Measure

Title:

RELATING TO RECYCLING.

Report Title:

Advance Disposal Fee; Glass Containers

Description:

Amends the advance disposal fee for glass containers to a tiered structure based on the interior volume of the glass container.

13

14





in reply, please refer to: File:

SENATE COMMITTEE ON ENERGY AND ENVIRONMENT

S.B. 2931, RELATING TO RECYCLING

Testimony of Gary Gill Acting Director of Health

January 28, 2014 2:45 p.m.

	•
1	Department's Position: The department supports the intent of this measure.
2	Fiscal Implications: Establishes a tiered advance disposal fee structure for glass container importers.
3	Collections are estimated at \$2.2 million a year. Surcharge collection puts additional payment and
4	reporting duties on glass container importers.
5	Purpose and Justification: This measure will enable county governments to continue to operate their
6	glass recycling programs. The department can only fund part of what the counties need in order to
7	collect and recycle non-deposit glass containers.
8	We also defer to any specific testimony that may be provided by the counties on how this
9	measure will affect their respective glass recycling programs.
10	Thank you for the opportunity to testify on this measure.
11	
12	

DEPARTMENT OF ENVIRONMENTAL SERVICES CITY AND COUNTY OF HONOLULU

1000 ULUOHIA STREET, SUITE 308, KAPOLEI, HAWAII 96707 TELEPHONE: (808) 768-3486 • FAX: (808) 768-3487 • WEBSITE: http://envhonolulu.org

KIRK CALDWELL



January 27, 2014

LORI M.K. KAHIKINA, P.E. DIRECTOR

TIMOTHY A. HOUGHTON DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.

IN REPLY REFER TO: WAS 14-10

The Honorable Mike Gabbard, Chair and Members of the Committee on Energy Environment State Senate State Capitol Honolulu. Hawaii 96813

Dear Chair Gabbard and Members:

SUBJECT: Senate Bill 2931, Relating to Recycling

The City and County of Honolulu's Department of Environmental Services (ENV) supports adequate funding of programs to support glass recycling. Senate Bill (SB) 2931 would increase the advance disposal fee (ADF) collected for non-deposit glass containers.

The glass ADF was set at 1.5 cents per container more than 15 years ago and has not been adjusted to accommodate changes in recovery rates or costs. Current revenue levels do not cover needed expenditures to subsidize glass recycling efforts. The cost to ship glass to West Coast facilities to be remanufactured into new container glass exceeds the market value of the glass. Without sufficient funding support for non-deposit glass containers through a subsidy program, the opportunities for glass recycling are very limited.

On Oahu, lack of funding will impact the county's ability to continue to provide support for the recycling of more than 5,000 tons of non-deposit glass collected annually from 160,000 homes in the residential curbside program, islandwide buy-back centers, and the bar and restaurant industry.

Thank you for your consideration.

Sincerely,

.011 101.59

ALAN M. ARAKAWA Mayor KYLE K. GINOZA, P.E. Director MICHAEL M. MIYAMOTO Deputy Director



TRACY TAKAMINE, P.E. Solid Waste Division ERIC NAKAGAWA, P.E. Wastewater Reclamation Division

COUNTY OF MAUI DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

2200 MAIN STREET, SUITE 100 WAILUKU, MAUI, HAWAII 96793

January 28, 2014

The Honorable Mike Gabbard, Chair
Members of the Committee on Energy and the Environment
State Senate
State Capitol
Honolulu, Hawaii 96813

Dear Chair Gabbard and Members:

SUBJECT: SENATE BILL 2931, RELATING TO RECYCLING

The County of Maui's Department of Environmental Management (DEM) supports adequate funding of programs to support glass recycling. Senate Bill (SB) 2931 would increase the advance disposal fee (ADF) collected for non-deposit glass containers.

The glass ADF was set at 1.5 cents per container more than 15 years and has not been adjusted to accommodate changes in recovery rates or costs. Current revenue levels do not cover needed expenditures to subsidize glass recycling efforts. The cost to ship glass to West Coast facilities to be remanufactured into new container glass exceeds the market value of the glass. Without sufficient funding support for non-deposit glass containers through a subsidy program, the opportunities for glass recycling are very limited.

On Maui, lack of funding will impact the County of Maui's ability to continue to provide support for the recycling of more than 1800 tons of non-deposit glass collected annually.

Thank you for your consideration,

KYLE K. GINOZA, DIBÆCTOR

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT



Executive Officers:
Stanley Brown, ConAgra Foods - Chairperson
John Schilf, RSM Hawaii - Vice Chair
Derek Kurisu, KTA Superstores - Treasurer
Lisa DeCoito, Aloha Petroleum - Secretary
Lauren Zirbel, Executive Director

1050 Bishop St. PMB 235 Honolulu, HI 96813 Fax: 808-791-0702 Telephone: 808-533-1292

TO:

SENATE COMMITTEE ON ENERGY AND ENVIRONMENT Senator Mike Gabbard, Chair Senator Russell Ruderman, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE:

January28, 2014

TIME:

2:45pm

PLACE:

Conference Room 225

RE: SB2931

Position: Opposition

The Hawaii Food Industry Association is comprised of two hundred member companies representing retailers, suppliers, producers and distributors of food and beverage related products in the State of Hawaii.

Here in Hawaii we already pay very high prices for food and drinks. This bill would increase the cost of many food and beverages, including many made and/or bottled here in Hawaii. For food and drinks in containers of eight to twenty four ounces this bill would double the fee, for containers of twenty four ounces or more this would be more than triple the current fee. Many of the items included in this bill are essential food items, like jarred baby food. These are not the types of things that people here in Hawaii need to be paying even more for.

This bill also encompasses beverages which already have several taxes and fees on them. For certain beverages up to 25 percent of the price consumers pay goes to taxes and fees for the State, and if you include Federal requirements it can be around 50 percent of the cost going to taxes and fees. Adding this additional fee will cause the price of these already heavily taxed items to go up even more. This bill seems to be a very large increase in a fee on items which are already heavily burdened with taxes and fees.

For these reasons we ask that you please do not pass this bill out of your committee.

Thank you for the opportunity to testify.



Katie Jacoy Western Counsel 31 West Road N Tacoma, WA 98406 www.wineinstitute.org kjacoy@wineinstitute.org 360-790-5729

SENATE COMMITTEE ON ENERGY AND ENVIRONMENT Tuesday, January 28, 2:45pm

Testimony in Opposition to SB 2931 Relating to Recycling

Dear Chair Gabbard and Members of the Committee on Energy and Environment:

Wine Institute ("WI") is a public policy association representing 923 California wineries and associated businesses. WI opposes SB 2931 because it proposes a significant increase in the advance disposal fee (ADF) on glass wine bottles from \$.015 to \$.05 without a comprehensive study of the program and exploration of possible collaborative ways to lower the costs instead of increasing fees. Hawaii loses money recycling glass. Shipping glass to the west coast for recycling costs about \$125 per ton, which far outweighs its value - \$20-\$60 per ton (depending on color and sort). So at its highest value - \$60 per ton, Hawaii is still losing \$65 per ton, before taking into account the costs of collection, processing and transporting the glass to the docks. With such significant losses in the program, it should be reevaluated, instead of just increasing the fees on most imported glass. (It is not clear why when this program is running at a deficit, this bill proposes to lower the fee on glass with interior volumes of less than 8 oz.)

The Solid Waste Management Report to the Legislature in December 2012 did not contain expenditure data for all the counties, so it is not clear how much was spent to run the program. Complete fiscal information relating to this program should be compiled before any decision to increase the fee is made. We also question if there are adequate cost controls in this program. A county, without oversight, can decide to increase the amount paid to recyclers, then come to the legislature, after the fact, to request a fee increase to cover the additional costs.

This proposed fee increase on wine bottles is significant and will likely increase the cost of wine for Hawaii consumers. According to the Beverage Information Group's 2013 Wine Handbook, the total consumption of table wine in Hawaii in 2012 was 23,984,370 750ml bottles. Under the current fee of 1.5 cents, the Advanced Disposal Fee on these wine bottles raised about \$359,766. Under the bill, each of these bottles, since they contain more than 24 ounces, would be subject to a 5 cent fee. On wine bottles alone, this would have raised about \$1,199,218. This is more than the total expenditures for county collection programs in 2011,

which were reported to be \$1,121,097. (Table 11, Report to Twenty-Sixth Legislature 2012, Annual Report on Solid Waste Management, December 2011.)

Hawaii wine consumers already pay one of the highest prices in the United States for their wine, because the transportation costs to ship wine to Hawaii are high, Hawaii's liquor excise tax is 10th highest in the nation, and wine is also subject to the general excise tax of 4.17% or 4.712% for Honolulu County. After years of double-digit declines, Hawaii's tourism industry has recovered. Tourism accounts for a significant percentage of Hawaii's GDP and its jobs. Restaurants, hotels, and wine retailers can't afford a fee increase that will be passed along to them that may hamper their businesses.

We urge the Legislature to reject this bill and instead direct the Department of Health to establish a taskforce with government and stakeholder participants to provide recommendations on how to most effectively, economically and efficiently handle glass recycling. Wine Institute would be happy to participate on the taskforce.

Thank you very much for the opportunity to testify.

TAXBILLSERVICE

126 Queen Street, Suite 304

TAX FOUNDATION OF HAWAII

Honolulu, Hawall 96813 Tel. 536-4587

SUBJECT:

MISCELLANEOUS, Tiered glass advanced disposal fee

BILL NUMBER:

SB 2931

INTRODUCED BY:

Gabbard, Ruderman and 3 Democrats

BRIEF SUMMARY: Amends HRS section 342G-82 to provide that beginning on January 1, 2015, the advance disposal fee on glass containers shall be: (1) one cent per glass container containing less than eight fluid ounces; (2) three cents per glass container containing at least 8 fluid ounces; and (3) five cents per glass container containing over 24 fluid ounces.

EFFECTIVE DATE: Upon approval

STAFF COMMENTS: Currently the advance disposal fee on glass containers is one and one-half cents per container. This measure proposes to establish a tiered fee structure depending on the capacity of the container

A recent audit of the state's beverage container recycling program by the State Auditor's office points to deficiencies that could expose it to fraud. According to the report, the state relies too much on redemption centers and distributors without a system of checks and balances. As a result, the people who bring recycled materials may be underpaid, and overpayments may have been made from the state to the beverage recycling centers. The study pointed out that "deposits and fee collections from distributors, as well as payments to redemption centers, are unsupported. For several sample distributor reports selected for testing, distributors could not support amounts and payments made to the program."

The report further pointed out, "... the program may be operating at a greater cost than necessary, and the reported redemption rate may not be reliable. Resolution of these deficiencies is necessary to alleviate public concern over the cost of the state's beverage container recycling program, including questions on the container fee rate necessary to operate the program."

While this measure proposes to increase the existing advance disposal fee on glass, the problems with the HI-5 program should be addressed before any increase in fees is approved. The department of health dismisses the charges that fraud is possible yet has not come forward with any definitive resolutions to address this problem. What is known is that both the glass disposal program as well as the beverage redemption program have engendered a growing bureaucracy of public employees that are being paid for out of the fees which these programs generate. As was recently pointed out in a committee hearing, the beverage deposit fee has provided the incentive to retrieve and recycle the container in exchange for the deposit fee. As such, it was noted by the director of the recycling programs, a beverage container was discarded in the morning and when he returned in the afternoon, someone had picked up the container obviously to redeem it for the nickel. The point being is that for the first person who discarded the beverage container in the first place the behavior has not changed and for that person, the container was

SB 2931 - Continued

merely discarded. To that extent, the beverage deposit program has failed to achieve its purpose which is to change the behavior of consumers.

This measure is nothing more than an attempt to raise additional resources for a program that obviously has not been fully evaluated. Before any increase is adopted, an audit of the glass-recycling program appears to be imperative.

Digested 1/27/14

MCCORRISTON MILLER MUKAI MACKINNON LLP

ATTORNEYS AT LAW

January 28, 2014

Via Email

Senator Mike Gabbard, Chair Russell E. Ruderman, Vice Chair Senate Committee on Energy and Environment Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Re: S.B. No. 2931 relating to Recycling

Dear Chair Gabbard, Vice Chair Ruderman and Committee Members:

On behalf of the Hawaii Liquor Wholesalers Association ("<u>HLWA</u>"), we respectfully submit the following written testimony in <u>opposition</u> to S. B. No. 2931, relating to recycling, which is to be heard by your Committee on Energy and Environment on January 28, 2014.

S.B. No. 2931 would <u>double</u> the advance disposal fee from 1.5 cents to 3 cents per container on containers containing between 8 and 24 ounces, and <u>more than triple</u> the disposal fee from 1.5 cents to 5 cents per containers on containers containing more than 24 ounces.

HLWA believes that S.B. No. 2931 is inappropriate for several reasons.

First, although the doubling or tripling of the disposal fee is purportedly necessary to increase funding for the glass recycling program, there has been no showing that proposed increase in fees is properly correlated to actual or necessary programs costs.

For example, a review of the revenue, expenditures and tonnage for the counties as reported to the Legislature in the 2013 Report shows steady revenue, but widely disparate expenditures and tonnage:

Table 10: Glass ADF Revenue

FY 08	09	10		12
\$622,215	\$731,115	\$701,607	\$761,535	\$767,375

Table 11: Expenditures for County Collection Programs

FY	08	09	10	11	12
Hawaii	\$832,580	\$59,390		\$150,000	*
Maui	\$150,640	\$57,205		\$145,000	\$141,600
Oahu	\$67,740	\$295,205	\$0**	\$745,000	*
Kauai	\$151,650	\$24,890		\$40,176	\$32,043
Total	\$1,202,610	\$436,690		\$1,121,097	\$173,643

Not available at the time of this report

Table 12: County Recycled Glass Tonnages

FY	08	09	10	11.	12
Hawaii	433	371		1,145	**
Maui	1,000	1,564		2,095	1,809
Oahu	2,154	2,139	0*	5,993	0**
Kauai	0	259		243	277
Total	3,587	4,333		9,476	2,086

^{*} The Glass Advance Disposal Fee special fund was Identified as a potential source to cover general fund shortfalls, so funding was not provided to the counties in FY 2009-10 and to the City & County of Honolulu for FY 2011-12. Therefore, tonnage reports were not required of the counties during FY 2009-10 or the City & County of Honolulu for FY 2011-12.

Query why the County of Hawaii incurred \$832,580 in expenditures in 2008 for only 433 tons, but only \$59,390 in expenditures for 371 tons the following year? The City and County of Honolulu incurred \$295,205 in expenditures in 2009, for 2,139 tons, but only \$67,740 in expenditures in 2008 for 2,154. Thus, Honolulu's more than quadrupled from 2008 to 2009 even

^{**} Funding was not provided to the counties in FY 2010 because the Glass Advance Disposal Fee special fund was identified as a potential source to cover general fund shortfalls.

^{**} Not available at the time of this report

Senate Committee on Energy and Environment January 28, 2014 Page 3 of 3

though the tonnage decreased. Without a careful examination of the counties' expenditures, there is no way to know whether the proposed increases are appropriate.

Second, we note that the State Auditor's Report No. 13-08 (November, 2013) on the state's beverage recycling program noted significant potential problems. Thus, compounded with the fact that there is no basis to determine whether the proposed increases are appropriate for the expenditures contemplated, there is reason to question whether the expenditures themselves are being properly incurred.

Respectfully, before we ask our customers and business to pay doubled or tripled fees, the State needs to show that the program is being operated properly and the increased fees are appropriate to a properly run program.

In the absence of such a showing, we respectively oppose S.B. No. 2931. Thank you for your consideration of the foregoing.

Very truly yours,

HAWAII LIQUOR WHOLESALERS ASSOCIATION

Its Secretary



To: Senator Mike Gabbard, Chair

Senator Russell E. Ruderman, Vice Chair Committee on Energy and Environment

Fr: Terry G. Telfer, President

Reynolds Recycling, Inc.

Date: Tuesday, January 28, 2014, 2:45 p.m. in Conference Room 225

Re: Testimony in support of SB2931.

Reynolds Recycling is Hawaii's largest redemption center operator, and we support this bill to amend the advance disposal fee payment structure.

Reynolds supports this measure in that it helps to adequately fund and strengthen the ADF Program. We know that the public wants to participate in this program, and adequate funds to pay consumers to return their containers is important to encourage consumer participation.

As a leader in Hawaii's recycling industry, Reynolds Recycling remains committed to protecting Hawaii's future by recycling today, and in the future. We fully support SB2931.

Thank you.

Address: 1122 Mikole Street, Honolulu, Hawaii 96819 Ph. 487-2802 Fax. 486-7753



Via Email January 27, 2014

Senator Mike Gabbard, Chair Senator Russell E. Ruderman, Vice Chair Senate Committee on Energy and Environment Hawaii State Capitol 415 South King Street Honolulu, Hi 96813

Re: S.B. 2931 relating to Recycling

Dear Chair Gabbard and Vice Chair Ruderman and Committee Members:

On behalf of Southern Wine and Spirits of Hawaii we respectfully submit the following written testimony in opposition to S.B. 2931 relating to recycling which is to be heard by your Committee on Energy and Environment on January 28, 2014.

S.B. 2931 would <u>double</u> the advance disposal fee from 1.5 cents to 3 cents per container containing at least 8 ounces but not more than 24 ounces, and <u>more than triple</u> the disposal fee from 1.5 cents to 5 cents per container containing more than 24 ounces.

We believe that S.B. 2931 is inappropriate for several reasons.

First, although the increase of the disposal fee is purportedly necessary to increase the funding for the glass recycling program, there has been no showing that proposed increase in fees is properly correlated to actual or necessary program costs. Based on the Beverage Information Groups 2012 Wine Handbook, the total consumption of table wine in Hawaii in 2011 was 1,790,700 cases which equals 21,488,400 750ml bottles. Under the current fee of 1.5 cents, the ADF on these wine bottles raised about \$322,326. Under the proposed fee increase to 5 cents per bottle on wine alone would generate about \$1,074,420. The total expenditures for county collection programs in 2011 were reported to be \$1,121,097. (Table 11, Report to Twenty-Sixth Legislature2012, Annual Report on Solid Waste Management, December 2011.) Just one size of one type of glass would almost cover the total costs. Where would the fees collected on all the other types and sizes of glass containers go?

Second, we note that the State Auditor's Report on the State's beverage recycling program noted significant potential problems. Thus, compounded with the fact that there is no basis to determine whether the proposed increases are appropriate for the expenditures contemplated, there is reason to question whether the expenditures themselves are being properly incurred.

Respectfully, before we ask our customers and business to pay double or triple fees, the State needs to show that the program is being operated properly and the increased fees are appropriate to a properly run program.

Sincerely

Steve Perry

Vice President Operations

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Dawna Ertel	Young's Market Company	Oppose	No

Comments: Aloha, While I understand why this change to the glass tax structure is being proposed, I strongly believe that we need more information before moving forward. Lines 1-3 state: "The legislature finds that the cost of recycling glass containers far exceeds the revenue that the State receives through the advance disposal fee", however, there is no data or documentation provided to support this statement. The true cost of recycling needs to be shared with us before a tax increase can take place. The proposed tax rate will result in a significant increase that will adversely impact the cost of goods, making it more difficult for consumers to purchase these goods. During a time when the economy is still shaky, we need to protect businesses and the end customer. This tax increase will only hurt the economy.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing	
Alan Suzuki	Youngs Market Co. of Hawaii	Oppose	No	

Comments: Another tax increase will slow sales of glass products even more, HI5 dollars collected will decrease. Hawaii prices and taxes are high enough already, this will add to a downward trend and lost revenue in sales and HI 5 dollars. How is the current glass tax collected being used?

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

	Submitted By	Organization	Testifier Position	Present at Hearing
Γ	tomoka kajihiro	youngs market hawaii	Oppose	No

Comments: The increase in the glass tax will adversely affect our business and most of all the customer and the cost of our product! We have been paying the glass tax for years and they want to increase it but no one has done an audit or can tell the taxpayer where the money has gone. We asked for an audit before they move on such a bill.



Philana Bouvier EVP General Manager

Date:

January 27, 2014

To:

Committee on Energy & Environment

Subject:

SB 2931

SB 2931- Relating to Recycling

Committee on Energy & Environment

Senator Mike Gabbard, Chair

Senator Russell E Ruderman, Vice Chair

Dear Chair Gabbard, Vice Chair Ruderman & members of the Committee on Energy & Environment

I am the Executive Vice President, General Manager for Young's Market Company of Hawaii. We are a wholesale distributor of Spirits and Wines. We have been paying into the advance glass tax program for years and for 2013 alone we have paid in over \$112K. Your proposal appears to make concessions over the prior session for a six cent fee which would have been a 300% increase.

However, this new bill is not acceptable either. The five cent fee on 24 ounes and above is a 230% increase for us. This would add to the cost of our product, which would directly affect the consumer. We already pay a fair amount of taxes on our commodity as it is.

Please hold on this administrative measure to increase the advance glass disposal fee on glass.

I would strongly suggest that you demand a comprehensive review of the program, one that will disclose where the funds have gone for the many years that we have been paying in this glass tax. This is a serious problem.

Please hold SB 2931.

I appreciate your consideration to my concerns.



January 28, 2014

Representative Chris Lee, Chairperson Representative Cynthia Thielen, Vice Chair State of Hawaii The Committee of Energy of Environmental Protection State Capitol, Conference Room 225 415 South Beretania Street Honolulu, HI 96813

Subject: SB 2931 RELATING TO RECYCLING. Amends the advance disposal fee for glass containers to a tiered structure based on the interior volume of the glass container

Dear Honorable Chris Lee, Chairperson; Honorable Cynthia Thielen, Vice Chair; and the members of the Energy of Environmental Protection Committee:

As the Executive Vice President, General Manager of Young's Market Company, a wholesale distributor of spirits, fine wines and craft beers, we have paid over \$100,000 alone in the year 2012 into the advance glass tax program.

SB2931 revisions to the existing tax program would increase the tax advance glass tax program by 300%, which is an increase that I am unable to support. It would once again affect the raising costs of doing business in Hawaii and eventually find its way to the consumer of glass goods.

As an employer of over 150 employees here in the State of Hawaii, I ask that you reevaluate this proposal and seek other means and ways of increasing the efficiencies on this program to avoid this measure that will negatively impact our business.

I ask that you hold on SB 2931, the Advance Glass Tax Program.

Respectfully submitted,

PHILANA BOUVIER Executive Vice President, General Manager

> Young's Market Company of Hawaii 94-501 Kau Street Walpahu, Hi 96797

SB 2931- Relating to Recycling

Committee on Energy & Environment

Senator Mike Gabbard, Chair

Senator Russell E Ruderman, Vice Chair

Dear Chair Gabbard, Vice Chair Ruderman & members of the Committee on Energy & Environment

I am the VP of Finance for Young's Market Company of Hawaii. We are a wholesale distributor of Spirits and Wines. We have been paying into the advance glass tax program for years and for 2013 alone we have paid in over \$112K. Your proposal appears to make concessions over the prior session for a six cent fee which would have been a 300% increase.

However, this new bill is not acceptable either. The five cent fee on 24 ounces and above is a 230% increase for us. This would add to the cost of our product, which would directly affect the consumer. We already pay a fair amount of taxes on our commodity as it is.

Please hold on this administrative measure to increase the advance glass disposal fee on glass.

I would strongly suggest that the problems with the HI-5 program be addressed before any increases in fees are put in place for the AGF program. I understand that the audit conducted by the State Auditor's office related to the beverage container recycling program disclosed deficiencies that could expose it to fraud. There are no checks and balances and there could be potential underpayments to some while others are overpaid. This is a serious problem.

An audit of the advance glass program should be conducted before you move further on this bill, if at all. Look at the way the program is being handled; look for cutting cost, before you look at raising fees.

Please hold SB 2931.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Laurie Kawasaki	Individual	Oppose	No

Comments: I strongly oppose this bill! Please hold on this bill and do a more indepth study on its impact to our economy. Your increase is over 200% at the 24 ounce tier.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier	Present at
	——	Position	Hearing
Derek Yeung	Young's Market Company Hawaii	Oppose	No

Aloha To Whom It May Concern,

My name is Merielle Tomas and I am a Sales Representative from Young's Market Co. of Hawaii – Fine Wine & Spirits Distributor. Between December 2008 & August 2013 I was employed with Mai Tai Bar, Ala Moana Shopping Center, as one of the managers. In my experience here in Hawaii within the industry, I know that on all sides of the business (Supplier, Distributor, Buyer, and most importantly the Consumer) will be adversely affected as prices will increase on ALL levels. Being that Restaurants, Bars, Hotels alone drive a lot of our economy here on Hawaii, the increase in the glass bottle tax will also adversely affect these areas, with every bottle on a grander scale than is being anticipated.

Moreover, pertaining to our company specifically, the increase in the glass tax will adversely affect our business and most of all the customer and the cost of our product! We have been paying the glass tax for years and the proposal to increase doesn't make enough sense from the top to the bottom to understand the benefits of the bill. We as a company, as do I personally as an employee & consumer, feel that an audit which can inform the taxpayer exactly where the current tax money has gone and will go, might help in at least understanding of the bill. We are requesting to please conduct a thorough audit before moving to approval.

Thank you for your time and consideration on the matter.

Sincerely,

Merielle M. Tomas

On-Premise Sales Representative

Cell: (808) 754-8792

Email: mtomas@youngsmarket.com Customer Service: (800) 728–2570 YMCO Express Store: (808) 531-9840



Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Dolores LaMadrid Ahu	Young's Market of Hawaii	Comments Only	No

Comments: The increase in the glass tax will adversely affect our business in Hawaii. We have been paying the tax for years and would like to know where and what the money has been used for during the past years. We are asking for an audit.

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
tyler	Young's Market Company	Oppose	No

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
elke tai	young's market	Oppose	No

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Shirley Ale	Youngs Market	Oppose	No

Comments: Since this would adversely affect our company, I do not support this bill.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Wendy Ragmat	Young's Market Company of Hawaii	Oppose	No

Comments: This will negatively affect my place of business as well as retailers in the State. I work for a wine and spirits wholesaler.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Vivian Luong	business	Support	No

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
eric hanano	youngs market company	Comments Only	No

Comments: . The increase in the glass tax will adversely affect our business and most of all the customer and the cost of our product! We have been paying the glass tax for years and they want to increase it but no one has done an audit or can tell the taxpayer where the money has gone. We asked for an audit before they move on such a bill

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
christa wittmier	young's market company of hawaii	Oppose	No

Comments: We have been paying taxes on glass already and now it will be raised - we need to see where the money we already have been paying has gone. We need an audit of these taxes before the tax is raised. This increase will hurt our business and our customers.

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
TERI PROCTOR	Individual	Comments Only	No

Comments: No Glass Tax

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Brandon Waihee	Individual	Comments Only	No

Comments: The increase in the glass tax will adversely affect our business and most of all customers and the cost of our product!

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Elizabeth Mello	Individual	Oppose	No

Comments: The State of Hawaii has got to stop nickel and diming the citizens of Hawaii. We are one of the most expensive states to live in and just because our government officials are not able to manage government functions efficiently, they have to go stop passing on wastefulness to tax paying citizens. How is our economy to be stimulated if more and more of our income is going to taxes? Before even considering increasing the fees, there needs to be an audit. I realize it'll probably cost the citizens hundreds of thousands to conduct the audit but the bleeding has got to stop somewhere.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Alan Murrell	Individual	Comments Only	No

Comments: I feel this is a very important issue and I am concerned about our environment. This is a bill that has potential to raise considerable abount of revenue for the State. The first and most important issue I have is this: How much has already been raised under the current format and Where has that money been spent. Has anyone done an audit to see where our funds have gone? If we have answers to these questions THEN we would know if there are short-falls in the system AND how much is needed to off set the budget. Maybe this proposed amount is not enough or is it too much? Give us details so we know if it should be supported or opposed, reduced or expanded beyond what is currently being asked for. What would the impact be if there was a 1 cent tax on EVERY glass container brought into the State of Hawaii? It does not matter - glass is glass and it all can be recycled - RIGHT???? AM

SB2931

Submitted on: 1/27/2014

Submitted By	Organization	Position	Present at Hearing
sean	Individual	Oppose	No

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Fujimoto	Individual	Comments Only	No

Comments: Aloha All; This increase in the glass tax will adversely affect our business and the majority of our customers. It will also adversely affect the cost of our product! We have been paying the glass tax for years and now they want to increase the glass tax? No one has done an audit or can tell us (the taxpayers) where the money has gone. We asked for an audit before they move on such a bill. Sincerely, Eric M. Fujimoto VP/Sales Manager-Kauai Branch Young's Market Company of Hawaii

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Mark Poynter	Individual	Oppose	No

Comments: I do not agree with this Glass Tax . it is hard enough for the small mom & pop's to go on . This tax will effect our independent retail stores in a negative way

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
David Stoesser	Individual	Oppose	No

Comments: This increase in the glass tax will adversely affect our business and the majority of our customers. It will also adversely affect the cost of our product! We have been paying the glass tax for years and now they want to increase the glass tax? No one has done an audit or can tell us (the taxpayers) where the money has gone. We asked for an audit before they move on such a bill.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Alika	Individual	Oppose	No

Comments: I request a monetary audit of the current tax and what the monetary "gain" with the new tax structure is expected to bring in. None of this information is noted or provided.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Shawn Douglass	Individual	Oppose	No

Comments: The increase in the glass tax will adversely affect our business as a beverage distributor and most of all the customer and the cost of our product! We have been paying the glass tax for years and they want to increase it but no one has done an audit or can tell the taxpayer where the money has gone. We ask for an audit before they move on such a bill.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Keli'i Heen	Individual	Oppose	No

Comments: I have worked in the food and beverage industry for my entire career and I feel as though this bill will adversely affect my livelihood. I know that many in my business cannot absorb any more additional taxation on our business that is already in a fragile state. Mahalo for your consideration.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Brent Johnston	Individual	Oppose	Yes

Comments: The increase in the glass tax will adversely affect our business and most of all the customer and the cost of our product! We have been paying the glass tax for years and they want to increase it but no one has done an audit or can tell the taxpayer where the money has gone. We asked for an audit before they move on such a bill.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Rebecca Spray	Individual	Oppose	No

Comments: The increase in the glass tax will adversely affect Business to raise prices. We have been paying the glass tax for years and now you want to increase it but no one has done an audit or can tell us the taxpayer where the money has gone. We ask for an audit before you pass this bill.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Eric Takiguchi	Individual	Oppose	No

Comments: Dear Legislators, I am submitting my testimony in opposition of SB2931, "RELATING TO RECYCLING". The proposed legislation calls for an increase of 2-3 times the existing fee in the most popular container sizes purchased by consumers. I understand that the purpose of the proposed disposal fee increase is to cover the cost of administering the program. However, I would like to see a breakdown of where the shortfall is occurring before I can support such a measure. The proposed legislation states that the current program is losing money, but does not address a large flaw with the current system. The state is losing money because it gives the counties more than is collected for the program of buying back used glass. The counties, in turn, are losing money due to the high cost of shipping the used glass overseas. Why raise the fee to support such irresponsible actions? Why not first look into ways of better utilizing the used glass here at home? The glass currently shipped out of state at a loss could be used in many ways. Two such uses are as aggregate materials for paving and construction, and landscaping products. Both of these could find widespread use here in the Islands. While these examples may not completely exhaust the quantity of used glass in Hawaii finding better, less costly uses for glass would reduce the existing deficit without having the result of increasing the cost to consumers. More taxes and fees are not a solution I can support. Respectfully, Eric Takiguchi

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Gary Inayoshi	Individual	Comments Only	No

Comments: Regarding bill SB2931, I Gary Inayoshi am against passing.

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
danny	Individual	Oppose	No

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Travis Kameoka	Individual	Comments Only	No

Comments: The increase in the glass tax will adversely affect our business and most of all the customer and the cost of our product! We have been paying the glass tax for years and they want to increase it but no one has done an audit or can tell the taxpayer where the money has gone. We asked for an audit before they move on such a bill.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
danielle kaneshiro	Individual	Oppose	No

SB2931

Submitted on: 1/27/2014

Submitted By	Organization	Testifier Position	Present at Hearing
Tod Clayton	Individual	Oppose	No

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Jeremy Sylva	Individual	Oppose	No

Comments: I oppose a raise in the glass tax due to the fact that there has not been an audit to breakdown how the past glass tax revenues had been distributed.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

	Submitted By	Organization	Testifier Position	Present at Hearing
ĺ	michael hubbard	Individual	Oppose	No

Comments: We have paid our glass tax this bill If pass would have an adverse affect of our industry and company

SB2931

Submitted on: 1/27/2014

Submitted By	Organization	Testifier Position	Present at Hearing
Wayne Agsalda	Individual	Oppose	No

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin P. Tsuji	Individual	Oppose	No

Comments: I oppose every aspect of this proposed bill for an act. There has not been any due dilligence on the part of the State as to the effectiveness of the existing tax as well as this new tax. The people of Hawaii have tolerated unjustified fees and taxes long enough. The implementation of this new tax will only serve to pass along increased cost of doing business here from the distribution level down the tretail consumer's increased net cost.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Jonathan Yamada	Individual	Oppose	No

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
hugh duncan	Individual	Oppose	No

Comments: Strongly oppose!!

SB2931

Submitted on: 1/27/2014

Submitted By	Organization	Testifier Position	Present at Hearing
Clint Lewi	Individual	Oppose	No

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Jared Sunada	Individual	Comments Only	No

Comments: The increase in the glass tax will adversely affect our business and most of all the customer and the cost of our product! We have been paying the glass tax for years and you want to increase it but no one has done an audit or can tell the taxpayer where the money has gone. We asked for an audit before they move on such a bill.

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Steven Ama	Individual	Oppose	No

Comments: I think the rates of 3 cents and 5 cents are much too high. The rate of increase is too high and will hurt businesses as far as adding more costs. If there are any rate increases, it should be more gradual over a longer period of time.

SB2931

Submitted on: 1/27/2014

Submitted By	Organization	Testifier Position	Present at Hearing
Huy Nguyen	Individual	Oppose	No

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Tracy Shito	Individual	Oppose	No

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing	
Ken	Individual	Oppose	No	

Comments: Please don't increase the tax more. It will really affect businesses and then on to the customers. I think an audit needs to be done. What has happened to the money collected over the years that have already been taxed?

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
jennie aguinaldo	Individual	Oppose	No

SB2931

Submitted on: 1/27/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Anthony Amaranto	Individual	Comments Only	No

Comments: No to Increase in Glass Tax Bill

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
brenton callihan	Individual	Oppose	No

Comments: I would like to see an audit done on where the funds have gone and are going.

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
David Gochros	Individual	Oppose	No

Comments: I strongly oppose this bill, as it will raise the cost of beverages to visitors and residents, who already are paying glass tax, liquor tax, sales tax, and other costs. No accounting has been provided to date to show how the existing tax has ben utilized.

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
cassandra esparza	Individual	Comments Only	No

Comments: I do not agree with an increase of fees.

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing	
Justin Fuentes	Individual	Comments Only	No	

Comments: I'm against this bill.

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
michael berube	Individual	Comments Only	No

Comments: I am against measure. I demand an audit be done to inform the public where current bottle tax revenue has gone

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
alexander tuttle	Individual	Oppose	No

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Sub	mitted By	Organization	Testifier Position	Present at Hearing
Piike	a Ah Quin	Individual	Oppose	No

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Ronna Ugalde	Individual	Oppose	No

Comments: Please consider the implications of increasing the glass tax. This added tax will affect businesses in Hawaii by driving prices up in already more difficult economic times. It will create hardships for small business, such as mom and pop stores by possibly driving prices up and as a result losing sales.

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Faith Nakamura	Individual	Comments Only	No

Comments: I oppose the glass tax.

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin	Individual	Oppose	No

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Glen Gaspar	Individual	Oppose	No

SB2931

Submitted on: 1/28/2014

Testimony for ENE on Jan 28, 2014 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Don Thompson	Individual	Comments Only	No

Comments: We do not need this extra tax. We already pay a glass tax, liq. tax etc. Where does the glass we have now go to? I've never seen any information haw this is being used. Thank You, don