
HOUSE CONCURRENT RESOLUTION

REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF THE ADVANCE
DISPOSAL FEE PROGRAM AND THE ENVIRONMENTAL MANAGEMENT
SPECIAL FUND.

1 WHEREAS, the cost of recycling non-deposit glass containers
2 exceeds the revenue that the State collects through the 1.5 cent
3 fee imposed on each of these glass containers through the
4 Department of Health's advance disposal fee program; and
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6 WHEREAS, the advance disposal fee is deposited into the
7 environmental management special fund; and
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9 WHEREAS, the counties receive approximately ninety per cent
10 of the revenue deposited into the fund and establish the amount
11 that they pay glass recyclers for accepting recyclable glass
12 from the counties; and
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14 WHEREAS, the counties report that they commonly exhaust the
15 advance disposal fee revenue before the end of each fiscal year;
16 and
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18 WHEREAS, there is a limited market in Hawaii for scrap
19 glass, so most recyclable glass is shipped elsewhere; and
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21 WHEREAS, the high cost of shipping and the relatively low
22 revenue from scrap glass are major causes of the advance
23 disposal fee program's deficit; and
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25 WHEREAS, requiring that the advance disposal fee cover the
26 entire cost of shipping scrap glass to recyclers would cause
27 consumers to pay for shipping glass containers both to and from
28 the State; and
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1 WHEREAS, before requiring consumers to pay a higher
2 disposal fee, the existing recycling program, including the use
3 of State funds by the counties, should be examined; and
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5 WHEREAS, an audit of the State's deposit beverage container
6 program found significant deficiencies in that program's
7 administration; and
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9 WHEREAS, it is necessary to examine whether the advance
10 disposal fee program is the most cost-effective way to handle
11 recyclable glass, and how costs may be reduced; and
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13 WHEREAS, an examination of the advance disposal fee and the
14 environmental management special fund is necessary to determine
15 whether changes to the fee and fund are warranted; now,
16 therefore,
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18 BE IT RESOLVED by the House of Representatives of the
19 Twenty-seventh Legislature of the State of Hawaii, Regular
20 Session of 2014, the Senate concurring, that the Department of
21 Health is requested to meet with the respective counties and
22 other stakeholders to examine the advance disposal fee program
23 to determine whether there are more cost-effective ways of
24 handling recyclable glass, including local alternatives to
25 shipping glass out of the State; and
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27 BE IT FURTHER RESOLVED that the Auditor is requested to
28 conduct an audit of the Department of Health's advance disposal
29 fee program and the environmental management special fund,
30 including the use of fee revenue by the respective counties and
31 the accuracy of payments made to recyclers from fee revenues;
32 and
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34 BE IT FURTHER RESOLVED that the Auditor is requested to
35 include in the audit an examination of local alternatives to
36 shipping glass containers out of the State for recycling, such
37 as local conversion of glass to sand, the use of glass as
38 landfill cover or in roadway asphalt, and whether these programs
39 would be environmentally and economically prudent alternatives;
40 and
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42 BE IT FURTHER RESOLVED that the Auditor is requested to
43 confer with affected businesses in preparing the audit; and
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H.C.R. NO. 207

1 BE IT FURTHER RESOLVED that the Auditor is requested to
2 submit the findings and recommendations from the audit to the
3 Legislature no later than twenty days prior to the convening of
4 the Regular Session of 2015; and

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6 BE IT FURTHER RESOLVED that certified copies of this
7 Concurrent Resolution be transmitted to the Auditor, Director of
8 Health, Director of Finance, and the mayors of each county.

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OFFERED BY:

A handwritten signature in black ink, appearing to be "J. M. ...", is written over a horizontal line.

MAR 07 2014

