SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF HEALTH TO CONVENE A TASK FORCE OR WORKING GROUP TO EXAMINE LOCAL ALTERNATIVES TO SHIPPING GLASS OUT OF STATE, DETERMINE THE FEASIBILITY AND COSTS OF SUCH LOCAL ALTERNATIVES COMPARED TO SHIPPING THE GLASS OUT OF STATE, AND RECOMMEND ANY CHANGES TO THE ADVANCE DISPOSAL FEE AND REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE ADVANCE DISPOSAL FEE PROGRAM.

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

WHEREAS, the advance disposal fee is deposited into the environmental management special fund; and

WHEREAS, the counties receive approximately ninety per cent of the revenue deposited into the fund and establish the amount that they pay glass recyclers for accepting recyclable glass from the counties; and

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

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

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

WHEREAS, requiring that the advance disposal fee cover the entire cost of shipping scrap glass to recyclers would cause

consumers to pay for shipping glass containers both to and from the State; and

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

WHEREAS, an audit of the State's deposit beverage container program found significant deficiencies in that program's administration; and

WHEREAS, it is necessary to examine whether the advance disposal fee program is the most cost-effective way to handle recyclable glass, and how costs may be reduced; and

WHEREAS, an examination of the advance disposal fee is necessary to determine whether changes to the fee are warranted; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2014, the House of Representatives concurring, that the Department of Health is requested to convene a task force or working group to examine local alternatives to shipping glass out of State, determine the feasibility and costs of such local alternatives compared to shipping the glass out of State, and recommend any changes to the advance disposal fee; and

BE IT FURTHER RESOLVED that the Department of Health is requested to invite the participation in the task force or working group of:

The recycling coordinator of each of the counties;

(2) One or more representatives of the glass recycling industry, as determined by the Director of Health;

(3) One or more representatives of the asphalt manufacturing industry, as determined by the Director of Health;

(4) One or more representatives of landfills, as determined by the Director of Health; 2

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(5) One or more representatives of glass bottle importers, as determined by the Director of Health; and

(6) Any other individuals or entities the Director of Health determines appropriate to include; and

BE IT FURTHER RESOLVED that the Department of Health is requested to submit the findings and recommendations of the task force or working group to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015; and

BE IT FURTHER RESOLVED that the Auditor is requested to conduct an audit of the Department of Health's advance disposal fee program, including the use of fee revenue by the respective counties and the accuracy of payments made to recyclers from fee revenues; and

BE IT FURTHER RESOLVED that the Auditor is requested to submit the findings and recommendations from the audit to the Legislature no later than twenty days prior to the convening of the Regular Session of 2015; and

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