

STAND. COM. REP. NO. 276

Honolulu, Hawaii  
Feb 15, 2011

RE: H.B. No. 786  
H.D. 1

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2011  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 786 entitled:

"A BILL FOR AN ACT RELATING TO SOLID WASTE,"

begs leave to report as follows:

The purpose of this bill is to protect Hawaii's environment and public health and provide the Department of Health (DOH) with revenues for the administration and operation of its solid waste regulatory program by:

- (1) Increasing the solid waste management surcharge from 35 cents to 55 cents per ton of solid waste; and
- (2) Extending the solid waste management surcharge to solid waste shipped out-of-state by a solid waste shipping facility.

DOH testified in support of this bill. The Department of Environmental Services of the City and County of Honolulu provided comments.

Currently, the disposition of solid waste is regulated by DOH through its solid waste regulatory program. To cover the costs of this program, a surcharge was initiated in 1993 at a rate of 25 cents per ton, which was later increased to 35 cents per ton in 1997, the last time it was increased. This surcharge is the main source of funding for the solid waste regulatory program.

HB786 HD1 HSCR EEP HMS 2011-2022



At present, annual revenue from the surcharge is approximately \$525,000 while program expenses exceed \$600,000 and are only projected to increase. The proposed increase in the surcharge in this measure is expected to allow DOH to maintain current services if the practice of "borrowing" personnel from other programs continues. DOH projects a necessary revenue stream of approximately \$900,000 annually to enable the program to fully fund current positions and maintain services for the long term. This would equate to an increase of the surcharge to 65 cents per ton.

Your Committee finds that while increasing the solid waste management surcharge would allow DOH's solid waste regulatory program to maintain their services, the program should be fully funded through this surcharge and reduce the general fund subsidy for this program. Your Committee has amended this bill by:

- (1) Deleting the definition of "solid waste shipping facility";
- (2) Changing the increase in the solid waste management surcharge from 55 cents per ton to 65 cents per ton; and
- (3) Deleting the extension of the surcharge to all solid waste shipped out-of-state by solid waste shipping facilities.

Technical, nonsubstantive amendments were also made for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 786, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 786, H.D. 1, and be referred to the Committee on Finance.



Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,

*Denny Coffman Vice Chair*

*for*

HERMINA MORITA, Chair



HSCR 276

State of Hawaii  
House of Representatives  
The Twenty-sixth Legislature

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: HB 786	Committee Referral: EEP, FIN	Date: 2-08-2011		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. MORITA, Hermina M. (C)	✓			
2. COFFMAN, Denny (VC)	✓			
3. CABANILLA, Rida T.R.				✓
4. CARROLL, Mele				✓
5. CHANG, Jerry L.		✓		
6. CHONG, Pono	✓			
7. HAR, Sharon E.				✓
8. HERKES, Robert N.	✓			
9. ITO, Ken				✓
10. NAKASHIMA, Mark M.	✓			
11. RIVIERE, Gil			✓	
12. THIELEN, Cynthia			✓	
TOTAL (12)	5	1	2	4
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <u>Hermina Morita</u>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				