DAVID Y. IGE GOVERNOR OF HAWAII



STATE OF HAWAII DEPARTMENT OF HEALTH

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Testimony COMMENTING on HB0630 HD1 RELATING TO GLASS CONTAINER RECOVERY

REPRESENTATIVE SYLVIA LUKE, CHAIR HOUSE COMMITTEE ON FINANCE

Hearing Date: February 22, 2019 Room Number: 308

- 1 **Fiscal Implications:** The loss of approximately \$800,000 of revenue annually for glass
- 2 recycling.
- 3 **Department Testimony:** This bill proposes to eliminate the Glass Advance Disposal Fee
- 4 (ADF) Program. The Department of Health (Department) has the following comments on this
- 5 proposal.
- At the current fee of 1.5 cents per glass container, the Department collects approximately
- 7 \$800K of revenue annually from glass importers that is disbursed to the counties in amounts
- 8 relative to their population as specified by statute. According to the counties, this level of
- 9 revenue is not sufficient to support their glass collection programs.
- Additionally, we note that the Glass ADF Program is the only State program that
- provides for the collection of glass that is not a deposit beverage container.
- 12 Offered Amendments: None
- Thank you for the opportunity to testify on this measure.

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Testimony of Allison Fraley Solid Waste Program Coordinator County of Kaua'i Solid Waste Division

> Before the House Committee on Finance February 22, 2019; 11:00 am Conference Room 308

In consideration of House Bill 630 HD1 Relating to Glass Container Recovery

Honorable Chair Luke, Vice Chair Cullen, and Members of the Committee:

The County of Kaua'i Public Works Division opposes the intent of HB630 HD1 which proposes to repeal the glass container recovery program. The Advanced Disposal Fee (ADF) Glass Container Recovery Program provides much needed funds for non-redemption glass recycling programs at the County level. The current fee of 1.5 cents per container does not adequately address the cost of diverting the non-redemption glass containers from the waste stream.

Managing recycled glass is very expensive. This is due to the lack of local viable markets, the cost of shipment to the mainland, and the low market value for recycled product. The program should be evaluated regularly by the legislature and the fees increased if necessary, however, this has never been done. ADF fees have not increased since the program was initiated 25 years ago. The legislation should be revised to reflect the real cost of recycling glass and not repealed.

Thank you for the opportunity to submit this testimony.



DEPARTMENT OF ENVIRONMENTAL SERVICES CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL MAYOR



February 21, 2019

LORI M.K. KAHIKINA, P.E. DIRECTOR

TIMOTHY A. HOUGHTON DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E. DEPUTY DIRECTOR

IN REPLY REFER TO: WAS 19-75

The Honorable Sylvia Luke, Chair
The Honorable Ty J.K. Cullen, Vice Chair
and Members of the Committee on Finance
House of Representatives
State Capitol, Room 308
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Cullen, and Members of the Committee on Finance:

SUBJECT: HB 630, HD 1 Relating to Glass Container Recovery

The Department of Environmental Services of the City and County of Honolulu (ENV) opposes HB 630 HD 1 which proposes to eliminate the glass container recovery program in Sec 342G-82, Hawaii Revised Statutes.

Created in 1994, the Glass Container Recovery program, also known as the ADF (Advance Disposal Fee) program, appropriates funds to the counties to establish recycling programs for glass containers included in this program – mainly non-deposit or non-"HI-5" glass food and beverage containers. The City and County of Honolulu has used these funds to provide glass recycling subsidies to licensed glass recyclers on Oahu and to offset the cost of recycling the ADF glass it collects in its curbside blue cart recycling program. The ADF program has effectively diverted thousands of tons of glass from disposal in Oahu's Waimanalo Gulch Landfill.

The intent of the ADF program is to assign responsibility for the cost of recycling to the producer. This concept, known as "extended producer responsibility," establishes a shared responsibility for recycling among the manufacturer and the consumer, promotes the use of sustainable materials in manufacturing, and provides financial support for solid waste programs operated by government. Although the current fee assessed to importers of glass containers included in the ADF program is insufficient to recover the entire cost of recycling the glass container, eliminating this program and removing that funding altogether would place significantly more burden on government and the general taxpayer to manage our waste in a sustainable manner.

Testimony for HB 630 February 21, 2019 Page 2

Thank you for your consideration of our testimony on this measure.

Sincerely,

Lori M.K. Kanikina, P.E. Director

HOUSE COMMITTEE ON FINANCE

February 22, 2019 11:00 a.m. Room 308

In OPPOSITION of HB 630 HD 1: Relating to glass container recovery

Aloha Chair Luke, Vice Chair Cullen, and members of the committee,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **respectfully opposes HB 630 HD1**, which seeks to repeal the glass container recovery program.

The Sierra Club of Hawai'i is committed to supporting efforts seeking to reduce waste and consumption across the islands, that initiate on-island recycling and processing, and that explore innovative ways to upcycle and reuse various waste materials, notably plastics. Our communities have come so far in their support for recycling programs, and we should continue moving toward a zero waste Hawai'i in a way that is clean, efficient, and causes minimal harm to the environment.

The Advanced Disposal Fee (ADF) Glass Container Recovery Program, has been running for nearly 25 years. Over this time, the program has effectively diverted thousands of tons of glass from disposal in Oahu's Waimanalo Gulch Landfill. According to the Department of Health, the ADF program brings in approximately \$800,000 of revenue annually, which is used to pay for the operation of county glass container collection programs. While we acknowledge that the current fee of 1.5 cents is not sufficient to cover the entire cost of recycling the glass container, completely eliminating the program would result in a loss of \$800,000 in revenue annually, forcing the state to use other funds to sustainably manage this flow of waste.

We recognize the ADF program is not functioning as great as it should be, per 2014 state audit. A follow-up report (2017) to the 2014 audit revealed that the state has done little to make improvements to the glass recycling program, only fully implementing one of nine recommendations. Rather than repealing the program, the Sierra Club of Hawai'i supports improving the program through implementation of recommendations made by the 2014 audit, which is what current bill SB 422 seeks to accomplish.

We have been discussing this issue at the legislature for many years and it's time for action to be taken. We know that undertaking the task of figuring out the best solutions regarding glass recycling in Hawaii is challenging to say the least. Glass is a lower valued



commodity, heavy compared to other recycled items, and expensive to ship. Recommendations made by the 2014 audit combined with recommendations made from a state auditor 2014 study, To Identify Local Alternatives to Shipping Non-Deposit Glass out of the State of Hawaii, could help work through some of these issues, which are addressed in SB 422.

There is a lot of room for improvement within the program and we feel that trying absolutely everything you can first is necessary before eliminating a program as important as the ADF Glass Container Recovery Program, the state's only program that provides for the collection of glass that is not a deposit beverage container.

We urge the committee **NOT TO** pass this measure as this is not the direction the state should be going regarding recycling. We should be innovative with our recycling efforts, leading the way for others to follow. Thank you very much for this opportunity to provide testimony in **opposition of HB 630 HD1**.

Mahalo, Lori Mallini Volunteer, Sierra Club of Hawai'i

HB-630-HD-1

Submitted on: 2/22/2019 6:56:06 AM Testimony for FIN on 2/22/2019 11:00:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Quinn	Individual	Oppose	No

Comments:

Dear Honorable Committee Members:

Please oppose HB630. Hawaii stands to lose valuable coastline due to climate change which, with sea level rise averaging about 3mm/yr, is already occurring. We need to be leading, not regressing, with respect to recycling.

Thank you for the opportunity to present my testimony.

Sincerely,

Andrea Quinn

Kihei