

**SB 725**



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P.O. Box 3378  
HONOLULU, HAWAII 96801-3378

In reply, please refer to:  
File:

**SENATE COMMITTEE ON WAYS AND MEANS**

**S.B. 725, S.D. 1, RELATING TO SOLID WASTE**

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

**February 25, 2011  
9:00 A.M.**

1 **Department's Position:** The Department of Health supports this bill.

2 **Fiscal Implications:** Maintain solid waste program funding.

3 **Purpose and Justification:** The purpose of this bill is to amend the solid waste management surcharge  
4 to also apply to waste-to-energy facilities and facilities that prepare waste for final disposition outside  
5 the state of Hawaii.

6 The department supports the changes proposed by this bill because they will help us address the  
7 changing waste management field. The solid waste management surcharge is the main funding source  
8 for the department's solid waste regulatory program. The current surcharge is 35 cents per ton and is  
9 applied to landfills and incinerators, including H-Power.

10 The department is aware of waste-to-energy facilities that are proposing the use of new  
11 technologies that the current solid waste management surcharge would not apply to. The past year has  
12 also seen attempts to ship waste out of the state for disposal. Solid waste program funding is already  
13 below sustainable levels. Allowing the changes proposed in this bill would help the solid waste  
14 program to maintain current funding levels.

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

GOODSILL ANDERSON QUINN & STIFEL

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**TO:** Senator David Y. Ige  
Chair, Committee on Ways and Means  
Hawaii State Capitol, Room 215  
*Via Email: [WAMTestimony@Capitol.hawaii.gov](mailto:WAMTestimony@Capitol.hawaii.gov)*

**FROM:** Gary M. Slovin

**DATE:** February 24, 2011

**RE:** S.B. 725, SD1 – Relating to Solid Waste  
Hearing: Friday, February 25, 2011 at 9:00 a.m.

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Dear Chair Ige and Members of the Committee:

I am Gary Slovin, submitting comments on behalf of PVT Land Company, the owner and operator of the PVT Construction and Demolition Landfill (“PVT”) in Nanakuli. PVT owns and operates Oahu’s only landfill for the disposal of construction and demolition debris.

PVT Land Company **opposes** S.B. 725, SD1, which applies the solid waste surcharge to waste that is deposited in landfills, incinerators, or waste-to-energy facilities, whether the waste is disposed of in-state or transferred out of state.

This bill expands the application of the solid waste surcharge from disposal facilities to facilities that recycle waste and create renewable energy, such as waste-to-energy facilities. PVT supports companies like Honua, who will take construction and demolition waste feedstock from PVT and generate renewable energy for Hawaiian Electric Company.

Under Hawaii Revised Statutes Section 342G-63(c), the surcharge on the disposal of solid waste was created to fund and encourage waste reduction and recycling, not to tax and thereby discourage them. This bill has the opposite effect – it increases the cost of waste reduction, recycling and renewable energy facilities. It will tax companies like Honua who should be encouraged. At PVT’s construction and demolition landfill, these increased costs would be passed along to contractors and raise the cost of all

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construction projects, such as rail, transit-oriented development, shipyard maintenance, as well as commercial and residential building and renovation. It would directly impede the critically important recovery of Oahu's construction industry.

The solid waste surcharge has been used to fund the Solid Waste Branch generally which is contrary to Hawaii Revised Statutes Section 342G-63(c). As acknowledged in the Senate Committee on Energy and Environment's Committee Report concerning this bill, this measure is "necessary to maintain sustainable funding levels for the State's solid waste program." However, the Solid Waste Branch has not in fact promoted waste reduction or recycling, because to do so would take away funds from its budget.

For these reasons, PVT opposes this bill. Thank you very much for the opportunity to submit comments on this measure.



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Chair David Y. Ige  
Vice Chair Michelle Kidani  
Senate Committee on Ways and Means  
Hawaii State Capitol  
Honolulu, Hawaii 96813

February 24, 2011

Re: SB 725, SD1, Relating to Solid Waste  
Hearing on Friday, February 25, 2011 at 9:00 a.m.

Dear Chair Ige and Vice Chair Kidani:

PVT Land Company submits this letter in OPPOSITION to SB 725, SD1, Relating to Solid Waste. This bill “applies the solid waste surcharge to waste that is deposited in landfills, incinerators, or waste-to-energy facilities, whether the waste is disposed of in-state or transferred out of state.”

This bill expands the application of the solid waste surcharge from disposal facilities to facilities that recycle waste and create renewable energy, such as waste-to-energy facilities. PVT supports companies like Honua, who will take construction and demolition waste feedstock from PVT and generate renewable energy.

Under Hawaii Revised Statutes Section 342G-63(c), the surcharge on the disposal of solid waste was created to fund waste reduction and recycling, not to tax them. This bill has the opposite effect – it increases the cost of waste reduction, recycling and renewable energy facilities. It will tax companies like Honua. For PVT’s construction and demolition landfill, these increased costs will be passed along to contractors and raise the cost of all construction projects, such as rail, transit-oriented development, shipyard maintenance, as well as commercial and residential building and renovation.

The solid waste surcharge has been used to fund the Solid Waste Branch generally which is contrary to Hawaii Revised Statutes Section 342G-63(c). As acknowledged in Standing Committee Report No. 130 concerning this bill, “this measure is necessary to maintain sustainable funding levels for the State’s solid waste program.” However the Solid Waste Branch does not promote waste reduction or recycling because to do so would take funds away from their budget.

For these reasons, PVT opposes this bill.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Albert Shigemura', is written over a horizontal line.

Albert Shigemura  
President