Josh Green GOVERNOR OF HAWAII



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# Testimony of LEAH LARAMEE

Coordinator, Hawai'i Climate Change Mitigation and Adaptation Commission

# Before the House Committee on CONSUMER PROTECTION AND COMMERCE



Thursday, February 13, 2025 2:00 PM State Capitol, Conference Room 329 & Videoconference

### In consideration of HOUSE BILL 750 HOUSE DRAFT 1 RELATING TO THE ENVIRONMENT

House Bill 750 requires the Department of Health to conduct a statewide needs assessment to determine what will be needed to reduce waste generation, increase reuse, improve recycling collection services, and expand local processing of materials through an extended producer responsibility program for packaging materials and paper products. It establishes an advisory council to review the draft needs assessment and propose recommendations throughout the assessment process and appropriates funds. The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) supports this bill provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request.

The Commission consists of a multi-jurisdictional effort between 20 different departments, committees and counties with the purpose of promoting ambitions, climate-neutral, culturally responsive strategies for climate change adaptation and mitigation in a manner that is clean, equitable and resilient. Much of the plastic waste that is disposed of in landfills results in the release of both methane and carbon dioxide. Per the most recent Inventory Report, U.S. landfills released an estimated 122.6 million metric tons of carbon dioxide equivalent (MMTCO2e) of methane into the atmosphere in 2021; this represents 16.9 percent of the total U.S. anthropogenic methane emissions across all sectors. Materials consumption contributes directly to climate change because it requires energy to mine, extract, harvest, process and transport raw materials; more energy to manufacture, transport and dispose of waste products.

Landfills are one of the top human-caused sources of methane and the incineration of waste produces carbon dioxide as a by-product. Methane is more than 28 times as potent as carbon dioxide at trapping heat in the atmosphere. Those items that can be recycled often are not for a variety of factors. The best way to reduce greenhouse emission from products is to eliminate

packaging waste as much as possible. EPA estimates by cutting the amount of waste we generate by just 5 percent, we could reduce greenhouse gas emissions by 10.2 million metric tons.<sup>2</sup>

The December 2023 *Hawai'i Pathways to Decarbonization* identifies reducing emissions in the waste sector as a key strategy to meet 2045 emission goals. Reducing waste generation demonstrates continuity in our emphasis on reducing negative lifecycle impacts of materials, including climate impacts, and reducing the use of harmful materials. This bill would be an outline of a vision to help the State address the full impacts of materials on our communities and set out a transformative vision for our waste management system – one that is inclusive, more equitable, and reflects the urgency of the climate crisis.

Mahalo for the opportunity to provide testimony in support of this measure.





February 13, 2025

House Committee on Consumer Protection & Commerce Hawaii House of Representatives Conference Room 329 State Capitol 415 S Beretania St Honolulu, HI 96813

RE: Comment on House Bill 750 – Requiring the Department of Health to Conduct a Statewide Needs Assessment for Packaging and Paper Products

Committee Chair Matayoshi, Committee Vice Chair Chun and Members of the House Committee on Consumer Protection & Commerce,

The American Forest & Paper Association (AF&PA) appreciates the opportunity to express concerns with House Bill 750, on behalf of our members and their employees who are an integral part of the circular economy. AF&PA supports Hawaii conducting a needs assessment to understand the state's current waste and recycling system and help develop data-based solutions. We believe that thorough research and data can support stronger, more successful policy. With that in mind, AF&PA would like to highlight some specific recommendations to improve the legislation as written.

#### **Introduction to AF&PA**

AF&PA serves to advance U.S. paper and wood products manufacturers through fact-based public policy and marketplace advocacy. The forest products industry is circular by nature. AF&PA member companies make essential products from renewable and recycled resources, generate renewable bioenergy and are committed to continuous improvement through the industry's sustainability initiative — <u>Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future.</u> The forest products industry accounts for approximately five percent of the total U.S. manufacturing GDP, manufactures about \$350 billion in products annually and employs about 925,000 people. The industry meets a payroll of approximately \$65 billion annually and is among the top 10 manufacturing sector employers in 43 states.

In Hawaii, the forest products industry employs more than 430 individuals, with an annual payroll of over \$10 million.<sup>1</sup>

#### **Paper Recycling Works**

The U.S. paper industry recycles nearly 60% more paper today than in 1990 when we set our first recycling rate goal. In 2023, between 65 and 69 percent of paper and 71 and 76 percent of

<sup>&</sup>lt;sup>1</sup> Data sources: U.S. government, AF&PA, and Fastmarkets RISI. Figures are the most recent available as of December 2022.

House Committee on Consumer Protection & Commerce February 13, 2025 Page 2

cardboard available for recovery in the United States was recycled.<sup>2</sup> This success has been achieved through collaborative association efforts such as AF&PA's "Design Guidance for Recyclability," a longstanding industry commitment to sustainability, and individual company investments and product innovations. Since 2019, our industry has announced or is expected to complete projects through 2025 that will use more than 9 million tons of recycled paper.<sup>3</sup>

#### **Concerns With HB 750**

Scope - Packaging versus Product

As currently written, HB 750 conducts a needs assessment for packaging derived from a variety of materials including paper. However, it specifically includes paper products in the needs assessment. Paper products are readily recyclable and have consistently high recycling rates. The exclusive inclusion of paper products overlooks products made of other materials that may be readily recyclable. This arbitrary focus on paper products limits the opportunities to examine the recovery potential of other products.

Rather than including paper products within the scope, AF&PA recommends HB 750 be amended to focus solely on assessing Hawaii's needs and opportunities for the recycling of packaging. This amendment to scope is not novel and mirrors programs in California and Maine.

Scope – Residential versus Institutional, Commercial, and Industrial Streams

As currently written, HB 750 does not acknowledge the specific differences between recovered materials from residential and institutional, commercial, and industrial (ICI) sources. ICI sources include schools (institutional), grocery stores (commercial), and manufacturing facilities (industrial) where material management benefits from contracts for collection and opportunities to leverage reverse logistics. This provides for a more closed-loop system of material management compared to residential sources.

As ICI streams generate higher recovery rates with lower contamination compared to residential sources, AF&PA recommends HB 750 be amended to focus the needs assessment on the residential stream where opportunities for increased recovery are highest. Alternatively, the study requirements under HB 750 Section 2(b)(2) should be amended to direct the Department of Health to present findings on existing collection infrastructure for residential and ICI streams separately - a model followed by California's EPR program.

#### **Advisory Board**

HB 750 provides for an advisory council to review the draft needs assessment and propose recommendations throughout the assessment process. Advisory councils are a key element of a needs assessment to leverage subject matter expertise and ensure transparency through public input. With a track record of sustainability success, the perspective of the forest products industry is needed in the implementation of any EPR needs assessment. AF&PA has appreciated the opportunity to participate as an advisory council member in other jurisdictions, leveraging our

<sup>&</sup>lt;sup>2</sup> https://www.afandpa.org/priorities/recycling

<sup>&</sup>lt;sup>3</sup> https://www.afandpa.org/paper-recycling-technology-and-education-solutions

House Committee on Consumer Protection & Commerce February 13, 2025 Page 3

understanding of investments and best practices our industry has implemented, and we would seek a similar opportunity for stakeholder engagement in Hawaii.

We are concerned that the advisory council as currently written under HB 750 limits opportunities to include valuable perspectives. The allocation of one position for national and one position for local producers will exclude producers of materials listed within the scope of the needs assessment. Many of the needs assessment's focus areas such as collection, processing methods, infrastructure needs, end markets, and contamination will vary based on the material. It is essential that the advisory council be constructed in a manner that does not risk the loss of insights needed for the assessment's success.

#### **Conclusion**

AF&PA appreciates the opportunity to share our concerns with HB 750 as written and our suggestions for improvement. AF&PA stands ready to assist you and offer our expertise as a resource on this important issue. Please direct any questions regarding this matter to Frazier Willman, AF&PA's Manager of Government Affairs at Frazier Willman@afandpa.org.

#### HB-750-HD-1

Submitted on: 2/13/2025 8:13:10 AM Testimony for CPC on 2/13/2025 2:00:00 PM



Submitted By	Organization	<b>Testifier Position</b>	Testify
Jennifer Navarra	HECA Solid Waste Task Force	Support	Remotely Via Zoom

#### Comments:

Aloha Chair Matayoshi, Vice Chair Chun, and Members of the House Committee on Consumer Protection & Commerce,

I strongly support HB750 HD1, a needs assessment bill that lays the foundation for an Extended Producer Responsibility (EPR) program for packaging in Hawai'i. This bill is essential to identifying what is needed to reduce and reuse packaging waste, improve collection systems, and expand local processing.

With landfill capacity reaching critical levels across the state, Hawai'i must explore long-term, sustainable waste reduction strategies. A statewide needs assessment will provide the data necessary to develop effective policies that shift responsibility to producers and create a more circular economy.

I urge the committee to pass HB750 HD1 to ensure Hawai'i has the information needed to implement a successful EPR program for packaging.

Mahalo for your consideration,

Jennifer Navarra Hawaii Environmental Change Agents Solid Waste Reduction Taskforce LATE \*Testimony submitted late may not be considered by the Committee for decision making purposes.



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#### **Executive Officers**

Maile Miyashiro, C&S Wholesale Grocer, Chair Kit Okimoto, Okimoto Corp., Vice Chair Jayson Watts, Mahi Pono, Secretary/Treasurer Lauren Zirbel, HFIA, Executive Director Paul Kosasa, ABC Stores, Advisor Derek Kurisu, KTA Superstores, Advisor Toby Taniguchi, KTA Superstores, Advisor Joe Carter, Coca-Cola Bottling of Hawaii, Advisor Eddie Asato, Pint Size Hawaii, Advisor Gary Okimoto, Safeway, Immediate Past Chair



TO: Committee on Consumer Protection and Commerce

FROM: HAWAII FOOD INDUSTRY ASSOCIATION

Lauren Zirbel, Executive Director

DATE: February 13, 2025

TIME: 2pm

RE: HB750 HD1 Relating to the Environment

Position: Comments with Amendments

The Hawaii Food Industry Association is comprised of two-hundred-member companies representing retailers, suppliers, producers, manufacturers and distributors of food and beverage related products in the State of Hawaii.

We believe that seeking input from subject matter experts in food safety and packaging will help ensure that any recommendations resulting from this needs assessment do not inadvertently negatively impact food safety, violate federal regulations, or increase food prices that are already the highest in the nation due to sky high shipping, electric, labor, rent, and taxes.

The definition of advisory council member (7) in the bill combines entities that are not retailers in the retailer definition, we propose to fix this by giving each entity named a place on the advisory council.



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### Suggested amendments in bold and underlined:

(d) The department of health shall convene an advisory council to

review the draft needs assessment and propose recommendations

throughout the assessment process. The advisory council shall

#### include:

- (1) One representative from each county department responsible for waste management;
- (2) One representative from a national producer or producer trade association;
- (3) One representative from a Hawaii-based producer or producer association;
- (4) Two representatives who are experts or operators of reuse, refill, or circular economy systems;
  - (5) One representative from a Hawaii-based refuse service provider;
- (6) One representative from a Hawaii-based recycling collection and processing service provider;
  - (7) One representative from a Hawaii-based retailer,
- (8) One representative from a Hawaii-based restaurant
- (9) One representative from a Hawaii-based wholesaler
- (10) One representative from a Hawaii-based distributor or food products

We appreciate your consideration for these proposed amendments, and we thank you for the opportunity to testify.

## HB-750-HD-1

Submitted on: 2/12/2025 5:28:58 PM

Testimony for CPC on 2/13/2025 2:00:00 PM



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

#### Comments:

Please be aware that there are still about 10,000 + homes on Oahu that are not able to recycle home waste because they live on a route with manual garbage pick up.