



GARY GILL ACTING DIRECTOR OF HEALTH

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In reply, please refer to:

HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION H.B. 2510, RELATING TO TIRE RETAILERS

Testimony of Gary Gill Acting Director of Health

February 4, 2014 8:30am

- 1 **Department's Position:** The department offers comments.
- 2 **Fiscal Implications:** Requires internet tire retailers to comply with the posting, take-back and disposal
- fee charge requirements of the state used tire collection law (Sec. 342I-23(a)(2)). Online tire disposal
- 4 fee increases costs to consumers.
- 5 **Purpose and Justification:** This measure attempts to "level the playing field" by requiring online tire
- 6 retailers to follow the same requirements for collecting used tires as bricks-and-mortar tire retailers in
- 7 the state. These requirements include posting a sign at the point of sale, take back of the customer's
- 8 used tires, and to add a disposal fee to the final price of a new tire.
- Our concern is that this bill as written is not enforceable because we do not have authority to
- inspect online tire retailers with headquarters located outside the state, and who do not have a physical
- place of business within the state.

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- The provision cited in the bill (Sec. 342I-23(a)(2), HRS) requires three things of tire retailers:
- 1. Post a sign at the point of sale;
 - 2. Take-back a used tires in exchange for each new one purchased; and

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3. Add a disposal fee to the final price of a new tire. 1 The bill does not show how internet retailers can achieve the take back requirement. To comply, 2 tire retailers must be capable of accepting used tires from customers. 3 The bill is not clear on how collection of a disposal fee for an online tire sale will ensure that a 4 customer's used tire will be recycled. Disposal fees for tires vary by location and the type of tire. We 5 understand that costs range from as low as \$1.80 per passenger or light-truck tire, up to \$638 for the 6 biggest off-road, oversize tire. The cost to customers will increase without the benefit of knowing that 7 their disposal fee will actually cover proper collection of their used tire. 8 It is also unclear whether the disposal fee also covers the cost for the customer to ship the used 9 tire back to the online retailer. A similar parallel is the "mail back" option for sending used printer 10 cartridges back to the cartridge manufacturer for recycling. 11 This bill alone will not prevent current improper tire disposal practices, but coupled with 12 monitoring and enforcement from the department, it may help raise consumer awareness of the used tire 13 management issue. 14 Thank you for the opportunity to testify on this measure. 15 16 17 18 19 20 21 22 23

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Submitted on: 2/3/2014

Testimony for EEP on Feb 4, 2014 08:30AM in Conference Room 325

Submitted By	Organization	Testifier Position	Present at Hearing
Sean Higa	Individual	Oppose	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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