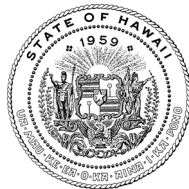


JOSH GREEN, M.D.
GOVERNOR



LUIS P. SALAVERIA
DIRECTOR

SABRINA NASIR
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
Ka 'Oihana Mālama Mo'ohelu a Kālā
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT

WRITTEN ONLY

TESTIMONY BY LUIS P. SALAVERIA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
ON
HOUSE BILL NO. 1326, H.D. 1

February 16, 2023
2:00 p.m.
Room 329 and Videoconference

RELATING TO THE ENVIRONMENT

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill (H.B.) No. 1326, H.D. 1:

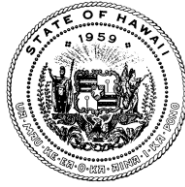
- Requires the Department of Health (DOH), by rule, to establish dates and interim goals to reduce the amount of waste going to the landfill or incineration.
- Establishes a Packaging Waste Advisory Council (PWAC) and specifies the organization and duties and responsibilities of the PWAC.
- Requires DOH to establish a statewide needs assessment to detail the resources needed to reduce packaging waste in each county.
- Establishes a Packaging Waste Special Fund (PWSF) to be administered by DOH.
- Requires DOH to establish a producer-funded waste reduction and reuse plan to implement a packaging waste and reuse program.
- Requires: 1) DOH to issue a draft implementation plan by July 1, 2026; 2) the PWAC to provide recommendations based on a majority vote within 60 calendar days of receipt of the draft plan; 3) DOH to publish a final draft implementation plan

for public review by December 31, 2026; and 4) DOH to publish a final packaging waste reduction and reuse implementation plan by July 1, 2027.

- Allows DOH to adopt rules pursuant to Chapter 91, HRS, to implement this bill.
- Requires DOH to submit an annual report to the Legislature that contains a summary of the progress made toward achieving the packaging waste reduction goal, the needs assessments, and the revenues and expenditures of the PWSF.
- Appropriates an unspecified amount in general funds in FY 24 and FY 25 for deposit into the PWSF.
- Appropriates an unspecified amount from the PWSF in FY 24 and FY 25 for contractors or 2.00 full-time equivalent permanent packing reduction coordinator positions.
- Appropriates an unspecified amount from the PWSF in FY 24 and FY 25 to fund and manage the PWAC.

As a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3, HRS. Special funds should: 1) serve a need as demonstrated by the purpose, scope of work, and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. Regarding H.B. No. 1326, H.D. 1, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.



STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. BOX 3378
HONOLULU, HI 96801-3378
doh.testimony@doh.hawaii.gov

In reply, please refer to:
File:

**Testimony in SUPPORT of HB1326 HD1
RELATING TO THE ENVIRONMENT**

REPRESENTATIVE MARK M. NAKASHIMA, CHAIR
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
Hearing Date: 2/16/2023 Room Number: 329

1 **Fiscal Implications:** This measure will impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's (Department) appropriations and
3 personnel priorities.

4 Personnel and resources necessary to implement HB1326 HD1 will be met by this
5 proposed bill. The Department estimates that \$350,000 of general revenues will be necessary in
6 fiscal year 2024 and \$350,000 of general revenues will be necessary in fiscal year 2025, to be
7 deposited into the packaging waste special fund. This would provide for two full-time equivalent
8 (2.0 FTE) permanent positions established by HB1326 HD1 at \$100,000 each in fiscal year 2024
9 and fiscal year 2025, and an additional \$150,000 each fiscal year for professional services and
10 other miscellaneous costs to facilitate the packaging waste advisory council meetings.

11 **Department Testimony:** The Department supports HB1326 HD1 to establish a zero-waste
12 initiative and address packaging waste by convening an advisory council, developing an
13 assessment and implementation plan with the advisory council, and implementing
14 recommendations to establish a Packaging Waste Reduction and Reuse Program to address
15 packaging waste in the State. Packaging waste is a significant pollutant and addressing
16 packaging waste will benefit the State and protect the environment, economy, and public health.
17 The cost to manage packaging waste is currently borne by taxpayers in the State and counties
18 through landfill fees and property taxes, and HB1326 HD1 proposes a solution that requires
19 producers of excessive packaging waste be accountable for their packaging decisions, otherwise
20 known as extended producer responsibility (EPR).

1 There are currently four states that have implemented significant EPR legislation:
2 California, Colorado, Maine, and Oregon. Each state has implemented its own variation of EPR
3 tailored to their respective markets and unique needs. In Hawai'i, the Department currently
4 implements the Electronic Device Recycling and Recovery Act, which is comparable to an EPR
5 model as it shifts the burden of recycling used electronics from the individual taxpayer and onto
6 the manufacturer of the eligible electronic device.

7 The Department continues to focus on improving the State's solid waste stream reduction
8 rate and achieving its reduction goals. In late-October 2022, the Department executed a contract
9 and encumbered funds to update the State Integrated Solid Waste Management (ISWM) plan.
10 The State identified eight solid waste stream discussion topics to be addressed in the ISWM plan
11 update. One of the solid waste stream discussion topics is packaging. A ninth solid waste stream
12 discussion topic will involve the evaluation and assessment of current State recycling programs,
13 and a tenth solid waste stream discussion topic has been left open to address one additional solid
14 waste stream issue that is identified during discussions. The Department's contractor is tasked
15 with developing a problem statement centered around each solid waste stream discussion topic,
16 performing a comparative analysis that examines statutory and/or programmatic approaches that
17 other states take to address similar solid waste stream issues, and highlighting potential solutions
18 to address solid waste issues while considering the State's unique demographic and economic
19 variables. One of the potential solutions that the contractor is required to evaluate for each solid
20 waste stream discussion topic is EPR. An assembled task force that will be assisting the
21 Department with the State ISWM plan update will use the information provided by the
22 Department's contractor to address each solid waste stream topic. The Department estimates that
23 its ISWM plan update will be completed in 2024.

24 The Department is also applying for federal grant funds from the United States (US)
25 Environmental Protection Agency (EPA) through the US EPA's Solid Waste Infrastructure for
26 Recycling (SWIFR) Grant Program. SWIFR grant funds can be used by the Department to
27 develop comprehensive data collection efforts, and the Department has submitted a proposal to
28 the US EPA to conduct a statewide waste characterization study. The Department anticipates
29 learning of its funding allocation this summer and receiving its award in the fall. After award, the
30 Department will procure the services of a contractor to conduct the study, with an anticipated
31 start date in mid-2024 and completion in 2025.

1 The Department’s planning activities highlighted above will be instrumental in
2 facilitating the advisory council’s decision-making process and developing a packaging waste
3 reduction and reuse plan. The Department would like to note that the advisory council and
4 implementation plan may determine that legislative authority regarding program establishment,
5 funding, or fee structures will need to be enacted prior to implementation, and the Department
6 may need time to partner with the State Legislature to develop supporting legislation prior to full
7 Packaging Waste Reduction and Reuse Program implementation.

8 The Department respectfully requests a minor technical revision on page 20, line 7 to
9 change the date from July 1, 2026 to July 1, 2027, for consistency.

10 Thank you for the opportunity to testify.

11 **Offered Amendments:** Additions appear as underlined, and deletions appear as bracketed
12 strikeouts:

13 §342G-F (c) “... with funding in whole or in part from covered producers beginning on July
14 1, [~~2026~~] 2027.”

Mitchell D. Roth
Mayor

Lee Lord
Managing Director



Ramzi I. Mansour
Director

Brenda Iokepa-Moses
Deputy Director

County of Hawai'i

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

345 Kekūanāo'a Street, Suite 41 · Hilo, Hawai'i 96720 · cohdem@hawaiiicounty.gov

Ph: (808) 961-8083 · Fax: (808) 961-8086

February 15, 2023

Rep. Mark M. Nakashima, Chair, and
Members of the Committee on Consumer Protection and Commerce

Dear Chair Nakashima and Committee Members,

The County of Hawai'i Department of Environmental Management **supports HB 1326 HD1**, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027.

The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Hawai'i County's waste hauling and landfilling costs comprise a significant part of its overall operating budget. Having this producer responsibility legislation enacted into law will address the issue of manufacturers continuing to push the costs of their packaging waste to the taxpayer, will prolong the lifespan of our only landfill, and will help us reach our sustainability goals.

Thank you for the opportunity to provide testimony.

Sincerely

Ramzi Mansour, Director
Department of Environmental Management, County of Hawai'i



Sign on Letter in Support of Producer Funded Packaging Reduction and Reuse

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

The organizations and businesses listed in this letter are in support of legislation to create a producer funded packaging reduction and reuse program. This legislation creates a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

The state is facing a crisis where every county is running out of capacity to landfill or otherwise dispose of its solid waste. The current practices of landfilling and incinerating packaging waste are neither cost-effective nor environmentally sustainable methods of handling solid waste. We must act now to reduce the volume of packaging waste through programs that eliminate unnecessary packaging and by **developing reusable packaging systems where packaging is reused/refilled through a service that recollects, sanitizes, and redistributes containers back to vendors and manufacturers.** To reduce the costs to taxpayers and reduce supply chain disruptions to local businesses, we must transition to reusable and refillable packaging alternatives where feasible.

Due to Hawaii's relatively small resident population, remote island location, and lack of existing recycling infrastructure, there is an urgent need to reform the existing packaging waste generation model with solutions that minimize the need for recycling. Reducing packaging waste will not only

address Hawaii's landfill capacity problems but will also reduce costs to taxpayers and local businesses, protect the local environment, and mitigate the climate crisis. Although reduce and reuse strategies offer benefits beyond recycling programs, these strategies historically have not received the resources needed to develop and ensure success.

There is currently a national movement underway to hold producers financially responsible for the cost of managing packaging waste. To date, four states (California, Colorado, Maine, and Oregon) have enacted producer responsibility laws that vary in approach to fit their unique needs. Corporations that produce the greatest amount of consumer-packaged goods should also help solve the problems caused by the proliferation of packaging waste, whether by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and the management of packaging waste.

This bill establishes a process to reduce the volume of packaging waste currently being landfilled and incinerated by engaging producers to assist with the financial costs of packaging. It is urgent that we start to address our solid waste crisis and this bill will help address a large portion of our waste stream that can be reduced or diverted.

Organizations and businesses that support a producer funded packaging reduction and reuse program:

Businesses

- 1 Adaptations Inc
 - 2 Big Island Coffee Roasters
 - 3 Blackmountainbeauty
 - 4 Coconut Trader
 - 5 CupZero
 - 6 DeliverZero, Inc
 - 7 EarthEx, LLC
 - 8 FoodWare
 - 9 Hawaii Island Ocean Advocates
 - 10 Hilo Bottle Shop
 - 11 Kale'a Farms
 - 12 Koko kai Foods LLC
 - 13 Muuse
 - 14 NO POHŌ
 - 15 Ocean Kind HI
 - 16 Pop Culture Artisan Pops
 - 17 Protea Zero Waste Store
 - 18 SKY Kombucha
 - 19 SUPERFUN Studio
-

-
- 20 The Conservationist Collective
 - 21 The Locavore Store
 - 22 Village Seeds Design LLC
 - 23 Volcano Precious Plastic, LLC
 - 24 Zero Waste Hale
-

Organizations

- 25 350Hawaii
 - 26 Blue Ocean Warriors
 - 27 Christienne de Tournay Zero Waste Consultancy
 - 28 Don't Waste Durham
 - 29 Faith Alliance for Climate Solutions
 - 30 Going Home Hawaii
 - 31 Hanai Kaiaulu
 - 32 Hawai'i Alliance for Progressive Action
 - 33 Hawai'i Wildlife Fund
 - 34 Ho'omalau Ke Kai
 - 35 Just Zero
 - 36 Kingdom Pathways
 - 37 Perpetual
 - 38 Plastic Pollution Coalition
 - 39 Re-use Hawai'i
 - 40 Sheffield Saves
 - 41 Surfrider Foundation
 - 42 The Last Plastic Straw
 - 43 Upstream
 - 44 Zero Waste Hawai'i Island
 - 45 Zero Waste Maui Coalition
-

Mahalo for your consideration,

Hawaii Environmental Change Agents Solid Waste Task Force
<https://www.hawaiichangeagents.org/>



To: The Honorable Chair Mark Nakashima, the Honorable Vice Chair Jackson Sayama, and Members of the Committee on Consumer Protection and Commerce

From: The Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)

Re: **Hearing HB1326 HD1 RELATING TO THE ENVIRONMENT**

Hearing: Thursday February 16, 2023, 2:00 p.m., room 329

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Committee on Consumer Protection and Commerce:

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i STRONGLY SUPPORT HB1326 HD1.

The Hawai'i Reef and Ocean Coalition (HIROC) is a group of scientists, educators, filmmakers and environmental advocates who have been working since 2017 to protect Hawaii's coral reefs and ocean. HIROC is deeply concerned about packaging waste; plastic waste never really goes away, it breaks down into smaller pieces of microplastics that kill marine species and birds that ingest it.

The Climate Protectors Hawai'i seek to educate and engage the local community in climate change action, to help Hawai'i show the world the way

back to a safe and stable climate. Most plastic is made from petroleum and is therefore a major contributor to greenhouse gas emissions. Creating less plastic packaging will help mitigate the climate crisis.

The State of Hawai'i faces a crisis in its handling of municipal solid waste. Every county in Hawai'i is running out of useable landfill capacity for solid waste and facing difficulties in siting more landfills. Incineration, as is used on Oahu, is very bad for public health, the environment generally, and the climate specifically. Trash incineration releases toxic air pollutants and twice as much carbon as landfilling. Neither incineration nor landfilling of solid waste are sustainable solutions.

Recycling alone is not the answer for Hawai'i, given our isolation, the costs of shipping, the lack of local commercial recycling facilities, poor sorting practices, and the fact that some types of plastic are not recyclable and others can only be recycled a few times.

Hawai'i needs to reduce packaging waste to help address our landfill capacity problems, reduce costs to taxpayers, protect our environment, and mitigate the climate crisis. We must create less packaging waste and recapture resources in our waste through reuse. A major goal of the State should be to move toward zero waste.

Currently, the county taxpayers in the State pay most of the costs of handling packaging waste. The producers of packaging waste should shoulder more of the costs of handling the packaging waste they produce; the taxpayers should pay less. It is fair that those who create packaging waste pollution should bear at least some of the costs. The packaging producers also are in the best position to redesign their packaging so it is less wasteful and can be reused or refilled. Developing packaging that circulates locally will reduce packaging costs, waste handling costs, and supply chain disruptions that harm local businesses.

This bill would begin to move Hawai'i toward these zero waste and packaging reduction goals. It would protect the environment, produce local green jobs in waste handling, and reduce costs to taxpayers by establishing a zero waste initiative and a packaging reduction and reuse program, with participation and funding from large producers of consumer packaged goods. Smaller producers

would not be affected. The existing HI 5 deposit bottles would be exempt. A packaging waste special fund would be established to provide funding.

The bill calls for the Department of Health (DOH), with the assistance from each county, to first develop an assessment of statewide needs for resources to reduce packaging waste from the baseline amount, with priority on waste prevention, by eliminating unnecessary packaging and switching to reusable packaging systems.

To work through the complex issues of this transition, an advisory group of relevant stakeholders, including producers, county representatives and others, would be established to advise the DOH on how to structure a producer-funded packaging reduction program. Funding for additional staffing at DOH should be provided to regulate the packaging waste reduction program. With input from the advisory group, the DOH will implement a packaging reduction program funded at least in part by large producers, with a target date of July 1, 2026. The bill also would establish a Zero Waste Initiative in DOH to manage the State's transition from a throw-away linear economy, where we produce, use and discard solid waste, to a more circular economy where, as much as feasible, we **REDUCE, REUSE and REFILL!**

The Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i **STRONGLY SUPPORT** this bill as a process for reasonable packaging waste reform that will help us deal with landfill capacity limitations, reduce packaging waste, lower costs to taxpayers, and move toward zero waste. Please pass this bill! Mahalo!

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)



Sally Jefferson
Director, Western States

THE HOUSE OF REPRESENTATIVES
THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2023

COMMITTEE ON CONSUMER PROTECTION AND COMMERCE
February 16, 2023

Testimony in Opposition to HB 1326

Chair Nakashima, Vice Chair Sayama and Members of the Committee:

Thank you for the opportunity to provide testimony in opposition to HB 1326 RELATING TO THE ENVIRONMENT. Wine Institute is a public policy association representing more than 1,000 California wineries and associate members. The California wine industry helps to support 6,000 jobs and accounts for more than \$762.5 million in total economic output in Hawaii. Our members are committed to sustainability with 80% of California's wine production certified under a statewide sustainability program that encourages waste reduction, reusability, the use of products with recycled content, takeback of recyclable packaging, and the use of non-toxic materials.

We also are committed to participating in discussions regarding the development of efficient, cost-effective means for handling wine packaging. While we support the objective of reducing solid waste and recovering more wine packaging, we have significant concerns with HB 1326 as currently drafted. It would require the development and implementation of a Department of Health packaging waste reduction and reuse plan for achieving a 70% reduction in packaging waste by 2030. We are concerned that it would require the producers of packaged goods to fund the full cost of such a plan without having the substantial involvement and responsibility for creating and managing a workable plan and program for their post-consumer packaging through the establishment of a Producer Responsibility Organization (PRO).

A needs assessment is imperative and should be conducted to help inform the establishment and implementation of a statewide program that will successfully manage the reduction, reuse & recycling of consumer packaging. Such an assessment should include analyzing existing solid waste management data collection and evaluate the capacity, costs, gaps and needs for recycling, reuse, reduction and recovery. It also should consider cost factors and other economic variables like ongoing supply chain shortages and inflationary pressures in determining the program's costs and the impact on the price and availability of consumer goods and services. An analysis of

consumer education needs for reducing, reusing and recycling covered materials and consumer products should also be included. Given the enormous importance of a comprehensive statewide needs assessment, we respectfully urge that the preceding elements be incorporated and that the assessment be used to help inform the development of a plan for Hawaii's packaging waste management program so that it is effective, efficient and results-based.

We also have concerns that this legislation as currently written raises many questions including what would be required of producers in terms of total cost and compliance obligations. How would it effect existing programs such as the ADF program, the state's glass recovery program that diverts glass including wine bottles from the waste stream, which distributors, importers and manufacturers have long been paying fees to fund? How would achievable reusability and reduction goals be determined for consumer packaging? For wine containers, for example, by virtue of their winery license, the only legal way our members could refill a container is on their bonded winery premises in California. There is no infrastructure to handle the reusability of glass wine packaging, which must be heavier and sturdier than those intended for single use in order to withstand repeated cleanings. To refill a container, it would need to be shipped back and forth from the retailer, distributor, and manufacturer via the three-tier system for refilling and returning to the market – thus adding more carbon emissions into the environment. What happens if product packaging is unable to meet the program's reduction and/or reusability targets and timelines?

We strongly encourage engaging in extensive dialogue with stakeholders including producers and material suppliers in developing a packaging waste management program that is feasible, efficient and effective. Therefore, we respectfully urge you to hold this legislation. Thank you for the opportunity to comment on HB 1326.



The power of packaging in balance.™

AMERIPEN
American Institute for Packaging and the Environment

Opposition---HB 1326 (Lowen)

House Consumer Protection and Commerce Committee

February 16, 2023

Chair Nakashima, Vice- Chair Sayama and Members of the House Consumer Protection and Commerce Committee,

AMERIPEN – the American Institute for Packaging and the Environment – appreciates the opportunity to provide written testimony on HB 1326, that seeks to establish a packaging waste reduction program that will be established by 2026. While AMERIPEN has developed principles to aid the waste system and we support the goals of diverting waste from landfills, we have concerns with HB 1326 in its current form and have suggestions to move it towards a traditional extended producer responsibility system.

AMERIPEN is a coalition of stakeholders dedicated to improving packaging and the environment. We are the only material neutral packaging association in the United States. Our membership represents the entire packaging supply chain, including materials suppliers, packaging producers, consumer packaged goods companies and end-of-life materials managers. We focus on science and data to define and support our public policy positions and our comments are based on this rigorous research rooted in our commitment to achieve sustainable packaging and efficient recycling policies. The packaging industry supports more than 2,500 jobs and accounts for more than \$728 million in total economic output in Hawaii.

Packaging plays a vital role in Hawaii, ensuring the quality of consumer goods as they are manufactured, shipped, stored, and consumed. Packaging has value and none of it belongs in landfills, roadsides or waterways. We need to recover it to be recycled and reused, and no one knows better how to do that than the AMERIPEN members who design, supply, produce, distribute, collect, and process it. They are driving innovation, designing for better environmental performance to boost recycling, modernize the recycling infrastructure and divert waste from landfills.

AMERIPEN supports policy solutions, including packaging producer responsibility, that are:

- **Results Based:** Designed to achieve the recycling and recovery results needed to create a circular economy.
- **Effective and Efficient:** Focused on best practices and solutions that spur positive behaviors, increase packaging recovery, recapture material values and limit administrative costs.
- **Equitable and Fair:** Focused on all material types and funded by shared cost allocations that are scaled to make the system work and perceived as fair among all contributors and stakeholders.

AMERIPEN recognizes the health of a waste management system is critical and there is a shared responsibility that producers can play in improving this system. Unfortunately, HB 1326 does not create a shared responsibility system where producers and local governments together would contribute to creating a better waste system in Hawaii. There is no producer responsibility organization (PRO) where producers can manage the funds as well as create a plan that meets the goals in the bill. Below are our key concerns and recommendations that must be addressed to create a truly workable program in Hawaii.

1. **Problematic definition of “Covered producer”** -- means a packaging producer selling a large amount of consumer-packaged goods in the State, as determined by the department upon considering the recommendations of the advisory council, but shall not include producers of low or medium amounts as defined by rule by the department.

The definition of producer is a key part in determining how an EPR structure will work in a state and the definition in HB 1326 needs to be more specific. Otherwise, determining who is the producer vs brand owner vs supplier could become an issue. We prefer a definition that has been used in other state EPR proposals. Rather, than having the uncertainty of whom would be covered under this legislation.

- 2. Packaging Waste Special Fund:** The packaging waste special fund will include all fees, payments, and penalties collected by the department and any appropriation by the legislature into the special fund and the department will administer the fund.

EPR funds are traditionally managed by a producer responsibility organization (PRO) made up of the producers paying fees into the EPR program to meet the goals set out in the EPR program. However, in HB 1326, as currently drafted, the funds would be managed by the Hawaii Department of Health. We prefer the producer funds being managed by the producers paying into the system, like other states that have passed similar legislation.

- 3. Unknown Administration and Producer Fees –** The producer registration and material fees required to be paid to the Department are unknown. Administration fees that go to the department should be more clearly defined and capped annually. The producer material fees should be determined and collected from producers by a registered PRO, rather than by the Department as is the case right now in HB 1326.
- 4. Needs Assessment:** We agree that a needs assessment is always a critical part of creating an EPR system for packaging. The needs assessment in HB 1326 only determines how much funding each county will get to meet the reduction of materials going to landfill or being incinerated, rather than determining what the needs are for the state to meet the goals stated in the language of the bill.
- 5. Packaging Waste Reduction and Reuse Plan and Program:** This plan is to be created by the department in HB 1326. The creation of a Producer Responsibility Organization is key in other legislation across the country and recommend this bill have one as well. The plan can be created by the PRO with recommendations from the advisory committee and final approval from the department.

AMERIPEN recognizes and supports the need to reduce waste in Hawaii through a shared responsibility program, HB 1326 could be a good vehicle to help Hawaii meet waste reduction goals. We would like to partner with you and the committee to work on a reasonable path forward.

TO: Chair Mark M. Nakashima; Vice Chair Jackson D. Sayama; and Committee

FROM: Adrian Hong, President of Island Plastic Bags, Inc.

RE: HB 1326 HD1 Relating to the Environment

POSITION: OPPOSE

Thank you for the opportunity to submit testimony in opposition to HB 1326 HD1. My name is Adrian Hong and I am the president of Island Plastic Bags Inc. (IPB), a second-generation, family business in Halawa Valley that manufactures plastic trash liners and recycles plastic scraps. HB 1326 HD1 should not pass as it provides no details for how the packaging waste reduction program would work.

The bill provides no information on which companies would be affected, the fees that would be required of companies, the reporting requirements for producers that fall under the program, or even the materials that will be covered. HB 1326 HD1 does not provide how it arrived at the goal of a 70% reduction in packaging waste nor does it provide data to prove that such a reduction is obtainable. Given the lack of details, IPB cannot support this bill.

Island Plastic Bags is not against the idea of extended producer responsibility. There should be incentives to design packaging so it is easier to recycle and reuse. IPB recommends this bill be turned into a study of an EPR program that can flesh out the details noted above. Then citizens can decide for themselves if the program should become law.

Thank you for the opportunity to provide testimony in opposition to HB 1326 HD1. Should you have any questions or comments about my testimony you can contact me by email at ahong@islandplasticbags.com or by phone at 808-484-4046.

Sincerely,

Adrian K. Hong, CPA

President

Island Plastic Bags, Inc.

www.islandplasticbags.com

Email: ahong@islandplasticbags.com | Phone: 808-484-4046 | Fax: 808-488-8505



February 16, 2023

House Committee on Consumer Protection & Commerce
House of Representatives
State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

RE: Testimony in Support of H.B. 1326

Dear Chair Nakashima, and Members of the House Committee on Consumer Protection & Commerce:

Thank you for the opportunity to provide testimony regarding H.B. 1326. **Just Zero strongly supports this bill. Unlike other forms of producer responsibility for packaging laws, it prioritizes reduction of waste not simply new collection and management systems.**

Just Zero is a national non-profit environmental advocacy organization that works alongside communities, policy makers, scientists, educators, organizers, and others to implement just and equitable solutions to climate-damaging and toxic production, consumption, and waste disposal practices. We believe that all people deserve Zero Waste solutions with zero climate-damaging emissions and zero toxic exposures.

The way we think about and manage waste in this country is flawed, inherently unsustainable, and deeply unjust. This unfortunately isn't surprising given that the companies that design, package, and market fast moving consumer goods are completely detached from the end-of-life management of these materials. Instead, residents, towns, and counties are stuck paying to collect and manage a waste stream they have little-to-no control over. Even worse, because these companies have no responsibility for the waste associated with their products and packaging, they are increasingly overpackaging products and using unrecyclable materials like plastic.

H.B. 1326 would address this by requiring producers of fast-moving consumer goods to fund programs and the infrastructure needed to reduce the amount of packaging waste disposed of in landfills and incinerators by 70%. Unlike other forms of producer responsibility for packaging laws, H.B. 1326 correctly identifies that the means of achieving this goal isn't through increased recycling



alone. But instead, through the elimination of single-use packaging and the development of producer funded reuse and refill systems.

I. Modern and Effective Producer Responsibility for Packaging Laws Cannot Exclusively Focus on Recycling.

All existing producer responsibility for packaging programs, including the four laws in the United States, exclusively focus on establishing producer funded curbside recycling services and increasing data collection regarding packaging waste. While strong curbside recycling programs are a central part of any Zero Waste system, they should not be prioritized above reduction and diversion through reuse and refill systems.

The primary goal of any producer responsibility law must be on reducing waste. Central to this is redesigning products and packaging to be reused, and developing the means to ensure these reusable products are collected, cleaned, and recirculated back into the economy. This is especially necessary to combat the plastic production and pollution crisis that is wreaking havoc on our health and our environment.

Despite being widely unrecyclable, most companies choose to package their products in plastic. Approximately, 40% of all plastic produced each year is used for packaging.¹ Virtually none of this material is recycled. In 2021, only 5% of all plastic waste generated by U.S. households was recycled.² This is unlikely to change, even with producer funded recycling systems, because most of this plastic isn't technically or economically capable of being recycled. In fact, a recent report from Greenpeace which surveyed 370 material recovery facilities in the United States found that only PET #1 and HDPE #2 currently meet federal guidelines for recyclability.³ Therefore, all other forms of plastic do not even meet our weak federal requirements for recyclability, which primarily just focus on access to services.⁴

Plastic recycling is, and will continue to be, extremely limited. Unlike glass and aluminum, plastic can only be recycled a certain number of times before it

¹ Laura Parker, [Fast Facts About Plastic Pollution](#), National Geographic. (Dec. 20, 2018).

² Greenpeace, [Circular Claims Fall Flat Again](#), p. 3. (Oct. 24, 2022).

³ *Id.*

⁴ *See*, 16 C.F.R. §260.12 The Federal Trade Commission's Guides for the Use of Environmental Marketing Claim, commonly known as the "Green Guides" states that a company can only make unqualified claims about the recyclability of a product or packaging if recycling facilities that can manage the product or packaging are available to at least 60% of consumers. Importantly, the federal requirements do not look into whether the materials sent to these recycling facilities are actually used to make new consumer products.



becomes to degraded to be turned into new products. At some point, even the small amount of plastic that is actually recyclable will need to be burned or buried.

As a result of exclusively prioritizing producer funded recycling programs, existing producer responsibility for packaging laws have not achieved significant reductions in the amount of packaging waste generated. This is because the money continues to flow toward downstream resources such as the collection, sortation, and disposal or recycling. Even the programs that attempt to incentivize upstream changes in packaging use and design through eco-modulated fees have not resulted in significant waste reduction. While some of these eco-modulated fees have helped eliminate low-hanging fruit such as excess packaging, they have not deterred companies from increasingly packaging their products using unrecyclable plastic.

II. H.B. 1326 Correctly Prioritizes Waste Reduction Through Elimination and Producer Funded Reuse and Refill Programs

An effective and modern producer responsibility for packaging program needs to set strong waste reduction requirements that are achieved primarily through elimination of single-use packaging and producer funded reuse and refill programs. **This is exactly what H.B. 1326 does.** The bill will require producers to fund programs that will not only reduce waste but will benefit Hawaii's environment and economy.

Implementing Zero Waste strategies to meet current and future waste management needs not only reduces pollution and greenhouse gas emissions, it also provides significantly more jobs than disposal based systems.⁵ Reuse and refill systems create as many as 30 times more jobs than landfills.⁶ Importantly, unlike disposal facilities which are centralized and require significant economic resources to build and upkeep, reuse and refill systems can be decentralized and rely on local community and businesses which helps spread the economic benefits.

For instance, a Chilean company called Algramo has developed vending machines where consumers can refill reusable bottles with common household products such as soap, cleaning products, detergent, shampoo, conditioner, salad dressing,

⁵ Global Alliance for Incinerator Alternatives, [Zero Waste and Economic Recovery – The Job Creation Potential of Zero Waste Solutions](#), p. 4. (2021).

⁶ Tellus Institute and Source Resource Management, [More Jobs, Less Pollution: Growing the Recycling Economy in the U.S.](#) (Nov. 2011)



and lotion. These vending machines can be installed in grocery and convenience stores and provide alternatives to single-use items. This type of system would work well in Hawaii and H.B. 1326 would provide not only the funding to get this system of the ground, but an incentive for producers to participate.

III. H.B. 1326 Will Protect Consumers from Microplastics and Exposures to Toxic Chemicals.

Additionally, H.B. 1326 will help protect consumers from the negative health impacts associated with plastic food packaging. Contact with plastics and chemicals added to plastics in consumer products can result in exposure to toxic chemicals.⁷ For example, styrene, the monomer for polystyrene, is a carcinogen and may leach from food packing.⁸ Brominated flame retardants, phthalates, and lead compounds are common plastic additives.⁹ These chemicals can cause neurotoxic effects, adversely impact thyroid function, and cause birth defects, cancer, and hormonal impacts.¹⁰ Other dangerous chemicals like per- and polyfluoroalkyl substances (PFAS) may be added to food packaging.¹¹ Humans are exposed to plastics and the other toxic contaminants associated with plastic when these chemicals leach from food packaging into food or a drink, or through contact with other consumer products.¹²

Plastic food packaging can also increase the likelihood of microplastic ingestion. Humans are exposed to microplastics by breathing in or ingesting these dangerous particles, which may also be a carrier for other toxic chemicals and bacteria. Microplastics entering the human body can lead to inflammation (linked to cancer, heart disease, inflammatory bowel disease, rheumatoid arthritis, and more), genotoxicity (damage to the genetic information within a cell causing mutations, which may lead to cancer), oxidative stress (leading to many chronic diseases such as atherosclerosis, cancer, diabetes, rheumatoid arthritis, post-ischemic perfusion injury, myocardial infarction, cardiovascular diseases, chronic inflammation, stroke), apoptosis (cell death associated with a wide variety of diseases including cancer), and necrosis (cell death associated with cancer, autoimmune conditions, and neurodegeneration). Over time, these effects could also lead to tissue damage, fibrosis, and cancer."¹³

⁷ David Azoulay et al., *Plastic & Health: The Hidden Costs of a Plastic Planet*, p. 27-36. (Feb. 2019)

⁸ *Id.* at 28, 30-31.

⁹ *Id.* at 29.

¹⁰ *Id.*

¹¹ *Id.* at 32.

¹² *Id.* at 31, 35-36.

¹³ *Id.* at 40.



IV. Conclusion

The pollution and public health impacts associated with unfettered packaging generation and disposal are widespread and significant. Addressing this requires bold policy that is commensurate with the problem we are all facing. H.B. 1326 is a critical policy that will ensure Hawaii transitions away from the current toxic and unsustainable throw-away packaging system to one where disposal is limited, and resources are reused and recirculated into the economy. Just Zero urges you to support H.B. 1326. Thank you for your time and consideration of this testimony.

Respectfully submitted,

Peter Blair, Esq.
Policy Director
Just Zero



2/14/2023

Committee on Consumer Protection and Commerce
Hawai'i State Capitol
Honolulu, Hawai'i 96813

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee,

Position: Support HB1326 - Packaging Waste Reduction and Reuse Plan and Program

The Surfrider Foundation, Hawai'i region, is testifying in **strong support of HB1326**, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2026.

Our Surfrider Foundation chapters throughout Hawai'i have worked hard over the last decade to reduce the amount of single-use plastics in our community. While our County-based efforts have been successful on different levels, there is a significant need to address the problem of plastic pollution and waste reduction from a more holistic standpoint. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

There is a proliferation of packaging waste in Hawaii and around the world. This bill would establish a process for DOH (with assistance from an advisory council) to develop and implement a plan for a producer funded packaging reduction and reuse program to address this critical pollution issue. Reducing, reusing and recycling reduces greenhouse gas emissions that contribute to global warming, and are important strategies in our fight against the climate crisis.

Thank you for your consideration of this testimony in support of HB1326, submitted on the behalf of the Surfrider Foundation's 4 Chapters in Hawai'i and our 437 local community members.

The Surfrider Foundation is a national nonprofit organization dedicated to the protection and enjoyment of our ocean, waves, and beaches. Surfrider maintains a network of over 150 chapters and academic clubs nationwide, including 4 chapters in the Hawaiian Islands. The Surfrider Foundation focuses on many aspects of the environment such as coastal protection, plastic pollution, and water quality.

Sincerely,

Lauren Blickely
Hawai'i Regional Manager
Surfrider Foundation

February 15, 2023

The Honorable Mark Nakashima, Chair
The Honorable Jackson D. Sayama, Vice Chair
House Committee on Consumer Protection & Commerce
Hawaii State Capitol
415 South Beretania St.
Honolulu, HI 96813

RE: House Bill 1326 (Lowen) - Packaging Waste Reduction Program - Oppose

Chair Nakashima, Vice Chair Sayama, and Members of the House Committee on Consumer Protection & Commerce:

On behalf of the Household & Commercial Products Association (HCPA)¹, I write to respectfully oppose HB 1326, which seeks to establish a new packaging waste reduction program.

HCPA has worked with legislatures across the country in response to product stewardship proposals. Our member companies are working to achieve goals made to improve the design of packaging through source reduction, improved reuse/refill and recyclability, and increased recycled content. Accordingly, HCPA supports materials management policies that improve fractured recycling systems, and programs that embrace a shared responsibility across the packaging value chain to reach a circular system harmonized across state lines. As such, HCPA is committed to working with Hawaii policymakers to achieve a comprehensive solution that bolsters existing infrastructure through standardization for efficient scalable systems, incentivizes materials market development, and provides transparency and accountability in data collection.

¹ The Household & Commercial Products Association (HCPA) is the premier trade association representing the interests of companies engaged in the manufacture, formulation, distribution and sale of more than \$180 billion annually in the U.S. of familiar and trusted consumer products that help household and institutional customers create cleaner and healthier environments. HCPA member companies employ hundreds of thousands of people globally. Products HCPA represents include disinfectants that kill germs in homes, hospitals and restaurants; air fresheners, room deodorizers, and candles that eliminate odors; pest management products for home, lawn and garden, and pets; cleaning products and polishes for use throughout the home and institutions; products used to protect and improve the performance and appearance of automobiles; aerosol products and a host of other products used every day.

Producer Responsibility Organization Model

Similar to what other states have adopted, the bill should establish a Producer Responsibility Organization (PRO). A PRO should not be selected or controlled by the department, but rather organized and run by the producers who have the fiduciary responsibility to support the organization and packaging goals. EPR is not just the responsibility to fund a program, but also to play an active role in achieving a circular packaging lifecycle.

PROs should be required to build an incentive structure to help meet program environmental goals and efficient recycling, including eco-modulated fees. Modulated fees will reward innovation and sustainable packaging. The state's primary role should be oversight and accountability such as ensuring market equality among producers by requiring registration with a PRO, track PRO compliance, and review or facilitate review of PRO plans before final submission.

Packaging Reduction

Packaging reduction goals should be evidence-based and not codified in law as currently proposed in HB 1326 (currently seventy percent reduction). Instead, they should be proposed following a third-party study and with stakeholder input. It is imperative that producers aim toward achievable goals informed by strong data and collaboration across the value chain.

Scope of Products and Exclusions

EPR programs must clearly define the scope of packaging and materials covered. The language in HB 1326 covering products sold reads "quickly and at a relatively low cost." Unfortunately, this verbiage is ambiguous and could lead to a lack of harmonization across jurisdictions.

Furthermore, EPR programs in other states have recognized the unique challenges with certain federally regulated products such as those registered under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) or special packaging intended to protect the health and safety of consumers (such as Child Resistant Packaging). Notably, FIFRA products have detailed guidance on packaging standards which can generate conflict between the goals of EPR programs and federal packaging requirements. Layering an EPR program on top of that introduces a great deal of complexity.

Focused Expenditures

In order to ensure success, revenues raised through producers should be dedicated to improving and not supplanting existing programs and packaging recovery systems. Clear language and guardrails are needed to preclude funds from being syphoned into redundant or unrelated state expenditures. Similarly, any new requirements established in legislation or through regulation should have a direct nexus to the goals of the program and packaging recovery.

Advisory Council

HCPA applauds the inclusion of an advisory council in the bill. However, HCPA is concerned that producers who are responsible for funding the program are excluded from the Advisory Council with only three producers representing a diverse market. Manufacturers and formulators of

products are important subject matter experts and must be better represented on the advisory board. The advisory council would have significant influence over key decisions, such as how best to achieve a reduction in packaging waste and the scope of covered products.

We believe there are other technical issues to be addressed, including what it means to “reuse” a product. HCPA respectfully requests consideration of these concerns and welcomes any opportunity to further discuss how Hawaii can move toward a circular economy. Thank you for your leadership on this important issue.

Sincerely,

A handwritten signature in blue ink, appearing to read 'C. Finarelli', with a large, stylized initial 'C'.

Christopher Finarelli
Director, State Government Relations & Public Policy - Western Region

HB-1326-HD-1

Submitted on: 2/15/2023 9:10:25 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicole Larson	Hawaii Island Ocean Advocates	Support	Written Testimony Only

Comments:

Testimony in Support of HB1326 HD1

Committee on Energy and Environmental Protection

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Nicole Larson, and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Climate change is here and there is no more time to wait to rapidly reduce our carbon footprint, to create a resilient Hawaii. Circular economies, such as reusable systems and compost, are one major way to close the loop on our excessive imports and waste. Please act quickly and address this "low hanging fruit", it is imperative to face our waste problem.

Mahalo for the opportunity to testify,

Nicole Larson, Hawai'i Island Ocean Advocates

HB-1326-HD-1

Submitted on: 2/15/2023 9:33:57 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Lisa Hallett	Kokua Na Aina	Support	Written Testimony Only

Comments:

This bill is so brilliantly written. No financial impact on taxpayers! Please, this is a good bill and should proceed. We love that organizations and businesses have signed on to support this bill!



**Written Testimony of
David Thorp, American Beverage Association
Before the House Committee on Consumer Protection & Commerce
Opposition to H.B. 1326, HD1: Relating to the Environment
February 16, 2023**

Good afternoon Chair Nakashima, Vice Chair Sayama and members of the committee. Thank you for the opportunity to provide comments in opposition to H.B. 1326, HD1.

I am David Thorp, Vice President, State Government Affairs West for the American Beverage Association (ABA). The American Beverage Association is the trade association representing the non-alcoholic beverage industry across the country and here in Hawaii.

Beverage industry's local impact on Hawaii's economy

The beverage industry is an important part of Hawaii's economy – and one of the few remaining industries still manufacturing on the Islands. Unlike most consumer products, many of our beverages, aluminum cans and plastic bottles are manufactured and distributed in Hawaii by local workers.

Non-alcoholic beverage companies in Hawaii provide 1,200 good-paying jobs across the state. The industry helps to support thousands more workers in businesses that rely in part on beverage sales for their livelihoods and, such as grocery stores, restaurants and theaters.

EPR is Top Priority for Beverage Industry

The beverage industry is taking an active role in advocating for EPR laws for packaging and printed paper that are well-designed, follow best practices, and can produce the kinds of improvements in recycling and markets that are necessary to create a circular economy. We are engaged in several states across the country, collaborating with stakeholders and legislators to shape this legislation: it is a top priority for our industry.

- **H.B. 1326, HD1 is not EPR.** EPR is a policy approach in which producers take financial and/or operational responsibility for managing products at their end of life. These programs can take many forms depending on the nature of the products affected and the policy's emphasis, but all involve funding the management of material through engagement with producers and other stakeholders. This bill is too short on details about the processes and costs necessary to reduce packaging waste.

Because H.B. 1326, HD1 in no way aligns with our principles or with a common understanding of extended producer responsibility, we cannot support this legislation.

Sincerely,

David Thorp

David Thorp
American Beverage Association
Vice President, State Government Affairs West



Written Testimony
Of the Consumer Brands Association
Before the House Committee on Consumer Protection and Commerce
Opposition to HB 1326: Relating to the Environment

February 16, 2023

Thank you for the opportunity to submit comments regarding H.B. 1326. The Consumer Brands Association is highly engaged in the recycling issue around the country and supportive of well-designed Extended Producer Responsibility (EPR) programs. Nevertheless, unfortunately we are unable to support H.B. 1326 in its current form.

The Consumer Brands Association (Consumer Brands) represents the world's leading CPG companies. The industry plays a unique role as the largest U.S. manufacturing employment sector, delivering products which are vital to the wellbeing of people's lives every day. From household and personal care items to food and beverage products, the CPG industry plays a vital role in powering Hawaii's economy, contributing \$6.3 billion to the state's GDP, and supporting more than 80,000 jobs.

The industry is taking holistic steps to innovate and redesign packaging to reduce its environmental impact. We support investment in the development and enhancement of recycling systems — through extended producer responsibility (EPR) — to improve their capabilities and progress toward a circular economy. We believe our industry's commitment must be shared across the entire value chain and dedicated to clear principles of success.

The CPG industry is taking a wide range of actions to innovate and redesign packaging reducing the environmental impact of plastic packaging through greater recyclability and reuse. Consumer Brands believes that favorable EPR is consistent within the following set of industry-approved principles:

- Fix the recycling system -
Improve the underlying recycling system to deliver strong environmental outcomes, not simply layer additional funds on to an existing, broken system.
- Establish solution-focused Producer Responsibility Organization -
Allow for an industry-funded and run producer responsibility organization (PRO) to assess fees on packaging and determine where and how those funds are spent and manage the system, if applicable.
- Fund only recycling -
Dedicate new funds raised for recycling improvements solely to recycling, not to government general funds or unnecessary administrative costs.
- Develop data-driven policy -



Development of an EPR program must be based on accurate data and science, including a needs assessment with clear financial and performance targets over a specified period.

- Account for materials -
Apply to and account for a range of material types in the waste stream.
- Source variety of funding -
Include more than one source of funding, which should be additive and target specific challenges in the recycling value chain. No single funding source should replace or supplant other funding sources.
- Promote uniformity -
Standardize recycling programs across a state, region or nationally.
- Bring everyone to the table -
Develop a system with measured input from a wide array of stakeholders, including state, local and federal government, packaging suppliers, the consumer goods industry and the waste and recycling industry.

Needs assessment should be broadened and allow more stakeholder input. We appreciate your recommendation of a needs assessment but believe the objectives need to be broadened and producers who would be paying into the system should be afforded a better opportunity to consult with the Department to inform the development of needs assessment. We believe future plan design and resource needs should be data driven to ensure that circularity goals are met and fully informed. In addition, so that the assessment is optimized, we recommend that it include a comprehensive assessment of infrastructure needs, cost estimates, potential capital investments, related technology options, and consumer/community education needs.

The current language does not include a producer responsibility organization (PRO). A traditional EPR program would include a PRO that serves to collect and manage producer fees and assists in executing the plan in coordination with the state. Final approval resides with the Department, but ideally the PRO consults with the state and partners to conduct a needs assessment, rate study and overall plan to achieve a circular economy.

Costs have the potential to be exponential without any assurance of circularity goals being met. The CPG industry is committed to funding well-constructed EPR programs that focus on recycling infrastructure. The current bill does not permit a PRO to assist in the management of fees or to consult on any rate study. In addition, the stated goal of a seventy percent reduction in packaging waste through elimination of unnecessary packaging and switching to reusable appears arbitrary and is not informed by any data. While industry is in favor of reuse/refill efforts, we are concerned with the unknown scale of potential costs given the overall lack of reuse/refill infrastructure at the retail level and the unknowns associated with consumer preference.



As part of shared responsibility in improving end-of-product life systems, Consumer Brands is dedicated to supporting a well-designed EPR program that is intended to improve post-consumer materials management mechanisms.

The CPG industry stands ready to partner with you to develop an effective overall waste reduction and recycling program. Thank you for your dedication and attention to these critical issues. Please let us know how we can best be a resource to you going forward.

Sincerely,

A handwritten signature in black ink that reads 'Brendan Flanagan'.

Brendan Flanagan
Senior Director, State Affairs
Consumer Brands Association

HB-1326-HD-1

Submitted on: 2/15/2023 11:44:37 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
R A Culbertson	Big Island Reef Keepers hui	Support	Written Testimony Only

Comments:

Testimony in Support of HB1326 HD1

Committee on Energy and Environmental Protection

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee!

My name is Rob Culbertson and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Mahalo for the opportunity to testify!

**Testimony in Support of HB1326 HD1
Committee on Energy and Environmental Protection**

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Romina Silva and I am writing on behalf of my company FoodWare. We are a collect and return system provider for reusable to-go cups and containers in the Bay Area, California. We have been operating for almost two years and have successfully provided our service to multiple restaurants and institutions such as UC Berkeley - a leading university in the US. There is a big need for services like ours in order to tackle climate change and environmental pollution. However, we strongly believe a shift to a more sustainable future is not the work of reuse providers alone and that the future of our planet depends on having extended producer responsibility (EPR) in place.

I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. It has a high environmental and energy impact from its manufacturing, logistics and end-of-life stages, as well as health impacts for everyone of us. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging and by paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriate funds for conducting the needs assessment and to contract or hire DOH staff.

Multiple countries in Europe have already established single-use waste bans and are working towards EPR schemes, with other EU countries to follow suit. Such countries include [the UK](#) and [Germany](#).

Reuse systems are the future and it is important to start building the required tools and infrastructure, together with education for the public, today. Making producers responsible for the packaging waste they create is not only going to make such systems a reality, but will also create new green jobs in local communities.

Mahalo for the opportunity to testify,

Romina Silva
Co-Founder & COO, FoodWare

HB-1326-HD-1

Submitted on: 2/15/2023 11:44:54 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maurice Goulding	E-bikes Big Island LLC	Support	Written Testimony Only

Comments:

Aloha,

We are running out of space to put our trash. Every day we import more junk. We need common sense solutions. This is why I support this Bill and why I implore all of our representatives to do the same and vote in favor of this Bill.

As a business and as a citizen I do my best to choose options that are eco friendly, but we need legislation that will reduce packaging waste and make sure that all packaging, when possible, is truly compostable (at home).

Aloha,

Maurice Goulding

TESTIMONY RE HB1326, HD1
By Ruta Jordans, President, Zero Waste Kaua'i
Before the House Committee on Consumer Protection
February 16, 2023

Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

My name is Ruta Jordans. It is my privilege to speak on behalf of Zero Waste Kaua'i; I am Zero Waste Kaua'i's president.

Zero Waste Kaua'i is a nonprofit association dedicated to educate, advocate, enable and assist, government and residents to transition to a zero waste society. We advocate policies and programs that will move Kaua'i toward a Zero Waste future.

We heartily concur with HB1326, HD1's vision of Hawai'i as a Zero Waste state with a vigorous circular economy. We also agree that it is time for producers to take responsibility for the negative environmental and economic end-of-life impacts and costs of their products. We think an Advisory Council is a good idea as long as its members are carefully chosen to represent all major stakeholders and a diversity of viewpoints.

We would like to suggest a couple of changes to the bill that could increase its impact in achieving the Bill's main goals of protecting the environment and reducing costs to taxpayers with a Zero Waste Initiative.

1. Instead of speaking of "packaging waste," identify the targeted waste as "Covered Materials" and allow the Advisory Committee to look at both packaging and paper as potential targets.
2. Have the bill clearly embrace recycling as one of the principal paths to a Zero Waste society. Allow the Department of Health (DOH) and Advisory Council to Consider Coverage Beyond Packaging. Model EPR packaging laws cover paper as well as packaging, perhaps because paper's similarity in character with packaging makes paper easy to regulate with packaging. Colorado's EPR law regulates "Covered Products," defined as "Packaging Materials" and "Paper," with numerous and specific exemptions defined in both categories.

HB1326's Section 342G-F(1) says that the Packaging Waste Reduction and ReUse Plan shall "Identify covered producers and covered products" using the language that is used in the Colorado law, but nowhere in HB 1326 is there any indication that producers of paper products could be covered in the EPR law that the DOH is to draft with help from the Advisory Council.

We are not sure that paper should be covered in the bill that is to be proposed to the Legislature in 2026, but we are clear that the DOH and the Advisory Committee should have the leeway to explore that possibility and not be limited at the outset. What if their research finds that paper is a substantial part of the waste stream and that paper can be easily regulated with packaging under an EPR program? It does not seem that HB1326 as presently worded would give them the ability to propose such even though it will be in the best interest of the people of Hawai'i

Thus we would suggest that wherever the words "Packaging Waste" are used to define a group or program, those words be simplified to "Waste Reduction" such that "Packaging Waste Council" becomes the "Waste Reduction Council."

Embrace Recycling/Recovery as an Important Pathway to a Zero Waste Society

Certainly "Reduce" and "ReUse" should be priority strategies in the effort to achieve Zero Waste, but it's hard to imagine reaching Zero Waste or a Circular Economy without a substantial "Recycling" component.

On Kauaʻi, traditional recyclables (glass, metals, paper and plastic) make up 36% of the waste stream into the landfill each year. Our conservative calculation predicts that about 25% could be diverted from the landfill with curbside recycling. Composting could divert at least 15%. Between recycling and composting, about 40% of that which goes into the landfill annually could be diverted. If you add the diversion that Reduce and ReUse could contribute, the goal of Zero Waste gets much closer. Consider that on Kauaʻi our Solid Waste Division estimates that packaging is 25% of the waste stream into the landfill. If the 70% reduction of packaging is achieved, the waste stream into the landfill will be reduced by 17.5% compared to the 40% reduction that could be achieved by recycling and composting. Please note that we are not against reducing packaging waste; we simply want to make sure that recycling and composting are also priority strategies under HB1326.

More importantly, recycling and composting provide the foundation for a circular economy. The nonprofit advocacy group, Surfrider, has said that curbside recycling and a Materials Recovery Facility (that would collect, clean, separate and produce high quality recycled plastic feedstock) would make feasible a process that converts marine debris plastics into commercially viable construction bricks. A fledgling business on Kauaʻi that intended to turn plastics into plastic lumber and other products recently shut down because it could not collect enough plastics on its own. Had islandwide curbside recycling and a Materials Recovery Facility been in place, they would have provided substantially more recycled plastic feedstock on a consistent basis for that business, for Surfrider, and other local manufacturers. This is not to say that each county should do curbside recycling; this is just to say that curbside recycling will be a big part of achieving Zero Waste on Kauaʻi and should not be excluded from funding under HB1326.

Maui County has a composting contractor, Maui Eko Systems, that has produced highly popular soil amendments under the name EkoCompost for 26 years. It converts green waste and sewage sludge into a much sought after commercial product used by resorts, landscapers and golf courses. In its first 19 years of operation, it diverted over a million tons of sewage and green waste.

HB 1326 recognizes composting as a major path, but not recycling. We suggest the following wording changes):

SECTION 1, third paragraph, first sentence to read as follows:

A zero-waste initiative in Hawaii would elevate these circular economy principles and put them at the center of the State's waste management strategies, broadly redirecting state agencies tasked with overseeing solid waste management to prioritize source reduction, reuse, refill, recycling, and composting.

SECTION 1, 5th paragraph to read as follows:

The goal of this Act is to lay the foundation for the creation of a sustainable future for Hawaii and its residents by reducing waste, minimizing resource inputs, and promoting a closed-loop system through reuse, recycling, and composting that will benefit the environment and the economy.

SECTION 1, 6th paragraph to read as follows:

The purpose of this Act is to protect the environment and reduce costs to taxpayers by establishing a zero waste initiative and waste reduction, recycling, and reuse programs, with participation and funding from large producers of consumer packaged goods.

SECTION 1 (1) (A) to read as follows:

Requires the department of health, with the assistance from each county, to develop an assessment of statewide needs to determine resources required to reduce [packaging] waste by seventy per cent from the baseline amount, with priority on

- 1.waste prevention through eliminating unnecessary packaging and switching to reusable packaging systems;
2. Recycling and
- 3.Composting

SECTION 1 (1) (C) to read as follows:

Requires the department of health to develop a [packaging] waste reduction, recycle and reuse program; and

SECTION 342-F to read as follows:

[Packaging] Waste reduction, recycling, and reuse plan and program; implementation.

- (a) The department shall develop a producer-funded waste reduction, recycling and reuse plan [to implement a waste reduction and reuse program] to achieve the goal of a seventy per cent reduction of the amount of [packaging] waste deposited in landfills or incinerated in the State by 2030.

We believe our suggested changes above will provide the DOH and the Advisory Council the flexibility to develop the best EPR bill possible as they examine the various options for achieving the exemplary and bold goal of zero waste in Hawaii.

Thank you for this opportunity to testify. We stand ready to assist in whatever way would be most helpful.



To: The House Committee on Consumer Protection & Commerce (CPC)
From: Sherry Pollack, 350Hawaii.org
Date: Thursday, February 16, 2023, 2:00pm

In support of HB1326 HD1

Aloha Chair Nakashima, Vice Chair Sayama, and Consumer Protection & Commerce Committee members,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org **supports HB1326 HD1** that establishes the Hawaii zero waste initiative to manage the State's transition to zero solid waste to the landfill and to incineration, and establish the packaging waste advisory council. In addition, this measure requires the department of health to develop an assessment of statewide needs to determine the resources required to reduce packaging waste by seventy percent from the baseline amount, and establishes a packaging waste reduction and reuse program.

Reducing, reusing and recycling reduces greenhouse gas emissions that contribute to global warming, and are important strategies in our fight against the climate crisis. There is a proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers responsible for managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated.

As the State strives to fulfill its commitments to reduce waste and effectively mitigate the impacts of climate change, this measure offers an effective pathway forward towards a safe and sustainable climate and future. Please support and pass this important measure.

Mahalo for the opportunity to testify.

Sherry Pollack
Co-Founder, 350Hawaii.org



1375 Broadway • Suite 1001 • New York, NY 10018
t. 212.675.1141 • e. info@toyassociation.org

Inspiring Generations of Play

January 24, 2023

The Honorable Mark M. Nakashima, Chair
House Committee on Consumer Protection & Commerce
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

RE: House Bill 1326 (Lowen) - Packaging Waste Reduction Program Mandate—OPPOSE

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

I write today on behalf of the Toy Association (TTA), a not-for-profit trade association representing approximately eight hundred (800) toymakers, marketers, distributors, and retailers, large and small, located throughout North America. Toy Association members have been working diligently toward environmental goals by improving the recyclability of their toys, reducing packaging, and utilizing more sustainable materials in their products and packaging. While studies indicate that toy packaging accounts for less than 1% of the typical household's annual waste stream, all industries have an obligation to do what they can to reduce their environmental impact.

The Toy Association supports investment in improved recycling infrastructure through extended producer responsibility (EPR) in the form of a uniform national program which provides responsible entities with clear standards and criteria, and reasonable implementation timeframes. However, as states begin to act on their own, we encourage collaboration across jurisdictions to create viable end markets and streamline the compliance process for industry. Although no other state has fully implemented their packaging EPR program, they all include strong Producer Responsibility Organizations at their core. This bill doesn't establish such a framework. Other concerns include definitions of producer and covered producer, lack of defined scope of the needs assessment, and use of funds from the Packaging Waste Special Fund. Additionally, with the implementation plan completion date of July 2027, it only leaves 2 ½ years to reach the goal of 70% reduction in the amount of packaging deposited in landfills or incinerated, this is simply not enough time.

We applaud the state's efforts to evaluate their solid-waste system and improve the management of packaging materials in the municipal waste stream; however, this bill sets overambitious goals without providing the appropriate foundation or structure to achieve them. For these reasons, the Toy Association must respectfully oppose HB 1326. Thank you for considering our concerns.

Sincerely,

Erin Raden
Director, State Government Affairs
The Toy Association



February 15, 2022

Representative Mark M. Nakashima, Chair
Representative Jackson D. Sayama, Vice Chair
House Committee on Consumer Protection & Commerce
State Capitol Conference Room 329
415 South Beretania Street
Honolulu, HI 96813

RE: Support for HB 1326 HD1, An act relating to the environment.

Dear Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

Thank you for the opportunity to submit testimony **in support** of HB 1326 HD1, which will lay the foundation for an Extended Producer Responsibility (EPR) program for packaging in Hawaii that prioritizes reduction and reuse.

Upstream is a national non-profit organization that sparks innovative solutions to plastic pollution by helping people, businesses, and communities shift from single-use to reuse. We seek to live in a world where people and the planet are treated as indisposable and communities thrive without all the waste. We believe this bill represents a unique opportunity to enact EPR legislation that centers waste prevention rather than waste management.

HB 1326 HD1 will establish a strong framework for packaging EPR in Hawaii with ambitious targets for waste reduction and reuse. For too long, local governments and communities have shouldered the burden of managing packaging waste. Municipalities and community leaders are powerful catalysts for reuse and critical players in the transition to a circular economy, but they can't get there alone. There is limited control at the local level over the products and packaging that corporations place onto the market - and limited resources for managing the associated waste. To achieve reduction and reuse at scale, producers must be driven to shift their supply chains. This bill outlines a process for the Department of Health (DOH) to plan and implement a producer-funded packaging reduction and reuse program that will hold producers accountable for the packaging they use.

Upstream supports the collaborative, multi-stakeholder approach outlined in this bill to develop a program plan that suits Hawaii's communities. It is our understanding that many local advocates feel this tailored approach to creating an EPR plan, with multiple avenues for public input, best addresses Hawaii's needs. The bill requires DOH to conduct a statewide needs assessment in collaboration with counties that will determine the resources necessary to reduce packaging waste by 70% by 2030, and establishes a multi-stakeholder advisory council to advise DOH on how to structure the producer-funded packaging reduction and reuse program. Once enacted, the bill will empower Hawaii communities, businesses, and municipalities to lead the transition to the new reuse economy by shaping the program to meet their needs for packaging reduction and reuse.

We do recommend one change to this bill. It is our understanding that advocates supporting an alternative bill introduced in the Senate (SB 1458) fear the process outlined in this bill is too long. Funding is desperately needed now to jump-start reuse among Hawaii's local businesses, schools, and communities. SB 1458 would levy a flat fee on the largest global producers of fast-moving consumer goods who sell their products into Hawaii and direct this funding toward local reuse pilots and projects. While a flat fee will not incentivise producers to change their packaging, it will raise crucial funding to address communities' immediate reuse needs. We suggest carrying this concept into HB1326 HD1 to **provide immediate producer funding for local reuse pilots while DOH and the advisory council work to establish an EPR program that will continue to support community reuse and incentivize producers to change.** The short-term funding should expire when the EPR program launches in 2027. This comprehensive approach will allow Hawaii's communities to establish the infrastructure and collect the data needed for ongoing community reuse programs while producers prepare to offer more of their products in reusable and refillable packaging into the future.

Upstream's vision is for 30% of consumer goods to be sold in reusables by 2030. To realize this vision, we need consumer brands to have real skin in the game when it comes to designing, packaging, and selling their products. HB 1326 HD1 creates the framework needed to achieve this goal while benefiting Hawaii's environment, communities, and economy. **We therefore strongly encourage you to reconcile this bill with SB 1458 and report it favorably from your Committee.**

For any questions, please contact me at sydney@upstreamolutions.org.

Mahalo for all you do,

Sydney Harris
Strategic Policy Advisor



Date: February 15, 2023

To: The Honorable Chair Nakashima, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee

From: Zero Waste Hawaii 'i Island

Re: Hearing HBI326 HD1

Thursday, February 16, 2023, 2:00 pm

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

Zero Waste Hawaii 'i Island's mission is to connect diverse Hawaii 'i Island Communities to support equitable systems redesign and policy change to achieve zero waste. In our early year's working within the community, we conducted outreach with a focus on personal behavior change and emphasized recycling of packaging waste. We quickly realized the problems with our current recycling system: much packaging was not recyclable because it was not designed to be recycled, and due to Hawaii's remote location and lack of recycling infrastructure, the costs (both in dollars and carbon emissions) to ship recyclables to facilities was high. We also learned that our "recyclables" were being shipped to pacific island nations with less infrastructure than our own to properly dispose of plastic packaging that is not economically recyclable, much of which escapes into the natural environment, polluting our oceans and impacting marine wildlife. Recycling of packaging waste is not a system that was designed to work, it instead has been an idea that has been marketed to us for decades by industry to make us feel better about the massive amounts of waste we create to get the products that we need, often only used for minutes before being discarded.

Part of the reason we have gotten into this huge mess with the proliferation of packaging waste is producers are not required to pay the costs of disposing of packaging, and there is little incentive for them to do anything other than what is best for their bottom line. There is now a movement underway in the United States to hold producers responsible for the costs of managing packaging waste and producers are willing to participate in these programs. Four state's have now passed bill's, and many others are introducing producer responsibility legislation.

In Hawaii, this is the third year that producer responsibility legislation has been introduced and as the topic is gaining traction, a diversity of opinions on what is the best model for Hawaii are emerging. **Producer responsibility legislation is detailed and nuanced, and dangerous if too much power is given to producers.** We must be careful how we craft a program, and we must design something that makes sense for Hawaii and brings all relevant stakeholders into the conversation to work out the details.

HB1326 HD1 formalizes the process of developing a producer funded program for packaging and differs from most states by prioritizing **reducing and reusing packaging**. While producer trade groups are calling for this legislation to include a Producer Responsibility Organization (PRO), we urge the committee to allow this detail, along with others, to be worked out by the advisory council (which producers will be a part of) and the Department of Health. While a PRO may be necessary given the capacity of the Hawaii government, giving too much control to industry could be detrimental to our goals to reduce and reuse packaging in the state. Deciding upon the responsibilities of a PRO would be better determined during the development of the implementation plan, rather than including those details in this bill now.

We could quickly transition to a circular system for packaging in Hawaii if the government and industry work together to develop innovative solutions. With landfill capacity issues on nearly every island, we need to quickly reduce all types of solid waste entering our landfills. This legislation will allow us to address a significant portion of our waste stream that can be prevented through elimination and reuse of packaging where feasible.

Mahalo nui loa,

Jennifer Navarra
Program Director
Zero Waste Hawai'i Island

Zero Waste Hawai'i Island • Hilo, HI 96720
zerowastebigisland@gmail.com



HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

February 16, 2023 2:00 PM Conference Room 329

In **SUPPORT** of **HB1326 HD1**: Relating to the Environment

Aloha Chair Nakashima, Vice Chair Sayama, and Committee members,

On behalf of our 20,000 members and supporters, the Sierra Club of Hawai'i **SUPPORTS** HB1326 HD1, which would establish a long-due foundation for a transition towards a more sustainable, resilient, and stable economy and way of life for Hawai'i's residents.

Our islands' failures to account for our continuous production of solid waste, and the externalized costs of our consumption-based economy, have resulted in significant and ever-growing impacts to our environment, our public health, and overall quality of life. Leachates from our landfills threaten to contaminate our water resources and nearshore areas; toxic emissions and ash from O'ahu's waste-to-energy facility have raised the risks of lung and heart disease, neurological complications, reproductive issues, and cancer in nearby, largely Native Hawaiian communities; and our limited land areas and our sensitive environments and groundwater sources severely limit the space we have available to receive and store our waste byproducts.

By establishing a foundational framework to reduce and repurpose our solid waste streams, this measure will help us to head off the looming crises posed by the ongoing neglect of our waste stream impacts. The focus on and investments in waste reduction, reuse, and recycling will also have the added benefit of creating a more resilient and sustainable economy, that is far less dependent on – and vulnerable to – an ever more volatile world beyond our shores. Notably, such approaches may also relieve some of our islands' energy challenges, as peer-reviewed life-cycle assessments of waste management have shown that three to five times more energy can be saved “through alternative strategies such as waste prevention, reuse, recycling, and composting than can be generated by burning.”

Accordingly, this measure represents a much-needed rethinking of our approach to waste production and management, one that will be critical to the long-term livability, stability, and resilience of our islands as a whole.

For the above reasons, the Sierra Club of Hawai'i respectfully urges the Committee to **PASS** HB1326 HD1. Mahalo nui for the opportunity to testify.



February 16, 2023

TO: Chair Mark Nakashima
Members of the House Committee on Consumer Protection and Commerce

FR: Tim Shestek
Senior Director, State Affairs

RE: **HB1326 HD1 Relating to the Environment. – OPPOSE**

The American Chemistry Council (ACC) must respectfully oppose **HB1326 HD1**, legislation that requires the Department of Health in conjunction with each county to conduct a needs assessment to determine what resources would be necessary to reduce packaging waste by seventy percent from the baseline amount by 2030; establishes an advisory council to advise the department on how to structure a producer-funded extended producer responsibility (EPR) program; and requires the department to ultimately develop and implement an EPR program. Though we support the objective of this legislation, we have concerns with the bill as drafted.

ACC and its member companies support a variety of policies that aim to reduce plastic waste in the environment, increase the collection and processing of plastic material and create new market demand for recovered plastics. We have established industry targets that 100% of plastic packaging be recyclable or recoverable by 2030 and that plastic packaging contain a minimum of 30% post-consumer recycled material by that same date.

In addition, efforts to modernize and expand the nation's recycling infrastructure have significantly increased. Since 2017, there have been more than 90 projects worth more than \$8 billion in announced investments to modernize recycling technologies in the U.S. These projects have the potential to divert more than 19 billion pounds of waste annually from landfills and are aimed at revolutionizing the use and reuse of plastic resources.

As drafted, HB1326 HD1 would require the Department of Health in conjunction with each county to conduct a needs assessment to determine what resources would be necessary to reduce packaging waste by seventy percent from the baseline amount by 2030. We would encourage the committee to further bolster the needs assessment language in the bill by including the following considerations:

- Current recycling, composting, collection, and hauling systems in the state and the expanded access and additional recycling or composting options needed to achieve associated reduction goals.
- Consumer education needs for recycling, composting, reuse, and waste reduction.
- Funding needs necessary to achieve associated reduction goals.
- Investments needed to provide sufficient access to collection, recycling, composting, processing, and transportation to viable responsible end markets.
- The initial needs assessment, and any subsequent updates, should be developed through a public process that affords the public the opportunity for comment.

Following completion of the needs assessment, HB 1326 HD1 requires the Department to develop and implement a state-run EPR program. Instead, we would encourage the committee to consider establishing a producer-led PRO that would oversee the completion of the needs assessment as well as the development and financing mechanisms for the packaging producer responsibility program. We support the Department having a strong oversight role in the program,

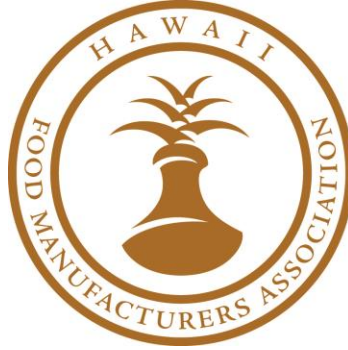


but the producers should have the lead role in developing the program and ultimately ensuring the performance goals associated with the program are achieved.

Should HB1326 HD1 move forward, ACC encourages the committee to engage in further dialogue with producers, material suppliers, packaging producers, waste industry representatives, environmental organizations, local governments, and other stakeholders to discuss crafting an EPR program that is efficient, effective, and implementable. ACC looks forward to being part of such a discussion.

Thank you in advance for considering our views. If you have any questions, please do not hesitate to contact me at 916-448-2581 or via email at tim_shestek@americanchemistry.com. You may also contact ACC's Hawaii based representative Ross Yamasaki at 808-531-4551 or via email at ryamasaki@808cch.com.





**Testimony to the House Committee on Consumer Protection & Commerce
Thursday, February 16th, 2023, at 2:00 P.M.
Conference Room 329 & Via Videoconference**

RE: HB 1326 Relating to the Environment

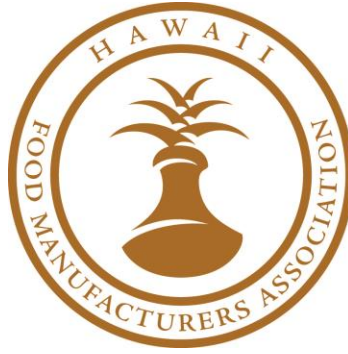
Chair Nakashima, Vice Chair Sayama, and Members of the Committee:

The Hawaii Food Manufacturers Association **does not support** HB 1326, which establishes the Hawaii zero waste initiative program to, among other things, manage the State's transition to reduce and reuse solid waste. Establishes the packaging waste advisory council. Requires the department of health to develop an assessment of statewide needs to determine the resources required to reduce packaging waste by seventy percent from the baseline amount. Establishes a packaging waste reduction and reuse program.

The Hawaii Food Manufacturers Association (HFMA) is a non-profit organization of approximately 120 members that has been promoting Hawaiian grown or manufactured products since 1977. The HFMA works to increase the understanding and appreciation of the unique flavors, quality, and care that go into the production of Hawaii's fine foods and beverages represented by our valued members and enjoyed by our valued community.

The food manufacturing industry in Hawaii generates \$900 million in annual revenue and is the largest manufacturing sector in the state using local inputs according to the Hawaii State Department of Business, Economic Development and Tourism. The industry provides over 6,100 jobs in the state and an annual payroll of more than \$160 million.

HFMA believes that having this mandate on food manufacturers would be devastating to the industry and potentially shut down many small businesses here in Hawaii. We believe the way the bill is written there is a need for a creation of a producer responsibility organization (PRO), a nonprofit that is organized and run by the producers who can develop principles, objectives, and financing mechanisms for the packaging producer responsibility program. PROs play an important role in states that want to manage their packaging waste effectively by allowing producers to have an active role in funding changes but also on implementing a successful plan to reach the performance goals set out in the legislation.



As currently drafted, HB 1326 would place the Department in charge of functions normally fulfilled by the PRO. While the Department should have strong oversight of the packaging producer responsibility program, it should not take the lead role on behalf of producers in Hawaii.

We believe that the advisory council should have local food manufacturers and small businesses on there to provide industry knowledge and feedback on how these policies might affect our business.

We are happy to work with the sponsor of this bill and the committee representatives to come up with a policy that protects the environment but does not devastate our industry.

Thank you for the opportunity to testify.

HB-1326-HD-1

Submitted on: 2/14/2023 8:52:44 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Matthew Geyer	Individual	Support	In Person

Comments:

Thank you for hearing HB1326 HD1.

Please Support HB1326 HD1 in it's efforts to reduce packaging waste. Reducing our packaging waste is critically important to reducing pollution in our air, water and land. If the packaging waste is disposed of incorrectly, it could end up in our streams, oceans or land. As it slowly degrades over the next thousand years, the chemicals in the plastic packaging waste end up in our air, water and land.

Even if it is disposed of correctly, the majority is not recycled or unrecyclable, so it will end up being burned and dumped in a landfill, and landfills are at their breaking points already.

We need to stop allowing all this unnecessary waste from coming to Hawaii, we can't handle this huge stream of plastic waste any more.

Again, please support HB1326HD1

Mahalo

Matthew Geyer

HB-1326-HD-1

Submitted on: 2/14/2023 10:20:15 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Matson	Individual	Support	Written Testimony Only

Comments:

Aloha Chair, Vice Chair and members of the Committee,

I am in strong support of this bill to help us towards our waste reduction goals. There are far more qualified people than me who will be sharing all the whys and hows of this important legislation. I am writing you as a mother and lover of the environment that just wants to leave things a little better than we found them for our keiki. If we don't make drastic steps to cut down on our waste and implement innovative solutions to reuse and reclaim our waste we will be leaving a much worse place for the animals and keiki who will be inheriting this mess.

Mahalo for your time,

Shannon Matson

Hawai'i Island Resident

HB-1326-HD-1

Submitted on: 2/14/2023 10:27:22 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kris Bordessa	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Kris Bordessa. I'm a long-time resident of Hawai'i Island and the author of the award-winning book, *Attainable Sustainable: The Lost Art of Self-Reliant Living* (National Geographic). Protection of the environment, and in particular the packaging waste that corporations force on consumers, has been a passion of mine for many years.

No matter how aware and conscious of the waste I am in my own household, I continue to be faced with the problem of bringing in waste that is destined for the landfill. As an example: I'm gluten free, so must purchase special flours to make my own baked goods. These flours typically come in plastic packaging (unlike all-purpose flour). My options are to purchase these products or do without. Trust me when I say that I do without regularly **based solely on the packaging** that comes with products, but it can be a hardship, and frustrating.

Consumers who are aware of the problem can make a small dent in the waste stream. Pushing producers to accept responsibility for their waste is a way to make change without impacting consumers.

And I'm not talking about greenwashing here. Let's not slap on a "compostable" label when there are NO commercial composting facilities on the island where consumers can take that specialized packaging. Instead, let's shift to packaging that can *actually be composted in home compost systems.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027.

HB-1326-HD-1

Submitted on: 2/14/2023 10:43:18 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brad Bordessa	Individual	Support	Written Testimony Only

Comments:

Aloha,

Reducing the amount of trash that makes its way into consumer hands is the simplest way to avoid excessive landfill use in Hawai'i. It will save the state huge money and reduce the litter ruining this beautiful place.

The fact that this bill is only going through now is concerning. This is common sense stuff that should be a top priority for a healthy future.

Brad Bordessa

HB-1326-HD-1

Submitted on: 2/14/2023 10:55:09 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Michele Mitsumori	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

As our landfills top off and no one wants a landfill in their backyards, we need to REDUCE waste where we can. Packaging has tremendous room for waste reduction, whether through design improvements or investing in waste management infrastructure.

I support HB 1326 because it wisely starts by requiring DOH to conduct a statewide needs assessment, establish an advisory board, and appropriate necessary funds.

Allocating the costs of responsible product disposal to producers incentivizes producers to create better products and supportive infrastructures. Shifting costs to consumers enables producers to ignore the problems and costs of product disposal.

Thank you for the opportunity to testify **in support of HB 1326.**

HB-1326-HD-1

Submitted on: 2/14/2023 11:17:38 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jotis Russell-Christian	Individual	Support	Written Testimony Only

Comments:

**Testimony in Support of HB1326 HD1
Committee on Energy and Environmental Protection**

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Jotis Russell-Christian and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

I genuinely long for the day when Hawai'i is waste free as it used to be before pollutants started polluting the 'āina!

Mahalo for the opportunity to testify,

Jotis Russell-Christian

HB-1326-HD-1

Submitted on: 2/14/2023 12:17:34 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Valerie Y O Kim	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is **Valerie Kim** and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Mahalo for the opportunity to testify,

Valerie Y O Kim

HB-1326-HD-1

Submitted on: 2/14/2023 2:38:03 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Caroline Azelski	Individual	Support	Written Testimony Only

Comments:

Strong support of HD1. Thank you.

HB-1326-HD-1

Submitted on: 2/14/2023 5:00:34 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Paul Montague	Individual	Support	Written Testimony Only

Comments:

Aloha and thank you for considering HB 1326. I support this bill to start to work on reducing waste from packaging and single use products. I would suggest installing more water bottle filling stations and banning bottled water as a start.

Mahalo

Paul Montague

Ocean View

HB-1326-HD-1

Submitted on: 2/14/2023 2:55:42 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Noel Morin	Individual	Support	Written Testimony Only

Comments:

Dear Chair Nakashima, Vice Chair Sayama, and Committee members,

I STRONGLY SUPPORT HB1326 HD1.

Sincerely,
Noel Morin
Climate, Sustainability, and Resilience Advocate
Hilo

HB-1326-HD-1

Submitted on: 2/14/2023 5:02:18 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Claire Muskopf	Individual	Support	Written Testimony Only

Comments:

Aloha,

Thank you for your time in considering this important measure.

Hawai‘i Island waste is a serious problem as we are now trucking refuse across the island in an entirely unsustainable way. This bill aims to move us towards zero waste goals and we need the support on the state level to help that move forward.

Packaging shipped to the islands is a major source of waste and we can only mitigate it through accountability and plans that need time and money to develop. We cannot continue to wait and see what happens with the abundance of packaging collecting and being transport around the island for disposal.

This is important for Hawai‘i County but across the state as well. Please support and fund the Package Waste Reduction and Reuse Program to help manage our resources and care for the islands.

Mahalo

HB-1326-HD-1

Submitted on: 2/14/2023 5:35:43 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

HB1326 starts a process toward the very important goal of zero waste. I support this process. However I do question whether the Dept. of Health is the most appropriate department to manage this process. Perhaps there should be some discussion of that - without unduly delaying passage of this important bill.

HB-1326-HD-1

Submitted on: 2/14/2023 5:49:28 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Diane Ware	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Diane Ware (I live in Ka'u) and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Thank you for this opportunity to testify on this important issue and I urge you to pass this bill.

HB-1326-HD-1

Submitted on: 2/14/2023 5:57:34 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Georjean Adams	Individual	Comments	Written Testimony Only

Comments:

Testimony on HB1326 HD1

By Georjean Adams, Kamuela HI

February 14, 2023

I am pleased to see the postponement for further consideration needed for this bill. In addition to the comments submitted below, please refer to my testimony submitted for the February 7, 2023, hearing.

The Hawaii Zero Waste Initiative should be pulled out as a separate bill that more broadly tackles this aspirational goal of zero waste for all activities in Hawaii, not just for a subset of packaging solid waste. "Waste" should include solid and liquid waste, energy wastes, air pollution, workplace exposures, consumer use exposures, and resource management failures. Such a foundational sustainability law would guide other specific laws, including solid waste management.

Regarding the packaging reduction and reuse portion of this bill, there are still many issues to clarify and a need to refocus to meet the goal of reducing waste that goes to landfill or incineration. I am concerned that even a 70% reduction in consumer packaged goods packaging will have a negligible impact on our landfills.

There remain many definition issues:

“baseline amount” refers to weight and number of packaging items, yet it is **volume** that is most important for reducing waste to landfills. Section 342G-F(a) even says that reduction is not measured by reducing weight.

“covered producer” “packaging producer” “producer” are overlapping, vague and inconsistently used in the bill. There is a difference between a product and its packaging. (Even packaging imported as a product has its own packaging). The chain of commerce decisions on how, why and by whom product packaging is selected is complex. Applicability of fees and requirements need to be more carefully delineated or left more open for the advisory council.

Perhaps a different perspective would help: *As a consumer, I want to get and use product that is and will not be broken or contaminated, works as long as I need it and, when I'm done, results in the least amount of trash to get rid of or is easy to reuse/recycle– all at a reasonable price.* How do we achieve those parameters in our island state? It is not by eliminating packaging entirely or only allowing ineffective packaging.

I suggest the concept of Producer Responsibility Organizations (PRO) also be considered to allow those knowledgeable in product packaging to devise their own feasible programs, as is done in other jurisdictions. Nevertheless, Hawaii has a severe lack of industrial base infrastructure for collection, processing (even if just cleaning and sorting out the trash, much less materials recycling) and redistribution - with high hurdles to establish new businesses and services.

While reuse in a circular economy is a laudable goal, the practical challenges will be difficult for PROs and/or the state and counties to be successful. Our circles may need to be thousands of miles in diameter – which could entail significant adverse lifecycle impacts. Demanding reuse should only be for well-defined and supported products and packaging that can work for our communities.

Of most concern is that by narrowing the focus to “consumer packaged goods” packaging, the bill is missing far greater volumes of packaging impacting our landfills. I believe other states have a much larger scope for their packaging reduction programs. Learn from their programs’ implementation and adjust to what makes sense for Hawaii.

Mahalo for your consideration.

Georjean Adams

HB-1326-HD-1

Submitted on: 2/14/2023 8:05:09 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ritama Haaga	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of HB1326 HD1
Committee on Energy and Environmental Protection

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Mahalo for the opportunity to testify,

Ritama Haaga

HB-1326-HD-1

Submitted on: 2/14/2023 10:54:11 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Danielle Burger	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of HB1326 HD1

Committee on Energy and Environmental Protection

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Danielle Burger and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

Mahalo for the opportunity to testify,

Danielle Burger

HB-1326-HD-1

Submitted on: 2/15/2023 12:51:16 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Leah Henry	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Leah Henry and I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. I worked in environmental communication and education for many years and focused on the reduction of marine debris for eight of those years. We all know that continuing to mop a soaking floor without first turning off the tap is futile and I'd like to take steps, with our government, to turn off the tap for plastics.

We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027.

Thank you for your time and for the opportunity to submit my testimony.

Leah Henry

HB-1326-HD-1

Submitted on: 2/15/2023 7:42:52 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Marsha Hee	Individual	Support	Written Testimony Only

Comments:

I strongly support HB1326 moving forward to pass.

Respectfully submitted,

Marsha Hee, Hawaii Island resident



February 13, 2023

To: House Committee on Energy and Environmental Protection
From: Perpetual

House Bill 1326 - RELATING TO THE ENVIRONMENT

Position: Strong Support

Aloha Chair Lowen, Vice Chair Cochran, and Members of the Committee,

Perpetual is a non-profit that partners at the city level to implement immersive reusable foodware systems that provide a great user experience, are affordable and convenient for businesses, and are designed through an inclusive process with the community to be economically viable, healthy and safe, integrated with city planning, and environmentally superior to disposables. Perpetual is currently partnering with Zero Waste Hawai'i Island and the County of Hawai'i to implement a reusable foodware system in Hilo, HI.

Perpetual strongly supports HB1326 that establishes a process for DOH, with assistance from an advisory council, to develop and implement a plan for a producer funded packaging reduction and reuse program to address this critical pollution issue. Perpetual acknowledges that society's waste issue is closely tied into climate, economic, and social justice issues.

Given the lack of recycling infrastructure and supply chain challenges that Hawai'i faces, along with the increased costs associated, Perpetual sees reuse as a viable alternative to single-use foodware. Implementing reuse systems will bring good, well-paid jobs to the community, offer a better solution for consumers, and reduce the amount of waste that largely impacts the community's marginalized communities. .

Our organization believes that reusable foodware systems offer a compelling solution to the waste and pollution generated by single-use foodware. Life cycle assessments (LCA) show that reusable foodware systems outperform disposables on Greenhouse Gas (GHG) emissions, waste generation, and global warming potential ([Hitt et al., 2023](#)). Pilot projects deploying reusable items have proven that the technical capabilities exist and users can have a great experience. With sufficient scale, reusable foodware can be affordable and reliable for businesses. And when reuse systems are implemented city-wide, returning containers is convenient for customers and can become the social norm. However, establishing these well-designed reuse systems requires initial funding to scale.

Thank you for your consideration of this testimony in support of HB1326, submitted on behalf of Perpetual.

Sincerely,
Ellie Moss
Executive Director
Perpetual



Scott Cassel
Chief Executive Officer/Founder

Board of Directors

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CT Dept. of Energy and Environmental Protection

Abby Boudouris – **Vice President**
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Racheal Ajayi
MO Dept. of Natural Resources

Jennifer Heaton-Jones
Housatonic Resources Recovery Authority, CT

Jennifer Holliday
Chittenden Solid Waste District, VT

Kate Kitchener
NY City Dept. of Sanitation

Patrick Riley
OK Dept. of Environmental Quality

Mia Roethlein
VT Dept. of Environmental Conservation

Joe Rotella
RI Resource Recovery Corporation

Adrian Tan
King County, WA

Dawn Timm
Niagara County Solid Waste, NY

Honorary Director

Walter Willis
Solid Waste Agency of Lake County, IL

Scott Klag
Consultant, OR

February 15, 2023

Rep. Mark M. Nakashima, Chair
Rep. Jackson D. Sayama, Vice Chair
Committee on Consumer Protection and Commerce
Hawaii State Capitol
415 South Beretania St.
Conference Room 329
Honolulu, HI 96813

RE: HB 1326, Packaging Waste Reduction Plan and Program; Department of Health; Producer Appropriation

Dear Chair Nakashima, Vice Chair Sayama, Representative Lowen (sponsor), and Members of the Committee:

Thank you for the opportunity to submit testimony in favor of HB 1326 with amendments.

HB 1326 will establish a zero waste initiative for Hawaii that includes creation of a packaging waste advisory council, an assessment of statewide needs to reduce packaging waste by 70%, and the development and implementation of a producer funded packaging reduction and reuse program. We are especially pleased to see that the bill supports Extended Producer Responsibility (EPR) for a wide range of products, including packaging.

In supporting HB 1684 last year, our organization noted the importance of aligning with best practices for EPR being developed in the United States and around the world. Though HB 1326 requires an advisory council to consider best practices, the bill leaves many established elements of a good EPR packaging program unspecified. While we generally support legislation that is flexible and not overly prescriptive, we are concerned that too much is being left to rulemaking, which will involve a lengthy process.

We recommend that the Committee on Consumer Protection and Commerce consider incorporating certain specific best practices into HB 1326, including clear assignment of roles and obligations of producers (e.g., full reimbursement of local government collection and recycling costs); requiring producers to submit a program plan to the state for review and approval; producer funding of the proposed needs assessment; and clear direction on the scope of covered products and covered economic sectors (e.g., residential, commercial).

EPR for packaging could save Hawaii counties and their residents millions of dollars in recycling and materials management costs. For the past 50 years, local governments have assumed primary responsibility for the financial and management burden of handling the millions of tons of waste generated in the state each year. They face decisions about how to budget for increasing and fluctuating prices based on international markets for recycled materials. They rely on waste disposal capacity that cannot be guaranteed in the long-term. And they cannot control the types of materials used by consumer brands for packaging, which becomes a local government responsibility to manage, no matter how unrecyclable that material might be.

The Product Stewardship Institute (PSI) is a national nonprofit that has built the capacity for EPR in the United States for the past 22 years. We work closely with 47 state environmental agency members, hundreds of local government members, and more than 100 partners from international governments, companies, universities, and organizations. Our packaging EPR model has helped shape the EPR policy at the center of the federal Break Free from Plastic Pollution Act, the packaging EPR laws established in Maine, Oregon, Colorado, and California, and bills introduced or under development in a dozen states across the country.

We respectfully urge the Committee to favorably report out HB 1326 with amendments reflecting our comments for the health of Hawaii's residents, economy, and environment.

If you have any questions, please do not hesitate to contact me at (617) 513-3954, or scott@productstewardship.us.

Sincerely,

A handwritten signature in black ink that reads "Scott Cassel". The signature is written in a cursive, slightly slanted style.

Scott Cassel

Chief Executive Officer and Founder



STATE OF HAWAII
HAWAII CLIMATE CHANGE MITIGATION & ADAPTATION
COMMISSION
POST OFFICE BOX 621
HONOLULU, HAWAII 96809

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Director, C+C DPP
Director, Maui DP
Director, Hawai'i DP
Director, Kaua'i DP
The Adjutant General
Manager, CZM

**Testimony of
Leah Laramee
Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission**

**Before the House Committee on
CONSUMER PROTECTION & COMMERCE**

**Thursday, February 16, 2023
2:00 PM**

State Capitol, Via Videoconference, Conference Room 329

**In consideration of
HOUSE BILL 1326 HOUSE DRAFT 1
RELATING TO THE ENVIRONMENT**

House Bill 1326 HD1 establishes the Hawai'i zero waste initiative, a packaging waste reduction and reuse program and the packaging waste advisory council. Requires the department of health (DOH) to develop an assessment of statewide needs to determine the resources required to reduce packaging waste by seventy percent from the baseline amount and appropriates funds. **The Climate Change Mitigation and Adaptation Commission (Commission) supports this bill.**

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multi-jurisdictional effort between 20 different departments, committees, and counties. Much of the plastic waste that is disposed of in landfills results in the release of both methane and carbon dioxide. In 2008, 20 million tonnes (metric tons) of CO equivalent were released from the disposal of solid waste on land.ⁱ Materials consumption contributes directly to climate change because it requires energy to mine, extract, harvest, process and transport raw materials; more energy to manufacture, transport and dispose of waste products. Landfills are the top human-caused source of methane and the incineration of waste produces carbon dioxide as a by-product. Those items that can be recycled often are not for a variety of factors. The best way to reduce greenhouse emission from products is to eliminate packaging waste as much as possible. EPA estimates by cutting the amount of waste we generate by just 5 percent, we could reduce greenhouse gas emissions by 10.2 million metric tons.ⁱⁱ

Mahalo for the opportunity to testify in support of this measure.

ⁱ Gregory, J (2010). Climate Change and Waste-The Missing Link <http://www.ccilap.org/pdf/EPR>

ⁱⁱ [Climate Change and Municipal Solid Waste Fact Sheet | Pay-As-You-Throw | US EPA](#)

HB-1326-HD-1

Submitted on: 2/15/2023 9:01:15 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Barbara Best	Individual	Support	Written Testimony Only

Comments:

Naturally we want to delineate steps to reach our goals to reduce solid waste

HB-1326-HD-1

Submitted on: 2/15/2023 12:52:15 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
laurie boyle	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support HB1326 HD1 for the simple reason that plastics must be reduced and reused at the Producer level before the plastic reaches the consumers hands, often disposed of in landfills, incinerated into our air, or reaching our waterways and oceans, causing mass destruction, plastic consumption by most ocean creatures, often causing death due to obstruction, or human consumption of plastic-eating fish.

We need a solid plan on quickly substituting biodegradable and environmentally-friendly packaging materials for the plastics that are polluting our earth and our bodies so that we can reach our goal of a 70% reduction by incentivizing producers to replace most plastics and to reuse the plastics that may be more difficult to substitute initially.

Mahalo for your attention,

Laurie R. Boyle

HB-1326-HD-1

Submitted on: 2/15/2023 10:50:39 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Briana Rodrique	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashim, Vice Chair Sayama, and Members of the Consumer Protections and Commerce Committee,

My name is Briana Rodrique and I am deeply concerned about the proliferation of packaging waste in Hawai'i and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being put into the landfill and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1326 HD1, which would create a process for the Department of Health (DOH) to develop and implement a plan for a producer funded packaging reduction and reuse program beginning July 1, 2027. The bill requires DOH to conduct a statewide needs assessment to determine resources necessary to reduce packaging waste, establish an advisory council to advise DOH on how to structure a producer funded program, and appropriates funds for conducting the needs assessment and to contract or hire DOH staff.

**Mahalo for the opportunity to testify,
Briana Rodrique**

HB-1326-HD-1

Submitted on: 2/15/2023 1:36:18 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Linda Morgan	Individual	Support	Written Testimony Only

Comments:

I strongly support HB1326.

Our state is littered with packaging from consumer items. The best way to improve this situation is to reduce the use of packaging. This bill will hold manufacturers responsible, a sure way to reduce the use of unnecessary packaging.

Please help HB1326 become law in Hawaii.

HB-1326-HD-1

Submitted on: 2/15/2023 1:50:20 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stacy K. Tang	Individual	Support	Written Testimony Only

Comments:

Aloha Members of the Consumer Protections and Commerce Committee,

My name is Stacy Tang and I am submitting my strong support of HB1326 HD1. There is no magic Land of Awa, that we throw all our trash to. Recycling is a JOKE! Let's be honest, most recyclables are incinerated, or landfilled, only adding to climate change. The time is long overdue, that we create infrastructure to reduce and reuse the packaging that comes from consumerism and create laws to enforce LESS WASTE, by producers. Companies and corporations should be held accountable and financially responsible, for the overload of eye-catching and superfluous packaging they produce, both here in Hawai'i and around the world. It is time for them to improve their packaging design and fund the costs for infrastructure needed to reduce and reuse packaging. HB1326 HD1 is a baby step, in the right direction. Let's aim for ZERO WASTE!

HB-1326-HD-1

Submitted on: 2/15/2023 1:52:35 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
celia tapp	Individual	Support	Written Testimony Only

Comments:

Strongly support ! Thank you, Celia Tapp

HB-1326-HD-1

Submitted on: 2/15/2023 1:53:50 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rusty Tapp	Individual	Support	Written Testimony Only

Comments:

Strongly Support! Thank you, Rusty Tapp

HB-1326-HD-1

Submitted on: 2/15/2023 1:58:14 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
L Flournoy	Individual	Support	Written Testimony Only

Comments:

I understand testimony is due today; in 3 minutes, actually.

I SUPPORT this concept, though have been unable to read the Bill yet.

I have significant experience in this area, and would like to have an opportunity to contribute before the final version, if possible.

For reference, I spent 7 years as the Sustainability Expert/Engineer on a Regional Advisory Committee (RAC) for the SD-IRWMP, and was at the Judge Institute, University of Cambridge, UK, 5 yrs, for my post-grad work in sustainability.

HB-1326-HD-1

Submitted on: 2/15/2023 1:55:33 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Maki Morinoue	Individual	Support	Written Testimony Only

Comments:

Aloha members of this committee,

Mahalo for this opportunity.

I support HB1326 HD1

Packaging Waste Reduction is a must as our shorelines are assulted with plastic debris from all around the world.

It's the right direction for our future generations.

Thank you

Maki Morinoue

96725

HB-1326-HD-1

Submitted on: 2/15/2023 4:55:50 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Keith Neal	Individual	Support	Written Testimony Only

Comments:

STRONGLY SUPPORT HB1326 HD1

This bill has a process for reasonable packaging waste reform that will help us deal with landfill capacity limitations, reduce packaging waste, lower costs to taxpayers, and move toward zero waste.

Please pass this bill!

Keith Neal

Waimea

HB-1326-HD-1

Submitted on: 2/15/2023 5:42:44 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Zoe	Individual	Support	Written Testimony Only

Comments:

I strongly support the transition to Zero waste and creating alternative options for a sustainable, closed-loop waste system. With resources and time invested in recycling and waste reduction, Hawaii has incredible potential in this area. It is possible, and with this bill we will be closer to protecting our beautiful island environment. Mahalo for your consideration

HB-1326-HD-1

Submitted on: 2/15/2023 6:08:37 PM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Shannon Rudolph	Individual	Support	Written Testimony Only

Comments:

Support

HB-1326-HD-1

Submitted on: 2/16/2023 12:32:59 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Yvonne Yoro	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Nakashima, Vice Chair Sayama, and Members of the Committee,

My name is Yvonne Yoro and I am testifying IN SUPPORT of House Bill 1326 HD1 that seeks to establish a 70% packaging waste reduction program in the State of Hawai‘i by 2026.

This bill is long overdue and we’re in need of a plan that protects our consumers and absolves them from sole responsibility of managing the packaging waste tied to the consumable goods. This bill would help place the burden of responsibility on the manufacturers packaging the goods and is a step toward reducing the waste entering our landfills and incinerators.

In passing this bill, we improve our communities in many ways starting with reducing the waste fed into the incinerators that pollute our air and waters. This bill also favors local businesses with much smaller footprints tied to the goods they produce here in our islands.

Mahalo for your time and allowing me to testify IN SUPPORT of House Bill 1326 HD1.

HB-1326-HD-1

Submitted on: 2/16/2023 6:40:01 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Monica Stone	Individual	Support	Written Testimony Only

Comments:

Aloha Committee members and thankyou for recieving my testimony in support of HB1326.

In Gratitude,

Monica Stone

96740

HB-1326-HD-1

Submitted on: 2/16/2023 10:15:37 AM

Testimony for CPC on 2/16/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
John Walsh	Pali Nana	Support	Written Testimony Only

Comments:

We have built this great machine of resources that runs on the opposite forces of labor and consumption. The constant occupations of labor and consumption have left us dizzy and exhausted with less opportunity to realize that the machine could have been designed differently. This dizzying confusion breeds ignorance and dependency on a macro sociological scale that perpetuates and spreads the false promises of advertising. One promise says a product can be appraised by the quality and quantity of its packaging. When the plastic shells for scissors, foods and gifts are manufactured, they are a biproduct with the intention of capitalizing on that illusion and then immediately being the problem of whoever is closest to it for the rest of its time on the planet. It had now begun its life under the name trash. If our son trash is properly disposed of he will be transported a few different places and often across oceans where he will eventually become buried, burned or repurposed with a two out of three chance he will advance the end of the human hospitality this planet offers. With increasing global traffic, trade and disaster, personal responsibility evaporates as these consumer expectations grow unquestioned. As you vote on this legislation please consider every stage of life packaging goes between and how the amount of time it lives there. Please consider the roughly 7%-30% of manufacturing costs that go into packaging products to fit the modern expectations of what a suitable and professional package looks like. Please consider that these cultural systemic issues take cultural systemic solutions. Please consider the contents of the wind that moves though streets of Honolulu and where they will live. Please consider that this machine hurts us as it run, continuing towards infinite labor and infinite consumption. Please consider that it is not too late to alter the design of this machine.



**Testimony in OPPOSITION
to
House Bill 1326
in
Hawaii House Committee on Consumer Protection & Commerce
On
February 16, 2023**

The Flexible Packaging Association (FPA) is submitting testimony in opposition to HB 1326, "Zero Waste Initiative and Packaging Reduction and Reuse Program," which would establish and extended producer responsibility for packaging and paper.

I am Sam Schlaich, Counsel, Government Affairs of FPA, which represents flexible packaging manufacturers and suppliers to the industry in the U.S. Flexible packaging represents over \$39 billion in annual sales; is the second-largest and fastest-growing segment of the packaging industry; and employs approximately 79,000 workers in the United States. Flexible packaging is produced from paper, plastic, film, aluminum foil, or any combination of these materials, and includes bags, pouches, labels, liners, wraps, rollstock, and other flexible products.

These are products that you and I use every day – including hermetically sealed food and beverage products such as cereal, bread, frozen meals, infant formula, and juice; as well as sterile health and beauty items and pharmaceuticals, such as aspirin, shampoo, feminine hygiene products, and disinfecting wipes. Even packaging for pet food uses flexible packaging to deliver fresh and healthy meals to a variety of animals. Flexible packaging is also used for medical device packaging to ensure that the products packaged, diagnostic tests, IV solutions and sets, syringes, catheters, intubation tubes, isolation gowns, and other personal protective equipment maintain their sterility and efficacy at the time of use. Trash and medical waste receptacles use can liners to manage business, institutional, medical, and household waste. Carry-out and takeout food containers and e-commerce delivery are also heavily supported by the flexible packaging industry.

Thus, FPA and its members are particularly interested in solving the plastic pollution issue, increasing the recycling of solid waste from packaging, and creating a working, circular economy. We are appreciative of all of the hard work that has already been done on this legislation and I would also like to point out that FPA is fully supportive of sound, effective EPR programs but we believe HB 1326 needs further work before it is ready for consideration.

Specifically, FPA would like to highlight three issues of concern:

1. **Definition of Producer:** The definition of producer is unclear and opens the door to confusion in the future. Under the current definition, packaging converters could



- potentially be brought within the scope of covered producers. Packaging producers (converters) have no way to determine where the packaging is sold and even in some cases to what brand – packaging producers sell packaging to CPGs, which may then use it for multiple brands within their portfolio and sell throughout the country. We would strongly urge you to adopt a clearer definition of producer that would bring Hawaii in line with the four other states that have passed EPR laws.
2. **Needs Assessment:** The needs assessment is a critical part of the development of an effective EPR program and is in many ways the foundation on which the program is built. The needs assessment in HB 1326 is underdeveloped and should specify certain requirements. A successful needs assessment should conduct an accurate in-depth analysis of the current systems and infrastructure, processing capacities, funding needs, identify issues unique to certain counties or populations, provide for education on end-of-life solutions, and should include opportunities for community and stakeholder input.
 3. **No Producer Responsibility Organization:** We strongly believe that another element which is critical to the success of an EPR program is the inclusion of a Producer Responsibility Organization (PRO). House Bill 1326 currently places responsibility on the Department to create and administer the plan. PROs are non-profit organizations created by and made up of the producers covered under the program under the oversight of the Department. This provides industry with a voice and brings stakeholders into program, allowing them to play an important, active role and offer their expertise in ensuring the program is effective in meeting its performance goals.

We look forward to continued engagement and remain optimistic that with some modification to the House Bill 1326, together we can provide the necessary elements for the enhancement of current collection, investment in new infrastructure, and development of advanced recycling systems, that will allow for collection and recycling to a broader array of today's packaging materials, including flexible packaging; and quality sorting and markets for currently difficult-to-recycle materials. For the above outlined reasons, FPA must remain opposed to HB 1326 in its current form and respectfully request an unfavorable report.

In advance, thank you for your consideration. If we can provide further information or answer any questions, please do not hesitate to contact me at 410-694-0800 or SSchlaich@Flexpack.org.

Respectfully,

Sam Schlaich

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