



STATE OF HAWAII
DEPARTMENT OF HEALTH
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In reply, please refer to:
File:

**Testimony COMMENTING on SB1458
RELATING TO WASTE MANAGEMENT**

SENATOR MIKE GABBARD, CHAIR
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
Hearing Date: 2/15/2023 Room Number: 224

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 The Department estimates that it will need to establish a minimum of three full-time
5 equivalent (3 FTE) positions to implement SB1458, one initially via appropriation by the State
6 Legislature, and all subsequently funded by the extended producer responsibility (EPR) special
7 fund created by this bill.

8 **Department Testimony:** Packaging waste is a significant pollutant and addressing packaging
9 waste will benefit the State and protect the environment, economy, and public health. The cost to
10 manage packaging waste is currently borne by taxpayers in the State and counties through
11 landfill fees and property taxes, and SB1458 proposes a solution that requires producers of
12 excessive packaging waste be accountable for their packaging decisions, otherwise known as
13 EPR.

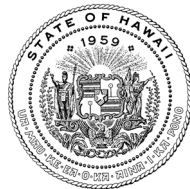
14 There are currently four states that have implemented significant EPR legislation:
15 California, Colorado, Maine, and Oregon. Each state has implemented its own variation of EPR
16 tailored to their respective markets and unique needs. In Hawai'i, the Department currently
17 implements the Electronic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

1 The Department respectfully offers comments on SB1458 to implement an EPR program
2 to address packaging waste through county implementation. Specifically, the Department would
3 prefer to first convene a task force that includes the counties and representatives from other
4 relevant organizations to collaboratively determine the specific needs to implement an EPR
5 program. This would include elements such as determining baseline amounts of packaging
6 waste, identifying costs to implement an EPR program, identifying necessary infrastructure,
7 defining which producers will be covered by an EPR program and structuring producer fees, and
8 developing other significant metrics and potential legislation to best stand up an EPR program.
9 The task force should be charged with developing a needs assessment that addresses each
10 county's unique requirements and an implementation plan that will be executed by the
11 Department to establish an effective EPR program. As such, the Department favors SB0649 or
12 the similar HB1326, introduced this year, in lieu of SB1458.

13 Thank you for the opportunity to testify.

14 **Offered Amendments:** None.

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 SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
ON
SENATE BILL NO. 1458

February 15, 2023
1:30 p.m.
Room 224 and Videoconference

RELATING TO WASTE MANAGEMENT

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

Senate Bill (S.B.) No. 1458:

- Prohibits unregistered covered producers from selling or offering for sale any fast-moving consumer good beginning and ending on a date to be determined by administrative rule.
- Requires covered producers to register with the Department of Health (DOH) and pay a fee of \$100 for each metric ton of packaging placed in the market in the State for registration and each annual renewal.
- Establishes the Extended Producer Responsibility Special Fund (EPRSF).
- Requires each county to develop a countywide needs assessment for resources needed to reduce the amount of packaging waste sent to landfills.
- Requires DOH to submit an annual report to the Legislature that contains a summary of the county needs assessments and a summary of the EPRSF.

- Appropriates an unspecified amount in general funds in FY 24 for deposit into the EPRSF.
- Appropriates an unspecified amount from the EPRSF in FY 25 for the counties to prepare countywide need assessments.
- Appropriates an unspecified amount from the EPRSF in FY 24 for the administration of the Extended Producer Responsibility Program (EPRP).
- Appropriates an unspecified amount in general funds in FY 24 to DOH for 1.00 full-time equivalent position for the EPRP.

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 S.B. No. 1458, it is difficult to determine whether the proposed special fund would be self-sustaining.

Thank you for your consideration of our comments.

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@hawaiicounty.gov

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

February 14, 2023

Sen. Mike Gabbard, Chair, and
Members of the Committee on Agriculture and Environment

Dear Chair Gabbard and Committee Members,

The County of Hawai'i Department of Environmental Management **supports SB 1458** to implement an EPR program to address fast-moving consumer goods through the state by registering with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places in the market each calendar year. The creation of the Special Fund will provide the resources needed to reduce the volume of packaging waste that would normally be sent to landfills or end up as litter on the ground or in our oceans.

Hawai'i's market share is small, but its low resident population, remote location bounded by the Pacific Ocean, global image as a pristine environment, and steady influx of visitors makes it the perfect proving grounds for innovative reuse strategies.

The corporations that produce the greatest volume of consumer goods have the resources needed to address the environmental crises caused by excess packaging waste. Among these corporations, 16 of the top 20 are signatories to the Global Commitment for a New Plastics Economy. This means they have already pledged to reduce packaging waste and ensure that whatever remains is either reusable, recyclable, or compostable.

Further, and perhaps most important, our national collective failure to reduce waste stems from an overemphasis on recycling. The 2021 Global Commitment Report highlights that, although its signatories have made measurable progress on reducing their combined total of packaging waste, no progress has been made on their reuse goals. This legislation compels the top producers to take the lead on developing reuse strategies by effectively partnering them with the County of Hawai'i and its community-driven zero waste movement.

Sincerely

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

SB-1458

Submitted on: 2/11/2023 2:19:58 AM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Wes Carter	Testifying for Atlantic Packaging Corp.	Support	Remotely Via Zoom

Comments:

As the President of Atlantic Packaging, the largest privately-held packaging company in N. America, I am writing in support of SB1458. It is imperative for the packaing industry and the greater supply chain to continue to innovate and invest in circularity. In order to solve really major problems like plastic pollution, we need collaboration from the private sector, NGOs and governments. While I believe this bill could be enhanced with a few modest revisions, the intention of this bill is a very good one. Creating a 5 year pilot for re-use and refill on our only island state will produce tremendous advnaces for the supply chain. Hawaii will become an example for the rest of the country on innovations that can further our goals to create a circular economy. Atlantic Packaging is ready to support and facilitate the development of these strategies on collaboration with the major CPGs, many of whom are already our customers. Please vote to bass this ground breaking legislation and set the pace for the USA in Hawaii.

Wes Carter - President, Atlantic Packaging / Founder, A New Earth Project

www.atlanticpkg.com www.anewearthproject.com



Ryan Tanaka, Chairman – Giovanni Pastrami **Ave Kwok, Incoming Chair**- Jade Dynasty

Andy Huang, Vice Chairman-L&L Hawaiian BBQ

Tambara Garrick, Secretary – Hawaii Farm Project

Kahili Soon, Treasurer – Hukilau Marketplace

Greg Maples, Past Chair – Polynesian Cultural Center

Sheryl Matsuoka, Executive Director

Chivon Garcia, Executive Assistant

Holly Kessler, Director of Membership Relations

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Date: February 11, 2023

To: Senator Mike Gabbard, Chair
 Senator Herbert M. "Tim" Richards, III, Vice Chair
 Committee on Agriculture and Environment

From: Victor Lim, Legislative Lead

Subj: SB1458 Relating to Waste Management

The Hawaii Restaurant Association representing 4,017 Eating and Drinking Place locations in Hawaii opposes SB1458 that establishes an Extended Producer Responsibility Program.

This current post Covid-19 environment with very high inflation and interest rates, have devastated the service and retail industry especially the restaurants. We as an industry is far from being out of the woodworks in trying hard to survive thru this year.

The Hawaii Restaurant Association was a member of the Plastics Source Reduction Working Group that convened in 2020 per Act as established by the Legislature. We engaged in extensive discussion about EPR and in our Final Report that was unanimously approved by the whole group, made the following recommendation –(To undertake a fair and careful study of Extended Producer Responsibility). WE all agreed that this is a very complicated challenge that needs further study because of our small market place and being 2,500 miles from the mainland. Not having major manufacturing here along with no recycling and composting facilities, and compounding with the high shipping costs to any major markets, require us to go slow and understand the pros and cons.

Trying to charge fees before we do further study and understand all the consequences just doesn't make sense. For all these reasons, please hold this bill. Thank you.



TO: Chair Mike Gabbard; Vice Chair Herbert M. "Tim" Richards, III; and Committee

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

RE: SB 1458 RELATING TO WASTE MANAGEMENT

POSITION: OPPOSE

Thank you for the opportunity to submit testimony in opposition to SB 1458. 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.

SB 1458 should be turned into a study of extended producer responsibility (EPR) in Hawaii. This bill is missing key details that make it difficult to understand the full ramifications of the legislation. A study would allow for the fleshing out of the EPR program so that legislators and citizens know what they are voting for. Without a study it is difficult to understand which companies would fall under the definition of covered producer, how much producer registration fees would be, and how the EPR program would meet the goals set out in the needs assessment portion of the 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 SB 1458. 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,

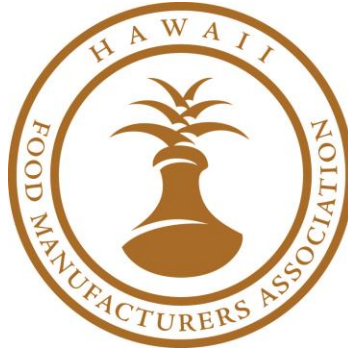
Adrian K. Hong, CPA

President

Island Plastic Bags, Inc.

www.islandplasticbags.com

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



**Testimony to the Senate Committee on Agriculture & Environment
Wednesday, February 15, 2023, at 1:30 P.M.
Conference Room 224 & Via Videoconference**

RE: SB 1458 Relating to Waste Management

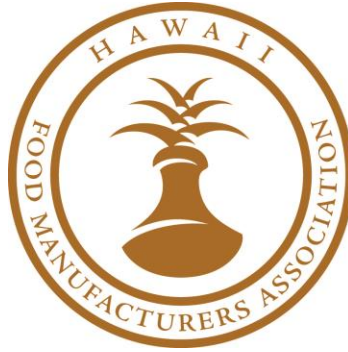
Chair Gabbard, Vice Chair Richards, and Members of the Committee:

The Hawaii Food Manufacturers Association **does not support SB 1458**, which Establishes an Extended Producer Responsibility Program. Requires certain producers of fast-moving consumer goods to register with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places on the market each calendar year. Provides for the deposit of fees into an Extended Producer Responsibility Special Fund. Provides for the expenditure of moneys from the Extended Producer Responsibility Special Fund for the creation of a report that assesses the resources needed to reduce the volume of packaging waste sent to landfills or power plants that burn municipal solid waste as a fuel by fifty per cent and eighty per cent by a date to be determined by rule.

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.

SB 1458 does not represent an Extended Producer Responsibility (EPR) system, rather it is nothing more than a regressive tax on packaging goods in Hawaii. EPR systems include both the financial responsibility and the operational responsibility in managing covered products after consumer use. Rather, SB 1458 places a \$100 per ton tax on almost all packaging material in the state.



Some local companies which employ hundreds of local employees across the state will be directly subject to the tax, not just a few large international companies. The cost of this tax will not be spread across a company's portfolio, across the country or across the world. This tax will be paid by companies which will then have to pass along that cost to local retailers and customers who are still working to recover from the business impacts of COVID.

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, protecting the health and safety of local residents, who consume, use and handle those products.

New economic impact research conducted by York University in Toronto estimates that the packaging tax proposed in SB 1458 could increase the cost of consumer products by as much as \$188 million a year, initially, leading to a potential cost increase for a Hawaii household of more than \$33 per month or \$402 annually, if the costs of the tax are fully passed on to consumers from producers. This research indicates that within five years the annual impact could grow to more than \$220 million, or \$470 per Hawaii household.

As the cost increase falls on products in the basic consumption basket, it disproportionately hits low-income residents the hardest as a percentage of disposable income. The economic impact analysis is based on an average annual recycling rate in Hawaii of 48%, a projected annual growth rate of tons of materials recycled of 3% and an annual inflation adjustment of 4%.

Hawaii is also already one of the few states that tax groceries. We do not see the justification for the state to add another tax on groceries and other essential items when inflation is reaching record levels and the state budget has a surplus.

We look forward to working with the legislature in the interim to come up with an EPR policy that protects the environment, but does not crush small business in the state by adding an additional tax.

Thank you for the opportunity to testify.

SB-1458

Submitted on: 2/13/2023 12:41:44 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Christopher Dean	Testifying for Clean The Pacific	Oppose	Written Testimony Only

Comments:

Clean The Pacific and Recycle Hawaii strongly support SB 1458. Under the current system, corporations who sell packaged products have no incentive to reduce the amount of packaging they use or account for the expense of dealing with the waste they create. The result of that is that no one is dealing with this problem in a responsible way. Why should the hidden cost of dealing with packaging waste fall upon the tax payer? When costs are distributed in that fashion, no one knows why or what their tax dollars are paying for, which is exactly what corporations are hoping for. If we are for truth, then the cost of packaging should be paid for by the consumer at the point of sale. This will incentivize corporations to minimize their packaging, make their packaging reusable, or at least easily recyclable. Corporations will of course argue that it will hurt their sales, but this is a fallacy, because all corporations will be subject to these fees, so although the cost of their commodities will go up, so will their competitor's.

No one likes to clean up their mess and we hate it even more when someone tells us to clean up our mess, but that's what needs to be done. It's sad that these corporations have been making such a huge mess for so many decades, expecting municipalities, citizens and charities to clean up after them. I expect that they will have a tantrum and stomp around their room huffing and puffing and pouting, but someone has to be responsible here. I know that the State and County of Hawaii that responsible entity. We, the citizens of Hawaii are asking you, our elected representatives, to please make these corporations clean up after themselves, or give them a time out.

SB-1458

Submitted on: 2/13/2023 1:07:46 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Maki Morinoue	Testifying for HULI PAC	Support	Written Testimony Only

Comments:

Aloha committee and thank you for this opportunity,

We support SB1458

We can make Hawai'i State move in an amazing direction and reall have quantifiable actions towards a greener less plastic dependent community. It would decrease plastic consumption by a significant amount and we could be a poster child for the world.

Mahalo

Maki Morinoue

96725



David M. Topp
Senior Director,
Government Affairs

Abbott Laboratories Inc.
1127 11th St., Suite 550
Sacramento, CA 95814

T: 916 443-7464
M: 224 430-0410
David.topp@abbott.com

Wednesday, February 15, 2023 at 1:30 PM
Conference Room 224 and Via Video Conference

Senate Committee on Agriculture and Environment

To: Senator Mike Gabbard, Chair
Senator Herbert "Tim" Richards, III, Vice Chair

From: David Topp
Senior Director of Government Affairs

Re: **SB 1458 – Comments and Request for an Amendment
Relating To Waste Management**

My name is David Topp, and I am the Senior Director of Government Affairs at Abbott. Created in 1903, Abbott's nutrition business is a division of Abbott, the global healthcare company. Every day, our team of passionate scientists and experts works hard to discover and develop nutrition products that help to better life for people of all ages. As a leader in nutrition science, research and development, our goal is to deliver nutrition products and education that meet the changing needs of families across the world. We make products to help babies and children grow, that work to keep bodies strong, and that support the unique nutritional and therapeutic needs of adults.

Abbott is behind some of the world's most trusted names in pediatric, adult, and healthy living nutritional product brands such as:

- PediaSure® to help children grow
- Pedialyte® hydration for children and adults
- Ensure® for active adults
- ZonePerfect® to fuel busy days
- Glucerna® for people with diabetes
- Similac® infant formulas

Nutrition is the foundation to healthy living, and Abbott Nutrition provides resources to help people live their best life.

I am writing to request a clarifying amendment to Section 11 of SB 1458 to exempt infant formula, medical foods and fortified oral nutritional supplements for individuals who require supplemental or sole source nutrition from the requirements contained in the measure. While we appreciate the intent of the bill, we believe the amendment will ensure that Abbott's nutritional products will continue to be affordable, and therefore available to people at all levels of society for whom, because of their healthcare needs, these products are required to sustain their lives.

Specially formulated nutritional products are often medically necessary, and thus prescribed by a healthcare provider. For many patients suffering from cancer, chronic renal disease, diabetes, and malnutrition or failure to thrive, these products often provide sole-source nutrition. Additionally, for vulnerable populations the cost of the products may be paid for by government programs such as Medicare and Medicaid. State programs such as the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) make nutritional products available to qualifying families. Increased costs associated with complying with SB 1458 may potentially strain governmental resources and reduce the availability of nutritional products.

Nutritional products have specific and specialized packaging mandates, testing standards, as well as complex and diverse chemistries which are necessary to protect the quality of the nutrients and prevent denaturing of certain ingredients, such as vitamins and minerals. Including nutritional products in SB 1458 would negatively impact patients and potentially limit their access to these important and at times lifesaving products. Exempting infant formula, medical food and fortified oral nutritional supplements is essential to enabling patients and vulnerable individuals to continue to have access to these products at affordable prices.

The requested amendment, which is based on the exemptions contained in extended producer responsibility statutes passed in Oregon, California, and Colorado, is attached. Deleted language is bracketed and stricken, and new language is underscored and appears in red print. The proposed exemption clarifies the exclusion provided in Section 11 of the measure. Specific references to the product as defined by the applicable sections of the United States Code and the International Classification of Diseases, Tenth Revision eliminate any vagueness as to the type and nature of the nutritional products that are excluded from the requirements of SB 1458.

PROPOSED AMENDMENT

SECTION 11. **Applicability.** This Act shall not apply to any material that is used in the packaging of a product that is regulated as a drug, medical device, or dietary supplement by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 321 et seq., sec. 3.2(e) of 21 U.S. Code of Federal Regulations or the Dietary Supplement Health and Education Act~~[7]~~, including but not limited to:

1. Infant formula as defined in 21 U.S.C. 321(z);
2. Medical food as defined in 21 U.S.C. 360ee(b)(3); and
3. Fortified oral nutritional supplements used for individuals who require supplemental or sole source nutrition to meet nutritional needs due to special dietary needs directly related to cancer, chronic kidney disease, diabetes, malnutrition, or failure to thrive, as those terms are defined by the International Classification of Diseases, Tenth Revision, or other medical conditions as determined by the department.

February 13, 2023

Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair
Committee on Agriculture and Environment
Wednesday, February 15, 2023
1:30pm
Via Videoconference



RE: **SB1458** - Extended Producer Responsibility (**Strong Support**)

Dear Chair Gabbard, Vice Chair Richards & Committee Members,

Chamber of Sustainable Commerce submits this testimony in strong support of SB1458, relating to waste management. As business owners who believe in strengthening our economy without hurting workers, consumers or the environment, we urge this committee to vote in favor of passing SB1458, which would establish an Extended Producer Responsibility (EPR) Program, require certain producers of fast-moving consumer goods to register with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places on the market each calendar year, provides for the deposit of fees into an EPR Special Fund to fund a report that assesses the resources needed to reduce the volume of packaging waste sent to landfills or power plants that burn municipal solid waste as a fuel by fifty per cent and eighty per cent by a date to be determined by rule.

If passed into law, SB1458 will establish a model for EPR which is well suited to Hawaii's unique environmental, social and economic conditions. By engaging those producers with the means to distribute the cost of pilot reuse programs over a market share of at least \$500 million, this legislation puts the responsibility for underwriting these programs where it rightfully lies: on businesses that set global trends for design and marketing.

By directing those funds to cover the costs of reuse programs that include producers, county agencies and community groups (as project partners), this legislation gives rise to collaborations that can effectively reduce the volume of waste Hawaii sends to incinerators and/or landfills.

**Hawaii
Legislative
Council**

Maile Meyer
Na Mea Hawaii
Honolulu

Russel Rudderman
Island Naturals
Hilo / Kona

Tina Wildberger
Kihei Ice
Maui

Joell Edwards
Wainiha Country Market
Kauai

Kim Coco Iwamoto
AQuA Rentals, LLC
Honolulu

While other EPR programs in the U.S. aim to create a layer of bureaucracy and vested interests that will permanently increase costs to consumers, the transitional nature of this proposed program places an appropriate degree of responsibility on the producers that can afford to invest in sweeping systemic change.

As the larger community awakens to the environmental racism embedded in siting incinerators and landfills, opposition to these practices are growing. With that added attention, governments are looking for alternatives; reuse strategies are the most effective means for reducing packaging waste, which represents about 40% of the state's waste stream.

We already have the data, the understanding and the solutions to begin this planet-saving course correction – we do not need to waste valuable time “task-forcing” this issue.



**Hawaii
Legislative
Council**

Maile Meyer
Na Mea Hawaii
Honolulu

Russel Rudderman
Island Naturals
Hilo / Kona

Tina Wildberger
Kihei Ice
Maui

Joell Edwards
Wainiha Country Market
Kauai

Kim Coco Iwamoto
AQuA Rentals, LLC
Honolulu



**TESTIMONY OF TINA YAMAKI, PRESIDENT
RETAIL MERCHANTS OF HAWAII
February 15, 2023
Re: SB 1458 RELATING TO WASTE MANAGEMENT**

Good afternoon, Chair Gabbard and members of the Senate Committee on Agriculture & Environment. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901, RMH is a statewide, not for profit trade organization committed to the growth and development of the retail industry in Hawaii. Our membership represents small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, local, national, and international retailers, chains, and everyone in between.

We are opposed to SB 1458 Relating to Waste Management. This measure establishes an Extended Producer Responsibility Program. Requires certain producers of fast-moving consumer goods to register with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places on the market each calendar year; provides for the deposit of fees into an Extended Producer Responsibility Special Fund; provides for the expenditure of moneys from the Extended Producer Responsibility Special Fund for the creation of a report that assesses the resources needed to reduce the volume of packaging waste sent to landfills or power plants that burn municipal solid waste as a fuel by fifty per cent and eighty per cent by a date to be determined by rule; and appropriates funds.

Retailers continue to be concerned about our aina and have supported many initiatives that preserve and protect our environment. However, this measure is not an extended producer responsibility policy but rather another mandated fee this time to be used for another special fund.

According to this measure, the sole burden of this **NEW TAX** would be placed on business. It is also unclear as to exactly what is the compliance obligations that is being required as well as how will the recycling and waste diversion be measured?

Packaging over the years have been changing. Manufacturers are using materials that are safer for the environment. However, we must also note that packing materials are evolving due to technological advancements. Manufacturers and retailers want to be sure the items that are purchased are damage free when the customer receives them. While most general commercial trash is disposed of at H-POWER, many of our larger retailers already ship a lot of their packing materials out of state.

The cost incurred with measurers like this would be passed on to the customer. The manufacturer will most likely pass the cost on to the distributor who will pass it on to the retailer who will ultimately pass it on to the customer. Businesses, especially our locally owned businesses will not be able to absorb this additional cost. As a result, the cost of living in Hawaii will increase and customers will turn to other online vendors who do not have Hawaii ties. More stores will close and more of our friends, family and neighbors will no longer be employed.

This added cost is something our struggling industry cannot afford. Retail has been one of the hardest hit industries in the state due to the pandemic. Many businesses have not recovered from the pandemic with huge debt for their commercial lease rent back pay and loans to keep their businesses afloat. In addition, retailers are also currently continually being hit with supply chain disruption, higher cost in materials and products, shipping delays and shipping costs being raised from 300% - 1000%, and a recession in which inflation rose 6.5% in the last 12 and we are expected to see it continue to raise in the months to come. In addition, we are also very much aware that the legislature is also considering paid sick leave and that the war between the Soviet Union and the Ukraine is also having an impact on not only the raising prices but the limited supply of various goods. We just cannot afford anymore operational cost increases.

Unlike the mainland, Hawaii does not have a recycling facility to process packaging and other types of materials to be reused. Hawaii is unique in its location, and we must ship out most goods like these to recycling plants on the mainland or in foreign countries at a cost to the taxpayers/customers.

This measure could also see many goods no longer being offered in Hawaii. Our residents would then have a limited choice, or the alternative is to order online with companies that have no ties to Hawaii.

Mahalo again for this opportunity to testify.

SB-1458

Submitted on: 2/13/2023 4:45:46 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Evan Lam	Testifying for The Qan Group	Support	Written Testimony Only

Comments:

To the Honorable members of the Senate,

My name is Evan Lam and I work on Hawai'i Island and internationally with an ecosystem of environmental businesses, NGO's and governments. I strongly support the creation of Extended Producer Responsibility legislation.

We must change our packaging systems. Single use plastics, paper products, and chemicals are used in the creation of traditional packaging materials and this directly contributes to large scale, potentially catastrophic risks to our economy, citizens and our lands. The millions of metric tons are poorly handled, consume vast tracts of land, energy and water, and are unsustainable in our present times. Our citizens pay to import these goods and the counties and state pay to then export the recycled waste or, worse, burn it or landfill it forever. We must change this dynamic and our waste management practices to begin realizing a sustainable, circular economy.

The creation of a funded, targeted Extended Producer Responsibility program would help local businesses and institutions begin the process of moving away from these packaging systems, stimulating the creation of local jobs in reverse logistics and the implementation of technology, and steer us in the right direction. Such a fund can help everyone share the risks of innovation while spreading benefits that are discovered in the process. Many have benefitted from the creation of the waste that is choking our vital coastlines and oceans or polluting our uniquely clean air. Support our entrepreneurs in navigating our way out of this.

With a program like this in place, Hawai'i can take bigger, better strides towards becoming a premier, ground-breaking sustainable economy which can export it's expertise and innovations to the world. It is the time to support the next generation of innovators, problem-solvers, and the sustainable future which is needed in these fragile and tenuous times.

Please support and pass SB1458.

Evan

SB-1458

Submitted on: 2/13/2023 10:15:16 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Dave Mulinix	Testifying for Our Revolution Hawaii	Support	Written Testimony Only

Comments:

Aloha Committee,

On behalf of Our Revolution Hawaii's 5,000 members and supporters statewide, stand in support of SB1458 that establishes an Extended Producer Responsibility Program. Requires certain producers of fast-moving consumer goods to register with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places on the market each calendar year. Provides for the deposit of fees into an Extended Producer Responsibility Special Fund. Provides for the expenditure of moneys from the Extended Producer Responsibility Special Fund for the creation of a report that assesses the resources needed to reduce the volume of packaging waste sent to landfills or power plants that burn municipal solid waste as a fuel by fifty per cent and eighty per cent by a date to be determined by rule. Appropriates funds.

Please pass SB1458.

Mahalo,
Dave Mulinix, Cofounder & Hawaii State Organizer
Our Revolution Hawaii



To: The Senate Committee on Agriculture and Environment (AEN)
From: Sherry Pollack, Co-Founder, 350Hawaii.org
Date: Wednesday, February 15, 2023, 1:30pm

In strong support of SB1458

Aloha Chair Gabbard, Vice Chair Richards, and members of the AEN committee,

I am Co-Founder of the Hawaii chapter of 350.org, the largest international organization dedicated to fighting climate change. 350Hawaii.org is in **strong support of SB1458**.

SB1458 establishes an Extended Producer Responsibility (EPR) Program that would require certain producers of fast-moving consumer goods to register with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places on the market each calendar year. More and more consumers are rightfully demanding environmentally friendly products that reduce waste and are manufactured with fewer toxic materials. By reducing waste, we are reducing greenhouse gas emissions that contribute to global climate breakdown. When we reduce waste, we help sustain the environment for future generations. However, product stewardship is needed. Product manufacturers must take responsibility to reduce the environmental footprint of their products. Establishing an EPR program is an important step forward in that effort.

As the State strives to fulfill its commitments to reduce waste and effectively mitigate the impacts of climate change, EPR policies offer an effective pathway forward towards a safe and sustainable climate and future.

Thank you for the opportunity to testify on this important measure.

Sherry Pollack
Co-Founder, 350Hawaii.org



February 14, 2022

Senator Mike Gabbard, Chair
Senator Herbert M. "Tim" Richards, III, Vice Chair
Senate Committee on Agriculture & The Environment
State Capitol Conference Room 224
415 South Beretania Street
Honolulu, HI 96813

RE: Concerns with SB 1458, An act relating to waste management.

Dear Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

Thank you for the opportunity to submit comments regarding SB 1458 on behalf of Upstream. 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 are writing today to express concerns with the approach taken by SB 1458. **While Upstream strongly supports Extended Producer Responsibility (EPR) legislation for packaging that prioritizes reduction and reuse, this bill will not establish a true EPR program.** Rather, the bill places primary responsibility on Hawaii's Counties to identify how they can reduce packaging waste sent to landfills or waste-to-energy facilities, when Counties have little to no control over the packaging materials being sold into the state. To reduce packaging and incentivize reuse, consumer brands must be held accountable for the materials they put on the market. In a true EPR program, it would be the responsibility of producers to develop a workable plan for the reduction and reuse of their own packaging, and to execute that plan under strong State oversight after receiving approval.

EPR can be a powerful economic tool that incentivizes consumer brands to redesign their packaging and products for reuse or recycling. However, SB 1458 would levy a flat fee (\$100 per metric ton per year) on the producers of fast-moving consumer goods. To incentivize design change, EPR fees should be *eco-modulated*, charging producers less for desirable packaging formats (reusable, recyclable, non-toxic, etc.) and more for un-desirable formats such as single-use packaging. **As written, we fear that - especially given the relatively small volume of consumer goods sold**

into Hawaii each year – SB 1458 will do little to incentivize producers to design for reuse. This will leave Counties hard-pressed to achieve a 50% reduction in packaging disposal, as required in the bill.

Perhaps most importantly, SB 1458 includes a sunset clause that will terminate the program after five years. It would seem from this framework that the desired outcome of this bill is to raise short-term funds for County-led reuse start-up initiatives. Upstream strongly supports producer funding for reuse, including producer funding to support municipalities in establishing reuse programs. However, **EPR programs should be continuous, with producers constantly working to improve outcomes and transition more of their packaging to reusable and recyclable formats.** Municipalities can certainly be a catalyst for reuse and are a critical player in the transition to the new reuse economy, but municipalities can't get there alone. **To achieve reuse at scale, producers must be driven to shift their supply chains. These requirements should be permanent,** as a just transition to the new reuse economy will take sustained funding and continuous innovation.

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. **We therefore encourage you to consider an alternative approach to SB 1458 – one that holds producers permanently responsible for reducing and reusing the materials they place on the market.** We note that an alternate approach – HB 1326 (HD1) – has been introduced in the Hawaii House of Representatives this year. While Upstream would recommend some adjustments to this alternative bill, we encourage the Committee to consider the approach taken within this legislation, which would establish a strong framework for future packaging EPR with equally ambitious reduction and reuse targets.

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

Mahalo for all you do,

Sydney Harris
Strategic Policy Advisor



1111 19th Street NW > Suite 402 > Washington, DC 20036
t 202.872.5955 f 202.872.9354 www.aham.org

TESTIMONY

Jacob Cassady
Director, Government Relations

On Behalf of
The Association of Home Appliance Manufacturers

Before the Hawai'i Senate
Committee on Agriculture and Environment

HEARING

SB 1458: Relating to Waste Management

February 16, 2023

Chair Gabbard, Vice Chair Richards and members of the Committee, the Association of Home Appliance Manufacturers (AHAM) supports SB 1458. This legislation provides a reasonable approach to packaging extended producer responsibility (EPR) on account of its focus on efforts to recover priority waste materials.

AHAM represents more than 150 member companies that manufacture 90% of the major, portable and floor care appliances shipped for sale in the U.S. Home appliances are the heart of the home, and AHAM members provide safe, innovative, sustainable and efficient products that enhance consumers' lives.

The home appliance industry is a significant segment of the economy, measured by the contributions of home appliance manufacturers, wholesalers, and retailers to the U.S. economy. In all, the industry drives nearly \$200 billion in economic output throughout the U.S. and manufactures products with a factory shipment value of more than \$50 billion.

In Hawai'i, the home appliance industry is a significant and critical segment of the economy. The total economic impact of the home appliance industry to Hawai'i is \$295.2 million, more than 2,200 direct and indirect jobs, \$68.8 million in state tax revenue and more than \$100.4 million in wages.

The home appliance industry, through its products and innovation, is essential to consumer lifestyle, health, safety and convenience. Home appliances also are a success story in terms of energy efficiency and environmental protection. The purchase of new appliances often represents the most effective choice a consumer can make to reduce home energy use and costs.

SB 1458 would require certain producers of fast-moving consumer goods participate in a system that would assist the recovery and reduction of packaging waste in Hawai'i. This legislation provides a unique approach to packaging EPR by focusing on priority packaging waste. Established programs that broadly include all packaging materials ultimately penalize all consumer goods while not addressing the environmental and social impact of plastic packaging. Programs that assign costs to all packaging material do not solve the primary problem of plastic waste and provide a disincentive to transition to non-plastic packaging.

The home appliance industry takes its responsibility to provide solutions to help reduce waste seriously. Manufacturers continue to evaluate and research more sustainable alternatives for product packaging. The industry regularly collaborates with environmental advocates and policymakers to achieve goals like greater appliance efficiency. Current all-material packaging EPR programs essentially just fund the status quo, expensive and complex. AHAM supports solutions that are simple, effective and efficient.

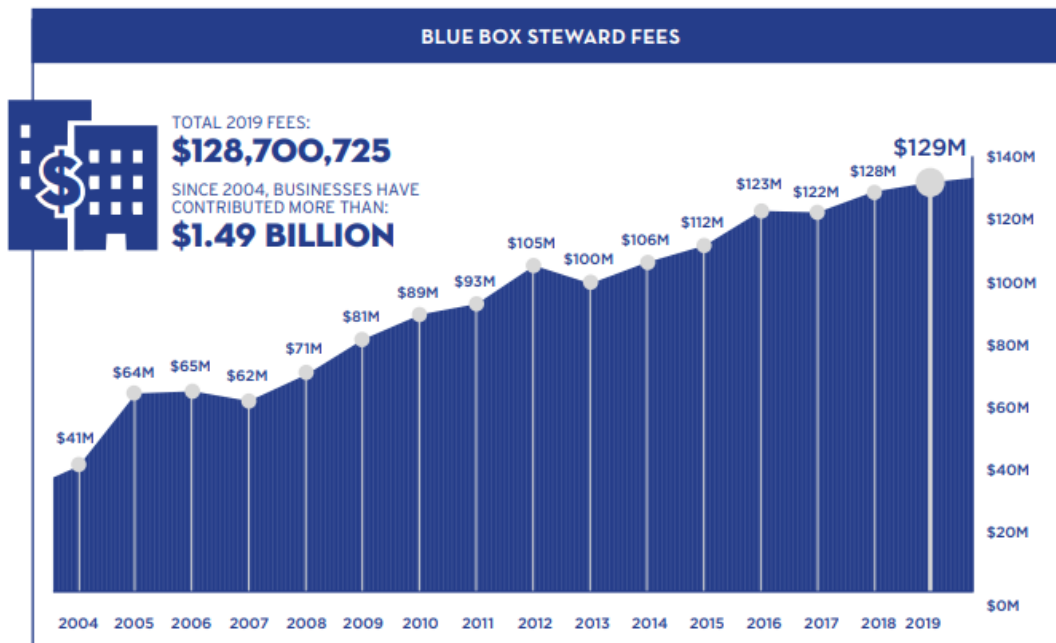
All-Material Packaging EPR is Not a Proven Solution to Waste Management Challenges

This legislation would avoid many of the unintended consequences of all-materials packaging EPR. In countries that have adopted all-material packaging EPR programs, the municipalities or other solid waste and recycling entities continue to charge the public the same amount for their services as they did prior to implementation of an EPR program and the public pays more for products. Therefore, there is no actual "shift" in financial responsibility to the producer. Instead,

absent any offsetting reductions in their municipal solid waste and recycling fees, consumers are caught in the middle and wind up paying more. To make matters worse, the ever-increasing costs from EPR programs actually create a disincentive for achieving greater energy savings and other potential benefits. The cost increase from EPR could deter consumers from purchasing new appliances, which are more energy and water efficient, and more sustainable.

In addition, EPR attempts to insert a product manufacturer into the recycling stream, but the manufacturer has limited ability to influence consumer behavior regarding recycling or to change municipal waste policies that can drive greater recycling. In reality, EPR often results in hidden new costs to consumers that are by and large used to pay for the operation of a stewardship organization, substantial manufacturer compliance and reporting costs, and the government agency that is providing oversight.

In Canada, “EPR” packaging programs exist in various provinces, with manufacturers having to comply with each program that varies in scope. This is very costly to both manufacturers and to residents and has shown to be ineffective in improving recycling rates or achieving any of the recycling targets that are set. Ontario and British Columbia (B.C.) have two of the more recognized programs. In Ontario, program costs have increased on average 8% per year and have tripled since its inception (see below).¹ In B.C., the program costs are 28.5 percent higher since 2014 (average annual increase of 5.2 percent).²



-Stewardship Ontario 2020 Report

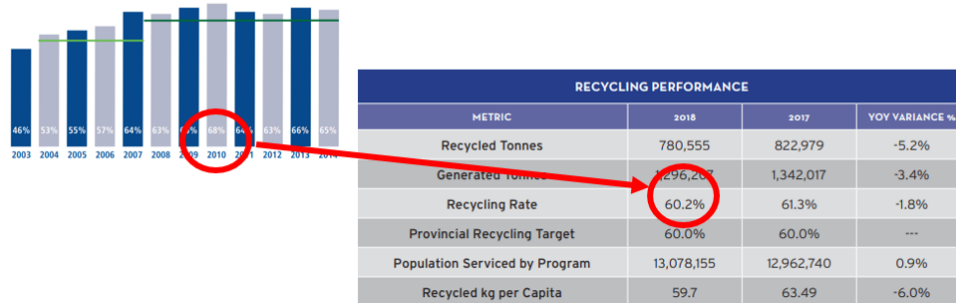
While the program costs skyrocket, the recovery rate is worse. In Ontario’s program materials recovery rate decreased from 68 percent to 60 percent (see below) and B.C.’s has decreased by

¹ Stewardship Ontario. (2019). 2019 Annual Report. Stewardshpontario.ca

² Recycle BC. (2019) Annual Report 2019. Recyclebc.ca

2.4 percent. And to be clear, this is not even “recycling rate,” but “recovery rate,” which measures the reported amount of materials into the system compared to the amount collected.

Recovery Rate **decreased** from 68% in 2010 to 60.2% in 2018



Recycle BC and Stewardship Ontario are the only package recycling programs approved by each province’s Government, and as a result all obligated parties must adhere to their strict rules and regulations. This includes local processors and recyclers of materials, which if these programs choose not to do business with them, they will be out of business.³

Conclusion

AHAM appreciates the opportunity to support and provide comments on SB 1458. Manufacturers of consumer products need flexibility in choosing appropriate materials for packaging their products to avoid situations that cause product breakage and damage during transport (which ultimately increases the lifecycle impact of the product) as well as to deter theft of smaller, high value electronics from retail establishments. For future reference, my contact information is (202) 202.872.5955 x327 or via electronic mail at jcassady@aham.org.

³ Note, Stewardship Ontario is currently winding down its program to restart under a new Ontario Authority, which aims to shift program costs completely to obligated parties



Scott Cassel
Chief Executive Officer/Founder

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February 14, 2023

Senator Mike Gabbard, Chair
Senator Herbert M. Richards, III, Vice-Chair
Senate Committee on Agriculture and Environment
Hawaii State Senate
415 South Beretania Street
Honolulu, HI 96813

**RE: Opposition to SB 1458, Establishment of an Extended Producer
Responsibility Program**

Dear Chair Gabbard, Vice-Chair Richards, and Members of the Committee:

Thank you for the opportunity to submit testimony in **opposition** of **SB 1458**.

Although the language around SB 1458 positions it as Extended Producer Responsibility (EPR) for packaging, paper, and single-use products (PPP), the legislation itself does not reflect these principles.

EPR is a policy approach that shifts financial responsibility for the post-consumer management of PPP from local governments, taxpayers, and ratepayers to producers. These policies are common throughout much of the world, including Canada and Europe, where programs have been in place for over 35 years, resulting in recycling rates as high as 80% in some places.

However, if passed, SB 1458 will mandate little producer responsibility. Instead, the burden on governments will increase: County governments will be required to conduct individual needs assessments, continue to run recycling programs, and meet new waste reduction goals — all burdens that producers are required to shoulder under true EPR laws. And the county programs might still partly depend on taxpayer funds.

Like its predecessor HB 2399, which failed to pass last year, SB 1458 stipulates that counties run reuse programs and reduce landfilled packaging waste. To fund these activities, the law would charge a flat fee to many of the largest companies that sell consumer products into the state, affecting those that record more than \$500 million in global annual gross sales or generate more than 10,000 metric tons of packaging waste each year. But under this proposal, the companies' responsibilities will end after paying their fees to the state. The state still bears the burden of reimbursing the counties, which will still be tasked with managing their waste, even if not fully funded by producers.

Without requiring producers to meet waste reduction and reporting requirements, or providing them with financial incentives to use more eco-friendly packaging, these producers will have little incentive to change the manufacturing practices that generate the waste in the first place. With authentic packaging EPR laws in place in Maine, Oregon, Colorado, and California, momentum is building, but the bill proposed in Hawaii has less in common with recent packaging legislation than with laws passed in the 1990s for pesticides, which similarly mandated producers to pay fees without any additional requirements. EPR programs aim to reduce the burden on governments, not add burden.

Yes, laws like these helped generate critical funding to cover short-term waste management needs. But they are outdated and have none of the benefits of EPR laws that have worked well for more than 35 years across Europe and over 15 years in Canada.

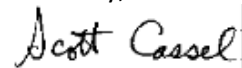
Most importantly, in regions where packaging EPR programs are in place, there have been no noticeable consumer goods price increases. In fact, these programs save money: In Illinois, analysis shows that consumers would save between \$6 and \$8 per household per month under their proposed packaging EPR bill. And in Europe, where packaging EPR programs have been operating for the past 35 years, the Extended Producer Responsibility Alliance (EXPRA), a coalition of nonprofit producer organizations, confirmed that producers found no noticeable increase in costs to consumers from EPR programs.

To reduce the impacts of waste on the environment and human health, keep plastic out of rivers and oceans, and address the inequitable impacts of our waste systems on vulnerable communities, we need a fundamental paradigm shift to hold producers responsible for their products and packaging — which only true EPR systems can provide.

I respectfully urge the Senate Committee on Agriculture and the Environment to report out SB 1458 **unfavorably** from the committee.

If you have any questions, please feel free to contact me at (617) 236-4822, or scott@producttewardship.us.

Sincerely,



Scott Cassel
Chief Executive Officer/Founder



american cleaning institute®

Wednesday, February 15, 2023

Chairman Mike Gabbard
Committee on Agriculture and Environment
Hawaii State Senate

Re: Testimony from the American Cleaning Institute on SB 1458 – OPPOSED

Thank you for the opportunity to provide testimony on SB 1458 which is being heard before your committee. The American Cleaning Institute (ACI) – the association for detergent and cleaning product manufacturers – has a vested interest in ensuring packaging such as that which is encompassed by this legislative proposal does not become waste. That is why we have a goal to eliminate all cleaning product packaging waste by 2040 and are already making great strides in creating more recyclable packaging, reducing our packaging usage, and incorporating more recycled content into the packaging we do introduce to the market.

While we support the effort to minimize packaging use – as exemplified by our industry’s goals and achievements thus far – we cannot support this legislation at this time. Some of our concerns are as follows:

- We support the conduction of a needs assessment as a first step toward improving the waste and recycling system, however, this legislation does not guarantee that each county will use a harmonized method of performing and reporting their needs assessments.
- This legislation does not allocate resources for improved recycling infrastructure.
- Some products do not lend themselves to reuse and refill applications, like certain alcohol-based hand sanitizers, because of the public health and safety risks that exist.
- This proposal ignores the environmental benefits that are already offered by packaging that is recyclable, or may not be recyclable yet but offer environmental benefits due to other characteristics of the packaging (e.g., lightweight, efficient production process, etc.)

We would like to reiterate that ACI members support efforts to reduce packaging waste. We hope the Legislature will take more time to contemplate ACI input on this bill. ACI looks forward to providing necessary input regarding the performance of our products and packaging to achieve desired policy goals.

Sincerely,

Brennan Georgianni
Director, State Government Affairs
BGeorgianni@cleaninginstitute.org



**Written Testimony of
David Thorp, American Beverage Association
Before the Senate Committee on Agriculture and Environment
Opposition of S.B. 1458: Relating to Waste Management
February 15, 2023**

Good afternoon, Chair Gabbard, Vice Chair Richards and members of the committee. Thank you for the opportunity to comment in opposition of S.B. 1458 – relating to waste management.

I am David Thorp, Vice President, State Government Affairs West for the American Beverage Association (ABA). ABA 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 in the state. Unlike most consumer products, many of our beverages, aluminum cans and plastic PET 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.

Because S.B. 1458 in no way aligns with our principles or with a common understanding of extended producer responsibility, we cannot support this legislation.

- **S.B. 1458 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 does not fund any materials recovery programs, will not recycle a single pound of material, and provides no indication of how such a program could develop.
- **The purpose of the funding is vague and not linked to EPR.** The primary purpose identified for the funds is assessments, by county, of how to increase waste diversion from landfill by 50 to 80 percent. The balance is vaguely directed to reuse programs which do not exist and are not defined.

- **S.B. 1458 Is an Indiscriminate Tax on Local Beverage Companies and Customers:**
This tax would impose a \$100 per ton tax on companies that either have total annual gross sales above \$500 million OR total packaging of more than 10,000 metric tons.

Utilizing that criteria, numerous local beverage companies which employ hundreds of local employees across the state will be subject to the tax, not just a few large international companies.

The cost of this tax will not be spread across a company's portfolio across the country or across the world. This tax will be paid by local companies which will then have to pass along that cost to local retailers and customers.

- **For beverages, the tax would be stacked on top of the existing deposit program.**
Several local beverage companies would be liable for the tax, despite being subject to a state-mandated program of deposits, refunds, and redemption that has been in place for 20 years. Many would consider this long-standing program an established EPR system already; to impose another tax and subject beverage containers to a second set of mandates is unprecedented. At the very least, containers and packaging subject to the HI-5 program should be excluded from this new tax.

Because S.B. 1458 in no way aligns with the beverage industry's EPR principles or with a common understanding of extended producer responsibility, we cannot support this legislation.

Sincerely,

David Thorp

David Thorp
Vice President, State Government Affairs West



The power of packaging in balance.™

AMERIPEN
American Institute for Packaging and the Environment

Testimony
in Opposition to
Hawaii Senate Bill 1458
Packaging Producer Responsibility

Senate Agriculture and Environment Committee
February 15, 2023

Chair Gabbard, Vice- Chair Herbert M. "Tim" Richards, III and Members of the Senate Agriculture and Environment Committee.

AMERIPEN – the American Institute for Packaging and the Environment – appreciates the opportunity to provide written testimony on Senate Bill 1458 that seeks to establish an extended producer responsibility (EPR) mandate for packaging and printed material. While AMERIPEN has developed principles to aid the recycling system and we support the goal of improving packaging recovery and recycling, we cannot support SB 1458 in its current form.

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.

AMERIPEN recognizes the health of a recycling system is critical and there is a shared responsibility that producers can play in improving the recycling system. Following below are our key concerns and recommendations that must be addressed to create a truly workable program in Hawaii.

- 1. Problematic Definition of “Covered materials and products”** – *“Covered materials and products” means, regardless of recyclability: (1) Any part of a package or container, including material that is used for the containment, protection, handling, delivery, and presentation of a product that is sold, offered for sale, imported, or distributed in the State; and (2) Primary, secondary, and tertiary packaging intended for the consumer market; service packaging designed and intended to be filled at the point of sale, including carry-out bags, bulk goods bags; and beverage containers.*

The definition of packaging creates a critical standard for the implementation of the program. Currently, the definition includes secondary packaging, as well as tertiary packaging that could be interpreted to capture business to business transactions. We would prefer that the definition only addresses packaging that is consumer facing: **materials used for the containment, protection, delivery, presentation or distribution of a product at the time that the product leaves a point of sale or is received by the consumer of the product.**

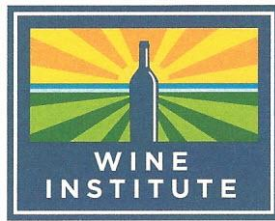
- 2. Problematic Definition of Covered Producer** – *(1) Produces a packaging volume of more than ten thousand metric tons internationally; or (2) Has international gross sales of fast-moving consumer goods of more than \$500,000,000.*

The definition of producer is a key part in determining how a packaging producer responsibility structure will work in a state and the definition in SB 1458 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.

If the item is sold in packaging under the manufacturer's own brand or is sold in packaging that lacks identification of a brand, the producer of the packaging is the person that manufactures the packaged item; B: If the item is manufactured by a person other than the brand owner, the producer of the packaging is the person that is the licensee of a brand or trademark under which a packaged item is used in a commercial enterprise, sold, offered for sale or distributed in or into this state, whether or not the trademark is registered in this state

3. **Extended Producer Responsibility Special Fund** – Packaging producer responsibility funds are traditionally managed by a producer responsibility organization (PRO) made up of the producers paying fees into the program to meet the goals established in the program. However, in SB 1458, as currently drafted, the funds would be managed by the Hawaii Department of Health. This is not acceptable and producer funds should be managed by the producers themselves.
4. **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 or in statute as is the case right now in SB 1458 (\$100 per ton of covered material placed in the market by that producer).
5. **Needs Assessment** – We agree that a needs assessment is always a critical part of creating a packaging producer responsibility program. The needs assessment in SB 1458 only determines how much funding each county will get to meet the reduction of materials going to landfill, rather than determining what the needs are for the state to meet the goals stated in the language of the bill. We recommend a much more robust needs assessment be established in SB 1458 and would be happy to provide specific language.

AMERIPEN recognizes and supports the need to reduce waste in Hawaii through a shared responsibility program and we would like to partner with you and the committee to work on a reasonable path forward, with a traditional extended producer responsibility system with a working needs assessment and a producer responsibility organization (PRO).



Sally H. Jefferson
Director, Western States

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

COMMITTEE ON AGRICULTURE AND ENVIRONMENT
February 15, 2023

Testimony in Opposition to SB 1458

Chair Gabbard, Vice Chair Richards and Members of the Committee:

Thank you for the opportunity to provide testimony on SB 1458 RELATING TO WASTE MANAGEMENT. Wine Institute is a public policy association representing more than 1000 California wineries who are committed to sustainability with 80% of California's total wine production certified under a statewide sustainable winegrowing program. This program encourages the use of products with recycled content, reusability, takeback of recyclable packaging, and non-toxic materials.

We are committed to participating in discussions regarding the development of efficient, cost-effective means for handling wine packaging. While we support the objective of recovering more wine packaging, we have significant concerns with SB 1458.

The legislation would require producers of covered materials and products to register with the Department of Health and pay a "fee", essentially a new tax, on each metric ton of packaging placed into commerce in the state, to be deposited into a new fund administered by the Department. It also would ban the sale of consumer goods in the state if a "covered producer" is not in compliance with the Act and rules set by the Department. This legislation is unclear on various fronts including the products covered and terms of producer compliance obligations and the factors that would be considered for measuring recycling and waste diversion.

We also believe that a needs assessment should be comprehensive and developed first and foremost to inform the establishment and implementation of a statewide program that will successfully manage the reduction, reuse and recycling of consumer package. It should include an analysis of current practices and programs and the availability and performance of collection, transportation and processing capacity and infrastructure relative to the management of materials and identify necessary capital investments to existing and future reuse and recycling infrastructure. We also urge that it evaluate the costs to consumers that may result in the form of higher prices and reduced product availability as well as the impact on local businesses and in exacerbating ongoing supply chain challenges and the projected market availability for recycled content.

We strongly encourage engaging in extensive dialogue with producers, material suppliers and other stakeholders in developing an EPR program that is effective, feasible and efficient. For the reasons stated above, Wine Institute respectfully urges you to hold this legislation. Thank you for your consideration of our views.



TESTIMONY OF RECYCLE HAWAII

RE: SB1458

Submitted by Kristine Kubat, Executive Director
IN STRONG SUPPORT

Aloha Chair Gabbard, Vice Chair Richards and Members of the Committee. Thank you for the opportunity to provide testimony on this bill.

Recycle Hawaii stands in strong support of this bill which requires top producers of fast moving consumer goods to contribute to a fund that will be used to cover the costs of pilot reuse programs in the state. Here's why:

SB1458 engages the producers best suited to eliminate packaging waste in a fair and balanced way.

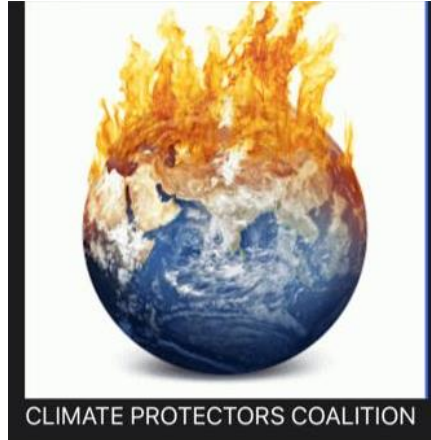
SB1458 prioritizes reuse strategies as the most effective way to reduce waste.

SB1458 positions Hawaii to take greater advantage of federal funding and private investments aimed at supporting our transition to a circular economy.

Hawaii's market share is small, but its low resident population, remote location bounded by the Pacific Ocean, global image as a pristine environment, and steady influx of visitors makes it the perfect proving grounds for innovative reuse strategies.

We urge you to lend your vote to this innovative and effective strategy.

Kristine Kubat
Executive Director
Recycle Hawaii
admin@recyclehawaii.org
808-747-4246



To: The Honorable Chair Mike Gabbard, the Honorable Vice Chair Tim Richards, III, and Members of the Committee on Agriculture and Environment

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

Re: **Hearing SB1458 RELATING TO WASTE MANAGEMENT**

Hearing: Wednesday February 15, 2023, 1:30 p.m., room 224

Aloha Chair Gabbard, Vice Chair Richards, and Members of the Committee on Agriculture and Environment:

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.

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i support the concept of this bill, but COMMENT that HB1326 HD1 on the same subject is a better version and should be substituted.

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 on average releases 65% more pollution per unit of energy than burning coal, including 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.

HB1326 HD1 would protect the environment, produce local green jobs in waste handling, and reduce costs to taxpayers by establishing 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. HB1326 HD1 would also implement 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.

SB1458 would simply charge producers for the transition costs without including them in the solutions. HB1326 HD1 is more realistic than SB1458 because it includes stakeholder input, including from producers, and a reasonable transition before proceeding. HB1326 HD1 would first have the Department and the counties assess their 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, HB1326 HD1's advisory group includes relevant stakeholders: producers, county representatives and others, 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, 2027.

The Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i **STRONGLY SUPPORT** HB1326 HD1 rather than SB1458. HB1326 HD1 includes 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 amend HB1458 by substituting HB1326 HD1 on the same topic and passing that bill!

Mahalo!

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



February 15, 2023

Senator Mike Gabbard
Chairman
Hawaii State Capitol Room 201
415 S Beretania St.
Honolulu, HI 96813

Dear Senator Gabbard,

On behalf of the National Confectioners Association (NCA), I write to share views on SB 1458, legislation to improve Hawaii's solid waste management outcomes. NCA is the trade association representing the nation's manufacturers of chocolate, candy, gum and mints who directly employ nearly 58,000 people across the United States, with almost 700,000 jobs supported in related industries, including agriculture, retail, transportation and more. Altogether, the confectionery industry contributes more than \$37 billion in retail sales to the U.S. economy each year and has at least one manufacturing facility in each of the fifty states. In Hawaii, the confectionery industry contributes \$388.6 million in economic output, pays \$50 million in wages, and supports 4,162 direct and indirect jobs.

NCA supports effective policies to reduce packaging waste and enhance recycling, and our member companies are committed to ongoing efforts to improve the sustainability of packaging for confectionery products like chocolate, candy, gum and mints. In 2021, we published [industry principles](#) outlining the unique role of confectionery packaging in the value chain for recycling, packaging innovation, and market development for recycled content.

NCA is proud that our member companies are at the forefront of private sector investment and innovation working to address these challenges, however, we believe that lasting solutions will require comprehensive public-private strategies. New investments that may come from extended producer responsibility (EPR) fees will provide important contributions to creating a circular economy, but there must also be shared responsibility among all stakeholders and major improvements by federal, state, and local governments to repair and advance the nation's broken recycling infrastructure, which cannot yet fully address flexible packaging.

Plastic, specifically flexible packaging, is a highly efficient material that provides the right level of security, quality, product protection, and preservation. However, the current recycling infrastructure is challenged by collection and sortation equipment that was not designed to handle present-day innovations in flexible packaging. There is a lack of end markets, and businesses and consumers are confused by a patchwork of regulatory regimes. Solutions to these shared problems need a uniform, comprehensive strategy – developed and implemented in partnership with governments and the entire manufacturing, packaging and recycling supply chain – in which EPR fees can be invested in supporting

modern and efficient collection and sortation technology, and the creation of robust markets for recycled content.

This overall approach, paired with input from the confectionery industry and other consumer packaged goods stakeholders, will promote uniformity, food safety standards, and economies of scale for the collection, sorting, and recycling of packaging used by the confectionery industry.

As the state legislature considers SB 1458, we encourage you to address the following key factors that NCA and its member companies believe will ensure producers have the best opportunities to achieve common goals, including:

Food Safety

As food manufacturers, our greatest priority is providing safe products to consumers. As such, we must acknowledge the importance of packaging that comes in contact with food. Food packaging must be compliant with federal rules and regulations enforced by the U.S. Food & Drug Administration regarding product safety. We appreciate that the proposed definition of “post-consumer recycled content in your bill points to this issue, however we believe the prioritization of food safety must be made more clear throughout the legislation, including by referencing it in the bill’s findings and intent section. We would also recommend that you consider adding language creating a waiver process should state mandates conflict with federal food safety laws.

Roles and Responsibilities

Ideally, a producer responsibility organization (PRO) must provide maximum flexibility for members to evaluate needs, devise comprehensive plans, and develop appropriate fee structures. Such flexibility should include the ability for a PRO to partner with the state on important details such as waste stream analysis and need assessments. Currently, the bill vests significant responsibility on the Department of Ecology (DOE). We encourage continued focus on bill language that will lead to coordination and flexibility in how a PRO interacts with DOE.

Similarly, we share a desire to be good stewards of our resources. That includes ensuring that funds generated from PRO fees are used appropriately. These monies should be utilized for costs associated with agency oversight, and to fund recycling infrastructure projects and consumer outreach that will promote the goals of the program. These funds should be transparently allocated and not be diverted for unrelated purposes.

Timing

Currently, no PRO exists in the United States and much work must be done to turn conceptual plans into functioning entities. We have concerns that the timetables for compliance proposed in your legislation will be difficult to meet. As food manufacturers, we know that product packaging changes take time and systems need to be developed to ensure food supply chains continue to operate. We appreciate that recent amendments included in the bill extend some compliance deadlines; however, we urge you and your colleagues to work with all parties to find schedules that take all factors into account.

Once again, we commend your work in trying to find solutions to complex waste management issues. NCA is committed to reducing waste while continuing to provide consumers in Hawaii and around the world with safe and enjoyable products. We look forward to continuing to work with you.

Thank you for your consideration of our industry’s views on these matters.

Sincerely,

A handwritten signature in black ink that reads "Brian M. McKeon". The signature is written in a cursive, flowing style with a large initial "B" and "M".

Brian M. McKeon
Senior Vice President, Public Policy
National Confectioners Association

February 15, 2023

Gerald Michael Gabbard, Chair
Hawaii Senate Committee on Agriculture and Environment
415 S Beretania St State Capitol
Honolulu, HI 96813-2425

Dear Chairman Gabbard:

On behalf of companies that make medicine for animals, we request that animal medicines of all types not be subject to the requirements of SB 1458, an act creating an extended producer responsibility program for packaging.

This bill currently exempts packaging of a product that is regulated as a drug, medical device, or dietary supplement by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 321 et seq., sec. 3.2(e) of 21 U.S. Code of Federal Regulations or the Dietary Supplement Health and Education Act. We ask you to adopt additional changes to treat all animal medicines the same and ensure our ability to provide safe and effective medicines needed to keep animals healthy by exempting all packaging used to deliver vaccines and other biologic products regulated under the Virus-Serum-Toxin- Act and the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA).

Animal health products are licensed and regulated by three federal agencies, each with their own packaging standards and requirements to ensure that products can be delivered which meet requirements for purity, shelf-life and other considerations.

Drugs and devices are approved by the U.S. Food and Drug Administration under the Food, Drug and Cosmetic Act (FDCA). Sponsors must specify for the agency the materials of construction and packaging used for each product and provide data showing those factors will maintain stability of the product over its shelf life. Consequently, each product has its own unique approved packaging. Changes to product packaging take months of development followed by full FDA review and approval.

Vaccines and biologics and diagnostic test kits are approved by the U.S. Department of Agriculture under the Virus-Serum-Toxin Act (VST). Manufacturers are required to ensure packaging maintains the integrity of the product, so temperature is a major consideration. Packaging must also accommodate detailed USDA labeling requirements.

Flea and tick prevention products are approved by the U.S. Environmental Protection Agency under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA). FIFRA §25(c)(3) authorizes EPA to establish standards with respect to the package, container, or wrapping in which a pesticide or device is enclosed to protect children and adults from serious injury or illness resulting from accidental ingestion or contact with pesticides or devices regulated under FIFRA. Additionally, FIFRA §25(c)(3) requires EPA's CRP standards to be consistent with those established under the Poison Prevention Packaging Act of 1970.

In order for animal health companies to maintain product safety and stability while increasing the sustainability of packaging, we ask that all animal medicines be exempt from the definition of packaging in this legislation and offer the following possible amendment:

SECTION 11. Applicability. This Act shall not apply to any material that is used in the packaging of a product that is regulated; as a drug, medical device, or dietary supplement by the U.S. Food and Drug Administration under the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 321 et seq., sec. 3.2(e) of 21 U.S. Code of Federal Regulations or the Dietary Supplement Health and Education Act; as a virus, serum, toxin, vaccine, antibody, diagnostic test kit, point of care diagnostic test, or analogous product by the United States Department of Agriculture under the federal Virus-Serum-Toxin Act (21 U.S.C. Sec. 151 et seq.); or as a veterinary pesticide by the United States Environmental Protection Agency under the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. Sec. 136 et seq.).

Please let me know if you have any questions or if I can provide any further information. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mandy Hagan', with a stylized flourish at the end.

Mandy Hagan
Director, State Government Affairs

SB-1458

Submitted on: 2/11/2023 10:30:16 AM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Regina Gregory	Individual	Support	Written Testimony Only

Comments:

Please include relatively durable goods and bulky items as well. They are far harder to manage than packaging, which can be burned for energy.

SB-1458

Submitted on: 2/11/2023 5:56:31 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Ruta Jordans	Individual	Oppose	Written Testimony Only

Comments:

SB1458 includes an insufficient number of producers and does not provide for collection or separation of valuable waste materials. It severely limits the extended producer responsibility potential.

SB-1458

Submitted on: 2/12/2023 12:00:09 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

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

Comments:

Strong support. Now that there are less recycling options please get the responsibility off the end user and onto the companies causing the issue. Thank you.

SB-1458

Submitted on: 2/12/2023 1:42:34 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Dana Keawe	Individual	Support	Written Testimony Only

Comments:

strong support

SB-1458

Submitted on: 2/12/2023 5:49:07 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Melissa Barker	Individual	Oppose	Written Testimony Only

Comments:

Honorable Members,

I respectfully ask that you oppose SB1458, relating to waste management.

Thank you for you courtesy and attention.

Melissa Barker

Kapaa, HI

SB-1458

Submitted on: 2/13/2023 12:37:55 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
janice palma-glennie	Individual	Support	Written Testimony Only

Comments:

Aloha,

this legislation is a reasonable first step and is long overdue.

mahalo for supporting SB1458

SB-1458

Submitted on: 2/13/2023 3:23:51 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

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

Comments:

Aloha Chair, Vice Chair, and Committee Members,

I am in full support of this EPR program. This is much needed and long overdue legislation to help hold producers responsible for their packaging choices and provide funds to support much needed reuse and refill programs. We need innovative solutions like this to help us address our urgent waste management needs. Please pass SB1458 to help move us towards a more sustainable and thriving Hawai'i.

Mahalo,

Shannon Matson

Hawai'i Island Resident

SB-1458

Submitted on: 2/13/2023 3:33:37 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Mary True	Individual	Support	Written Testimony Only

Comments:

I strongly support SB1458. We need to give corporations some incentive to reduce their packaging. Hopefully, this will push them in the direction of producing less waste which we are shamefully ineffective at dealing with on our islands.

Mahalo, Mary True, Pepekeo

SB-1458

Submitted on: 2/13/2023 4:01:49 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

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

Comments:

Aloha,

My name is Bob Douglas and I live in Hilo.

We live on islands with finite space. We must find harmony with our environment. Rubbish dumps are not a long term solution. One fair and effective method to control the amount of waste is to limit unnecessary packaging.

This will not hurt small businesses rather it may make them more competitive with large global corporations.

SB-1458

Submitted on: 2/13/2023 4:02:56 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Nako'o Warrington	Individual	Support	Written Testimony Only

Comments:

In Support of SB 1458

SB 1458 will hold giant corporations accountable by requiring them to pay an annual fee based on the amount of packaging waste they produce. This measure is especially critical for the health and well being of our island home in addressing single-use plastic waste. Please support and pass.

Mahalo.

SB-1458

Submitted on: 2/13/2023 4:53:59 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
jeanne wheeler	Individual	Support	Written Testimony Only

Comments:

I very strongly support this important bill for our Islands - please pass it! Mahalo, JW

SB-1458

Submitted on: 2/13/2023 8:22:10 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Cory Harden	Individual	Support	Written Testimony Only

Comments:

Aloha legislators,

It's high time manufacturers stopped foisting the cost for disposal onto taxpayers who did not ask for tons of sometimes hazardous waste.

mahalo, Cory Harden

Aloha Chair Gabbard, Vice Chair Richards, and Members of the Committee,

I am grateful for the opportunity to testify in **STRONG SUPPORT SB1458 - Extended Producer Responsibility (EPR)**

Hawaii, as an island state, has the incredible opportunity to be the example to the world in resource (“waste”) management, by enacting SB 1458 - Extended Producer Responsibility, for fast-moving consumer goods.

So many in our community have grave concerns about the proliferation of packaging waste in Hawaii and around the world. Now is the time to take bold action to hold producers responsible for the cost of managing packaging waste that their business models profit from. More and more, we see businesses choosing to do the right thing as they take steps to lessen their impact on the planet and it’s resources.

As the State strives to fulfill and strengthen its commitments to reduce waste and effectively mitigate the impacts of climate change, I urge you to consider EPR legislation that is appropriate to our island needs and scale. It is imperative that we create policy in Hawaii that empowers and engages the producers to reduce the volume of packaging waste being landfilled and incinerated, eliminates unnecessary single-use packaging through the creation of re-use/re-fill infrastructure, encourages the improvement of packaging design, and funds the infrastructure needed to support these systems for reusable packaging, composting and resource management.

For these reasons I urge you to please support SB 1458.

Mahalo for the important work you do and for considering my testimony.

Sincerely,
Laura Acasio, Hilo

SB-1458

Submitted on: 2/14/2023 6:22:24 AM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
tlaloc tokuda	Individual	Support	Written Testimony Only

Comments:

Aloha AEN Chair, Vice Chair & Committee,

I strongly SUPPORT SB1458 Extended Producer Responsibility (EPR)

This bill is an excellent start in holding giant corporations accountable by requiring them to pay an annual fee based on the amount of packaging waste they produce. This fee goes into a fund that can start ReUse programs here in Hawai'i which is so vital.

In Europe corporations which produce products have to be partially responsible for re-cycling their waste. In the US, corporations pay lobbyist to STOP any legislation that makes them responsible for their waste.

Please pass this bill!

Mahalo for your consideration,

tlaloc tokuda

Kailua Kona, HI 96740

SB-1458

Submitted on: 2/14/2023 8:04:42 AM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jean Jewell	Individual	Support	Written Testimony Only

Comments:

Aloha and mahalo for this opportunity,

I strongly SUPPORT SB1458 Extended Producer Responsibility (EPR)

We are a small island community and cannot handle the amount of plastic packaging companies use for products.

This bill is an excellent start in holding giant corporations accountable by requiring them to pay an annual fee based on the amount of packaging waste they produce. This fee goes into a fund that can start ReUse programs here in Hawai'i which is so vital.

We must change gears and prepare to change the paradigm of pollution we create, especially on an island with millions of visitors impacting our islands through single-use plastic waste.

Mahalo

Jean Jewell

96725

SB-1458

Submitted on: 2/14/2023 8:08:01 AM

Testimony for AEN on 2/15/2023 1:30:00 PM

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

Comments:

Aloha Committee members and thank you for receiving my testimony in support of SB 1458. It is vitally important to ensure funding streams for transforming our current system of take, use, waste into one of reuse and regeneration. Producers of excessive packaging need this mandated motivation in order to create real systemic change.

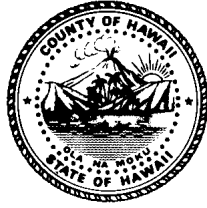
Please pass this bill.

In Gratitude,

Monica Stone

Kailua-Kona, HI

Jennifer Kagiwada
Council Member District 2 South Hilo



Office: (808) 961-8272
jennifer.kagiwada@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL - DISTRICT 2

25 Aupuni Street • Hilo, Hawai'i 96720

DATE: February 13, 2023
TO: Senate Committee on Agriculture and Environment
FROM: Jennifer Kagiwada, Council Member
Council District 2
SUBJECT: SB 1458

Aloha Chair Gabbard, Vice Chair Richards, and Committee Members,

I am testifying in support of SB 1458 to establish an Extended Producer Responsibility Program. This legislation is a revolutionary way to address our unique waste management problems, as an island State. We have a critical need to drastically reduce product packaging to help preserve our fragile environment and wildlife, with limited resources for recycling on our neighbor islands in particular.

SB 1458 prioritizes reuse and reduction strategies as the most effective ways to reduce waste, also targeting the largest corporations to encourage elimination of packaging waste in a fair and balanced way. The reuse funds created by this legislation will support covering the costs of reuse pilot programs as well as build needed infrastructure to make these reuse and refill programs sustainable. This program will help Hawai'i reach its zero waste goals faster and also hasten a transition towards a circular economy by leveraging additional federal funding and private investments.

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

Mahalo,

A handwritten signature in black ink, appearing to read 'Jenn Kagiwada'. The signature is fluid and cursive.

Jenn Kagiwada



Written Testimony
Of the Consumer Brands Association
Before the Senate Committee on Agriculture and Environment
Opposition to SB 1458: Relating to Waste Management

February 15, 2023

Thank you for the opportunity to submit comments regarding S.B. 1458. 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 S.B. 1458 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.

Consumer Brands Association
1001 19th Street North, 7th Floor
Arlington, VA 22209

Powering every day.



- 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.

As we assess S.B. 1458 in its current form, we note some of the following concerns:

A comprehensive needs assessment is necessary to ensure recycling improvements are informed by data and overall program goals are met. The current legislation calls for a series of county-based needs assessments but the overall goals are unclear and emphasis is placed on county resource needs. Ideally a needs assessment should be harmonized throughout the state and include an overall study of system 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.

S.B. 1458 represents a tax on producers. Instead of a traditional EPR program, this legislation includes a waste tax on manufacturers in the form of an annual fee equal to \$100 per metric ton of packaging coming into the state. Discretion for how these fees are utilized rests solely with the Department without any input from stakeholders paying the fees. These fees do not appear to be tied to any specific recycling goals or metrics, nor are they informed by a comprehensive assessment of the overall needs of the recycling system.

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,

Consumer Brands Association
1001 19th Street North, 7th Floor
Arlington, VA 22209

Powering every day.



Brendan Flanagan

Brendan Flanagan
Senior Director, State Affairs
Consumer Brands Association

SB-1458

Submitted on: 2/14/2023 11:14:20 AM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Kencho Gurung	Individual	Support	Written Testimony Only

Comments:

Aloha and mahalo for this chance to testify,

I strongly SUPPORT SB1458 Extended Producer Responsibility (EPR)

Right now, our recycling options are extremely limited on Hawai'i Island. This bill is an excellent start in holding giant corporations accountable by requiring them to pay an annual fee based on the amount of packaging waste they produce. This fee goes into a fund that can start ReUse programs here in Hawai'i which is so vital.

We must change gears and prepare to change the paradigm of pollution we create, especially on an island with millions of visitors impacting our islands through single-use plastic waste.

Mahalo

[Kencho Gurung
[96755]

COMMITTEE ON AGRICULTURE AND ENVIRONMENT
Hearing on Feb. 15, 2023 at 1:30 pm

SUPPORTING SB 1458

My name is John Kawamoto, and I support SB 1458, which would reduce Hawaii's waste stream, which is so large and difficult to manage because of misplaced incentives and disincentives.

Extended producer responsibility (EPR) is an environmental policy approach that holds producers responsible for their products and product packaging throughout the product life cycle. It introduces the concept of a circular approach to the entire supply chain. For example, designers must think about the end-of-life process for the product to make it either reusable or recycled more easily.

EPR introduces incentives to prevent wastes at the source, promote environment friendly product design, and support material recycling management goals.

SB-1458

Submitted on: 2/14/2023 12:47:59 PM

Testimony for AEN on 2/15/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeannette Gurung	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill. We must hold corporations accountable for the waste that they generate, that is brought to this state then left for us to deal with. This Fee goes into a fund that can be used to start ReUSE programs that are so vital to our sustainability.

Mahalo, Jeannette Gurung