

STAND. COM. REP. NO.

242

Honolulu, Hawaii

February 8, 2013

RE: H.B. No. 357
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 357 entitled:

"A BILL FOR AN ACT RELATING TO THE ENVIRONMENT,"

begs leave to report as follows:

The purpose of this measure is to reduce the adverse impact of single-use checkout bag waste on Hawaii's natural environment and preserve and protect Hawaii's watersheds and fresh water supply by:

- (1) Requiring certain businesses in the State to collect a ten-cent fee for single-use checkout bags provided to customers pursuant to the single-use Checkout Bag Fee Program;
- (2) Allowing businesses and the Department of Health to retain a portion of fee revenues collected to reimburse administrative costs;
- (3) Directing the use of fee revenues to fund programs to mitigate the effects of single-use checkout bags and protect Hawaii's fresh water supply; and
- (4) Establishing single-use checkout bag provisions relating to violations, injunctive and other relief, county ordinances, business reporting, and audit authority.

HB357 HD1 HSCR EEP HMS 2013-1819-2



The Department of Land and Natural Resources, Hawaii Invasive Species Council, Kauai Water Department, Conservation Council for Hawaii, Hawaii Green Growth Initiative, The Nature Conservancy of Hawaii, National Tropical Botanical Garden, Oahu Invasive Species Committee, Sierra Club, Hawaii Chapter, Surfrider Foundation and several individuals testified in support of this measure. The Department of Health, Fair Wind Cruises, Retail Merchants of Hawaii, and Verizon testified in opposition of this measure. The Tax Foundation of Hawaii submitted comments on this measure.

Should the Committee on Consumer Protection & Commerce consider this measure, your Committee respectfully requests a careful consideration of the effect of this measure on those participating in the Hawaii Supplemental Nutrition Assistance Program or other federally approved nutrition assistance programs.

Your Committee has amended this measure by:

- (1) Amending the purpose section of the bill to reflect fees retained by businesses and the Department of Health to cover the administrative costs of the single-use checkout bag fee;
- (2) Changing the percentage of fees retained by businesses from ten percent from January 1, 2014 and thereafter to twenty percent from January 1, 2014 to December 31, 2015 and ten percent from January 1, 2016 and thereafter;
- (3) Lowering the amount of fees retained by the Department of Health annually from \$1,200,000 to \$800,000;
- (4) Lowering the amount of general fund appropriations to support the program from \$1,200,000 to \$800,000; and
- (5) Making technical, nonsubstantive amendments for style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 357, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 357, H.D. 1, and be referred to the Committee on Consumer Protection & Commerce.



Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,



CHRIS LEE, Chair



State of Hawaii
House of Representatives
The Twenty-seventh Legislature

HSRA 242

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: <i>HB 357</i>	Committee Referral: <i>EEP, CPC, FIN</i>	Date: <i>2/5/13</i>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
EEP Members	Ayes	Ayes (WR)	Nays	Excused
1. LEE, Chris (C)	X			
2. THIELEN, Cynthia (VC)	X			
3. COFFMAN, Denny	X			
4. CULLEN, Ty J.K.		X		
5. EVANS, Cindy	X			
6. HANOHANO, Faye P.		X		
7. KAWAKAMI, Derek S.K.	X			
8. LOWEN, Nicole E.	X			
9. FALE, Richard Lee		X		
TOTAL (9)	6	3		
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature: <i>Cynthia Thielen</i>				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				