LINDA LINGLE GOVERNOR OF HAWAII

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P.O. Box 3378 HONOLULU, HAWAII 96801-3378 In reply, please refer to:

COMMITTEE ON FINANCE

S.B. 651, S.D. 2, H.D.2 PROPOSED RELATING TO RECYCLING

Testimony of Chiyome Leinaala Fukino, M.D. Director of Health

April 1, 2008 2:00 pm

1 **Department's Position:** The Department of Health (DOH) appreciates the intent but offers concerns about mandating this requirement on business. 2 Fiscal Implications: DOH estimates that the additional resources needed to plan, coordinate and 3 implement this new regulatory program would total approximately \$200,000, including 2.5 FTEs. 4 Purpose and Justification: As amended, this bill would give businesses an opportunity to reduce waste 5 and, in general, protect the environment, from the impacts resulting from providing their customers with 6 non-biodegradable plastic checkout bags. Specifically, the bill provides the following: 7 (1) Establishes the Plastic Carryout Bag Recycling Program (Program); 8 (2) Limits the Program to stores: 9 (A) with over 10,000 square feet of retail space and a pharmacy; or 10 (B) that are full-line, self-service retail stores with gross annual sales of \$2,000,000 or 11 more, which sell lines of dry groceries, canned goods, nonfood items, and perishable 12 goods; 13

(3) Requires qualifying stores to establish an at-store recycling program for customers to return

clean plastic carryout bags and purchase reusable bags; and

1	(4) Requires DOH to provide a report to the Legislature no later than 20 days prior to the
2	convening of the Regular Session of 2011.
3	(5) Provides an unspecified appropriation of general funds for purposes of the bill.
4	The bill also authorizes fines and other administrative penalties for violations of these new requirements.
5	DOH generally supports the reduction of solid waste, litter, and the use of petroleum resources.
6	State policy already sets source reduction and recycling as the top two priorities for solid waste
7	management (HRS §342G-2(b)). We favor reducing plastic marine pollution because of its effect on
8	wildlife. DOH agrees that the effectiveness of current private industry initiatives should be considered
9	and evaluated. We suggest that some measure of effectiveness be set in order to gauge success. It could
10	be a target that progresses over time.
11	This measure creates a new DOH regulatory program and authorizes fines and other
12	administrative penalties for violations of program requirements. The current measure also requires
13	DOH to partner with business to educate and inform the general public to effect the necessary behavioral
14	changes to sustain responsible activity. Adequate funding and resources will be necessary to implement
15	the new program, which, among other things, require some level of planning, coordination, auditing,
16	compliance and enforcement, outreach and education, data collection, record keeping and reporting.
17	However, we oppose funding that adversely affects priorities in the executive supplemental budget.
18	Thank you for the opportunity to testify on this measure.
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HAWAII FOOD INDUSTRY ASSOCIATION

820 Militani St., Suite 810, Honolutu, Hawaii 96813 Phone (808) 533-1292 - Fax (808) 599-2606 - Email LISHawaii@aol.com



April 1, 2008

To: House Committee on Finance

Rep. Marcus R. Oshiro, Chair / Rep. Marilyn B. Lee, Vice Chair

By: Richard C. Botti, President

Hawaii Food Industry Association

Re: <u>SB</u> 651 SD2 HD1

RELATING TO ENVIRONMENTAL PROTECTION

Proposed HD2

Chairs & Committee Members:

We support this measure as being a well drafted compromise in finding a solution to address the challenge of flying bags, bags in the landfill, and recycling.



HOUSE COMMITTEE ON FINANCE

April 1, 2008, 2:00 P.M.

(Testimony is 2 pages long)

TESTIMONY IN OPPOSITION TO SB 651 SD2 PROPOSED HD2

Chair Oshiro and members of the Committee:

The Sierra Club, Hawai`i Chapter, with 5500 dues paying members statewide, opposes the proposed SB 651 SD2 HD2 as currently drafted. The proposed measure does nothing to substantially reduce the use or waste of petroleum-based plastic bags in Hawai'i. We would not object to this measure if the proposed "§342H-C" section was deleted (which as written would prohibit the counties from taking action to restrict the use of plastic bags). We would much prefer, however, that this measure be amended to either outright prohibit the use of non-biodegradable bags or establish a deposit / surcharge on plastic carryout bags as a disincentive for their use.

To increase Hawaii's sustainability, oil-base plastic bag use should be significantly curtailed. Why?

- 1. Loose bags contribute to litter and pose a threat to avian and marine life. As the endangered species capitol of the world and a state reliant on tourism, Hawai'i shouls strive to eliminate such unnecessary threats;
- 2. Plastic bags are manufactured from a polluting resource that is becoming increasingly scarce;
- 3. Plastic bags contribute to a growing trash problem on all our islands; and
- 4. Responsible alternatives to plastic bags exist. We got along fine in Hawai'i without the ubiquitous plastic bag in the past, and easy alternatives exist today (cloth, reusable, biodegradable bags, etc.).

Please remember, Hawaiii is faced with a solid waste crisis on most islands, Oʻahu in particular. A study completed for the City by consulting group R.W. Beck, the "2006 Waste Characterization Study" (available online at www.opala.org), reveals some shocking facts about Oahu's solid waste situation. Since the last waste characterization study in 1999, the trash from Oahu households increased by 30.2% from 316,491 tons annually in 1999 to 412,016 tons in 2006 (R.W. Beck, "2006 Waste Characterization Study," April 2007, at 3-11). The population increased by roughly 3% over the same period (878,906 to 906,000)— meaning waste generation from households increased 10 times faster than population growth. The proliferation of plastic bags contributes to this problem.

We offer the following points why this measure should be amended back to a form that would either outright ban petroleum-based bags or require a surcharge for their usage.

First, as currently written, the proposed SB 651 SD2 HD2, simply requires certain stores to take back clean bags. This is a good thing, but 1) customers are not required to take back their bags, 2) customers have little incentive to bring their bags back to the store (aside from a sense of environmental stewardship), and 3) stores are not required to actually recycle the bags once they are returned. So what are we accomplishing with the passage of such a policy? Many stores already provide for bag take-back, and some recognize that providing environmentally responsible services such as recycling make good business sense in this day and age.

Second, the more troubling amendment in the proposed SB 651 SD2 HD2 is the prohibition on public agencies or the counties adopting rules or ordinances that actually require the recycling of plastic bags or impose a plastic bag usage surcharge. Such policies would be far more beneficial in reducing plastic bag waste and litter. The counties of Maui and Oʻahu are currently examining bills that may impose such a charge as an incentive to use alternatives.

Finally, plastic bags are an expense that can be avoided. They are an expense at the store—the cost of purchasing the tens of millions of plastic bags used annually in Hawai'i is most certainly passed on to local consumers. They are also an expense to our economy and environment when bags become litter or are landfilled. If they are burned at H-POWER (or the "ultimate solution" as referred to by Richard Botti of the Hawaii Food Industry Association) they are essentially converted to greenhouse gas, further hastening global climate change—not the ultimate solution we imagine HFIA is proponing.

We ask that this committee amend SB 651 SD2 HD2 back to a form that either restricts the usage of oil-based plastic bags or charges a nominal fee to discourage their usage (perhaps the fee can be used to provide an incentive to those who skip the bags or bring their own).

Thank you for the opportunity to testify.



Representative Marcus Oshiro, Chair Representative Marilyn Lee, Vice Chair Committee on Finance State Capitol, Honolulu, Hawaii 96813

HEARING

Tuesday, April 1, 2008

2:00 pm

Conference Room 308

RE: SB651, SD2, HD1, Proposed HD2, Relating to Recycling

Chair Oshiro, Vice Lee, and Members of the Committee:

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing about 200 members and over 2,000 storefronts, and is committed to support the retail industry and business in general in Hawaii.

RMH strongly supports SB651, SD2, HD1, HD2 as proposed, which requires certain retailers in the state to implement an at-store plastic carryout bag recycling program.

Our testimony on this issue has been consistent: Hawaii's retailers unquestionably support initiatives to preserve and protect our environment. The solution to the plastic bag issue is not in a total ban; but in the wise management of this resource, i.e., the "reduce, reuse and recycle" principle. Many of Hawaii's retailers already have initiated recycling programs: providing recycling bins for consumers, making reusable tote bags available, and crediting consumers for reusing plastic bags and reusable bags at check out. Larger retailers bale and ship the collected bags out of the state for recycling.

On March 22, eight Maui County retailers (Ah Fooks, Friendly Market, Haiku Grocery Store, Kualapuu Market, Misaki's Inc., Pine Isle Market, Pukalani Superette, and Wal-Mart) cooperatively sponsored "Maui County Retailers Recycle." In one day, almost 2,000 reusable tote bags were given to customers in exchange for recyclable plastic bags; the bags collected filled a 45-foot shipping container. Wal-mart shipped the bags to the mainland for recycling.

Our industry wants to continue with and further enhance these programs. Because the success of this recycling plan relies to a great extent on changing consumer behavior, an acknowledged time-challenging effort, we will work collectively to develop an appropriate educational campaign. To this regard, we appreciate your providing an adequate period to realize our goals and to establish record-keeping procedures that will assure a meaningful report to the Legislature in 2011.

Lastly, we respectfully request your consideration of an effective date of January 1, 2009, which will afford smaller retailers time to develop the necessary procedures to comply with requirements.

Thank you for your consideration and for the opportunity to comment on this measure.

President

land Trigit

RETAIL MERCHANTS OF HAWAII 1240 Ala Moana Boulevard, Suite 215 Honolulu, HI 96814 ph: 808-592-4200 / fax: 808-592-4202



March 29, 2008

To:

The Honorable Marcus R. Oshiro, Chair

House Finance Committee

From:

Tim Shestek

Director, State Affairs & Grassroots

Re:

SB 651, SD2, HD1 – SUPPORT

On behalf of the Progressive Bag Affiliates of the American Chemistry Council (ACC), I am writing to express our support for SB 651, SD2, HD1, legislation to establish a statewide recycling program for plastic grocery bags.

ACC welcomes the opportunity to partner with the state of Hawaii, the grocery and retail industry, recyclers, and other interested stakeholders to implement a system that can aim to effectively and efficiently collect these bags so that they may be used as feedstock in the production of other products, such as new bags, pallets, containers, crates, and pipe. Successful recycling programs undertaken by large retailers around the nation illustrate a willingness on the part of consumers to participate in at-store recycling programs for plastic bags.

Thank you for the opportunity to express these comments. Should you have any questions or comments please contact our in-state representatives Red Morris and/or John Radcliffe at 808-531-4551 or you may contact me at 916-448-2581.

From: randy ching [oahurandy@yahoo.com]

Sent: Monday, March 31, 2008 12:35 PM

To: FINTestimony

Subject: In opposition to SB651 SD2 proposed HD2 - relating to recycling

House Finance Committee Chair Marcus Oshiro, Vice Chair Marilyn Lee

Hearing on Tuesday, April 1 at 2:00 p.m. in conference room 308

In opposition to SB651 SD2 proposed HD2 - relating to recycling

Chair Oshiro, Vice Chair Lee, and members of the committee,

The Sierra Club, Oahu Group opposes SB651 SD2 proposed HD2 because of section 342H-C Conflict with other laws. On page 5, lines 16 - 17 of the proposed draft, it says:

... a county or other public agency shall not adopt, implement, or enforce any ordinance, resolution, regulation or rule that: ... (2) Imposes a plastic carryout bag ban or fee upon a store that is in compliance with this part; or ..

The Sierra Club, Oahu Group supports a plastic bag ban or fee. If adopted, SB651 SD2 HD2 would not allow a ban or fee. A ban or fee is the most efficient way to stop tens of millions of bags from ending up in landfills. On Oahu, Waimanalo Gulch landfill has a useful life of about 15 years (maximum). Unless we start taking steps to reduce the amount of solid waste we generate, we will fill up Waimanalo Gulch and not have any place to put our solid waste.

The Sierra Club, Oahu Group would support SB651 SD2 proposed HD2 if this section (342H-C (2)) were omitted. The counties must be allowed to ban plastic bags or impose a fee on their use.

Thank you for this opportunity to testify.

Sincerely,

Randy Ching Sierra Club, Oahu Group chair oahurandy@yahoo.com

OMG, Sweet deal for Yahoo! users/friends: Get A Month of Blockbuster Total Access, No Cost. W00t

From: Windward Ahupua'a Alliance [info@waa-hawaii.org]

Sent: Sunday, March 30, 2008 7:48 PM

To: FINTestimony

Subject: SB 651 SD2 HD1 Proposed HD 2 - RELATING TO RECYCLING

SUBMITTED BY:

Windward Ahupua`a Alliance

P.O. Box 6366

Kane'ohe, HI 96744

Phone: 808/247-6366; Cellular: 808/223-4481 or 224-4496

E-Mail: info@waa-hawaii.org

Website: http://www.waa-hawaii.org

COMMITTEE ON FINANCE Rep. Marcus Oshiro, Chair Rep. Marilyn B. Lee, Vice Chair

PUBLIC HEARING - Agenda #1 2 pm Tuesday, April 1, 2008 Conference Room 308

SB 651 SD2 HD1 Proposed HD 2 - RELATING TO RECYCLING SUPPORT INTENT - PROPOSED AMENDMENTS

TO THE COMMITTEE ON FINANCE:

My name is Shannon Wood, *Interim President* of the *Windward Ahupua`a Alliance*, a <u>501c3</u> Hawai`i non-profit corporation, which was established in July, 2002. One of *WAA*'s organizational foci includes waste-to-energy, the **Four Rs**, landfills, shipping trash, and other related solid waste management issues.

WAA strongly supports legislation which <u>requires</u> retailers to do away with petroleum-based plastic bags because this will help reduce the impacts of jamming the landfills with one type of solid waste which will take decades, if not centuries, to decompose. Furthermore, it will help reduce this country's dependency upon foreign oil imports.

We need to **REDUCE** as well as **RE-USE**, **RECYCLE** and **RECLAIM**.

Burning plastic in *H-Power* facilities is not the best way to handle it because the residual ash needs to be disposed off properly. We also must remember that *H-Power* at best only burns about 70% of our solid waste. The rest sits in a landfill along with the ash.

Unfortunately, <u>SB 651 SD2 HD1 Proposed HD 2 - RELATING TO RECYCLING</u> does not come close to addressing the need to do away with non-biodegradable plastic bags. In fact, as the

proposed language now reads, it will make it impossible to for the various county councils to pass more stringent laws:

§Section 342 - C Conflict with other laws: (a) Unless expressly authorized by this part, a county or other public agency shall not adopt, implement, or enforce any ordinance, resolution, regulation, or rule that:

- (1) Requires a store that is in compliance with this part to collect, transport, or recycle plastic carryout bags;
- (2) Imposes a plastic carryout bag ban or fee upon a store that is in compliance with this part; or
- (3) Imposes on a store that is in compliance with this part, auditing or reporting requirements on the store's at-store recycling program that are in addition to the requirements of section 342H B(c)(3).

Therefore, we ask that you amend the language in this section to allow the counties to pass more stringent regulations than this bill would allow **OR**, in the alternative, delete it altogether.

Another restriction in the proposed bill which does not begin to address the amount of plastic bag litter is that it exempts retail outlets such as *7-Eleven* or fast food vendors.

§342H-A Definitions. As used in this part, unless the context otherwise requires:

"Store" means a retail establishment that provides plastic carryout bags to its customers and:

- (1) Has over ten thousand square feet of retail space and a licensed pharmacy; or
- (2) Is a full-line, self-service retail store with gross annual sales of \$2,000,000 or more that sells a line of dry groceries, canned goods, nonfood items, and perishable goods.

Based upon five years' experience in coordinating community stewardship projects all across Hawai'i, plastic bags from convenience stores and fast food vendors far outweigh those coming from grocery stories and pharmacies.

I urge that this problem be addressed by making all stand-alone retailers and food service establishments be required to provide on-site plastic bag collection bins. Commercial sites with multiple businesses can have collective bins provided by the management companies.

About a year ago, I started researching corn-based "plastic" which decompose within months as a substitute for petroleum-based materials thinking that I could buy these products for garbage can liners and pet waste disposal and use cloth bags for shopping. I'd bought into the retailers' arguments that it was too expensive to use anything but regular plastic and that it would drive up costs.

It turns out that these corn-based products when purchased in very large quantities would wind up costing no more than two to ten cents - depending upon the manufacturer & the size - per bag. That is certainly affordable and definitely makes much more sense than shipping our solid waste across the Pacific Ocean - thus increasing our greenhouse gas emissions by as much as 5% per year when the *State of Hawai'i* is working towards significant reductions over the next 15 years.

Mahalo for the opportunity to submit testimony on <u>SB 651 SD2 HD1 Proposed HD 2</u> and we urge that you amend it to reflect our concerns.

The Windward Ahupua`a Alliance works to educate & inform residents, visitors, businesses, policymakers, and the media about using Smart Growth planning principles which promote sustainability. These include: Designing long-term waste management systems; improving illegal dumping/derelict vehicle legislation & enforcement; developing & implementing comprehensive curbside recycling programs; providing research & support on public access issues; establishing both state & county-level "legacy lands" funds to support affordable workforce housing initiatives and critical land purchases to protect against inappropriate development; creating alternative energy systems to reduce Hawai`i's dependency on fossil fuels & to mitigate the impacts of global warming; and, setting long-term watershed protection policies based upon ahupua`a concepts & principles.

From: Jonathan Mayes [jonathan.mayes@safeway.com]

Sent: Monday, March 31, 2008 9:18 AM

To: FINTestimony

Cc: cpregill@RMHawaii.org; LISHawaii@aol.com; George Glukfeld

Subject: 4/1/2008 SB651 Agenda #1 -- E-mail in Support of Legislation

To: The Rep. Honorable Marcus Oshiro

Chair, Committee on Finance

The Honorable Rep. Marilyn Lee Vice Chair, Committee on Finance

Cc: Members, House Committee on Finance

I am writing on behalf of Safeway Inc., which operates 19 stores in Hawaii, to express support for SB 651 scheduled for hearing on April 1. Among other things, SB 651 will:

- Require retailers to print messages on plastic bags to ask customers to recycle them;
- Encourage consumers to return plastic carryout bags to retailers, who will track the amount returned and recycle those bags;
- Require large pharmacies and supermarkets to offer re-useable bags for sale in their stores; and
- Implement a statewide program to avoid a patchwork of conflicting laws in different cities and counties.

Passage of SB 651 will heighten consumers' awareness about the importance of recycling and provide a convenient way for them to recycle their used plastic bags. That has been the experience in California, where similar legislation has passed. In addition, SB 651 will increase the number of plastic bags recycled and accomplish the chief goal of the legislation — to encourage customers and businesses to reduce, reuse and recycle products. For these reasons, Safeway urges you to support SB 651.

Respectfully submitted,

Jonathan Mayes

Jonathan Mayes
Safeway Inc.
Vice President, State & Local Government Relations
5918 Stoneridge Mall Road
Pleasanton, CA 94588
925-467-3070 (office)
925-467-3323 (fax)

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⊂rom:

Tia Stupplebeen [Tia.Stupplebeen@co.maui.hi.us]

∠ent:

Monday, March 31, 2008 9:56 AM

To:

FINTestimony

Subject:

I strongly support SB 651, SD2, HD1 Proposed HD2 whichcorrectly adds the use of segregated recycling receptacles instate facilities to improve the state recycling effort. Paper, office supplies and lighting fixtures are the most used item instate offices a

I strongly support SB 651, SD2, HD1 Proposed HD2 which correctly adds the use of segregated recycling receptacles in state facilities to improve the state recycling effort. Paper, office supplies and lighting fixtures are the most used item in state offices and should not be thrown into the landfill. These items can and should be recycled.

I am the Supervisor at Central Maui Landfill and we are starting to realize the volume of recyclables not being going into the landfill, but there is still a lot that does. The life span of our landfill is greatly dependant upon recycling efforts by every single resident and visitor in our islands. This bill and others to come have an importance beyond words.

Thank you for your support!

Tia Stupplebeen
CENTRAL MAUI LANDFILL
Ph. (808) 270-6153 Fax (808) 270-6151
P.O. Box 518
Puunene, HI 96784-0518
'ia.Stupplebeen@co.maui.hi.us

County of Maui.

IT Security measures will reject attachments larger than 12 MB, and will block or quarantine high-risk file types in attachments.

From: Maui Girl [Eve_Clute@uiuonline.org]

Sent: Friday, March 28, 2008 4:04 PM

To: FINTestimony

Subject: SB 651, Proposed HD2 strongly support

DATE: Tuesday, April 1, 2008

TIME: 2:00 P.M.

PLACE: Conference Room 308

House of Representatives Finance Committee.

I strongly support <u>SB 651, SD2, HD1</u> Proposed HD2 which correctly adds the use of segregated recycling receptacles in state facilities to improve the state recycling effort. Paper, office supplies and lighting fixtures are the most used item in state offices and should not be thrown into the landfill. These items can and should be recycled.

Eve Clute [Doctor of Public Health]