JAN 2 7 2021

A BILL FOR AN ACT

RELATING TO PRODUCT STEWARDSHIP PROGRAMS.

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

1	SECTION 1. The legislature finds that municipal product
2	stewardship programs shift the costs of paying for solid waste
3	disposal and recycling from the municipality to product
4	manufacturers. Funds for product stewardship programs go
5	directly to states, cities, and towns to help cover the costs of
6	recycling and rapidly expand their programs with infrastructure
7	investments. This approach retains the right and ability of
8	organized citizens and small businesses to oversee and control
9	local decision-making.
10	The purpose of this Act is to establish a municipal product
11	stewardship program.
12	SECTION 2. The Hawaii Revised Statutes is amended by
13	adding a new chapter to be appropriately designated and to read
14	as follows:
15	"CHAPTER
16	MUNICIPAL PRODUCT STEWARDSHIP PROGRAM
17	§ -1 Definitions. As used in this chapter:

1	"Cov	vered materials and products" means, regardless of
2	recyclabi	lity:
3	(1)	Any part of a package or container, including material
4		that is used for the containment, protection,
5		handling, delivery, and presentation of a product that
6		is sold, offered for sale, imported, or distributed in
7		the State;
8	(2)	Paper products; and
9	(3)	Primary, secondary, and tertiary packaging intended
10		for the consumer market; service packaging designed
11		and intended to be filled at the point of sale,
12		including carry-out bags, bulk goods bags, packaging,
13		and take-out and home delivery food service
14		prescription bottles; paper sold as a product; printed
15		materials; and beverage containers.
16	"Covered	materials and products" shall not include any literary,
17	text, or	reference bound book.
18	"Der	partment" means the department of health.
19	"Pro	oducer" means any person that manufactures a covered
20	material	or product under the person's own name or brand and
21	either:	



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1	(1)	Sells, offers for sale, distributes, or imports a
2		covered material or product as owner or licensee of a
3		trademark or brand under which a covered material or
4		product is sold or distributed in the State; or

- (2) Sells, offers for sale, or distributes a covered material or product in the State.
- 7 "Producer" shall not include a local government.
- 8 "Stewardship organization" means a nonprofit organization9 created by a group of producers to implement a stewardship plan.
- "Stewardship plan" means a covered materials and products
 stewardship plan developed by a producer or stewardship
 organization in accordance with this section.
- § -2 Stewardship plan required. (a) On or before

 January 1, 2022, each producer shall, individually or as part of

 a stewardship organization, submit a stewardship plan to the

 department for review and approval.
- (b) On or after June 1, 2022, a producer may not sell,

 offer for sale, distribute, or import for sale or distribution

 covered materials or products for use in the State unless the

 producer, individually or as part of a stewardship organization,

 has an approved stewardship plan on file with the department.

•	(0)	This provision does not appry to a producti that.
2	(1)	Generated less than \$1,000,000 in gross revenue during
3		the immediately preceding calendar year;
4	(2)	Sold, offered for sale, or distributed for sale in the
5		State during the immediately preceding calendar year
6		less than one ton of covered materials or products; or
7	(3)	Conducted all of the covered materials or products
8		sales in the State during the immediately preceding
9		calendar year at a single point of retail sale that
10		was not supplied or operated as part of a franchise;
11		and on request by the department, provides to the
12		department sufficient information to demonstrate that
13		the producer meets the conditions of this section.
14	§ -	3 Stewardship plan requirements. A stewardship plan
15	made purs	uant to this chapter shall:
16	(1)	List the producers and brands covered by the
17		stewardship plan, including:
18		(A) Each participating producer and the stewardship
19		organization's contact information; and
20		(B) Each brand of covered materials and products
21		covered by the stewardship plan;

I	(2)	Include performance goals for a minimum post-consumer
2		recycled material content rate and a minimum recycling
3		rate for covered materials or products that includes,
4		at a minimum, a goal for:
5		(A) All single-use packaging and products to be at
6		least seventy-five per cent post-consumer content
7		by June 1, 2025;
8		(B) All single-use packaging and products to be
9		readily recyclable or compostable by June 1,
10		2028; and
11		(C) All single-use plastic packaging and single-use
12		plastic service ware to be reduced, to the
13		maximum extent practicable, and by not less than
14		twenty-five per cent by June 1, 2030;
15	(3)	Describe, in accordance with section -4, the
16		financing method that will be used to implement the
17		stewardship plan;
18	(4)	Describe how the performance goals under paragraph (2)
19		of this subsection will be met or exceeded;
20	(5)	Describe how stakeholder comments were considered in
21		the development of the stewardship plan;

1	(6)	Describe how staffing and administering the
2		implementation of the stewardship plan will be
3		handled;
4	(7)	Describe how producers participating in a stewardship
5		plan will work together to reduce packaging through
6		product design and program innovations;
7	(8)	Describe the actions taken or that will be taken for
8		public outreach, education, and communication, taking
9		into account that public outreach, education, and
10		communication shall:
11		(A) Promote the proper end-of-life management of
12		covered materials and products, including
13		beverage containers;
14		(B) Provide information on how to prevent litter of
15		covered materials and products, including
16		beverage containers; and
17		(C) Provide recycling and composting instructions to
18		the extent practicable;
19	(9)	Be consistent statewide, taking into account
20		differences among local laws and processing
21		capabilities;

1	(10)	Be easy to understand, easily accessible, and provide
2		for outreach and education that are designed to
3		achieve covered materials and products management
4		goals and requirements, including the prevention of
5		contamination of covered materials and products;
6	(11)	Be coordinated across programs to avoid confusion for
7		consumers;
8	(12)	Be developed in consultation with local governments
9		and other stakeholders; and
10	(13)	Include any other information that is required by the
11		department.
12	§ -	4 Stewardship plan financing. The financing method to
13	be used by	y a producer or stewardship organization to implement a
14	stewardsh	ip plan under this chapter shall:
15	(1)	Provide the method for reimbursing local governments
16		for costs associated with collecting, transporting,
17		and processing covered materials and products that are
18		listed in the stewardship plan;
19	(2)	Establish a fee structure for participating producers
20		that is set in a manner to cover costs associated
21		with:

1	(A)	Implementing the stewardship plan, including the
2		administrative costs of a producer or stewardship
3		organization;
4	(B)	Reimbursing local governments for costs in
5		accordance with section -5;
6	(C)	The administration, review, oversight, and
7		enforcement of the stewardship plan by the
8		department;
9	(D)	Describing the incentives to encourage
10		participating producers to engage in waste
11		reduction and recycling activities;
12	(E)	Describing the incentives to encourage
13		participating producers to engage in waste
14		reduction and recycling activities;
15	(F)	Describing the disincentives to discourage
16		designs or practices that increase the cost of
17		managing covered materials and products;
18	(G)	Being evaluated by an independent financial
19		auditor, as designated by the department, to
20		ensure the costs of implementing the stewardship
21		plan are covered: and

1	(H) Meeting any other reasonable requirement
2	established by the department.
3	§ -5 Reimbursement. The counties may request
4	reimbursement from a producer or stewardship organization that
5	has an approved stewardship plan on file with the department for
6	costs associated with collecting, transporting, and processing
7	covered materials and products that are listed under the
8	stewardship plan, in accordance with:
9	(1) The requirements of the producer, as established under
10	the stewardship plan; and
11	(2) Any other requirement adopted by the department by
12	regulation.
13	§ -6 Stewardship plan approval. (a) On or before
14	June 1, 2023, and each June 1 thereafter, a producer shall
15	submit a report to the department for approval, in a manner
16	required by the department, evaluating the progress made toward
17	meeting stewardship plan requirements and goals for the
18	immediately preceding year.
19	(b) The department may rescind approval of a stewardship
20	nlan at any timo

1	s -/ Rules. The department shall adopt fules, pursuant
2	to chapter 91, establishing procedures necessary to implement or
3	administer this chapter.
4	§ -8 Penalties. A producer or stewardship organization
5	that violates this chapter, or any rule established pursuant to
6	section -7 shall be fined as follows:
7	(1) \$5,000 for a first violation;
8	(2) \$10,000 for a second violation; and
9	(3) \$20,000 for a third violation.
10	§ -9 Joint and several liability. If a penalty is
11	imposed on a stewardship organization under this chapter, each
12	producer participating in the stewardship organization shall be
13	jointly and severally liable for the payment of the penalty."
14	SECTION 3. This Act does not affect rights and duties that
15	matured, penalties that were incurred, and proceedings that were
16	begun before its effective date.
17	SECTION 4. This Act shall take effect upon its approval.
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Report Title:

Municipal Product Stewardship Program; Packaging; Recycling

Description:

Establishes the Municipal Product Stewardship Program.

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