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STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

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Testimony of
SUZANNE D. CASE
Chairperson

Before the Senate Committees on
AGRICULTURE AND ENVIRONMENT
and
PUBLIC SAFETY, INTERGOVERNMENTAL, AND MILITARY AFFAIRS

Wednesday, March 14, 2018

1:15 PM

State Capitol, Conference Room 224

In consideration of
HOUSE BILL 1800, HOUSE DRAFT 1
RELATING TO MOTOR VEHICLE TIRES

House Bill 1800, House Draft 1 proposes to authorize each county to establish a requirement for customers to provide an equal number of used motor vehicle tires to the tire retailers as the number of new motor vehicle tires purchased, or pay a fee that shall be refundable upon provision of the used tires. **The Department of Land and Natural Resources (Department) supports this measure and offers the following comments.**

Abandoned motor vehicle tires are unsightly and environmentally damaging when they are dumped in our forests, streams, and oceans. They can be particularly damaging to our reefs by causing repeated abrasion and impact. Tires are a prominent source of marine debris throughout the Hawaiian Islands. A recent statewide marine debris survey detected over 950 tires occurring on all eight of the main Hawaiian Islands. Additionally, the Department currently facilitates the Hawaii Mosquito Working Group. Water can accumulate in tires that are disposed of improperly making them an attractive breeding ground for mosquitos, which are vectors for infectious diseases.

However, when purchasing new vehicles that will be used for land management of areas including State Parks, Wildlife Sanctuaries, Game Management Areas, Forest Reserves, and Natural Area Reserves, it is common practice for the Department to replace stock tires with more appropriate off-road tires. Off-road tires improve the performance and safety of vehicles on unimproved roadways. This is likely the case for other agencies, organizations and/or private industries and individuals that replace tires that still have useful life on them, and sell or gift the

replaced tires for use on another vehicle. Insisting on an immediate trade-in would encourage disposal of tires with otherwise useful life on them. The Department therefore recommends that instances in which new tires are replacing usable tires be exempted from this requirement.

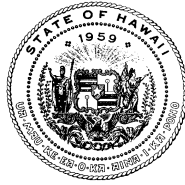
The Department suggests the following amendments (highlighted in grey) to account for situations in which usable tires are replaced by new tires:

"§342I- Used motor vehicle tires exchange; county authority. (a) Each county may require customers to provide an equal number of used motor vehicle tires to the tire retailer as the number of new motor vehicle tires purchased[-]; provided that customers replacing motor vehicle tires deemed to have useful life shall be exempt from this section. A county electing to establish this requirement shall do so by ordinance, including the option to establish a fee on new tires to be put into a fund to pay for return of used tires in any condition; provided that:

(5) Refundable fees retained by a tire retailer after thirty days in excess of the amount established by paragraph (4) shall be remitted to the county and deposited into a fund established by the county to receive revenues from the refundable fee and expended for used tire buy-back, management, cleanup, and disposal; and

A tire buy-back program similar to the bottle bill, where any person bringing in any tire would receive a small return, would encourage people to seek out and turn in abandoned tires.

Thank you for the opportunity to comment on this measure.



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Written Testimony
Only

**Testimony in SUPPORT of H.B. 1800 HD1
RELATING TO MOTOR VEHICLE TIRES**

SENATOR MIKE GABBARD, CHAIR
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

SENATOR CLARENCE K. NISHIHARA, CHAIR
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND
MILITARY AFFAIRS

Hearing Date: March 14, 2018
Time: 1:15 PM

Room Number: 224

- 1 **Fiscal Implications:** There are no fiscal impacts on state resources. Tire retailers and the
2 counties that choose to implement the program would experience increased administrative
3 responsibilities that may be offset by the revenue generated by the fee.
- 4 **Department Testimony:** This bill proposes to create a refundable fee on motor vehicle tires in
5 order to address the issue of illegally dumped used tires. The Department of Health supports this
6 bill.
- 7 The department recognizes that some consumers choose to hold on to their used motor
8 vehicle tires despite the charging of a non-refundable disposal fee when purchasing new tires.
9 This bill is an attempt to create further incentive for consumers to turn in their used tires when
10 purchasing new ones.
- 11 It is fitting that the bill gives counties the option of implementing the program as they are
12 responsible for disposing of illegally dumped tires.
- 13 Thank you for the opportunity to testify on this measure.



Brian Kitagawa, President
Dave Rolf, Executive Director

HADA TESTIMONY IN OPPOSITION
TO HB1800 HD1

RELATING TO MOTOR VEHICLE TIRES

Presented to the Senate Committee on Agriculture and Environment and the Senate Committee on Public Safety, Intergovernmental, and Military Affairs
At the Public Hearing, 1:15 p.m. Wednesday, March 14, 2018
Conference Room 415, Hawaii State Capitol

Chairs Gabbard and Nishihara, Vice Chairs Riviere and Wakai, and members of the committees:

This bill proposes to place an administrative burden on tire retailers, and a cost requirement on customers, but doesn't address tire disposal issues.

New car dealers have participated in scrap tire clean up programs and studies over the years, and have always encouraged proponents of any new legislation regarding such scrap tire clean-up or prevention policies **to show the scope and size of the problem** that needs to be addressed and **to be aware of problems that may occur as unintended consequences of any proposed policy**.

We **remain opposed** to this bill.

The bill assumes that improper tire disposal is caused by people who change their own tires. The bill provides an incentive for do-it-yourself (DIY) tire changers to bring in their old tires by requiring a refundable deposit. .

Changing a tire on a rim, however, is a strenuous task and few customers choose this method of replacing tires.

Rather they take their car into a retail operation to allow professional seervice providers to remove and replace (and dispose of) their tire(s). By state law, tire retailers may charge a disposal fee, and retailers are required to accept tires in the number equal to those being purchased.

Our previous testimony provided comments on the necessity to use the funding that is already collected from the tire disposal fee of \$1 assessed the wholesalers who imported tires and remitted the amounts collected to the State. The remaining amount in the Environmental Management Special Fund that can be used for scrap tire clean up is approximately \$300,000.

Additionally, we point to Hawaii's establishment, several years ago, of a Class C felony for the illegal disposal of scrap tires that should provide a significant deterrent when **aggressively enforced**.

In her testimony, Virginia Pressler, M.D., director of the State Department of Health, points out, however, that counties are responsible for disposing of illegally dumped tires.

Our discussions with officials on the island of Hawaii, revealed a significant “education of the public campaign” they are conducting, with regard to scrap tire disposal, that county officials hope will help with any improper disposal.

If counties require additional funding for this purpose, a fee mechanism is already in place for purposes like the disposal of derelict vehicles. It’s the Highway Beautification Fee which is assessed on each motor vehicle registration in the state. Each county assesses its own amount.

HADA dealers believe that this highway beautification fee is the proper fee mechanism for collection of fees to address derelict vehicles **and scrap tires**, although scrap tires, as far as we can determine, are not included in the current fee uses for the county funds collected for highway beautification.

Currently the counties collect the following “highway beautification fees” on more than 1 million vehicles which are registered in the state annually. HADA believes that since this fee mechanism is already in place for a similar pickup of illegally dumped vehicles that it could be expanded to apply also to scrap tire clean up, if indeed, such additional funding is required.

City and County of Honolulu	\$7 highway beautification fee per vehicle
County of Maui	\$10 highway beautification fee per vehicle
County of Kauai	\$5 highway beautification fee* per vehicle
County of Hawaii	\$1 highway beautification fee per vehicle

*a portion of which may be used for derelict vehicle removal and disposal.

We’ve requested information from the City and County of Honolulu about the status of their Highway Beautification Fund. We hope they will be able to confirm the data we retrieved. The most recent data we have been able to obtain shows the total revenue from the fees was \$4,635,910 in FY 2017. The total expenditures for FY2017 were \$710,790.

For a surplus of \$3,924,120, by our calculations. Please see the attached charts showing the highway beautification fund revenues and surplus in Honolulu.

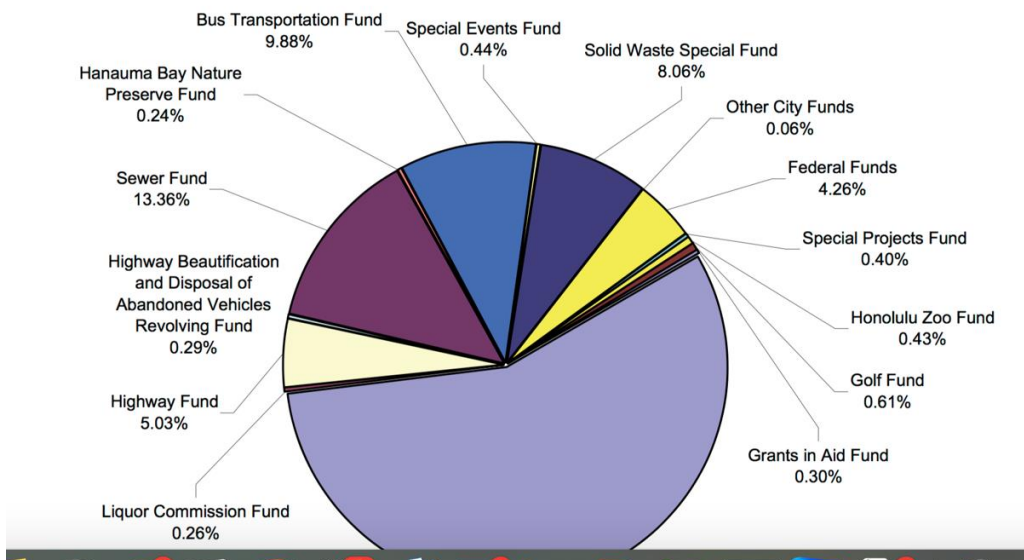
Detailed Statement of Revenues and Surplus

Highway Beautification Fund (130)

The Highway Beautification and Disposal of Abandoned Vehicles Revolving Fund accounts for receipts (\$7.00 per vehicle) collected for each certificate of registration. These monies are expended primarily for the beautification of highways under the jurisdiction of the City and the disposition of abandoned vehicles.

Source of Receipts	FY 2016 Actual	FY 2017 Estimate	FY 2018 Estimated
Charges for Services			
Hwy Beautification Fees	\$ 4,539,233	\$ 4,635,910	\$ 4,635,910
Total — Charges for Services	\$ 4,539,233	\$ 4,635,910	\$ 4,635,910
Miscellaneous Revenues			
Vacation Accum Deposits	\$ 23,490	\$ 0	\$ 0
Total — Miscellaneous Revenues	\$ 23,490	\$ 0	\$ 0
Unreserved Fund Balance	\$ 9,865,201	\$ 9,896,560	\$ 9,119,720
Interfund Transfer	\$ (277,100)	\$ (264,000)	\$ (355,700)
Total — Highway Beautification Fund	\$ 14,150,824	\$ 14,268,470	\$ 13,399,930

(\$2.451 Billion)



A significant surplus is shown in Honolulu in the Highway Beautification Fund, at \$7 per vehicle.

The \$1 per vehicle charged in Hilo, however, may be insufficient. But we believe the beautification fund is the proper mechanism for collecting money for the purpose of disposing of illegally dumped tires.

Finally, It is counterproductive to create additional unproven programs which have administrative burdens on retailers. These retailers already collect fees from tire customers for the proper disposal of scrap tires.

For the above reasons, while we always remain open to working on this, we oppose HB1800 HD1 and ask that the measure be held.

Respectfully submitted,

David H. Rolf

For the Members of the Hawaii Automobile Dealers Association



SIERRA CLUB OF HAWAI'I
MĀLAMA I KA HONUA. *Cherish the Earth.*

SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, & MILITARY AFFAIRS

Wednesday, March 14, 2018 1:15PM Conference Room 224

In SUPPORT of HB 1800 HD1 Relating to motor vehicle tires

Aloha Chairs Gabbard and Nishihara, Vice Chairs Riviere and Wakai, and members of the Committees,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i, a member of the Common Good Coalition, **supports HB 1800 HD1**, which seeks to authorize counties to establish a requirement for customers to exchange the equal number of used tires to the tire retailer as they are purchasing, or pay a fee to compensate for the missing tires. The bill also creates a fund for authorities to clean up improperly disposed of used tires.

The Sierra Club of Hawai'i, dedicated to exploring, enjoying, and protecting these unique and beautiful islands we call home, have engaged in decades-long efforts to keep valuable public areas free of pollution from plastics and other waste. This measure will effectively reduce tire waste, a huge problem in many areas around Hawai'i, which can have negative effects on human health and safety, as well as the environment. This measure would increase tire recycling, which would decrease negative impacts such as the spread of mosquito borne illness, unsightly litter when improperly disposed of, and reduce fire hazards.

We are committed to supporting efforts seeking to reduce waste, litter, and pollution across the islands. HB 1800 HD1 contributes to these efforts. This is a common sense measure, which the Sierra Club of Hawai'i supports in full.

Thank you very much for this opportunity to provide testimony on this important issue.

HB-1800-HD-1

Submitted on: 3/13/2018 11:18:45 AM

Testimony for AEN on 3/14/2018 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

HB-1800-HD-1

Submitted on: 3/9/2018 10:32:07 PM

Testimony for AEN on 3/14/2018 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
janice palma-glennie	Individual	Support	No

Comments:

HB-1800-HD-1

Submitted on: 3/13/2018 9:12:48 AM

Testimony for AEN on 3/14/2018 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jennifer Milholen	Individual	Support	No

Comments:

HB-1800-HD-1

Submitted on: 3/13/2018 10:07:30 AM

Testimony for AEN on 3/14/2018 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
chris c.	Individual	Oppose	No

Comments:

This bill is merely an attempt to relieve the State of Hawai'i Department of Health of their statutorily (HRS 342I-29 & 33) required responsibility to manage illegal dumping of used tires and transfer that burden to the Counties with no guarantee of funding to implement it. Whatever happened to the recommendations of the Task Force (Act 271 - 2012) established to study ways to prevent or control the problem of abandoned tires? Reinstate the import surcharge so that DOH has the funding to control illegal tire dumping. How about law enforcement making illegal dumps a priority?