

STAND. COM. REP. NO.

543

Honolulu, Hawaii
February 15, 2013

RE: H.B. No. 357
H.D. 2

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

Sir:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 357, H.D. 1, 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 establishing the Single-Use Checkout Bag Fee Program to:

- (1) Require certain businesses in the State to collect a fee for single-use checkout bags provided to customers; and
- (2) Allocate fee revenues to businesses and the Department of Health to reimburse administrative costs and to programs of the Department of Health and the Department of Land and Natural Resources to fund programs to mitigate the effects of single-use checkout bags including by protecting Hawaii's fresh water supply.

The Department of Land and Natural Resources; Hawaii Invasive Species Council; Ben Dyre Family Limited Partnership; Environmental Caucus of the Democratic Party; Hawaii Green Growth Initiative; Kauai Watershed Alliance; National Tropical Botanical Garden; The Nature Conservancy; LWD, Inc.; Sierra Club, Hawaii Chapter; West Maui Mountains Watershed Partnership; and several individuals testified in support of this measure. The Retail

HB357 HD2 HSCR CPC HMS 2013-2140



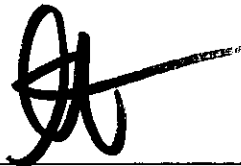
Merchants of Hawaii and a few individuals testified in opposition of this measure. The Hawaii Restaurant Association and Hawaii Food Industry Association provided comments on this measure.

Your Committee has amended this measure by:

- (1) Exempting bags provided to customers by a business to package loose-lid beverages that are prepared in or by and purchased from that business, from the single-use checkout bag fee;
- (2) Providing that participants in federally approved nutrition assistance programs may be provided single-use checkout bags free of charge;
- (3) Providing an increase of the single-use checkout bag fee to twenty-five cents per bag if the Department of Health has not found a specified decrease in usage of single-use checkout bags by July 1, 2016;
- (4) Clarifying that the Department of Health may, but is not required to, impose fees on businesses in violation of fee remittance provisions; and
- (5) Changing its effective date to July 1, 2012, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 357, H.D. 1, as amended herein, and recommends that it be referred to the Committee on Finance in the form attached hereto as H.B. No. 357, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Consumer
Protection & Commerce,



ANGUS L.K. MCKELVEY, Chair



