

JAN 20 2023

A BILL FOR AN ACT

RELATING TO PACKAGING WASTE.

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

1 PART I

2 SECTION 1. The legislature finds that the State is facing
3 a crisis: Every county is running out of capacity to landfill or
4 otherwise dispose of its solid waste. The current practices of
5 landfilling and incinerating packaging waste are neither cost-
6 effective nor environmentally sustainable methods of handling
7 solid waste in the State. The legislature further finds that
8 due to the State's relatively small resident population, remote
9 island location, lack of existing recycling infrastructure, and
10 global image as a pristine environment, it has a more urgent
11 need to reform the existing packaging waste generation model
12 with solutions that minimize the need for recycling and protect
13 the marine environment. Reducing packaging waste will not only
14 address the State's landfill capacity problems, but also reduce
15 costs to taxpayers, protect the local environment, and mitigate
16 the climate crisis.



1 The legislature recognizes that the cost burden on
2 taxpayers from a single-use linear disposal system and from
3 shipping recyclables to other continents is too high. To reduce
4 the costs to taxpayers and reduce supply chain disruptions to
5 local businesses, the State not only needs to minimize the
6 amount of waste generated, but also eliminate unnecessary
7 packaging and transition to reusable and refillable packaging
8 alternatives.

9 The legislature notes that a national movement is underway
10 to hold producers financially responsible for the cost of
11 managing packaging waste. To date, four states (California,
12 Colorado, Maine, and Oregon) have enacted producer
13 responsibility laws that vary in approach to fit their unique
14 needs. The legislature further recognizes that corporations
15 that produce the greatest amount of consumer-packaged goods
16 should also help solve the problems caused by the proliferation
17 of packaging waste, whether by eliminating single-use packaging,
18 improving packaging design, or paying the costs to establish the
19 infrastructure needed to support systems for reusable packaging
20 and the management of packaging waste.



1 The legislature also finds that producers of packaging have
2 little incentive to reduce waste when taxpayers pay the full
3 costs of disposal. Among the corporations that produce the
4 greatest amount of consumer-packaged goods, sixteen of the top
5 twenty are signatories to the Global Commitment for a New
6 Plastics Economy, an initiative developed by the Ellen MacArthur
7 Foundation and the United Nations Environmental Program as a
8 primary means for implementing waste-related sustainable
9 development goals. Other producers of packaging waste also
10 should be encouraged to enter into mutually beneficial
11 partnerships with governments and non-profit organizations to
12 develop reuse and refilling infrastructure systems.

13 The legislature further notes that although reduce and
14 reuse strategies offer benefits beyond recycling programs, these
15 strategies historically have not received the resources needed
16 to develop and ensure success. Although the reduce and reuse
17 strategy is consistent with the State's 30 x 30 source reduction
18 goal, which supports changes in design, material use, and
19 manufacturing to reduce waste and toxicity, and the
20 Aloha+ Challenge, where the State, four counties, and office of
21 Hawaiian affairs committed to reduce the solid waste stream



1 prior to disposal by seventy per cent by 2030; creating reuse
2 and refill systems require large public and private investment
3 in infrastructure, such as reusable items, collection bins,
4 sorting and washing facilities, collection vehicles, and
5 refilling and redistribution systems. Furthermore, a pathway
6 must be established and integrated into existing systems to
7 effectively reduce packaging waste.

8 Accordingly, the purpose of this Act is to protect the
9 environment and reduce costs to taxpayers by:

- 10 (1) Requiring the department of health to develop a
11 statewide needs assessment that determines the
12 resources necessary for the State to reduce packaging
13 waste by seventy per cent from the baseline amount;
- 14 (2) Establishing an advisory council to advise the
15 department of health on how to structure a producer-
16 funded packaging reduction and reuse program; and
- 17 (3) Requiring the department of health to establish:
- 18 (A) A zero-waste initiative; and
- 19 (B) A two-phase packaging reduction and reuse program
20 with participation and funding from large
21 producers of consumer-packaged goods.



1 PART II

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

5 "PART . PACKAGING WASTE REDUCTION

6 §342G-A Definitions. As used in this part:

7 "Baseline amount" means the weight and number of items of
8 packaging waste each county determines was sent to its landfills
9 or a power plant that burns municipal solid waste as a fuel, or
10 both, during calendar year 2024.

11 "Brand" means a name, symbol, word, or mark that identifies
12 a product, rather than its components, and attributes the
13 product to the owner of the brand.

14 "Consumer-packaged goods" means a product that is sold
15 quickly and at a relatively low cost, such as prepared food and
16 beverage in food service, packaged foods, non-deposit beverages,
17 household cleaning products, toiletries, personal care products,
18 cosmetics, over-the-counter drugs, pet supplies, and other
19 products as determined by the department.

20 "Council" means the packaging waste advisory council
21 established pursuant to section 342G-C.



1 "Department" means the department of health.

2 "Packaging reduction" means the reduction of the weight and
3 number of items of packaging used to provide products for
4 consumption.

5 "Person" means any individual, partnership, firm,
6 association, public or private corporation, limited liability
7 company, not-for-profit organization, public benefit
8 corporation, public authority, federal agency, trust, estate, or
9 any other legal entity.

10 "Packaging producer" means:

11 (1) Any person that manufactures or uses in a commercial
12 enterprise, sells, offers for sale, or distributes the
13 packaging material in the State under the brand of the
14 manufacturer;

15 (2) An entity that is not the manufacturer of the
16 packaging material but is the owner or licensee of a
17 trademark under which the covered product is used in
18 commercial enterprise, sold, offered for sale, or
19 distributed in the State, whether the trademark is
20 registered;



1 (3) An entity that imports the packaging material into the
2 United States or the State for use in a commercial
3 enterprise, sale, offer for sale, or distribution in
4 the State; or

5 (4) Any other person that sells a large amount of
6 consumer-packaged goods in the State, as determined by
7 the department.

8 "Returnable" means that a product can be conveniently
9 returned after use to a reuse or return system.

10 "Reusable packaging" means a product or packaging that is:

11 (1) Reusable, refillable, or returnable;

12 (2) Non-toxic;

13 (3) Safe for washing and sanitizing according to
14 applicable state food safety laws; and

15 (4) Is part of a system that achieves multiple cycles of
16 use, equitable access, and reduced waste.

17 "Reuse and refill" means the return of packaging back into
18 the economic stream for use in the same kind of application
19 intended for the original packaging, without changing the
20 original composition or purpose of the product or the components
21 thereof.



1 "Zero waste" means the conservation of all resources by
2 means of responsible production, consumption, reuse, and
3 recovery of products, packaging, and materials without burning
4 and with no discharges to land, water, or air that threaten the
5 environment or human health.

6 §342G-B Hawaii zero waste initiative program. (a) There
7 is established within the department a Hawaii zero waste
8 initiative program to manage the State's transition from a
9 linear economy that disposes of solid waste, often after only a
10 single-use, to a circular economy that prioritizes reducing and
11 reusing much of our solid waste. The zero waste initiative
12 program shall design, implement, and administer activities that
13 include:

- 14 (1) Strategic partnerships for the research, development,
15 testing, certification, and deployment of reusable
16 packaging technologies;
- 17 (2) Engineering and economic evaluations of the State's
18 potential for near-term project opportunities for the
19 State's zero waste resources;



1 (3) A statewide zero waste public education and outreach
2 plan to be developed in coordination with the
3 department of education and University of Hawaii;

4 (4) Promotion of the State's reusable packaging resources
5 to potential partners and investors; and

6 (5) A plan, to be implemented from 2026 to 2029, to assist
7 the State and each county in transitioning toward zero
8 waste;

9 provided that prior to the development of the Hawaii zero waste
10 initiative program, the department shall develop a plan of
11 action to effectively prioritize and focus efforts consistent
12 with the State's zero waste programs and objectives.

13 (b) The department shall submit a report of its findings
14 and recommendations, including any proposed legislation, to the
15 legislature no later than twenty days prior to the convening of
16 each regular session on the status and progress of new and
17 existing zero waste initiatives. The report shall also include:

18 (1) The spending plan of the Hawaii zero waste initiative
19 program;



1 (2) All expenditures of moneys from the packaging waste
2 special fund established pursuant to section 342G-F;
3 and

4 (3) The targeted markets of the expenditures, including
5 reasons for selecting those markets, the persons to be
6 served, specific objectives of the program, and
7 program expenditures, including measurable outcomes.

8 **§342G-C Packaging waste advisory council; establishment;**
9 **duties.** (a) The department shall establish, on or before
10 January 1, 2024, a packaging waste advisory council, which shall
11 advise the department on the needs assessment described in
12 section 342G-D and the packaging waste reduction and reuse plan
13 in section 342G-E.

14 (b) The council shall consist of the following members:

15 (1) The director of the department of health or the
16 director's designee, who shall serve as the chair of
17 the council;

18 (2) The chairs of the standing committees of the senate
19 and house of representatives with subject matter
20 jurisdiction over the environment or their designees;



- 1 (3) A representative from the city and county of Honolulu
2 department of environmental services with experience
3 in sustainable waste management;
- 4 (4) A representative from the county of Maui department of
5 environmental management with experience in
6 sustainable waste management;
- 7 (5) A representative from the county of Kauai department
8 of public works with experience in sustainable waste
9 management;
- 10 (6) A representative from the county of Hawaii department
11 of environmental management with experience in
12 sustainable waste management;
- 13 (7) One representative of community organizations in each
14 of the four counties that have focused on packaging
15 waste reduction, to be selected by the chair;
- 16 (8) One expert in governmental activities regarding
17 programs to achieve packaging waste reduction
18 nationally and internationally, to be selected by the
19 chair;



- 1 (9) Three representatives of large packaging producers of
2 consumer-packaged goods in the State, to be selected
3 by the chair;
- 4 (10) One representative of small local businesses that
5 manufacture products in the state, to be selected by
6 the chair;
- 7 (11) Two national experts in reusable packaging who are not
8 affiliated with any packaging producers in the State,
9 to be selected by the chair; and
- 10 (12) Two representatives from recycling and waste hauling
11 businesses working in the State, to be selected by the
12 chair.
- 13 (c) The members of the council shall:
- 14 (1) Be subject to section 26-34 except as otherwise
15 provided in this section;
- 16 (2) Serve without compensation, but shall be reimbursed by
17 the department for expenses, including travel expenses
18 necessary for the performance of their duties;
- 19 (3) Shall serve for two-year terms; and
- 20 (4) May be reappointed by the chair.



1 Meetings shall be open to the public and subject to chapter 92.
2 The chair shall determine how often the council will meet. The
3 department shall provide administrative support to the council
4 and may hire a facilitator to administer the council.

5 (d) The council shall:

6 (1) Perform any relevant analysis and make appropriate
7 recommendations for the legislature, the department,
8 counties, and other stakeholders, to develop criteria
9 for reuse and refill programs;

10 (2) Provide the department with recommendations on how
11 best to achieve a seventy per cent reduction in
12 packaging waste sent to landfills or incinerated;
13 provided that its recommendations shall include how to
14 transition each county to develop and integrate new
15 programming, or expansion of existing programming, to
16 achieve the goals of the packaging waste reduction and
17 reuse program to be developed and implemented pursuant
18 to section 342G-E;

19 (3) Advise the department in the development of a producer
20 funded packaging waste reduction and reuse program by
21 addressing the following:



- 1 (A) The types of materials that are being used for
2 packaging and for which products, the products
3 that would be eligible for reuse and refill, and
4 the products that should be targeted for waste
5 reduction and diversion;
- 6 (B) Costs to transition to systems that reduce waste
7 or encourage reusable packaging and what portion
8 of those costs will be covered by packaging
9 producers;
- 10 (C) Other programs and infrastructure that are needed
11 in the State to divert packaging waste from
12 landfilling and incineration and the costs of
13 developing and running those waste diversion
14 programs;
- 15 (D) The needs and costs to improve the State's
16 packaging materials collection systems, and
17 sorting and processing facilities, and the
18 portion of these costs that will be covered by
19 packaging producers;



- 1 (E) The size of packaging producers to be included as
- 2 "covered" packaging producers engaged in the
- 3 program;
- 4 (F) The metrics that should be utilized to determine
- 5 the amount of fees collected from packaging
- 6 producers;
- 7 (G) The metrics that will be used to determine the
- 8 baseline amount of packaging generated by each
- 9 producer and for subsequent reporting, noting
- 10 that weight alone shall not be considered a
- 11 sufficient metric since transitioning to single-
- 12 use plastic to meet the requirements of reduction
- 13 is not considered acceptable;
- 14 (H) The covered products to include in the program;
- 15 (I) The packaging materials requirements that
- 16 packaging producers must follow and the timeline
- 17 for meeting requirements;
- 18 (J) The State and county staffing needs to support a
- 19 packaging reduction and reuse program;
- 20 (K) Who will run the program; and



1 (L) The viable alternative packaging solutions for
2 locally made versus imported products.

3 **§342G-D Packing waste needs assessment.** (a) The
4 department, with assistance from each county, shall develop a
5 statewide needs assessment that shall detail the resources
6 needed to reduce packaging waste from each respective county's
7 baseline amount by seventy per cent by 2030; provided that for a
8 county with a population greater than five hundred thousand, the
9 needs assessment shall detail the resources needed to reduce its
10 packaging waste that the county sends to a landfill or to a
11 power plant that burns municipal solid waste as a fuel; provided
12 further that a county with a population greater than five
13 hundred thousand shall categorize its resource needs by method
14 of packaging waste disposal.

15 (b) The department shall compile the assessments and
16 consolidate them along with any recommendations made by the
17 counties and shall work with the council to develop an
18 implementation plan described in section 342G-E; provided that
19 priority shall be given to packaging reuse and refill programs.

20 **§342G-E Packaging waste reduction and reuse program;**
21 **implementation plan.** (a) The department shall develop a



1 packaging producer-funded waste reduction and reuse plan to
2 establish a program that achieves the goal of a seventy per cent
3 reduction of the amount of packaging waste deposited in
4 landfills or incinerated in the State by 2030. The plan shall
5 determine which packaging producers and products shall be
6 covered, how fees shall be set, how reduction shall be measured,
7 and reporting requirements for the packaging producers.
8 Reduction shall not be measured by reducing the weight of
9 packaging as it is against the goals of the State to increase
10 the use of single-use plastics.

11 (b) By July 1, 2025, the department shall issue a draft of
12 the plan for review and comment by the council. Within sixty
13 calendar days of receiving the draft plan, the council shall
14 provide recommendations based on majority vote. Any council
15 members who do not endorse the recommendations of the council
16 may submit a separate written recommendation to the department
17 reflecting their minority opinion or opinions. The department
18 shall consider the recommendations of the council in developing
19 the final draft for public review.

20 (c) By December 31, 2025, the department shall publish a
21 final draft of the plan for public review and comment pursuant



1 to chapter 91. The public shall have ninety calendar days to
2 provide written and oral comment. The department shall consider
3 public input in developing a final plan.

4 (d) On or before July 1, 2026, the department shall
5 publish the packaging waste reduction and reuse implementation
6 plan, including the implementation strategy designed to achieve
7 a seventy per cent reduction of packaging waste deposited in
8 landfills or incinerated in the State by 2030, with funding in
9 whole or in part from covered packaging producers beginning on
10 July 1, 2026.

11 (e) The department and counties shall begin the process of
12 hiring contractors or employees to implement the plan by July 1,
13 2026.

14 **§342G-F Packaging waste special fund.** (a) There is
15 established in the state treasury the packaging waste special
16 fund, to be administered by the department. Moneys deposited
17 into the packaging waste special fund include:

- 18 (1) All fees, payments, and penalties collected by the
19 department pursuant to this part;
20 (2) Any appropriation by the legislature to the fund;
21 (3) Any grant or donation made to the fund; and



1 (4) Any interest earned on the balance of the fund.

2 (b) Moneys in the packaging waste special fund shall be
3 used for this part.

4 **§342G-G Rules.** The department may adopt rules pursuant to
5 chapter 91 necessary to implement this part.

6 **§342G-H Annual report.** The department shall submit an
7 annual report to the legislature no later than twenty days prior
8 to the convening of each regular session beginning one year
9 after the establishment of the packaging waste reduction and
10 reuse program pursuant to section 342G-E. The annual report
11 shall contain a summary of:

12 (1) Progress made towards achieving the seventy per cent
13 packaging waste reduction goal, including the amount
14 of packaging eliminated by weight and number of items;

15 (2) Any need assessments;

16 (3) Moneys deposited into the packaging waste special
17 fund;

18 (4) The use of any moneys from the packaging waste special
19 fund; and

20 (5) Any other findings and recommendations, including any
21 proposed legislation.



1 **§342G-I Applicability.** This part shall not apply to any
 2 material that is regulated by the department as a deposit
 3 beverage or used in the packaging of a product that is regulated
 4 as a drug, medical device, or dietary supplement by the U.S.
 5 Food and Drug Administration under the Federal Food, Drug, and
 6 Cosmetic Act, 21 U.S.C. 321 et seq., sec. 3.2(e) of 21 U.S. Code
 7 of Federal Regulations or the Dietary Supplement Health and
 8 Education Act."

9 PART III

10 SECTION 3. (a) There is appropriated out of the general
 11 revenues of the State of Hawaii the sum of \$ or so
 12 much thereof as may be necessary for fiscal year 2023-2024 and
 13 the same sum or so much thereof as may be necessary for fiscal
 14 year 2024-2025 to be deposited into the packaging waste special
 15 fund established pursuant to section 342G-F, Hawaii Revised
 16 Statutes.

17 (b) There is appropriated out of the packaging waste
 18 special fund the sum of \$ or so much thereof as may be
 19 necessary for fiscal year 2023-2024 and the same sum or so much
 20 thereof as may be necessary for fiscal year 2024-2025 for the
 21 department to fund two full-time equivalent (2.0 FTE) packaging



1 reduction coordinator positions; provided that one full-time
2 equivalent (1.0 FTE) position shall administer the packaging
3 waste reduction and reuse program and assist the counties and
4 the other full-time equivalent (1.0 FTE) position shall develop
5 rules, oversee and manage goals and objectives related to
6 packaging waste reduction, and generate reports.

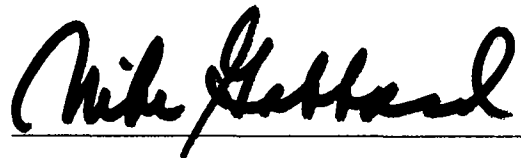
7 (c) There is appropriated out of the packaging waste
8 special fund the sum of \$ or so much thereof as may be
9 necessary for fiscal year 2023-2024 and the same sum or so much
10 thereof as may be necessary for fiscal year 2024-2025 for the
11 department of health to fund and manage the packaging waste
12 advisory council established pursuant to section 342G-C,
13 including any facilitator hired to administer the council.

14 (d) The sums appropriated shall be expended by the
15 department of health for the purposes of this Act.

16 SECTION 4. This Act shall take effect on July 1, 2023.

17

INTRODUCED BY:





S.B. NO. 649

Report Title:

Packaging Waste Reduction; Hawaii Zero Waste Initiative Program; Packing Reduction and Reuse Program; Department of Health; Needs Assessment; Advisory Council; Packaging Waste Special Funds; Appropriation

Description:

Requires the Department of Health, with assistance from each county, to develop a statewide needs assessment to determine resources necessary to reduce packaging waste by seventy per cent from the baseline amount. Requires the Department of Health to establish an advisory council by 1/1/2024 to advise the Department on how to structure a producer-funded packaging waste reduction and reuse program. Requires the Department of Health to: (1) develop a packaging waste reduction and reuse program by December 31, 2025, and (2) publish and implement a packaging waste reduction and reuse plan, beginning July 1, 2026. Establishes the Packaging Waste Special Fund. Makes appropriations.

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