioned a
 14 minute ago, if we can get some
 15 scenarios out, you know, then that
 16 would help. And I don't know if we
 17 can email those out before the next
 18 meeting or something?
 19 MR. SAGNIBENE:
 20 Oh, yeah. I have them. We can.
 21 Oh yeah, we can. We have them
 22 already.
 23 MR. DUPUY:
 24 Okay. Just to show some
 25 different -

1 I think we can put together a
 2 sort of a shell bill as we sort of
 3 move forward, and that will give us
 4 - Although this is a fairly quick
 5 session that we've got here.
 6 But I think we possibly could
 7 put together something that we can
 8 do for pre-filing and then amend it.
 9 I think the chairman of that
 10 committee will probably allow some
 11 amendments to that Bill and make it
 12 where we want it to go.
 13 And I can also run my second
 14 add-on, which is chairman of audit
 15 advisory, and -
 16 MS. GAUTREAUX:
 17 Oh, I didn't say I was approving
 18 or accepting anything. But as long
 19 as it's something that's reasonable
 20 that I can bring to my guys. I'm
 21 not saying it's carte blanche or
 22 whatever.
 23 MR. RICHARD:
 24 Because our group is not tea
 25 totally on board with -

1 MR. SAGNIBENE:
 2 And what we'll do is, we'll look
 3 at something realistic to run the
 4 program. We're not going to send
 5 you \$4 a tire, when I know it's
 6 going to cost us \$2.50. I'm not
 7 going to send it.
 8 MR. NICK:
 9 Just on the - You mentioned
 10 next meeting. The thing is, is
 11 their request deadline is next
 12 Wednesday. So in order to get fees
 13 changed, that's a statute change.
 14 They need to be requested by next
 15 Wednesday I think by 5:00 or 6:00
 16 o'clock.
 17 Additionally, if anything about
 18 markets is changed in the statute,
 19 that would also need to be requested
 20 by next Wednesday, 5:00 or 6:00
 21 o'clock.
 22 MR. BENSON:
 23 I would like to request that
 24 now.
 25 MR. WALSWORTH:

1 MR. SAGNIBENE:
 2 I think for the big tires that
 3 we looked at it was \$7.50, so.
 4 MR. WALSWORTH:
 5 We should be able to tell you
 6 what?
 7 MR. SAGNIBENE:
 8 No, we're going to be able to
 9 tell them. I mean, we're -
 10 MS. GAUTREAUX:
 11 Right. I'm not saying we're
 12 warm and fuzzy about it. You know,
 13 I'm not exactly - I'm not going to
 14 be charging the hill for you, yet.
 15 MR. SAGNIBENE:
 16 I just don't want you to charge
 17 the hill against me.
 18 MS. GAUTREAUX:
 19 Okay.
 20 MR. SAGNIBENE:
 21 Karen?
 22 MS. ANDREWS:
 23 I'm Karen Andrews. I'm the
 24 Physical Officer here at D.E.Q. I
 25 understand that a couple of people

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1 have said that they are not current
 2 on their processor payments. And I
 3 just confirmed with my staff that
 4 all payments have been made.
 5 So I'd like to give those folks
 6 information that are saying they are
 7 not current, so that I can go get
 8 some information. Because those
 9 payments have been made, as of the
 10 date that we are required to make
 11 them this month. And they are all
 12 100 percent paid.
 13 MS. JOHNSON:
 14 The only difference if somebody
 15 hasn't been paid, if it's being
 16 withheld, then it's in escrow.
 17 MS. ANDREWS:
 18 That's correct. Other than
 19 that, all processor payments have
 20 been made by the date we are
 21 required. And they are - Everybody
 22 is paid in full, as for this year.
 23 No one is in arrearage.
 24 MR. SAGNIBENE:
 25 That's what I thought. Okay.

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1 MR. NICK:
 2 So if there is somebody who is,
 3 and feels that they are, please get
 4 me your information so that I can
 5 follow up on that. And I will be
 6 more than happy to get back with
 7 you. Okay?
 8 MR. SAGNIBENE:
 9 So let's backup. What's the
 10 pass for, of this group?
 11 MS. ANDREWS:
 12 No. I'm going to have to -
 13 MR. SAGNIBENE:
 14 Oh, I'm sorry.
 15 MR. NICK:
 16 Just as a kind of clarification,
 17 I think the statements that were
 18 made may pertain to the fact that
 19 the law says that the processors
 20 shall be paid by the 12th?
 21 MS. ANDREWS:
 22 That's correct.
 23 MR. NICK:
 24 Not that a payment shall be made
 25 by the 12th. Those are two big

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1 different things. That they are
 2 paid by the 12th means that they
 3 collect their check by the 12th.
 4 Not that some checks, according
 5 to somebody, went out somewhere, and
 6 someday they're going to get that
 7 check. That's the - I think that's
 8 hard part we're at.
 9 MS. ANDREWS:
 10 We really try to set all the
 11 processors up on electronic payment
 12 to ensure that they get those
 13 payments. You know, we - and I'd
 14 probably have to confer this a
 15 little bit to Rob to have a little
 16 bit more of a discussion about this.
 17 And I don't know if we want to
 18 do this in this forum. But, you
 19 know, to be able to get the
 20 processor reports from all of the
 21 processors, and then be able to get
 22 them reviewed and out the door by
 23 the 12th, and us to be able to have
 24 a check in every folk's hands, we
 25 would be driving to each location.

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1 And it is not feasible or almost
 2 reasonable to have that occur. And
 3 so that is why we have really asked
 4 everybody to have themselves setup
 5 as an electronic funds transfer so
 6 that we can ensure that they have
 7 their funds on that date.
 8 And then also, the State of
 9 Louisiana only writes checks two
 10 days a week. And I cannot do
 11 anything about that.
 12 MR. DUPUY:
 13 All right. Where he's going is,
 14 you pickup tires in January. You
 15 pick them up all that month, you
 16 don't get any money. You don't get
 17 any money on the 12th of the next
 18 month. You don't get your money
 19 until March for January.
 20 So everybody thinks you run a
 21 month behind, but you carry a month,
 22 then you run a month behind.
 23 MS. ANDREWS:
 24 Well, and by the same token,
 25 generators are also paying their

1 fees, and we don't get the funds
 2 until the 20th of the following
 3 month. And for us to get the fees
 4 processed and collected and
 5 classified, it's, you know, it's
 6 money coming in. It's -
 7 MR. DUPUY:
 8 I think where he's going is,
 9 you're not paying on the 12th,
 10 because you don't have the money.
 11 So you carry and go to the 30th and
 12 you pay us.
 13 Then when you go to the 30th, if
 14 you should have paid us on the 12th,
 15 you would have paid 85 percent to
 16 everybody.
 17 And that's what the legislature
 18 says, "Why do they need more money
 19 from us guys?" If you're carrying
 20 our check past the 12th -
 21 MS. ANDREWS:
 22 I'm not sure that that's the way
 23 that it works.
 24 MR. DUPUY:
 25 I can tell you 10 days is the

1 No, not necessarily. If you had
 2 a surplus, not necessarily. We have
 3 to have all the proper
 4 documentation, that's what the
 5 Senator and I talked about, before
 6 we make you pay, you know, we'll
 7 call you sometime and say, "You need
 8 to change this, you need to change
 9 that." But everything has to be
 10 perfect.
 11 MR. VINCENT:
 12 I've been operating in the
 13 program since day one. Since 1995
 14 when it went into effect. It was
 15 not that way when there was money in
 16 the fund.
 17 You-all have only operated in
 18 the deficit side of the fund, so
 19 you-all just have the one way that
 20 you-all do it. You know, before,
 21 you turned in your report by the
 22 10th of the month, and you were paid
 23 by the end of the month.
 24 And if there was issues, they
 25 were audited, you used your audit

1 closest you've ever been to the
 2 12th, and you've been as far as 25
 3 days after the 12th. We've never, I
 4 don't know if we've ever been paid
 5 on the 12th. Do you?
 6 MR. THOMAS:
 7 Well, you understand, we can't
 8 pay until we get everyone's
 9 paperwork in because we've got a
 10 month to -
 11 MR. DUPUY:
 12 You get it on the 12th.
 13 MR. THOMAS:
 14 Well, I can explain why that we
 15 have -
 16 MR. NICK:
 17 You can explain it to the
 18 legislature and change the law.
 19 MR. BENSON:
 20 And if you had a surplus fee,
 21 you could pay everybody and the
 22 folks that didn't pay you could, you
 23 know - So we need to raise the fee,
 24 period.
 25 MR. SAGNIBENE:

1 line to fix that the next month. So
 2 month to month you had audit
 3 adjustments that were done. And
 4 because it's been in a deficit,
 5 everybody waits for the money. And
 6 all of that.
 7 MR. SAGNIBENE:
 8 Right. We have to wait until
 9 the money is right.
 10 MR. VINCENT:
 11 But the other thing, but all the
 12 processors, I don't know if
 13 everybody turns in their report by
 14 the 12th like it says on the report.
 15 Okay?
 16 And I thought that was put into
 17 play, because if they didn't turn it
 18 in - But you're saying you have to
 19 wait for all the paperwork to come
 20 in.
 21 MR. WALSWORTH:
 22 Well, for instance, if we can't
 23 - Let's say you're first to get
 24 your paperwork in. We can't pay you
 25 100 percent that day and then we

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1 don't have everyone else's paperwork
 2 in.
 3 And then we do our numbers, and
 4 we're like, "Oh goodness, now we got
 5 to pay everyone else 50 percent,"
 6 and paid you 100 percent. So we
 7 have to see what's going to come -
 8 Well, we have to go out, we have to
 9 see what's the paperwork that's -
 10 MR. VINCENT:
 11 I agree with that, but if you
 12 don't have the paperwork in by the
 13 12th of the month, like the report
 14 says you have to have, then why do
 15 you have to wait for that paperwork
 16 to come in, before you figure out
 17 what's going on?
 18 I don't think that's fair to the
 19 people that do do what they're
 20 supposed to do, is what I'm saying.
 21 But it's big letters at the top, "If
 22 you do not have your paperwork in by
 23 the 12th, then I don't get" -
 24 MR. DUPUY:
 25 Your payment will be delayed, is

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1 what it says.
 2 MR. VINCENT:
 3 That's more my - But ours isn't
 4 a statute. Yours is a statue. You
 5 have to pay it, but it doesn't
 6 happen. And we've got to follow all
 7 the statutes. We just wanted you-
 8 all the follow the statutes, is
 9 where I'm listening to Nick.
 10 MR. DUPUY:
 11 I think what Rob's saying, if we
 12 ain't got the money, we can't pay
 13 you.
 14 MR. VINCENT:
 15 You need to pay us 75 or 80
 16 percent, so these guys can see that
 17 the legislature, if there's not
 18 enough money in the fund, and we
 19 would have done fixed the problem by
 20 now.
 21 But you all wait until you get
 22 100. That's what I say, when you
 23 operate in the checkbook - you
 24 operate in the checkbook, I mean, I
 25 pay according to how much money you

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1 all have.
 2 And that's why you're waiting
 3 until you get 100 percent to give
 4 everybody. These guys can't see
 5 what really is going on. If you
 6 would pay us on the 12th. That's
 7 why we set it up to pay us on the
 8 12th, so everyone could see there's
 9 not enough money.
 10 But you-all extend it to
 11 sometimes the 30th, the 20th, and get
 12 a check. And that's where the
 13 problem is, Vince. I mean, I'm not
 14 trying to hit on anybody, I'm just
 15 laying it out, why we're trying to
 16 fix problems. And we're not - If
 17 you-all are not going to follow that
 18 -
 19 MR. THOMAS:
 20 I'm not seeing until the 30th.
 21 I've been here the least amount of
 22 time. But yeah, it's rolled over
 23 some beyond the 12th. It's
 24 typically the 14th, 15th.
 25 MR. DUPUY:

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1 You're running 8 to 12 days
 2 right now, which is long. But I'm
 3 telling you where it's been in the
 4 past. Like I say, you've been here,
 5 how long, Rob?
 6 MR. THOMAS:
 7 About a year.
 8 MR. DUPUY:
 9 And you've helped us every way
 10 you possibly can. But if the money
 11 is not there, pay us and get 80
 12 percent so these guys can see their
 13 capital. That's all we want.
 14 MS. ANDREWS:
 15 Well, I think we can - We can
 16 look at that process and definitely
 17 change it, and take that advice, and
 18 do exactly what you're saying. I
 19 think we can definitely do that.
 20 MR. SAGNIBENE:
 21 We have a question in the back
 22 here?
 23 MR. BENSON:
 24 The payments are getting
 25 consistently better, as far as when

1 they come. They were taking 30
 2 days, now they are 6.
 3 On the fees, inflation, you
 4 adjust the \$2 from 1991, for what
 5 inflation has been, the fee should
 6 be \$3.25 for the project. So if you
 7 pay less than that, you're not even
 8 keeping up with inflation.
 9 MR. VINCENT:
 10 Do you have the number on what
 11 the processors ought to be paid?
 12 MR. SAGNIBENE:
 13 State your name.
 14 MR. BENSON:
 15 Brian Benson.
 16 MR. WARD:
 17 Mr. Benson, it's always
 18 dangerous to try to weigh in when I
 19 don't have all the information. But
 20 I did get the tail end of this
 21 conversation.
 22 I'm Lloyd Ward, I'm the owner of
 23 Cottonport Monofill. And I would
 24 support the points that are being
 25 made.

1 12th of the month, pay us.
 2 And pay us whatever you can pay
 3 us, based on the money you have
 4 available, against what we invoice.
 5 And that's enough of a variable.
 6 But we can't not - We just can't
 7 operate a business in any kind of
 8 rational sense when we have both of
 9 those variables playing, all the
 10 time.
 11 MR. SAGNIBENE:
 12 Your point is well taken.
 13 MR. WARD:
 14 You have gotten better, by the
 15 way. But it's still insufficient,
 16 from my point of view.
 17 MR. DUPUY:
 18 Stability is what we need. It's
 19 a simple word.
 20 MR. WARD:
 21 Yes. Stability and
 22 predictability.
 23 MR. SAGNIBENE:
 24 Well, let's backup. Okay. What
 25 I'm going to do is, I'm going to

1 I think there's two things that
 2 we, as processors, need to know. We
 3 need to know when are we getting
 4 paid, and that needs to be a time
 5 certain, every month.
 6 And we need to know how much
 7 we're going to get paid. I
 8 understand the second part could be
 9 variable, based on the amount of
 10 money that's in the fund.
 11 But we can't have both of those
 12 be variable. We just can't run a
 13 business. And I'm faced with some
 14 difficulties where I'm working
 15 through those difficulties.
 16 And a lot of it is because they
 17 were faced with, you know, basically
 18 not adjusted. And you say how much
 19 should go to the processors? I
 20 think the majority should.
 21 I think that's where the work
 22 occurs. And that's where the
 23 benefit is derived. And I do, 100
 24 percent, support the idea of pay us
 25 on a time certainty, if it's the

1 send you all the scenarios, some
 2 scenarios on a fee increase,
 3 correct? All right. Now, is
 4 someone going to go to legislation
 5 to address some of these changes
 6 that you-all want? Or do you-all
 7 have a document put together?
 8 I mean, like Nick said, you're
 9 running out of time. And I know the
 10 Chair of the Environmental Committee
 11 would probably let you amend stuff.
 12 I mean, we've got to have
 13 something, correct, Nick, now to
 14 give, I guess to follow.
 15 MR. WALSWORTH:
 16 I'm not sure just how much I can
 17 get into that field, legally, to
 18 make sure that it doesn't sort of
 19 fix. I'm not sure I can do a whole
 20 comprehensive one Bill that's going
 21 to do it all.
 22 We'll just have to sort of wait
 23 it out and see. And I'll call my
 24 trusty attorney later on this
 25 morning, and we'll talk about just

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1 what all we can put in the Bill.
 2 It might be that we can do a
 3 comprehensive bill, and that it
 4 could all hit waste tire. But we've
 5 got to make sure that legally it
 6 doesn't have dual options.
 7 So we'll just have to sort of
 8 look and see if we can do that. But
 9 if we can, I think probably, and
 10 it's something that we can all get
 11 behind as much as we can.
 12 MS. GAUTREAU:
 13 Thank you very much.
 14 MR. WALSWORTH:
 15 I won't say everybody. But we
 16 got - Let's go ahead and be honest.
 17 We've got to do, even though we are
 18 the government, we've got to -
 19 we're affecting businessmen and
 20 people that have got their whole
 21 lives -
 22 And it shouldn't be that it's
 23 difficult to work with the
 24 government. We should be your - I
 25 believe that we're in this thing

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1 together. That we have an issue.
 2 We are better. We are much
 3 better than we are. I don't ever
 4 want to see an article that says
 5 that Louisiana's got a million tires
 6 piled up somewhere. And, I think we
 7 are better than what we were 20
 8 years ago. But in this day and
 9 time, we should be able to do
 10 things, how many processors I got,
 11 four, five, six? Six.
 12 We should have better electronic
 13 stuff, things that we can move
 14 quicker into this process. And I
 15 think that we've said, you-all are
 16 on - I mean, it shouldn't be that
 17 I'm writing you a check anymore.
 18 I think most of the other ways
 19 that we do it electronically, and it
 20 goes into your bank account pretty
 21 quick, so.
 22 I mean, if we can do that with,
 23 you know, 20 million people in this
 24 country on food stamps every day,
 25 then we ought to be able to do six

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1 processors a little bit better.
 2 But we've got to pay for those
 3 technologies and stuff too. We'll sort
 4 of work this thing together. And I'll
 5 probably ask you-all to come back and
 6 meet over at the Capitol in probably
 7 the next three weeks to sort of - So
 8 that you'll see what the - and get a
 9 feedback from you-all what changes you
 10 want.
 11 MR. SAGNIBENE:
 12 Well, what I'll do is, and I
 13 don't think anybody will object,
 14 I'll calculate something, whether
 15 that will level up the program, and
 16 we'll be able to pay the processors.
 17 I think what we can get is 8 percent
 18 administrative fee or something like
 19 that?
 20 MS. ANDREWS:
 21 We're capped at 10 percent. We
 22 have not been keeping nearly that
 23 amount.
 24 MR. WALSWORTH:
 25 No, you're not even close.

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1 MS. GAUTREAU:
 2 And I need to know sooner rather
 3 than later of proposed changes.
 4 Because I'm going to go back to my
 5 carriers.
 6 I'm going to go back to my heavy
 7 truck dealers. David Chapman
 8 represents you? We're going to do
 9 our due diligence to see, because I
 10 just can't -
 11 MR. ??????:
 12 That's a short time, you know?
 13 MR. SAGNIBENE:
 14 And I'll put together a case
 15 that just levels this thing up. I
 16 mean, we're not in it to make money.
 17 I mean, we just want to be able to
 18 pay the processors.
 19 At the same time, I think it
 20 needs to be made easier for the
 21 processors to do business. Nick,
 22 you had something? I just - We
 23 talked about the increase, we talked
 24 about the waste, I guess we talked
 25 about waste also, so.

1 MR. BENSON:
 2 I think we ought to have this
 3 meeting maybe monthly, instead of
 4 every three months.
 5 MR. SAGNIBENE:
 6 And that's okay. But we're
 7 going to be in the session. That's
 8 going to be real hard for us to do.
 9 Because the session starts in April.
 10 MR. WALSWORTH:
 11 Whether you like it or not,
 12 we're probably going to meet monthly
 13 over the next couple of months.
 14 MR. SAGNIBENE:
 15 Yeah, it seems like we're going
 16 to meet in the next three weeks
 17 probably, so.
 18 MR. BENSON:
 19 Well, I just think that we've
 20 accomplished a lot in the two
 21 meetings.
 22 MR. SAGNIBENE:
 23 And I appreciate you-all driving
 24 and coming here and helping us out.
 25 Because, you-all are the -

1 Okay.
 2 MR. WALSWORTH:
 3 The session starts on the 13th,
 4 and I would say probably the week of
 5 the 20th we'll probably meet.
 6 MR. SAGNIBENE:
 7 I mean, you can contact us, or I
 8 can do meeting notices at your
 9 office, or whatever you'd like.
 10 MR. WALSWORTH:
 11 We'll do that.
 12 MR. SAGNIBENE:
 13 So the next meeting will be the
 14 week of the 20th?
 15 MR. WALSWORTH:
 16 Week of the 20th. And I'll go
 17 ahead and you'll already have a
 18 draft. What you're going to send to
 19 us, and what we send back, we'll
 20 have a draft for you in probably
 21 within the next five days. Quickly
 22 as you -
 23 We'll go ahead and start on what
 24 we think the issues are. And then
 25 you, if we can get with you in the

1 MR. BENSON:
 2 Can I send you a bill?
 3 MR. SAGNIBENE:
 4 You can send it, yeah. Do you
 5 all have any other topics you all
 6 want to talk about?
 7 MS. SMITH:
 8 I just want to - I'm Teresa
 9 Smith. I'd just like to bring up
 10 the online data entry. It kind of
 11 seemed like it's kind of taking a
 12 stalemate with the project numbers
 13 and things like that. Do we have
 14 any -
 15 MR. SAGNIBENE:
 16 We're working on that, and we're
 17 having some difficulties on our end.
 18 It's not you-all. And thank you for
 19 using that. We appreciate that.
 20 Senator Walsworth, do we want to
 21 setup a meeting in your office, now?
 22 I mean, -
 23 MR. WALSWORTH:
 24 No, I'll find you-all.
 25 MR. SAGNIBENE:

1 next couple of days to get this
 2 draft done. So we ought to have
 3 sort of what we believe is going to
 4 be in the first Bill. Not the final
 5 Bill, but the first Bill.
 6 MR. SAGNIBENE:
 7 I'd like to see something from
 8 the processors, see what they would
 9 like to see. I mean, I don't want
 10 to run this ship. I mean, they're
 11 the guys that work out there, and I
 12 just want to try to make it easier
 13 for you-all to do business.
 14 So I'm going to need something
 15 from you-all or you-all going to
 16 give something to Senator Walsworth,
 17 so he can give it to his attorney?
 18 You-all have some recommendations?
 19 MR. WARD:
 20 Okay. Mr. Chairman, I'm not
 21 sure I understand that request.
 22 MR. SAGNIBENE:
 23 The request is that - When we
 24 first came in, I think one of the
 25 problems are, the processor was

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1 saying that we, through the reg's,
2 make it hard for them to do
3 business.
4 We need some ways to relieve
5 that burden, we want to promote
6 economic development. So these are
7 the guys that are facing it. So
8 they know more than me what needs to
9 be done. So we're asking you for
10 recommendations, I guess.
11 MR. WARD:
12 On how to change the reg's? Or
13 how we would recommend -
14 MR. SAGNIBENE:
15 How to change the reg's. How to
16 change the statute, so we could make
17 business easier. Yes, sir?
18 MR. WALSWORTH:
19 I'll amend what you're saying.
20 I don't blame it on the Department.
21 I blame it on what the rules and
22 regulations and laws that we have in
23 place. So no, I don't blame you-all
24 for doing your job.
25 And I think that's what the law

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1 says, is that we wait until you go
2 all the way through the process
3 before we pay you. Now, I think we
4 believe that we possibly could move
5 that up a little bit faster.
6 MR. SAGNIBENE:
7 A little bit lighter of a
8 burden. Yes, sir?
9 MR. WALSWORTH:
10 But I think you-all are doing
11 your jobs. I mean, I appreciate
12 that.
13 MR. SAGNIBENE:
14 Yeah, you hear all the
15 complaints you got? You know we
16 are. Any other business?
17 MR. ?????:
18 So are you saying we have to
19 change the reg's to get paid on the
20 12th? Or are we saying you can just
21 implement that within the current
22 regulations?
23 MR. SAGNIBENE:
24 We're going to try to - We're
25 going to try to pay you on the 12th,

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1 as close as we can. There's not
2 really much I can do about that
3 right now.
4 What we're saying is, these guys
5 are saying it's hard for them to do
6 business. We're asking you for
7 recommendations that would lighten
8 the burden for you to do business,
9 in lieu of the reg's.
10 MR. WARD:
11 My understanding is that we -
12 that the reg's do say that we get
13 paid on the 12th.
14 MR. SAGNIBENE:
15 And what I'm telling you is, if
16 I don't have the money -
17 MR. THOMAS:
18 That's just two different
19 issues. We're going to work on that
20 issue. I think, as Karen said, we
21 might, we can step that up without
22 any reg change.
23 MR. WARD:
24 I guess I'm just saying the
25 things that we can do to help it to

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1 be better.
2 MR. SAGNIBENE:
3 Yeah, if you've got an end
4 market, you know, what can we do to
5 make it easier for you to find more
6 end markets, and to get your
7 products?
8 MR. WARD:
9 Pay us on the 12th, that's 100
10 percent. That'll help.
11 MR. SAGNIBENE:
12 Okay. Anything else? I guess
13 we'll adjourn. Thank you-all.
14 (The Meeting was concluded at 10:18 a.m.)
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1 REPORTER'S PAGE
 2 I, Tara Torres-Blank, Certified
 3 Court Reporter, in and for the State of
 4 Louisiana, the officer, as defined in Rule
 5 28 of the Federal Rules of Civil Procedure
 6 and/or Article 1434(b) of the Louisiana
 7 Code of Civil Procedure, before whom this
 8 sworn testimony was taken, do hereby state
 9 on the Record:

10 That due to the interaction in the
 11 spontaneous discourse of this proceeding,
 12 dashes (--) have been used to indicate
 13 pauses, changes in thought, and/or
 14 talkovers; that same is the proper method
 15 for a Court Reporter's transcription of
 16 proceeding, and that the dashes (--) do not
 17 indicate that words or phrases have been
 18 left out of this transcript;

19 That any words and/or names which
 20 could not be verified through reference
 21 material have been denoted with the phrase
 22 "(phonetic)."
 23

24 Tara Torres-Blank, CCR
 25 Certified Court Reporter

1 Shorthand Reporters.

2
 3
 4 Tara Torres-Blank (#22012)
 5 Certified Court Reporter
 6
 7
 8
 9

1
2
3 C E R T I F I C A T E

4
 5 I, Tara Torres-Blank, Certified Court Reporter, in
 6 and for the State of Louisiana, as the officer before
 7 whom this testimony was taken, do hereby certify that
 8 after having first been dually sworn by me upon
 9 authority of R.S. 37:2554, did testify as hereinbefore
 10 set forth in the foregoing pages;

11 That this testimony was reported by me in the
 12 Stenomask method (voice-writing), was prepared and
 13 transcribed by me or under my personal direction and
 14 supervision, and is a true and correct transcript to the
 15 best of my ability and understanding;

16 That the transcript has been prepared in compliance
 17 with transcript format guidelines required by statute or
 18 by rules of the board, that I have acted in compliance
 19 with the prohibition on contractual relationships, as
 20 defined by Louisiana Code of Civil Procedure Article
 21 1434 and in rules and advisory opinions of the board;

22 That I am not related to counsel or to the parties
 23 herein; am not otherwise interested in the outcome of
 24 this matter; and am a valid member in good standing of
 25 the Louisiana State Board of Examiners of Certified