
A BILL FOR AN ACT

RELATING TO ENVIRONMENTAL PROTECTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 342H, Hawaii Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 **"PART . SINGLE-USE CHECKOUT BAG FEE**

5 **§342H-A Definitions.** As used in this part, unless the
6 context otherwise requires:

7 "Business" means any commercial enterprise or
8 establishment, including sole proprietorships, joint ventures,
9 partnerships, and corporations, or any other legally cognizable
10 entity, and includes all employees of the business or any
11 independent contractors associated with the business.

12 "Reusable bag" means a bag with handles that is
13 specifically designed and manufactured for multiple reuse and
14 is:

- 15 (1) Made of cloth or other machine washable fabric; or
16 (2) Made of other durable material suitable for re-use,
17 including plastic that is at least 2.25 mils thick.



1 "Single-use checkout bag":

2 (1) Means a bag made of plastic that is less than 2.25
3 mils thick, or a paper package or sack, whether
4 recyclable or non-recyclable, that is provided by a
5 business to a customer, and is designed for one-time
6 use to contain and transport merchandise; and

7 (2) Does not include:

8 (A) Bags used by customers inside a business to
9 package loose items, such as fruits, vegetables,
10 nuts, grains, or candies, or small hardware
11 items;

12 (B) Bags used to contain or wrap frozen foods, meat
13 or fish, flowers or potted plants, or other items
14 to contain dampness;

15 (C) Bags used to protect or transport prepared foods
16 or bakery goods;

17 (D) Bags provided by pharmacists to contain
18 prescription medications;

19 (E) Newspaper bags;

20 (F) Door-hanger bags;



1 (G) Laundry, dry cleaning, or garment bags, including
2 bags provided by hotels to guests to contain wet
3 or dirty clothing;

4 (H) Bags sold in packages containing multiple bags
5 intended for use as garbage, pet waste, or yard
6 waste bags; or

7 (I) Bags used to contain live animals, such as fish
8 or insects sold in pet stores.

9 "Small business" means a business that has grossed \$250,000
10 or less in revenues in the previous year.

11 **§342H-B Distribution of single-use checkout bags; fee.**

12 (a) Beginning January 1, 2012, all businesses in the State
13 shall charge and collect a fee of 10 cents for each single-use
14 checkout bag that is provided to customers; provided that a
15 business may provide single-use checkout bags to any customer
16 participating in federally-approved nutrition assistance
17 programs, including the supplemental nutrition assistance
18 program and the special supplemental nutrition program for
19 women, infants, and children.

20 (b) Businesses subject to the requirements of this part
21 shall indicate on each customer transaction receipt the number



1 of single-use checkout bags provided and the amount of the fee
2 charged.

3 (c) Nothing in this part shall preclude businesses from
4 making reusable bags available for sale to customers.

5 (d) A business may retain 20 per cent of the fees
6 collected that shall be subject to chapters 235 and 237.

7 **§342H-C Remittance of fees.** (a) Not later than the last
8 day of each month, each business subject to the requirements of
9 this part shall remit to the department the fees collected
10 pursuant to section 342H-B during the immediately preceding
11 month; provided that a small business may remit the fees on a
12 quarterly basis on the last day of the month following the end
13 of a quarter.

14 (b) Payments and receipts of fees shall be reported on
15 forms prescribed by the director. Any proprietary information
16 obtained by the department shall be kept confidential and shall
17 not be disclosed to any other person.

18 (c) Businesses shall be subject to penalties and interest
19 for late or underpaid fees.

20 (d) All fees collected by the department pursuant to this
21 part shall be deposited as follows:



1 (1) The first \$ into a special account in the state
2 general fund to be expended by the department for
3 expenses related to the administration and enforcement
4 of this part; and

5 (2) Any remaining funds into the general fund.

6 **§342H-D Violations.** (a) It shall be a violation of this
7 part for any business that is subject to the requirements of
8 this part to pay or otherwise reimburse a customer for any
9 portion of the fee required to be charged and collected pursuant
10 to section 342H-B.

11 (b) Violations of this part or any rule adopted pursuant
12 to this part shall be subject to a fine of not less than \$1,000
13 for each violation.

14 **§342H-E Preemption.** Except for any county ordinance
15 regulating single-use checkout bags in effect prior to the
16 effective date of this part, this part shall preempt the powers
17 of any county to regulate the use of single-use checkout bags;
18 provided that in counties where an ordinance regulating single-
19 use checkout bags is in effect, the fee established under
20 section 342H-B shall be applicable only to single-use checkout
21 bags made of paper.



1 **§342H-F Rules.** The director shall adopt rules, pursuant
2 to chapter 91, as may be necessary for the purposes of this
3 part."

4 SECTION 2. In codifying the new sections added by section
5 1 of this Act, the revisor of statutes shall substitute
6 appropriate section numbers for the letters used in designating
7 the new sections in this Act.

8 SECTION 3. This Act shall take effect on July 1, 2030;
9 provided that section 342H-B(d) of section 1 of this Act shall
10 be repealed on June 30, 2012.



Report Title:

Environmental Protection; Plastic Checkout Bags; Fee

Description:

Requires businesses in the State to collect a 10-cent fee for each single-use checkout bag provided to a customer. Allows for exemptions. Allows businesses to keep twenty per cent of the fees, subject to income and general excises taxes, for the first year. Requires fees to be collected on paper bags in counties that currently have ordinances banning plastic bags. Effective July 1, 2030. (SB1363 HD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

