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# SENATE CONCURRENT RESOLUTION

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REQUESTING AN EXAMINATION AND AUDIT OF THE ADVANCE DISPOSAL FEE  
PROGRAM.

1 WHEREAS, the cost of recycling non-deposit glass containers  
2 exceeds the revenue that the State collects through the 1.5 cent  
3 fee imposed on each of these glass containers through the  
4 Department of Health's advance disposal fee program; and

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6 WHEREAS, the counties receive approximately 90 per cent of  
7 the revenue collected and establish the amount that they pay  
8 glass recyclers for accepting recyclable glass from the  
9 counties; and

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11 WHEREAS, the counties report that they commonly exhaust the  
12 advance disposal fee revenues before the end of each fiscal  
13 year; and

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15 WHEREAS, there is a limited market in Hawaii for scrap  
16 glass, so most recyclable glass is shipped elsewhere; and

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18 WHEREAS, the high cost of shipping and the relatively low  
19 revenue from scrap glass are major causes of the advance  
20 disposal fee program's deficit; and

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22 WHEREAS, requiring that the advance disposal fee cover the  
23 entire cost of shipping scrap glass to recyclers would cause  
24 consumers to pay for shipping glass containers both to and from  
25 the State; and

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27 WHEREAS, before requiring consumers to pay a higher  
28 disposal fee, the existing recycling program, including the use  
29 of State funds by the counties, should be examined; and



1 WHEREAS, an audit of the State's deposit beverage container  
2 program found significant deficiencies in that program's  
3 administration; and  
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5 WHEREAS, it is necessary to examine whether the advance  
6 disposal fee program is the most cost-effective way to handle  
7 recyclable glass, and how costs may be reduced; and  
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9 WHEREAS, an examination of the advance disposal fee is  
10 necessary to determine whether changes to the fee are warranted;  
11 now, therefore,  
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13 BE IT RESOLVED by the House of Representatives of the  
14 Twenty-seventh Legislature of the State of Hawaii, Regular  
15 Session of 2014, the Senate concurring, that the Department of  
16 Health is requested to meet with the respective counties and  
17 other stakeholders to examine the advance disposal fee program  
18 to determine whether there are more cost-effective ways of  
19 handling recyclable glass, including local alternatives to  
20 shipping glass out of the State; and  
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22 BE IT FURTHER RESOLVED that the Auditor is requested to  
23 conduct an examination and audit of the Department of Health's  
24 advance disposal fee program, including the use of fee revenue  
25 by the respective counties and the accuracy of payments made to  
26 recyclers from fee revenues; and  
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28 BE IT FURTHER RESOLVED that the Auditor is requested to  
29 include in the audit an examination of local alternatives to  
30 shipping glass containers out of the State for recycling, such  
31 as local conversion of glass to sand or the use of glass as  
32 landfill cover or in roadway asphalt, and whether these programs  
33 would be environmentally and economically prudent alternatives;  
34 and  
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36 BE IT FURTHER RESOLVED that the Auditor is requested to  
37 confer with affected businesses in preparing the audit; and  
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39 BE IT FURTHER RESOLVED that the Auditor is requested to  
40 submit the findings and recommendations from the audit to the  
41 Legislature no later than 20 days prior to the convening of the  
42 Regular Session of 2015; and



- 1 BE IT FURTHER RESOLVED that certified copies of this
- 2 Concurrent Resolution be transmitted to the Auditor, Director of
- 3 Health, Director of Finance, and the mayors of each county.

