

Friday, February 10, 2017  
1:15 p.m.

**LATE**

State Capitol  
415 South Beretania Street  
Conference Room 224  
Honolulu, Hawaii 96813

**Subject: Testimony in support of SB 301 relating to recycling.**

Dear Chair Baker, Chair Gabbard, and Committee Members,

My name is Sally Maddock and I am a resident of Honolulu in Senate District 10. I am providing testimony in support of SB 301. Like many Hawaii residents, it is important to me to be a responsible consumer and steward of our environment. I don't live in an area of automated waste collection, so I devote a sizable area in our kitchen to collecting cans and HI-5 glass for recycling that I take to triple R on my free time. I go out of my way to find vendors that will properly dispose of my CFL bulbs (Home Depot, not Lowes), batteries (Best Buy), cardboard (Honolulu Recovery Systems on Sand Island) and the like. I have even taken on the unglamorous project of vermicomposting. But when it comes to the everyday item of Advance Disposal Fee (ADF) glass (wine bottles and other non-hi-5 glass), I have no disposal option that agrees with my moral sense of responsibility to our land and natural resources.

Due to the current lack of mainstream ADF container recycling options on Oahu and rules against stockpiling, the vast majority of these non-hi5 bottles are thrown in the trash. If they don't make it into the trash, no enterprising shopping cart recyclers will pick them up because they hold no value, so they just become litter. If they do make it into the trash, they go through the H-POWER plant and then the melted glass continues on to the Waimanalo Gulch Sanitary Landfill<sup>1</sup>. According to the EPA's Waste Reduction Model, "Glass ... cannot be combusted, and instead absorbs a small amount of heat during MSW combustion that could otherwise be recovered and used to produce electricity."<sup>2</sup> From this statement we can assume that removing ADF glass from the waste stream would actually increase the efficiency of the H-POWER plant. Furthermore, processing the glass through the H-POWER plant does not decrease the tonnage returning to the landfill.

The Waimanalo Gulch Sanitary Landfill is the only landfill on the island of Oahu that accepts normal household waste. It is a finite resource that represents a large financial and ecological cost to our island and its residents. The vast majority of Oahu land is unsuitable for landfill development due to groundwater protection zones and underground

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<sup>1</sup> Department of Environmental Services, *How the City Manages Our Waste*.  
[http://www.opala.org/solid\\_waste/archive/How\\_our\\_City\\_manages\\_our\\_waste.html](http://www.opala.org/solid_waste/archive/How_our_City_manages_our_waste.html)

<sup>2</sup> Source: EPA's Waste Reduction Model (WARM) Version 13, Page 9, March 2015.  
<https://www3.epa.gov/warm/pdfs/Glass.pdf>

injection control zones.<sup>3</sup> Once we outgrow this landfill, our options for trash disposal will be limited, and will come at a high cost and potential health risk to residents. According to studies on the Waimanalo Gulch Sanitary Landfill, “There are no alternative technologies that are currently proven or feasible that can completely eliminate the need for a municipal sanitary landfill in the City & County of Honolulu.”<sup>4</sup> While the long term challenges of addressing this critical landfill issue are the subject of a different discussion, the potential impact of diverting Honolulu’s ADF glass should be considered as a means of extending the life of the existing landfill.

The City and County of Honolulu (CCH) cannot act on this important issue without the State’s help. The current 1.5-cent per bottle Advance Disposal Fee, instituted circa 1996, has never been increased since its inception, and is inadequate to subsidize private recycling of ADF glass. Per my discussion with the CCH’s Recycling Branch Chief, the entire portion of the ADF administered by the state to the CCH, and some CCH monies, are exhausted just to fund recycling of ADF bottles collected through curbside recycling in the automated trash collection areas. CCH operated its general ADF recycling program using a surplus fund until the account was emptied in the summer of 2014 and the program was abruptly cancelled. At that time, the legislature requested the State Auditor to review the ADF program and review alternatives to shipping glass containers out of state for recycling. Those reports were concluded in December 2014 and the one-page summaries of both documents are appended to this testimony for easy reference<sup>56</sup>. Now, more than two years later, I appeal to the Legislature to immediately adopt the recommendations of these reports through SB 301.

The lack of responsible disposal options for ADF glass represents an ethical dilemma for many Oahu residents and proprietors of food and beverage establishments. I encourage you to pass this bill with the timeline proposed in the initial draft, as well as consider adding some language requiring private recyclers receiving hi-5 subsidies to offer some form of ADF glass recycling at cost to private citizens willing to pay in the interim.

Thank you for the opportunity to testify on this measure.

Sincerely,

Sally Maddock

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<sup>3</sup> Source: *Environmental Impact Statement Preparation Notice: Waimanalo Gulch Sanitary Landfill Expansion*, November 2006, Figure 4-3.

[http://www.opala.org/solid\\_waste/pdfs/Waimanalo%20Gulch%20EISPN.pdf](http://www.opala.org/solid_waste/pdfs/Waimanalo%20Gulch%20EISPN.pdf)

<sup>4</sup> Source: *Environmental Impact Statement Preparation Notice: Waimanalo Gulch Sanitary Landfill Expansion*, November 2006, page 6-4.

[http://www.opala.org/solid\\_waste/pdfs/Waimanalo%20Gulch%20EISPN.pdf](http://www.opala.org/solid_waste/pdfs/Waimanalo%20Gulch%20EISPN.pdf)

<sup>5</sup> *Program Audit Report*, December 14, 2014. <http://files.hawaii.gov/auditor/Reports/2014/14-16.pdf>

<sup>6</sup> *A Study to Identify Local Alternatives to Shipping Non-Deposit Glass out of the State of Hawaii*, December 14, 2014. <http://files.hawaii.gov/auditor/Reports/2014/14-17.pdf>



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**"...the State's role under the law is basically limited to collecting funds and then pass [sic] them along to the counties."**

**— Deputy Director of Environmental Health, Department of Health**

Recommendations

Responses

Prior Studies

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# Audit of the Department of Health's Glass Advance Disposal Fee Program

Report No. 14-16, December 2014

## *Health department is not committed to administering the non-deposit glass fee*

Senate Concurrent Resolution No. 74, Senate Draft 1, House Draft 1, of the 2014 Legislature asked the Auditor to perform an audit of the Department of Health's glass advance disposal fee (ADF) program. It also requested that we examine local alternatives to shipping glass containers out of state for recycling.

## **Law lacks guidance on state solid waste disposal goals, and the department has not sought corrective actions**

In this, the first of two reports, we found the state's solid waste disposal goals are outdated and the glass ADF program lacks performance goals that are tied to a clear mission. As a result, it is unclear what the glass ADF program is supposed to accomplish and how to measure its progress. The department has contributed to these ambiguities by not establishing ADF program goals, or adopting additional ADF program guidance through rule-making—basic administrative responsibilities. Without a clear baseline from which to judge the ADF program's performance, the Legislature cannot make an accurate assessment of the appropriateness of the ADF rate.

By law, the ADF is to provide funding for county glass recovery programs and contribute to the achievement of the State's solid waste reduction goals. However, the law is unclear and outdated, and administrative rules to clarify this discrepancy are missing. The basis for establishing the original ADF rate is unknown; the original statutory goals for the ADF program were later removed from statute and the department has not adopted administrative rules to fill the gap. To make informed decisions about whether to amend the glass ADF law or adjust the ADF rate, the Legislature needs accurate and complete information about the glass ADF program's performance. To properly plan and budget for their annual glass recycling programs, counties need accurate and consistent estimates of their annual ADF allocations. The department has not provided either of these things.

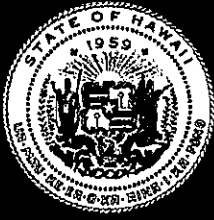
## **Department administers the glass ADF as a pass-through fund**

We found the department views its role for the glass ADF as limited to collecting funds and passing them along to counties. This approach may explain a number of shortcomings we found in the department's administration of the glass ADF, particularly regarding overseeing costs and compliance with state laws. The department's administration of the glass ADF program is lax: it does not verify costs, was unaware of the use of some of its ADF funds, allowed counties to overspend their allocations, and has not dedicated resources to administering the program. The department also circumvented key ADF laws by allowing counties to retain unspent ADF funds, and is providing funds to one county despite its having no buyback program as required by law.

The department does not verify or require supporting documentation for the costs claimed by counties and recyclers, so is unable to determine why incentive rates to recyclers vary from county to county. Lack of documentation identifying and verifying costs also limits the department's ability to assess whether the ADF rate adequately covers costs for county glass recycling programs or whether the rate should be adjusted. The department's perspective that it merely collects and distributes ADF funds to the counties does not exempt it from complying with state laws governing the glass ADF. The department knowingly did not enforce the ADF law and, in fact, took actions to avoid compliance with it. Some counties were permitted to use unspent ADF moneys instead of following the law by returning unused funds to the State. The department also changed its method of payment to the counties to avoid compliance with this statutory provision. The department has also been providing ADF funds to Kaua'i County despite the fact that it does not have a buyback program.

## **Agency response**

The Department of Health suggested minor technical changes to our report but generally agreed with our findings and recommendations.



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#### Recyclable Materials Market Value in California

Material	Market Value
Glass	\$2.76 ton
Aluminum	\$1,720 per ton
#1 PET plastic	\$395 per ton
#2 HDPE plastic	\$464 per ton

#### Recommendations

For the full text of this and  
other reports, visit our website:  
<http://auditor.hawaii.gov/>

# A Study to Identify Local Alternatives to Shipping Non-Deposit Glass out of the State of Hawai'i

Report No. 14-17, December 2014

## *Combination of alternatives are needed to down-cycle a significant volume of glass in Hawai'i*

Senate Concurrent Resolution No. 74 of the 2014 Legislature asked the Auditor to examine local alternatives to shipping non-deposit glass containers out of the State for recycling. We contracted with Oceanit Laboratories, Inc., to conduct the study. In this, the second of two reports, the study found there is no one single alternative option that would remove all or most non-deposit glass from the waste stream in Hawai'i. The study emphasizes that glass is a low-value commodity which makes nearly every option—including recycling, down-cycling, or disposing glass in a landfill—costly to implement.

## **There are many local uses for glass, but all require varying levels of support**

The report identifies several opportunities for large volume down-cycling uses in Hawai'i. *Down-cycling* is the process of converting waste glass into new materials or products of lesser quality and reduced functionality. *Recycling* means to melt the glass containers and make them into another glass product. Using criteria such as cost, potential demand, health and safety, environmental impacts, and industry or public resistance, the study identified and assessed nearly a dozen alternative local uses of down-cycling glass. These options include using glass for non-structural backfill, agricultural soil amendment and ground cover, traction and mud abatement, and filtration media. The study also categorized alternatives by those that would be the simplest to implement; those that represent the highest value; and those that would produce the best long-term results. The report notes that a combination of these down-cycling alternatives is necessary to produce notable results due to industrial and market fluctuations.

## **Policies have created barriers to local uses for post-consumer glass**

The study found the interaction between the advance disposal fee (ADF) and the deposit beverage container (DBC) programs creates inefficiencies in the recycling or down-cycling of glass. Both programs involve the same commodity but create two categories of glass that are subject to different rules and policies. This also increases costs as the glass must be separated manually to identify glass that falls under each program. Further, space is limited for recyclers, so it is more efficient for some counties and recyclers to treat both DBC and ADF glass the same and ship it all to the mainland for recycling.

The study also found that current laws are ambiguous on whether the State prefers to down-cycle or recycle. For example, the Department of Health promulgated a draft policy to help regulate the recycling of DBC and ADF glass. However, the department contends the policy does not necessarily apply to ADF glass which creates confusion for the counties and recyclers. Further, the study states while counties and recyclers believe they are not allowed to stockpile glass due to onerous regulatory restrictions, the department claims its glass policy does not restrict glass stockpiling.

In order to provide clarity to stakeholders regarding what is permissible regarding both DBC and ADF glass, the study suggests the department update and finalize its 2008 policy on glass recycling. The study recommends the policy, which currently encourages recycling over down-cycling, should equally emphasize both methods. Other areas the policy should be updated include glass stockpiling, listing approved down-cycling options, and increasing the recovery rate for ADF glass containers to roughly the same redemption rate achieved by the DBC program.