

S.B. NO. 1131

JAN 24 2013

A BILL FOR AN ACT

RELATING TO RECYCLING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Section 342G-82, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) Every glass container importer shall pay to the
4 department an advance disposal fee. The fee shall be imposed
5 only once on the same glass container and shall not be assessed
6 on drinking glasses, cups, bowls, plates, ashtrays, and similar
7 tempered glass containers. For the period beginning [~~September~~
8 ~~1, 1994,~~] January 2, 2014, the fee shall be [~~one and one-half~~
9 ~~cents per glass container. Beginning October 1, 2004, the]~~
10 three cents per glass container containing twelve ounces or less
11 determined by weight or volume; and six cents per glass
12 container containing greater than twelve ounces determined by
13 weight or volume. The glass advance disposal fee shall only
14 apply to glass containers that are not glass deposit beverage
15 containers."

16 SECTION 2. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

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1 SECTION 3. This Act, upon its approval, shall take effect
2 January 1, 2014.

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INTRODUCED BY: 
BY REQUEST

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Report Title:

Recycling

Description:

Establishes a tiered glass advanced disposal fee system based on the capacity of a glass container.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

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JUSTIFICATION SHEET

DEPARTMENT: HEALTH

TITLE: A BILL FOR AN ACT RELATING TO RECYCLING.

PURPOSE: To increase the glass advance disposal fee (ADF) from the current 1.5 cents per container to a tiered system that would assess 3 cents for containers that hold 12 ounces or less, and 6 cents for containers that hold more than 12 ounces.

MEANS: Amend section 342G-82(a), Hawaii Revised Statutes.

JUSTIFICATION: The majority of ADF program revenue is passed through to the counties to fund glass recycling programs. Funding levels are proportionate to county population with the City and County of Honolulu receiving the bulk of the funds.

Compared to other commonly recycled material such as aluminum and plastic, glass is heavy and difficult handle. These factors are in addition to the high shipping costs to get glass to markets outside Hawaii.

Under the current statute, counties have the ability to independently set the rates paid to recyclers for qualifying glass. This flexibility is allowed to account for the variable costs each county's recyclers incur in processing glass, and also to account for fluctuations in the market price of glass.

During fiscal year 2011-12 the City and County of Honolulu increased the payout rate to glass recyclers. The resultant increase in glass tonnage, combined with the higher payout rate, caused the City and County of Honolulu to run through its entire state allotment before the end of the fiscal year.

As a result, the City and County of Honolulu has since requested a funding increase under the ADF program. The program believes that the proposed tiered fee structure is equitable as it takes into account the higher relative cost of handling larger glass containers.

The program has requested through the budget process three (3) full-time equivalents dedicated to administering the program. Various department of health program staff have administered the program and no longer have the capacity to meet the increasing administrative needs. The personnel costs of the additional FTE can be covered by the existing 10 percent allotment for administrative costs.

Impact on the public: The increased fee cost would most likely be passed on to the consumer by manufacturers and distributors.

Impact on the department and other agencies: The majority of new revenue will be passed through the department of health to the counties to fund glass collection programs.

GENERAL FUND: No impact.

OTHER FUNDS: Increased revenue for the Environmental Management Special Fund.

PPBS PROGRAM DESIGNATION: HTH-840.

OTHER AFFECTED AGENCIES: Counties will receive more ADF funds which will enable more glass container recycling.

EFFECTIVE DATE: January 1, 2014.