Honolulu, Hawaii

FEB 1 5 2019

RE: S.B. No. 422

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 422 entitled:

"A BILL FOR AN ACT RELATING TO RECYCLING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Mandate the Department of Health to adopt and implement the recommendations made by the Office of the Auditor regarding the advance disposal fee program and deposit beverage container program;
- (2) Require the Department of Health to report on its implementation of the recommendations to the Legislature; and
- (3) Appropriate funds to the Department of Health to conduct a cost-benefit analysis of combining the advance disposal fee glass container and deposit beverage container glass processing streams.

Your Committee received testimony in support of this measure from the Sierra Club of Hawai'i and one individual. Your Committee received comments on this measure from the Department of Health.

Your Committee finds that glass recycling in the State is subsidized by two programs; non-deposit glass recycling is

subsidized by the advanced disposal fee program, and deposit beverage container glass recycling is subsidized by the deposit beverage container program. Each program requires that its glass be processed and marketed separately.

Your Committee further finds that the Legislature adopted S.C.R. No. 74, S.D. 1, H.D. 1, Regular Session of 2014, which requested the Office of the Auditor to conduct an audit of the Department of Health's advance disposal fee program. The Office of the Auditor recommended that the Department of Health consider combining the processing streams of the two programs to increase efficiency and decrease costs, while also increasing the supply of glass available for down-cycling. Your Committee notes that it was also recommended that the Department of Health update and finalize the 2008 Department of Health draft policy on glass recycling. This measure will require the Department of Health to adopt the recommendations of the Auditor, thereby increasing efficiency and decreasing costs for the State's benefit.

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 422 and recommends that it pass Second Reading and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committee on Agriculture and Environment,

MIKE GABBARD, Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Agriculture and Environment AEN

SB 422	Committee	Referral:		ite: 02 · 13 -	2019
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)		X			
RUDERMAN, Russell E. (VC)		X			
RHOADS, Karl		X_{-}			
THIELEN, Laura H.		<u> </u>			
FEVELLA, Kurt					X
TOTAL	ý	4	0	0	
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original File with Committee Re			Pink Drafting Agency	Goldenrod gency Committee File Copy	

*Only one measure per Record of Votes