

# SB3099

**Measure Title:** RELATING TO SOLID WASTE MANAGEMENT.

**Report Title:** Deposit Beverage Container Program; Benchmarks; Plastics Recycling Grant Program; Advance Disposal Fee Program; Reporting Requirements; Positions; Appropriation (\$)

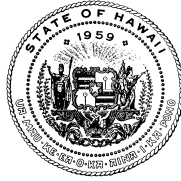
**Description:** Requires the department of health to set benchmarks to reach an eighty-five per cent redemption rate by 2023. Establishes and appropriates funds for a plastics recycling grant program to identify Hawaii-based alternatives for the sustainable recycling and reuse of plastic commodities. Requires the department of health to annually report to the legislature on redemption rates, progress, and plans regarding the deposit beverage container program. Appropriates funds to establish two positions for the glass advance disposal fee program.

**Companion:** [HB2726](#)

**Package:** None

**Current Referral:** CPH/AEN, WAM

**Introducer(s):** TOKUDA, BAKER, ENGLISH, KEITH-AGARAN, K. RHOADS, S. Chang, Galuteria, Ihara, Riviere



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P. O. Box 3378  
Honolulu, HI 96801-3378  
doh.testimony@doh.hawaii.gov

WRITTEN  
TESTIMONY ONLY

**Testimony COMMENTING on SB3099  
RELATING TO SOLID WASTE MANAGEMENT**

SENATOR ROSALYN H. BAKER, CHAIR  
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

SENATOR MIKE GABBARD, CHAIR  
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT

Hearing Date: February 12, 2018  
Time: 1:15 pm

Room Number: 224

1 **Fiscal Implications:** The measure has appropriations of \$3 million general funds for the plastics  
2 recycling grant program and \$169,466 for new positions to support the Glass Advance Disposal Fee  
3 program.

4 **Department Testimony:** The Department of Health (Department) supports the intent of the bill,  
5 but defers to the Governor's Supplemental Budget Request for appropriation and personnel  
6 priorities. The Department would like to offer the following comments for further consideration.

7 **Offered Comments:**

8 (1) Hawaii's Deposit Beverage Container (DBC) Program achieved a redemption rate high of  
9 seventy-seven percent in fiscal year 2012 that declined to an average of sixty-six percent over  
10 the last three fiscal years (FY15,16,17). While the decline is concerning, the establishment of  
11 benchmarks without a clear understanding of the causes of the decline is unlikely to result in  
12 higher redemption rates. The Department is performing studies that may help with the  
13 identification of beneficial benchmarks and actions to increase the redemption rate.

14 (2) The scope of the proposed \$3 million plastic recycling grant program is unclear. While the  
15 development of an in-state "closed loop system" for plastics (e.g., manufacture, recycle,  
16 re-manufacture or re-use) appears to make sense, we are not aware of any legitimate  
17 assessments of the economic or environmental feasibility of such systems, thus the Department

1 believes that planning to determine a) which plastics would be included in the program,  
2 b) which existing statutes might be implicated, and c) an operational plan for administering the  
3 program is necessary prior to implementation. The Department would also like to convey that  
4 Hawaii Certified Redemption Centers mitigated the global effects of China's increased  
5 selectivity of scrap imports (not a "ban") by establishing agreements to ship their plastic DBCs  
6 to end users in other countries. Importantly, DBC plastic scrap was not one of the plastic scrap  
7 materials restricted for import into China.

8 (3) The Department annually reports the DBC Program redemption rates and activities in the Office  
9 of Solid Waste Management Report to the legislature.

10 Thank you for the opportunity to testify on this measure.

**SB-3099**

Submitted on: 2/9/2018 1:01:42 PM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

**PRESENTATION OF THE  
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES  
DEMOCRATIC PARTY OF HAWAII  
TO THE COMMITTEE ON TRANSPORTATION AND ENERGY  
AND  
COMMITTEE ON AGRICULTURE AND ENVIRONMENT  
THE SENATE  
TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018  
Friday, February 12, 2018  
1:15 p.m.**

Hawaii State Capitol, Conference Room 224

**RE: Testimony in Support** of SB 3099, RELATING TO SOLID WASTE MANAGEMENT

To the Honorable Rosalyn H. Baker, Chair; the Honorable Jill N. Tokuda, Vice-Chair and Members of the Committee on Commerce, Consumer Protection, and Health:

To the Honorable Mike Gabbard, Chair; the Honorable Gil Riviere, Vice-Chair and the Members of the Committee on Agriculture and Environment

Good afternoon, my name is Melodie Aduja. I serve as Chair of the Oahu County Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on Senate Bill No. 3099, relating to the Deposit Beverage Container Program; Plastics Recycling Grant Program; and Advance Disposal Fee Program.

The OCC Legislative Priorities Committee is in favor of Senate Bill No. 3099 and support its passage.

Senate Bill No. 3099 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it (1) requires the department of health to set benchmarks to reach an eighty-five percent redemption rate by 2023, (2) establishes and appropriates funds for a plastics recycling grant program to identify Hawaii-based alternatives for the sustainable recycling and reuse of plastic commodities, (3) requires the department of health to annually report to the legislature on redemption rates, progress, and plans regarding the deposit beverage container program, and (4) appropriates funds to establish two positions for the glass advance disposal fee program.

The DPH Platform states that "[w]e believe in supporting best management practices in sustaining our environment and in increased citizen involvement. We support programs that encourage sustaining clean, efficient, creative and environmentally friend modes of transportation, recycling, and waste management. (Platform of the DPH, P. 9, Lines 452-456 (2016)).

Given that Senate Bill No. 3099 pertains to the Deposit Beverage Container Program; Plastics Recycling Grant Program; and Advance Disposal Fee Program, and achieving certain benchmarks by 2023, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

**/s/ Melodie Aduja**

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: [legislativepriorities@gmail.com](mailto:legislativepriorities@gmail.com), Tel.: (808) 258-8889



*February 12, 2018*

The Honorable Rosalyn Baker, Chair  
The Honorable Jill Tokuda, Vice Chair  
Senate Committee on Commerce, Consumer Protection and Health

The Honorable Mike Gabbard, Chair  
The Honorable Gil Riviere, Vice Chair  
Senate Committee on Agriculture and Environment

State Capitol  
415 South Beretania Street  
Honolulu, HI 96813

### **Testimony in Support of SB 3099**

Dear Chairs Baker & Gabbard, Vice Chairs Tokuda & Riviere:

On behalf of the Glass Packaging Institute (GPI), I am pleased to offer the following testimony **in support of Senate Bill 3099, which would create an 85% recycling rate benchmark by 2023.**

GPI is the North American trade association for the glass container manufacturers, glass recyclers, and suppliers of materials, equipment and transport to the industry. Our member companies produce the vast majority of US food and beverage glass containers purchased in grocery stores and retail outlets. Collectively, the industry directly employs 18,000 Americans in glass container manufacturing and related recycling industries in throughout the country.

GPI member companies purchase glass containers collected from Hawaii's bottle bill recycling program, which are re-melted to make new bottles and jars for food and beverages. Glass containers secured through Hawaii and the nine other states with bottle bill programs are of high quality, destined for manufacturing end markets including glass container manufacturing plants, as well as for use in fiberglass insulation.

The 85% benchmark would help improve Hawaii's beverage container recycling rate, which is down from nearly 80% in 2009, to 65% in 2017. This lower

recovery rate is similar to other states with a 5-cent deposit, an amount that has eroded in value due to inflation.

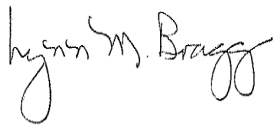
Oregon faced beverage container redemption rate declines similar to Hawaii's. As a result, in 2011, the legislature approved a bill that increased the value of the deposit to 10-cents per container, should the recovery rate not reach 80% by 2015.

Oregon's deposit increase (to 10-cents per covered container) went into effect in April of 2017. We believe that the 5-cent per container increase will significantly improve the recovery rate, however those numbers are not yet published. Hawaii may want to consider a similar approach, should the legislature find an increase in the deposit would incentivize higher recovery rates for the bottle bill program.

Higher redemption rates can help lower overall recycling costs, particularly for glass. The more beverage containers that can be collected through the deposit program, the more cities and towns save in local management costs (as these containers would not need to be sorted and processed through traditional curbside, single-stream collection). In addition to reducing contamination rates for curbside recyclables, less material would be destined for landfill disposal.

Thank you for your consideration of our testimony to Senate Bill 3099.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Bragg". The signature is written in a cursive style with a large, looped "L" and "B".

Lynn M. Bragg  
President



# SIERRA CLUB OF HAWAI'I

**MĀLAMA I KA HONUA. Cherish the Earth.**

**SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION & HEALTH**

**SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT**

Monday, February 12, 2018 1:15PM Room 224

**In SUPPORT of SB 3099** Relating to solid waste management

---

Aloha Chairs Baker and Gabbard, Vice Chairs Tokuda and Riviere 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, **strongly supports SB 3099**, which requires the Department of Health (DOH) to set benchmarks to reach an eighty-five percent redemption rate by 2023. The bill establishes and appropriates funds for a plastics recycling grant program to identify Hawai'i-based alternatives for the sustainable recycling and reuse of plastic commodities. It also requires the DOH to annually report to the legislature on redemption rates, progress, and plans regarding the deposit beverage container program, as well as to appropriate funds to establish two positions for the glass advance disposal fee program.

The Sierra Club of Hawai'i is committed to supporting efforts seeking to reduce waste and consumption across the islands, that initiate on-island recycling and processing, and that explore innovative ways to upcycle and reuse various waste materials, notably plastics. The above efforts reduce the volume of waste being sent to H-POWER, which is inefficient when burning water-saturated food waste and creates pollution when burning plastic<sup>12</sup>. Our communities have come so far in their support for recycling programs, and *we should continue moving toward a zero waste Hawai'i in a way that is clean, efficient, and causes minimal harm to the environment.*

---

<sup>1</sup> <http://www.kanuhawaii.org/story/?id=1321565150464636>

<sup>2</sup> <http://www.climatecentral.org/news/community-activists-rally-against-proposed-trash-incinerator-15605>



For over a decade, China has been importing a majority of the United States' plastic scrap, including Hawai'i. However, in July of 2017, China announced that it will effectively ban imports on twenty-four types of scrap<sup>3</sup>. This decision has impacted the recycling stream for Hawai'i, requiring us to innovate and appropriate funds to find local alternatives to plastics recycling in the market. In order to mitigate future problems with exporting waste, and to avoid overflowing our landfills, Hawai'i must move forward in appropriating the time and funds for identifying sustainable recycling and reuse of plastics on-island. Continuing to rely on other countries for our recycling production is costly to both our economy and the ecosystem, with high spending and carbon dioxide emissions from land and ocean collection and transportation. By creating a market on-island for recycling, we can be innovative with upcycling and plastic reduction standards.

Currently, there are many gaps between public recycling knowledge and the actual recycling system on the island. Sometimes it can be confusing which bottles can go to HI-5, and which are for the deposit beverage program<sup>4</sup>. The redemption rate of the deposit beverage container program is 67 percent, down from 78.7 percent in 2009. Although the rate has shown to be decreasing, the efforts and habits of the general public have been consistent and supportive. Many homes and apartment buildings, as well as hotels do not have a convenient option to recycle. The increased recycling pick up fees have decreased the efforts and motivation to recycle, although the habit is still in place. This recycling system has been in place for a number of years, growing to educate the public on recycling, reuse, and the source reduction of plastic. Further efforts in education and site pickup need to be taken to increase the redemption rate to 85 percent and ensure that less plastic is being deposited in landfills and the ocean.

SB 3099 will require the DOH to annually report to the legislature on redemption rates, progress, and plans regarding the deposit beverage container program, in addition to appropriating funds for two positions in the glass advance disposal fee program. Both programs are crucial to the efficiency of recycling in Hawai'i, and will continue to encourage the public to recycle. It is important for the general public as well as the department to be tracking and benchmarking the deposit beverage container program in order to increase performance and identify gaps between purchase and return.

The recycling program has only just begun through the islands, and with SB 3099, we can take measures to the next level with innovative and efficient ways to reduce plastic consumption, as well as to upcycle used plastics for further reuse. The waste

---

<sup>3</sup> <https://www.nytimes.com/2018/01/11/world/china-recyclables-ban.html>

<sup>4</sup> <http://health.hawaii.gov/hi5/>

stream cutoff from China has given Hawai'i an opportunity to showcase sustainability with on-island source reduction and efficient recycling methods.

*We urge the committees to pass this measure*, which will serve our collective efforts to keep Hawai'i's land, freshwater bodies, and oceans free of plastic pollution and other waste.

Thank you for the opportunity to testify **in strong support of SB 3099**.



4361 Keystone Ave. • Culver City, CA 90232  
Telephone (310) 559-7451 • Fax (888) 839-3857  
[www.container-recycling.org](http://www.container-recycling.org)  
[www.bottlebill.org](http://www.bottlebill.org)

February 6, 2018

Dear Senators Baker, Tokuda, Gabbard, and Riviere,

The Container Recycling Institute supports House Bill 2726 - Relating to Solid Waste Management, and companion Senate Bill 3099 - Relating to Solid Waste Management.

These bills set a benchmark for achieving an 85% recycling rate by 2023. Hawaii's beverage container recycling rate has been in decline: the 2016 rate was 68%, down from a high of 78.7% in FY2009. The FY17 rate was lower still: 65%. These rates are consistent with rates in other U.S. states with a nickel deposit—an amount that has been eroding in real value due to inflation, and that no longer acts as the powerful incentive it once did. In Michigan, where the deposit is a dime, the 2016 redemption rate was 92%.

Our only suggestion for improving these bills would be to amend them such that actionable consequences to be tied to a failure to achieve the 85% recycling rate. The State of Oregon, facing redemption rate declines similar to those in Hawaii, adopted a measure in 2011 (HB 3145) to raise the deposit to a dime if the recycling rate fell below 80% for two consecutive years. When this condition was met, the dime deposit automatically became effective on April 1, 2017. Redemption rates reflecting the higher deposit level are not available yet, but increases are expected.

Achieving higher redemption rates is desirable for multiple reasons:

- 1) **Lowers taxpayer cost:** an industry-managed recycling system relieves cities of the financial burden of collection and processing via curbside recycling. The more beverage material—especially heavy glass bottles—that is managed through the deposit system, the more cities and towns save in local management costs.
- 2) **Reduces the amount of plastic and glass being landfilled in Hawaii,** where land is scarce and freshwater resources are precious.
- 3) **Less litter in and on roadways, parks, streams, and beaches** means lower litter abatement costs for public works departments, and better aesthetics for people to enjoy.
- 4) **Protecting marine life:** Less litter means less marine debris that threatens wildlife, which is very important to both locals and the tourists that drive Hawaii's economy.
- 5) **Plastic loads** from curbside programs may be rejected due to new scrap import policies in China, making clean deposit PET plastic more marketable and therefore more valuable.

The bill's other objectives of establishing funding mechanisms for a plastics recycling grant program to find or establish local markets for plastic, and for a glass advance disposal fee program, are also valuable because they will help help alleviate the potential problem of contaminated material piling up with no market outlet. Both economic and environmental goals will be enhanced by higher redemption rates, and by programs that encourage more plastic and glass recycling.

Sincerely,

A handwritten signature in black ink that reads 'Susan Collins'.

Susan Collins

President and Executive Director, Container Recycling Institute

**About the Container Recycling Institute:** CRI is a nonprofit organization and a leading authority on the economic and environmental impacts of beverage containers and other consumer-product packaging.

**SB-3099**

Submitted on: 2/11/2018 3:51:12 PM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Carlton York		Support	No

Comments:

Strong support Time to end the endless plastic ending up in the waste stream , and bring more conciousness to how we manage waste !

**SB-3099**

Submitted on: 2/11/2018 7:21:44 PM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
ryan christopher		Support	No

Comments:

The trash situation on our islands is a serious problem. Every step needs to be taken to recycle and reuse as much as possible. Our children are going to have to deal with our trash and waste long after we are gone. Lets put them ahead of what is easy to do. Lets make the right choice even though it is the hard choice sometimes.

Mahalo.

**SB-3099**

Submitted on: 2/10/2018 7:27:08 PM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
laura Ramirez		Support	No

Comments:

**SB-3099**

Submitted on: 2/9/2018 8:32:57 AM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
DONNIE BECKER		Support	No

Comments:

**SB-3099**

Submitted on: 2/12/2018 9:23:29 AM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Angela Huntemer		Support	No

Comments:

Recycling in our islands is a must. Please support this bill. There also needs to be a policy focus on REDUCE, REUSE and REFUSE.



**SB-3099**

Submitted on: 2/12/2018 9:26:42 AM

Testimony for CPH on 2/12/2018 1:15:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Mary Whispering Wind	Patients Without Time	Support	No

Comments:

I SUPPORT HB3099,

Please protect our environment. Organic natural agriculture, without toxic contamination of our food and environment is necessary to protect the health, safety, and economic future of Hawaii's citizens.

Mahalo for your concerned consideration,

Mary Whispering Wind  
PWT Maui, volunteer