

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



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In reply, please refer to:
File:

HOUSE COMMITTEE ON TRANSPORTATION

H.B. 1696, RELATING TO SPECIAL WASTES DISPOSAL AND RECYCLING

Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health

January 30, 2012
9:00am

1 **Department's Position:** The department supports the intent of the bill and offers the following
2 comments.

3 **Fiscal Implications:** Assesses a \$25 deposit on all new motor vehicle tires, which is refunded when a
4 used one is exchanged for a new one. The quantity of used motor vehicle tires that are not returned is not
5 estimated.

6 **Purpose and Justification:** The bill adds a deposit for motor vehicle tires to current disposal fees
7 whenever a used one is not exchanged upon the purchase of a new one. The consumer would receive the
8 deposit when a used motor vehicle tire is taken to the retailer within thirty days of the date of sale. The
9 seller retains all collected deposits in trust until July 1 of each year, when unredeemed deposits go to the
10 seller. Used motorcycle and bicycle tires are exempted from the deposit.

11 We support the intent to curb illegal dumping of motor vehicle tires and agree that the proposed
12 deposit may increase the incentive to return old tires. However, we believe that the present illegal
13 dumping tire situation seems to come not from new tire retailers but from secondary use markets and
14 salvagers. This bill does not address this problem. At this time, in lieu of an alternative that would

1 discourage the illegal dumping of waste tires from parts cars or secondary markets, we prefer the
2 proposed tire surcharge (S.B. 3006) that would provide funding for the cleanup of dump sites.

3 Currently, state law requires tire retailers to take back old tires when new tires are purchased.
4 The cost of the disposal is added to the final price of a new tire purchased, and the cost of disposal
5 cannot be waived if an old tire is not presented. Thus, there is somewhat of an incentive for consumers
6 to provide the retailers with their tires since they are already paying for disposal. Retailers and
7 wholesalers currently set their own disposal fees and may adjust the disposal fee according to local
8 conditions like the price of fuel and transportation costs. Adding a deposit on top of the disposal fee will
9 temporarily increase the financial burden to consumers.

10 Thank you for the opportunity to testify on this measure.