JOSH GREEN, M.D. GOVERNOR OF HAWAII KE KIA'ÄINA O KA MOKU'ÄINA 'O HAWAI'I



KENNETH S. FINK, M.-D.-, M.-GA, MPH DIRECTOR OF HEALTH KA LUNA HO'OKELE

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

## Testimony in SUPPORT of SB0674 RELATING TO THE ENVIRONMENT

## SENATOR JOY A. SAN BUENAVENTURA, CHAIR SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

## SENATOR MIKE GABBARD, CHAIR SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

January, 31, 2025, 1:00PM, Room Number: 225

- 1 **Fiscal Implications:** The Department of Health ("Department") requests that this measure be
- 2 considered as a vehicle to provide this needed funding so long as it does not supplant the
- 3 priorities and requests outlined in the Governors executive budget request.
- 4 **Department Position:** The Department supports this measure.
- 5 **Department Testimony:** The Department supports SB0674 to conduct a statewide needs
- 6 assessment that will inform the implementation of a packaging materials and paper products
- 7 Extended Producer Responsibility (EPR) program. We agree that it is important to fully
- 8 understand current waste composition, existing infrastructure, and recycling markets, before
- 9 designing a packaging and paper products EPR program.
- 10 The Department respectfully requests that the legislature explicitly grant it authority to 11 contract with third parties, as necessary, to conduct the assessment.

## 12 Offered Amendments: None

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



**Co-Chairs:** Chair, DLNR Director, OPSD

Commissioners: Chair, Senate AEN Chair, Senate WTL Chair, House EEP Chair House WAI Chairperson, HTA Chairperson, DOA CEO, OHA Chairperson, DHHL Director, DBEDT Director, DOT Director, DOH Chairperson, DOE Director, C+C DPP Director, Maui DP Director, Hawai'i DP Director, Kaua'i DP The Adjutant General Manager, CZM

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

# Testimony of

LEAH LARAMEE Climate Change Coordinator on behalf of Climate Change Mitigation and Adaptation Commission Co-Chair Mary Alice Evans and Co-Chair Dawn N.S. Chang

## Before the Senate Committee on HEALTH AND HUMAN SERVICES and AGRICULTURE AND ENVIRONMENT

## Friday, January 31, 2025 1:00 PM State Capitol, Conference Room 225 & Videoconference

## In consideration of SENATE BILL 675 RELATING TO CESSPOOLS

Senate Bill 675 creates within the Department of Health's Wastewater Branch a Cesspool Conversion Section, which shall be responsible for facilitating the conversion of cesspools within the State. Establishes and appropriates funds for positions within the Cesspool Conversion Section. The Hawai'i Climate Change Mitigation and Adaptation Commission (Commission) <u>supports</u> this bill provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget request.

The Hawai'i Climate Change Mitigation and Adaptation Commission consists of a multijurisdictional effort between 20 different departments, committees, and counties. Cesspools are little more than holes in the ground that discharge raw, untreated human waste. Cesspools in Hawai'i release approximately 53 million gallons of untreated sewage into the ground each day. Cesspools can contaminate ground water, drinking water sources, streams and oceans with disease-causing pathogens such as bacteria, protozoa and viruses that can cause gastroenteritis, Hepatitis A, conjunctivitis, leptospirosis, salmonellosis and cholera.

Removal of cesspools for all properties within the Sea Level Rise Exposure Area (SLR-XA), is imperative to the health of nearshore waters and for members of the public accessing coastal resources. Removal may not be achievable by 2050 as directed by Act 125, Session Laws of

Hawai'i 2017, without financing support for replacement. The Commission's 2022 update to the *Sea Level Rise Vulnerability and Adaptation Report* Recommended Action 6.4 counsels that the State should expand policy directives beyond the existing income tax credits and requirement for removal by 2050. Cesspools on the shoreline and in the coastal zone will be an increasing source of nonpoint source pollution as groundwater rises and coastal erosion accelerates. The capacity this bill provides is needed to support cesspool conversion and protect our waters.

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



#### **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: Committe on Health and Human Services and Committee on Agriculture and Environment FROM: HAWAII FOOD INDUSTRY ASSOCIATION Lauren Zirbel, Executive Director

DATE: January 31. 2025 TIME: 1pm

RE: SB674 Relating to the Environment Position: Comments

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.

HFIA is in support of the intent of this measure to understand how Extended Producer Responsibility (EPR) legislation may impact our state, in particular our food system.

HFIA is concerned that the stakeholders and council members currently listed in the measure will not necessarily have a high level of expertise in food safety regulations and CPG packaging. We believe that seeking input from subject matter experts in food safety and packaging will help ensure that any recommendations made as a result of the needs assessment do not inadvertently negatively impact food safety, or contradict any Federal or State food packaging regulations.

We would like to request that the list of stakeholders and the members of the advisory council be amended to include:

"One representative from a business which manufactures consumer packaged goods for sale in Hawaii."

We also recommend an amendment that would exempt things like prescription medications, medical devices, and supplements. Other states with EPR programs have

exempted these items due to the fact that there is a very complex, and highly regulated federal framework for OTC consumer healthcare packaging. This framework has been in place for decades and serves to ensure safety, efficacy, and stability of products for consumers. State action on packaging for these products would likely conflicts with federal laws and regulations already in place, and could compromise safety and stability of the products themselves.

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





185 Admiral Cochrane Drive Suite 105 Annapolis, MD 21401

Tel (410) 694-0800 Fax (410) 694-0900

www.flexpack.org

Testimony on Hawai'i Senate Bill 674 in the Senate Committee on Health and Human Services and Senate Committee on Agriculture and Environment

January 31, 2025

Dear Chair Buenaventura, Chair Gabbard, and Members of the Senate Committee on Health and Human Services and the Senate Committee on Agriculture and Environment

The Flexible Packaging Association (FPA) appreciates the positive changes that have been made to the Hawai'i needs assessment effort, introduced this session as Senate Bill 674 (Gabbard), that would direct the Hawai'i Department of Health to conduct a statewide needs assessment for the recycling of packaging products.

## I. Background on FPA and Flexible Packaging

FPA represents flexible packaging manufacturers and suppliers to the industry in the U.S. Flexible packaging represents \$42.9 billion in annual sales; is the second largest, and fastest-growing segment of the packaging industry; and employs approximately 85,000 workers in the United States. Flexible packaging is produced from paper, plastic, film, aluminum foil, or any combination of these materials, and includes bags, pouches, labels, liners, wraps, rollstock, and other flexible products.

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



Testimony on Hawai'i Senate Bill 674 January 31, 2025 Page 2 of 4

and e-commerce delivery, which became increasingly important during the pandemic, are also heavily supported by the flexible packaging industry.

Thus, FPA and its members are particularly interested in solving the plastic waste issue and increasing the recycling of solid waste from packaging. FPA commends you, Chair Gabbard, for your hard work on this datadriven approach to packaging extended producer responsibility (EPR).

Flexible packaging is in a unique situation as one of the most environmentally sustainable packaging types from the standpoint of water and energy consumption, product-to-package ratio, transportation efficiency, food waste, and greenhouse gas emissions reduction standpoint. But circularity options are limited. There is no single solution that can be applied to all communities when it comes to the best way to collect, sort, and process flexible packaging at its end of life. Viability is influenced by existing equipment and infrastructure; material collection methods and rates; volume and mix; and demand for the recovered material. Single-material flexible packaging, which is approximately half of the flexible packaging waste generated, can be mechanically recycled through store drop-off programs, however, end markets are scarce. The other half can be used to generate new feedstock, through pyrolysis and gasification.

Developing end-of-life solutions for flexible packaging is a work in progress, and FPA is partnering with manufacturers, recyclers, retailers, waste management companies, brand owners, and other organizations to continue making strides toward total packaging recovery. Some examples include The Recycling Partnership (TRP); the Materials Recovery for the Future (MRFF) project; the Hefty<sup>®</sup> ReNew<sup>®</sup> Program; and Consortium for Waste Circularity; and the Flexible Film Recycling Alliance (FFRA). All these programs seek to increase the collection and recycling of flexible packaging. Also, increasing the recycled content of new products, including packaging, will not only create markets for the products, but will also serve as a policy driver for the creation of a new collection, sortation, and processing infrastructure for the valuable materials that make up flexible packaging.

It is FPA's position that a suite of options is needed to address the lack of infrastructure for non-readily recyclable packaging materials, and promotion and support of market development for recycled products is an important lever to build that infrastructure. FPA also supports well-crafted packaging EPR that can be used to promote this needed shift in recycling in the U.S. In fact, FPA worked with the Product Stewardship Institute (PSI) and jointly drafted a set of principles to guide EPR for flexible packaging (https://www.flexpack.org/end-

Testimony on Hawai'i Senate Bill 674 January 31, 2025 Page 3 of 4

<u>of-packaging-life</u>). The dialogue looked at the problems and opportunities for EPR to address the needs of the flexible packaging industry to reach full circularity.

It is with this background that FPA provides this testimony to inform the needs assessment approach included in SB674.

#### II. FPA Appreciates the Change to the Codified Definition of Producer

Last session, FPA urged the bill's authors to strike or amend the definition of producer. Following other packaging EPR programs throughout the country and internationally, for the EPR program to work the definition of the producer should be the owner of the item that uses packaging to protect, contain, transport, or serve the item and not the manufacturer of the packaging itself.

The primary responsibility for fee collection, remittance, and reporting under any packaging EPR program must be on the consumer packaged goods (CPG) companies, which encompasses food manufacturers and retailers in their role as brand owners. They, and not the manufacturers of the packaging (converters), have the ability to track consumer sales in a given jurisdiction and control how products are packaged. FPA greatly appreciates the earlier prescriptive language not being included in SB674.

#### **III. Antitrust Protections for PRO**

SB674 directs the Hawai'i Department of Health to consult with existing producer responsibility organizations (PROs) but provides no method or antitrust exemptions for creating any PRO. U.S. law prohibits competitors from gathering to discuss price, costs, market shares, sales, and market allocation – some of which must be examined to form a PRO. The first step to establishing a PRO is to provide an exemption so competitors can focus on the formation, fee schedule and cost allocations for a program. FPA suggests that any legislation resulting from this needs assessment include the antitrust exemption for the PRO used in existing EPR laws around the nation.

#### **IV. A Note on Alternative Collection**

Flexible packaging is primarily collected at store drop-off locations throughout the State of Hawai'i due to the general lack of curbside recycling for flexible packaging, including through initiatives like the Hefty ReNew program. Also, FPA is a founding member of the Flexible Film Recycling Alliance (FFRA), which hosts a

Testimony on Hawai'i Senate Bill 674 January 31, 2025 Page 4 of 4

store drop-off locator for flexibles that include several locations in Hawai'i. Should SB674 be enacted, FPA stands ready to assist the Department of Health by providing data on existing collection infrastructure.

#### V. Conclusion and Next Steps

FPA offers these comments to inform the needs assessment outlined in SB674. We look forward to working with you to provide the necessary investment in new infrastructure and markets for all packaging, including flexible packaging. In advance, thank you for your consideration. If we can provide further information or answer any questions, please do not hesitate to contact me at (443) 534-3771 or jrichard@flexpack.org.

Respectfully,

John J. Richard

John J. Richard Director, Government Affairs Flexible Packaging Association



January 31, 2025

Senate Committee on Health and Human Services Senate Committee on Agriculture and Environment Hawaii Senate Conference Room 225 415 S Beretania St Honolulu, HI 96813

# RE: Comment on Senate Bill 674 – Requiring the Department of Health to Conduct a Statewide Needs Assessment for Packaging and Paper Products

Committee Chair Buenaventura, Committee Chair Gabbard, Vice Chair Aquino, Vice Chair Richards and Members of the Senate Committee on Health and Human Services & Senate Committee on Agriculture and Environment,

The American Forest & Paper Association (AF&PA) appreciates the opportunity to express concerns with Senate Bill 674, 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 — *Better Practices, Better Planet 2030: Sustainable Products for a Sustainable Future.* 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>1</sup> Data sources: U.S. government, AF&PA, and Fastmarkets RISI. Figures are the most recent available as of December 2022.

Senate Committee on Health and Human Services Senate Committee on Agriculture and Environment January 31, 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 SB 674

## Scope - Packaging versus Product

As currently written, SB 674 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 SB 674 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, SB 674 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 SB 674 be amended to focus the needs assessment on the residential stream where opportunities for increased recovery are highest. Alternatively, the study requirements under SB 674 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

SB 674 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

Senate Committee on Health and Human Services Senate Committee on Agriculture and Environment January 31, 2025 Page 3

opportunity to participate as an advisory council member in other jurisdictions, leveraging our 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 SB 674 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 SB 674 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.





1919 S. Eads St. Arlington, VA 22202 703-907-7600 CTA.tech

January 31, 2025

Senator Mike Gabbard, Chair Committee on Agriculture and Environment

Senator Joy A. San Buenaventura, Chair Committee on Health and Human Services

Conference Room 225 State Capitol 415 South Beretania Street Honolulu, HI 96813

#### Re: CTA Comments and Proposed Amendments – SB 674 – Relating to the Environment.

Dear Chairperson Gabbard, Chairperson San Buenaventura, and Committee Members:

The Consumer Technology Association<sup>™</sup> (CTA<sup>®</sup>) respectfully **provides comments and offers proposed amendments** to Senate Bill No. 674 (SB674), which appropriates funds for the Department of Health to conduct a statewide needs assessment to inform the future establishment of an extended producer responsibility (EPR) program for packaging waste.

A robust needs assessment is a critical first step to understanding how EPR for packaging could be implemented in Hawaii, and we strongly encourage a comprehensive stakeholder engagement process in developing these policies to achieve a successful program. While four other states are implementing EPR laws, the landscape of what is needed for Hawaii will likely be much different than states in the continental US.

For over a decade, CTA's members have supported electronics recycling under Hawaii's Electronic Device Recycling and Recovery Law. We understand what it means for producers to be involved in the end-of-life management of products and bring that lens and experience to the dialogue on EPR for packaging. EPR is a complex policy and there is no "one size fits all" solution. Our member companies have been committed to achieving more sustainable packaging design by reducing packaging, switching to more sustainable materials, and increasing recycled content rates.

In determining recommendations for performance goals, CTA cautions against the development of standardized performance goals across all product categories. CTA approaches the packaging conversation from the unique perspective that accompanies complex durable goods. Over the last year, our membership has collectively developed an updated policy document to reflect industry priorities in the development of packaging EPR programs. Please see the attached document, *CTA Principles for Packaging Design and EPR Policies*. Packaging design flexibility for producers to achieve desired environmental outcomes – including the reduction of damage to products during transport, which is critical for the consumer technology industry - should be encouraged.

The durable goods industry is a minor contributor to packaging waste overall, but it also has significant and individualized demands separate from the traditional fast-moving consumer goods. CTA supports packaging reduction strategies specifically tailored to our industry. Therefore, **CTA respectfully requests the following amendment to Section 2(d), which will add a member to the advisory board that specifically represents producers of durable products:** 

(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 national or Hawaii-based durable products producer or association;

(3) (4) One representative from a Hawaii-based producer or producer association;

(4) (5) Two representatives who are experts or operators of reuse, refill, or circular economy systems;

(5) (6) One representative from a Hawaii-based refuse service provider;

(6) (7) One representative from a Hawaii-based recycling collection and processing service provider;

(7) (8) One representative from a Hawaii-based retailer, including restaurants, wholesalers, or distributors;

(8) (9) Two representatives from Hawaii-based organizations and community groups involved with waste management or relevant environmental advocacy; and

(9) (10) One representative who is an environmental or human health scientist.

CTA appreciates the opportunity to provide testimony on SB674 and welcomes further discussion with the Committees. Please do not hesitate to contact me with any questions or requests for additional information. Sincerely,

Ally Peck Senior Manager, Environmental and Sustainability Policy apeck@cta.tech C: (703) 395-4177

Attachments (1)



1919 S. Eads St. Arlington, VA 22202 703-907-7600 **CTA.tech** 

#### **CTA Principles for Packaging Design and EPR Policies**

#### **Executive Summary**

Extended producer responsibility (EPR) laws aim to make manufacturers responsible for the entire lifecycle of their products and packaging, including end-of-life management. While EPR programs have existed for decades in the U.S. for products like batteries and electronics, a new wave of state laws is now targeting consumer and commercial product packaging. As of August 2024, five states have passed EPR for packaging laws including California, Colorado, Oregon, Maine, and Minnesota.

The Consumer Technology Association (CTA) supports the innovation economy and delivers technologies that keep the world connected. Our member companies have been committed to achieving more sustainable packaging design by reducing their packaging, switching to more sustainable materials, and increasing renewable or recycled content rates and recyclability. While current EPR for packaging systems<sup>12</sup> estimate that our industry contributes about 3% to the packaging waste stream, our products require unique packaging considerations. CTA endorses packaging EPR – if implemented correctly – to create meaningful environmental benefits for consumers and communities.

Electronics manufacturers rely on plastic, paper, and other packaging materials to safely deliver products to the end consumer, which reduces the risk of additional waste generation in the form of damaged products. Packaging EPR laws should support innovation, maintain packaging function, ensure circularity can be achieved, be limited to the end consumer market and avoid disruption of already established recycling streams. This brief outlines the policy priorities of the electronics industry on the creation and implementation of packaging EPR legislation in the United States.

1. Industry Representation. The electronics industry is an important stakeholder in packaging EPR systems and approaches these programs from a unique durable goods perspective. It is essential that the consumer technology industry is included in discussions surrounding packaging EPR program implementations because electronics have needs that are distinct from everyday consumer packaged goods. Our industry also has experience in complying with established EPR systems in international jurisdictions and can bring this knowledge to the development of U.S. policies. The electronics industry must hold a voting seat on any program advisory or oversight organization, and the producer responsibility organization (PRO) involved in the implementation of a packaging EPR program so that all producer interests are adequately reflected.

https://cdn.ofsys.com/T/OFSYS/H/C1252/1553/liEf7t/eeq-rapport-annuel-2023-en-vf2-lr-1.pdf

<sup>&</sup>lt;sup>1</sup> "From curbside recycling to the circular economy: Together for a sustainable world" ÉCO ENTREPRISES QUÉBEC (pg.27) <u>https://www.eeq.ca/wp-content/uploads/Eco Entreprises Quebec Annual report 2022.pdf</u> <sup>2</sup> "2023 Annual Report", ÉCO ENTREPRISES QUÉBEC (pg. 13)

#### CTA Principles for Packaging Design and EPR Regulation

- 2. **Shared Responsibility.** All entities, including consumers, governments, material recovery facilities, recyclers, and producers, have responsibility for addressing the challenges of the current recycling system.
- 3. Needs Assessments and Measurement of Program Success. Any packaging proposal should mandate a needs assessment prior to program implementation. This assessment should be used to inform packaging design policies and EPR program implementation components such as the recycling infrastructure, collection opportunities, consumer education, program scope, and measurements of success. It should also identify areas that need to be developed or improved. Program success should be defined with consideration of the current system performance, and with consideration of the many stakeholders involved in recycling services and recycled material markets.
- 4. **Packaging Design Flexibility and Eco-modulation.** Packaging design targets should be defined and managed collectively, through harmonized eco-modulation incentives and fees, as opposed to prescriptive design restrictions and material bans. Electronics have unique protection needs that limit the scope of packaging materials that manufacturers can use. Factors that influence packaging design include product dimensions, weight, volume, shape, and sensitivity to shock and vibration. Electronics packaging also needs unique features that respond to the challenge of fraud. Mandated packaging material types, recycled content, and reusability can impact design and product protection. Sufficient protection is required to prevent product damage during transportation and deliver it safely to the consumer ensuring the core function of packaging is not compromised. Eco-modulation is the preferred system to incentivize the transition to more easily recyclable material types and increase overall recycling rates while also allowing producers flexibility in material choice.
- 5. **Harmonization.** While packaging EPR programs should address regional recycling challenges, there should also be adequate consistency across states to reduce implementation burden among stakeholders, create consistency for consumers, and allow for better comparison across state programs. Clear and consistent definitions of terms like "recyclable" and "post-consumer recycled content", and definitions of materials such as "cardboard" or "plastics" should be consistent among states and align with internationally accepted definitions established by organizations such as ISO and ASTM. Inconsistency in (or lack of) definitions creates compliance challenges for producers operating at national and global scales, undermines regulatory certainty, and imposes unnecessary costs. Regional labeling mandates should be avoided because it creates confusion for consumer and compliance is challenging if not impossible for companies operating at national and international levels.
- 6. **Reporting.** EPR programs should focus on simplifying and harmonizing reporting processes to the greatest extent possible, consistent with program goals. Requiring data at the material or packaging component level can create unnecessary reporting burdens and costs, which hinder the overall progress towards packaging circularity. Programs should utilize publicly available sales data<sup>3</sup>, as the source of information. Reporting should be focused on weight volumes by material

<sup>&</sup>lt;sup>3</sup> Third party research companies such as IDC

category<sup>4</sup>, and should take advantage of publicly available sales data rather than mandating production of proprietary unit sales data.

7. **Funding.** A robust recycling infrastructure, supported by convenient consumer opportunities to recycle covered materials, is critical to a successful packaging EPR program. Funding should support not just infrastructure improvements, but also consumer education, consumer collection convenience, and material end markets. Producers should have a say in how funds are allocated. Finally, it is important to ensure that funding and fee models are transparent to all stakeholders and managed responsibly.

#### Conclusion

Packaging EPR programs have a significant impact on producers in the electronics value chain. Impacts span across financial, administrative, and packaging design. It is also important to recognize that all stakeholders within the packaging lifecycle, not just producers, should be given responsibility in creating a robust and healthy recycling system. CTA is committed to building policies that encourage recycling, reduce waste, and promote innovation.

<sup>&</sup>lt;sup>4</sup> Quebec's EPR for packaging law requires producers to only report each material as a gross number by weight. See the special producer financial participation chart by material: <u>https://www.eeq.ca/en/modernisation-temp/producers/</u>

### <u>SB-674</u> Submitted on: 1/29/2025 11:17:12 PM Testimony for HHS on 1/31/2025 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ted Bohlen	Testifying for Climate Protectors Hawaii	Support	Written Testimony Only

Comments:

SUPPORT for a more circular economy with less waste creation, more reuse and refill, less thrown away, and producers paying a fair share of the costs of handling the waste they create in making a profit off of products (extended producer responsibility).

Mahalo!

Climate Protectors Hawaii (by Ted Bohlen)



# Environmental Caucus of The Democratic Party of Hawaiʻi

# January 31, 2025

# Testimony in Support of SB674: Relating to the Environment

Aloha Chairs San Buenaventura and Gabbard, Vice Chairs Aquino and Richards, and Members of the Committee on Health and Human Services and Committee on Agriculture and Environment,

We, Melodie Aduja and Alan Burdick, are testifying on behalf of the Environmental Caucus of the Democratic Party of Hawai'i in strong support of SB674, which aims to address the critical issue of solid waste management in our state. This bill is essential for protecting public health and the environment by promoting sustainable waste management practices and reducing the burden on our landfills.

## **Key Points of Support:**

- 1. **Reducing Landfill Waste**: SB674 addresses the urgent need to reduce the amount of waste being sent to landfills. The bill promotes alternative waste management strategies such as reuse, refill, composting, and recycling, which can significantly decrease the volume of waste that ends up in landfills.
- 2. **Protecting the Environment**: Landfills discharge leachate, a highly toxic fluid that can leak and cause harm to surrounding communities and nearshore and marine environments. By reducing landfill waste, SB674 helps protect our environment from the harmful effects of leachate and other pollutants.
- 3. **Promoting Extended Producer Responsibility**: The bill encourages the implementation of extended producer responsibility (EPR) programs, which shift the responsibility for a product's lifecycle, including end-of-life management, from consumers or governments to producers. EPR programs promote sustainable product design and reduce the financial burden on government for waste management.
- 4. **Creating Local Jobs**: SB674 supports the expansion of collection services, local processing of waste, and reuse and refill programs, which can create local jobs and stimulate economic growth. By investing in sustainable waste management practices, we can build a more resilient and sustainable economy.

## **Examples of Harm Due to Current Waste Management Practices:**

• Leachate from Landfills: The Waimanalo Gulch Landfill on Oahu produces around 9,800 gallons of leachate per day. This toxic fluid has the potential to leak and cause significant harm to surrounding communities and the environment.

- Air Pollution from Incineration: Waste that is incinerated produces air pollutants and toxic ash. On Oahu, more than 400 tons of toxic ash are buried in the landfill every day, contributing to air pollution and environmental degradation.
- **Packaging Waste**: Packaging waste is a large part of the waste stream and includes containers for food products, cleaning products, and personal care products. Implementing EPR programs for packaging waste can lead to better recycling services and reduce the environmental impact of packaging materials.

In conclusion, the Environmental Caucus of the Democratic Party of Hawai'i strongly supports SB674 and urges the Committees to pass this important legislation. By promoting sustainable waste management practices, protecting the environment, and creating local jobs, we can ensure a healthier and more sustainable future for all residents of Hawai'i.

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

Sincerely,

Melodie Aduja and Alan Burdick Co-chairs, Environmental Caucus of the Democratic Party of Hawaii



american cleaning institute®

Friday, January 31, 2025

Chairwoman Joy A. San Buenaventura Committee on Health & Human Services Hawai'i State Senate

Chairman Mike Gabbard Committee on Agriculture & Environment Hawai'i State Senate

# Re: Testimony from the American Cleaning Institute on SB 674 - Support

Thank you for the opportunity to provide testimony on SB 674 which is being heard before your committees. The American Cleaning Institute (ACI) – the national trade association representing the \$60 billion cleaning product industry – has a vested interest in the reduction of plastic packaging waste. To that end, one of our goals is to completely eliminate plastic waste from cleaning products by 2040. As an industry, we are committed to improving packaging by ensuring that it is recyclable or reusable, reducing virgin material use and increasing post-consumer recycled (PCR) or renewably sourced content. In addition, we know we have a role to play in helping evolve our systems of recovery. Our Circular Packaging Roadmap<sup>1</sup> supports this transition by outlining our ambition and associated goals. While our industry is supportive of shifting the market away from the continued use of virgin resins, we stress the importance of proper packaging for the safe and effective use of our members' products.

Our members have been involved in the development and implementation of extended producer responsibility programs for packaging around the globe, and more recently here in the United States. We have learned from experience what makes a program successful and support efforts that are well-targeted toward reducing waste and conserving resources. We support the effort to minimize packaging use – as exemplified by our industry's goals and achievements thus far – and are hopeful of the needs assessment that is proposed in this legislation. We are pleased to indicate our support for this legislation.

We would like to reiterate that ACI members support efforts to reduce packaging waste. The first step to a successful packaging stewardship program is accurate and detailed needs assessment, which this bill addresses. ACI looks forward to providing necessary input regarding the performance of our products and packaging to achieve desired policy goals.

Sincerely,

<sup>&</sup>lt;sup>1</sup> <u>https://www.cleaninginstitute.org/sustainable-cleaning/our-future-clean/circular-packaging</u>

Brennan Georgianni Associate Vice President, Government Affairs & Strategy BGeorgianni@cleaninginstitute.org



The power of packaging in balance:

AMERIPEN American Institute for Packaging and the Environment

> Comments on Hawaii Senate Bill 674 Packaging Waste—Needs Assessment

Senate Committees on Health and Human Services and Agriculture and Environment January 31, 2025

AMERIPEN.org



Chair Buenaventura, Chair Gabbard, and Members of the Committee.

AMERIPEN – the American Institute for Packaging and the Environment – appreciates the opportunity to provide written testimony on Senate Bill 674 (Gabbard) that seeks to establish a packaging waste needs assessment. AMERIPEN has developed principles to aid packaging recovery and recycling systems and we support the goals of diverting packaging waste from landfills. We appreciate all the hard work that has gone into SB 674 in its current form and the inclusion of many of the AMERIPEN suggestions from 2024.

AMERIPEN is a trade association dedicated to improving packaging and the environment. We are the only material-inclusive packaging industry trade association in the United States representing the entire packaging supply chain. This includes materials suppliers, packaging manufacturers, consumer packaged goods companies, and end-of-life materials managers. Our membership also includes a robust array of industry, material, and product-specific trade associations who are essential to the AMERIPEN fabric. We focus on science and data to support our public policy positions, and our advocacy and policy engagement is based on rigorous research rooted in our commitment to achieve sustainable packaging policies. The packaging industry supports more than 2,500 jobs and accounts for more than \$728 million in total economic output in Hawaii.

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

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

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

AMERIPEN recognizes the health of packaging recovery and recycling, and waste management systems are critical and there is a shared responsibility that producers can play in improving these systems. We appreciate that this bill has included an Advisory Council and a thoughtful approach to looking at the definition of the key term, "producer".

We still encourage the consideration working with or the selection of a producer responsibility organization (PRO) where producers can work directly with the Hawaii Department of Health to obtain accurate data in Hawaii, for the Needs Assessment. Adding in a producer responsibility organization (PRO) that can be chosen by the Department will be helpful in ensuring that the needs assessment collects information from producers who will be financially responsible for an extended producer responsibility system. In 2023,



Maryland passed an extended producer responsibility (EPR) for packaging needs assessment bill that included language to appoint a PRO. AMERIPEN is supportive of adding in a designated PRO that the Department will work with on the needs assessment.

In conclusion, AMERIPEN supports a thorough needs assessment being done in Hawaii and appreciates all the hard work that has gone into SB 674 and we would like to continue to work with you and the Committee.

Sincerely,

Edwin Borbon On behalf of AMERIPEN



# **TESTIMONY IN SUPPORT OF SB674, RELATING TO THE ENVIRONMENT**

## SENATE COMMITTEE ON HEALTH & HUMAN SERVICES SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT JANUARY 31, 2025

Aloha Chair(s) San Buenaventura & Gabbard, Vice Chair(s) Aquino & Richards, and Members of the Health & Human Services and Agriculture & Environment committees:

The Democratic Party of Hawai'i **SUPPORTS** SB674, RELATING TO THE ENVIRONMENT. Pursuant to the State Convention Resolution 2024-13 of the Democratic Party of Hawai'i, the Party supports the adoption of Zero Waste principles to protect public health.

The Democratic Party of Hawai'i recognizes the urgent need to address the growing waste management crisis in our state. This bill proposes a comprehensive approach to reduce waste generation and promote sustainable practices through the implementation of an extended producer responsibility (EPR) program. This program shifts the responsibility of waste management from taxpayers to producers, encouraging them to design products that are easier to reuse, recycle, and compost. By adopting EPR strategies, we can significantly decrease the volume of waste sent to landfills and incinerators, thereby reducing pollution and protecting public health. Additionally, the bill's focus on conducting a statewide needs assessment and establishing an advisory council ensures that the transition to a circular economy is well-informed and inclusive of all stakeholders. This proactive legislation not only addresses environmental concerns but also fosters economic growth by creating local jobs in waste management and recycling industries.

Mahalo nui loa for the opportunity to testify in support of SB674, RELATING TO THE ENVIRONMENT. Should you have any questions or require further information, please contact the Democratic Party of Hawai'i at legislation@hawaiidemocrats.org.





Jan. 30, 2025

Senate Committee Agriculture and Environment Chair Senator Mike Gabbard & Vice Chair Senator Tim Richards III

Senate Committee Health and Human Services Chair Senator Joy San Buenaventura & Vice Chair Senator Henry Aquino

#### Support of SB674 Committee on Agriculture and Environment & Health and Human Service

Honorable Members of the Committees,

Re-use Hawai'i is in support of SB674

We face environmental challenges, such as our landfills closing as early as 2028. This measure is a positive step in the right direction in identifying resources that can be recovered and limiting landfill waste.

Conducting a statewide needs assessment will help identify priority areas in reducing landfill waste, increasing repurposing, and improving recycling collection services. There is an agreed need to expand materials processing. By clarifying an extended producer responsibility program for packaging materials and paper products, we can collect the data to scale up service needs.

We support the establishment of an advisory council to review the draft needs assessment and propose recommendations throughout the assessment process. This body of work within the Department of Health should be funded for the work that must be performed.

Mahalo for supporting SB674.

Sincerely,

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Faith Chase Director of Strategic Communications Re-use Hawai'i

Chair Gabbard and members of the committee,



We, the Biodegradable Products Institute (BPI), regret to testify in opposition to SB 674. BPI is North America's leading organization representing certified compostable materials, products, and packaging, with over 600 member companies worldwide and tens of thousands of certified products. BPI is the foremost association for the circular bioeconomy who convenes the compostable product value chain, and facilitates inclusive discourse to create consensus on actionable, science-backed standards, claims, and policy. Our certification program has verified tens of thousands of items using ASTM standards as a baseline, with additional requirements to prohibit PFAS, promote clear labeling, and sensible eligibility criteria, all to help to keep organic waste out of landfills.

BPI has supported EPR and needs assessment legislation across the country. While we appreciate and agree with the intent to identify problems and inform a future EPR program, this bill as written lacks some of the fundamental elements needed to ensure the assessment is robust and fair. Our requests, below, mirror similar legislation across the country. Should they be incorporated, we'd be happy to support this effort.

We request the following:

...

**Include a representative of the compost industry on the Advisory Council.** Collecting and processing compostable products (along with the food and other organic waste they help divert) presents unique challenges that require a voice from the industry to complement those collecting trash and recyclables. Elsewhere, advisory councils have included a representative from the compost industry in EPR Laws including those in Colorado, California, Minnesota, and a needs assessment in Illinois. We recommend the following change:

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The advisory council shall include:

(5) One representative from a Hawaii-based refuse

service provider;

(6) One representative from a Hawaii-based recycling

collection and processing service provider;

() One representative from a Hawaii-based compost

collection and processing service provider that receives

and processes compostable materials, including compostable

covered products
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**Define the term 'compostable' for the purposes of this bill.** Like our suggestions for the advisory council, this language mirrors laws that have passed in other states to ensure that product claims are substantiated by science and independent verification.

"Compostable" means that a product has been certified by an independent, third-party verification body that the product is compostable and capable of undergoing aerobic biological decomposition in a controlled composting environment, as demonstrated in accordance with ASTM D6400, ASTM D6868, or equivalent standard specification, as applicable.

Study the environmental benefits of compost, including both compostable packaging and the landfill methane emissions avoided by the food and other organic waste they divert:

"Environmental benefits from reduction and reuse, <u>composting</u>, and local vs off- island materials processing; ..."

Add "compostable" alongside "recyclable" and "reuse" to the purpose of the Act as they each contribute to a circular economy. This language also mirrors EPR laws across the country promoting all three as unique, complementary solutions.

The purpose of this Act is to require and appropriate funds for the department of health to conduct a statewide needs assessment and establish an advisory council with relevant stakeholders to determine what would be needed to transition to a more circular system with less waste generation, more reuse, and the necessary infrastructure to sort and locally process recyclable <u>and</u> <u>compostable</u> materials through an extended producer responsibility program for packaging materials and paper products.

...This encourages sustainable product design that leads to less waste and more fully recyclable, <u>compostable</u>, or reusable products and packaging. Extended producer responsibility programs also...

**Remove "compostability" from measuring impact of composition.** Composition alone does not determine the compostability of a covered product, Other factors like shape, size, construction all play a role, all of which are considered during testing and

certification. Assessing a product's impact on compostability solely based on composition could lead to incorrect conclusions.

"(7) The impact of the composition of packaging materials on the reuse, recyclability, and <del>compostability</del> of packaging materials"

Instead, to better understand impacts on compostability beyond certification, this needs assessment should include an evaluation of compost facility conditions. Our members support EPR as a menas to support compost facilities, but it's critical that facility operating conditions (i.e. time, temperature, moisture, pH, etc.) facilitate products disintegration and biodegradation. We recommend the following addition:

"() An evaluation of the operating conditions of local compost facilities to process compostable covered."

Please reach out to us with any questions.

Sincerely,

Alex Truelove Legislation and Advocacy Manager, Biodegradable Products Institute alexander@bpiworld.org

## <u>SB-674</u> Submitted on: 1/28/2025 2:59:42 PM Testimony for HHS on 1/31/2025 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Douglas Perrine	Individual	Support	Written Testimony Only

Comments:

I support SB674. We are drowning in our opala! We need to find better ways to deal with all the waste generated by a consumer culture that is incompatible with island life.

#### <u>SB-674</u> Submitted on: 1/28/2025 5:34:06 PM Testimony for HHS on 1/31/2025 1:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Jacqueline S. Ambrose	Individual	Support	Written Testimony Only

Comments:

YES to - 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. Establishes an advisory council to review the draft needs assessment and propose recommendations throughout the assessment process. Appropriates funds