

STAND. COM. REP. NO. 2056

Honolulu, Hawaii

FEB 04 2014

RE: S.B. No. 2685  
S.D. 1

Honorable Donna Mercado Kim  
President of the Senate  
Twenty-Seventh State Legislature  
Regular Session of 2014  
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 2685 entitled:

"A BILL FOR AN ACT RELATING TO MOTOR VEHICLE TIRES,"

begs leave to report as follows:

The purpose and intent of this measure is to impose a surcharge of \$1 per tire on any tire retailer or wholesaler who installs a replacement tire on a motor vehicle in the State after September 30, 2014.

Your Committee received testimony in opposition to this measure from the Hawaii Automobile Dealers Association and one individual. Your Committee received comments on this measure from the Department of Health and Tax Foundation of Hawaii.

Your Committee finds that discarded motor vehicle tires continue to blight Hawaii's neighborhoods, particularly in rural and isolated areas. With the repeal of the motor vehicle tire surcharge, the Department of Health lost a vital source of funding to promote tire recovery and prevent illegal dumping, and the subsequent personnel and operating budget cuts have made it difficult to address this critical issue. Re-establishing the surcharge will not prevent current improper tire disposal practices, but coupled with monitoring and enforcement from the Department of Health, the surcharge may help county governments and community groups alleviate the situation.

Your Committee has amended this measure by:

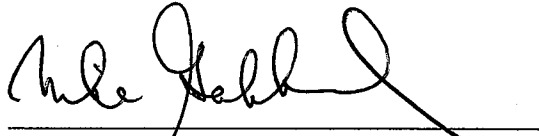
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- (1) Inserting language to establish a special account within the environmental management fund into which shall be deposited revenues generated from the motor vehicle tire surcharge;
- (2) Inserting language to require funds from the special account to be used for county or county-sponsored tire recycling programs;
- (3) Inserting language related to administrative procedures for the distribution of funds from the special account for tire recycling; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2685, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2685, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy and  
Environment,



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MIKE GABBARD, Chair



The Senate  
 Twenty-Seventh Legislature  
 State of Hawai'i

**Record of Votes**  
**Committee on Energy and Environment**  
**ENE**

Bill / Resolution No.:* <b>SB 2685</b>	Committee Referral: <b>ENE, WAM</b>	Date: <b>1/30/14</b>
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The committee is reconsidering its previous decision on this measure.  
 If so, then the previous decision was to: \_\_\_\_\_

The Recommendation is:

Pass, unamended 2312    
  Pass, with amendments 2311    
 Hold 2310    
 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)	X			
CHUN OAKLAND, Suzanne	X			
IHARA, Jr., Les				X
SLOM, Sam			X	
<b>TOTAL</b>	<b>3</b>		<b>1</b>	<b>1</b>

Recommendation:    
 Adopted    
 Not Adopted

Chair's or Designee's Signature:

Distribution:    
Original    
Yellow    
Pink    
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**\*Only one measure per Record of Votes**