

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

Testimony in SUPPORT of HB1642 HD2
RELATING TO POSTCONSUMER RECYCLED CONTENT

SENATOR MIKE GABBARD, CHAIR
SENATE COMMITTEE ON AGRICULTURE AND ENVIRONMENT
SENATOR GLENN WAKAI, CHAIR
SENATE COMMITTEE ON ENERGY, ECONOMIC DEVELOPMENT, AND TOURISM

Hearing Date: 3/21/2022

Room Number: Via Videoconference

1 **Fiscal Implications:** This measure will not 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 **Department Testimony:** The Department supports HB1642 HD2 to amend Hawaii Revised
5 Statutes (HRS) Section 342G to establish minimum postconsumer recycled content requirements
6 for all deposit beverage containers imported into or manufactured within the State.

7 In fiscal year 2021, approximately 376,000,000 plastic deposit beverage containers were
8 imported into or manufactured in the State. Approximately 218,000,000 of those plastic bottles
9 were redeemed for recycling. While this redemption rate of 58% needs to be improved, there is
10 still a significant quantity of plastic containers being redeemed to provide quality feedstock to
11 meet a modest goal of 15% of postconsumer recycled content over six years from now.

12 Unfortunately, the cost to manufacture plastic beverage containers using virgin
13 polyethylene terephthalate (PET) is slightly cheaper than the cost to manufacture plastic
14 beverage containers using recycled PET flakes. This disincentivizes recycling. The Department
15 supports implementing a targeted market intervention that will increase the demand for recycled
16 products and create additional incentives to redirect deposit beverage containers away from
17 landfills and towards recycling.

- 1 **Offered Amendments:** None
- 2 Thank you for the opportunity to testify on this measure.



1050 Bishop St. PMB 235 | Honolulu, HI 96813
P: 808-533-1292 | e: info@hawaiiifood.com

Executive Officers

Charlie Gustafson, Tamura Super Market, *Chair*
Eddie Asato, Pint Size Hawaii, *Vice Chair*
Gary Okimoto, Safeway, *Secretary/Treas.*
Lauren Zirbel, HFIA, *Executive Director*
John Schliff, Rainbow Sales and Marketing, *Advisor*
Stan Brown, Acosta Sales & Marketing, *Advisor*
Paul Kosasa, ABC Stores, *Advisor*
Derek Kurisu, KTA Superstores, *Advisor*
Toby Taniguchi, KTA Superstores, *Advisor*
Joe Carter, Coca-Cola Bottling of Hawaii, *Immediate Past Chair*

TO:

Committee on Agriculture and Environment
Senator Mike Gabbard, Chair
Senator Clarence K. Nishihara, Vice Chair

Committee on Economic Development and Tourism
Senator Glenn Wakai, Chair
Senator Bennette E. Misalucha, Vice Chair

FROM: HAWAII FOOD INDUSTRY ASSOCIATION
Lauren Zirbel, Executive Director

DATE: March 21, 2022

TIME: 1pm

PLACE: Via Videoconference

RE: HB1642 HD2 Relating to Postconsumer Recycled Content

Position: Oppose

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

HFIA supports the intent of this measure to increase recycled content in packaging. Many of our member companies have set aggressive goals to increase the recycled content in their packaging. We believe that the most effective way to accelerate the percentage of post-consumer recycled content in products and packaging is through collaborative efforts with manufacturers, incentives, and by creating and supporting recycling infrastructure. Unfortunately, our State has chosen to not prioritize recycling as a waste management strategy. There are currently no large-scale recycling operating in Hawaii that manage the materials mentioned in this bill.

Beverage manufacturing is an important local industry. Hundreds of types of sodas, juice drinks, water, beer, and other beverages are bottled and canned right here on Oahu in Kapolei. This includes multinational brands as well as small local drink brands. This industry creates jobs, generates tax revenue, and provides products for Hawaii consumers. We believe that better outcomes will be achieved by taking a collaborative approach and working with these companies, rather than imposing arbitrary percentages on a rapid timeline. We urge the Committee to hold this measure and we thank you for the opportunity to testify.

HB-1642-HD-2

Submitted on: 3/18/2022 1:17:22 PM

Testimony for AEN on 3/21/2022 1:00:00 PM

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

Comments:

Strongly support HB1642 HD2

HB-1642-HD-2

Submitted on: 3/18/2022 5:36:38 PM

Testimony for AEN on 3/21/2022 1:00:00 PM

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

Comments:

We are drowning in our own consumer waste. This measure will help reduce that in a measured, reasonable way.

HB-1642-HD-2

Submitted on: 3/20/2022 8:46:02 AM

Testimony for AEN on 3/21/2022 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ted Bohlen	Testifying for Climate Protectors Hawai'i and Hawai'i Reef and Ocean Coalition	Support	Written Testimony Only

Comments:

To: The Honorable Michael Gabbard, Chair, The Honorable Clarence Nishihara, Vice Chair, and Members of the Senate Committee on Agriculture and Environment, and

The Honorable Glenn Wakai, Chair, the Honorable Bennette Misalucha, Vice Chair, and members of the Senate Committee on Energy, Economic Development, and Tourism.

Re: Hearing **HB1642 HD2 RELATING TO POSTCONSUMER RECYCLED CONTENT.**

Hearing: Monday, March 21, 2022, 1:00 p.m., CR 224 and by videoconference

Aloha Chairs Gabbard and Wakai, Vice Chairs Nishihara and Misalucha, and Members of the Committees on Agriculture and Environment and Energy, Economic Development, and Tourism:

The Climate Protectors Hawai'i and Hawai'i Reef and Ocean Coalition **support** this measure. To protect our environment, we need to minimize the use of plastic, which is fouling Hawaii's shorelines, killing corals and other marine life, filling our landfills and contributing to the climate emergency.

DOH reports that the cost to manufacture plastic beverage containers using virgin polyethylene terephthalate (PET) is slightly cheaper than the cost to manufacture plastic beverage containers using recycled PET flakes. This disincentivizes recycling. The Climate Protectors Hawai'i agrees with DOH and supports implementing a targeted market intervention that will increase the demand for recycled products and create additional incentives to redirect deposit beverage containers away from landfills and towards recycling.

While this minimum recycled content measure is good, we should also push for reuse of sterilized glass containers, which the world used successfully before the unfortunate turn toward petro plastic less than 100 years ago.

PLEASE PASS THIS BILL!

Mahalo!

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



**Written Testimony of
David Thorp, American Beverage Association**

**Before the Committee on Agriculture and Environment and
the Committee on Energy, Economic Development, and Tourism
Comments on H.B. 1642, HD2: Relating to Postconsumer Recycled Content
March 21, 2022**

Good afternoon Chair Gabbard, Vice Chair Nishihara, Chair Wakai, Vice Chair Misalucha and members of the committees. Thank you for the opportunity to comment on H.B. 1642, HD2 – relating to waste management.

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

Increasing the use of post-consumer recycled material in our packages is a top priority for the beverage industry and our member companies are working to meet their own recycled content goals in the coming years.

Increasing recycled content in plastic bottles is, however, just one aspect of our overall goal to reduce plastic waste; the beverage industry is also actively engaged in policy advocacy and investing in recycling to facilitate the increase of recycled content in its packaging.

Several states are or have considered legislation to mandate minimum recycled content in plastic beverage bottles and other packages and products. Mandating these targets is not, by itself, a sufficient response to the significant barriers that stand in the way of achieving a circular U.S. economy.

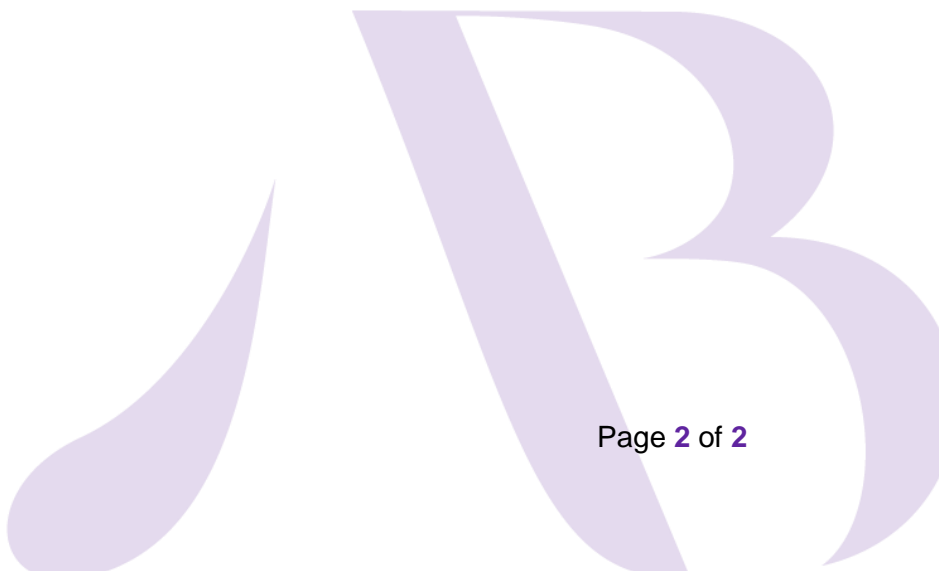
Mandates to use recycled content do not directly address issues of insufficient supply of material, which is the case with recycled PET, for example.

State-specific recycled content standards also conflict with the realities of a diverse and globalized supply chain for consumer goods including beverages. Production occurs regionally or even in one or two national locations for some products, and inventory is not designated for sale in one particular state or group of states. The supply chain from producer to warehouse to distributor to retailer is not structured to serve just one state, or even one country.

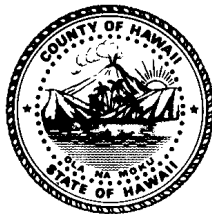
Recognizing these limitations to mandated content standards, we also acknowledge that there is active discussion around legislation in this area and we as an industry have actively engaged with stakeholders to help shape those legislative proposals. However, H.B. 1642, HD2 at this point falls short of providing the principles and parameters for these mandates.
Sincerely,

David Thorp

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



REBECCA VILLEGAS
Council Member
District 7, Central Kona



PHONE: (808) 323-4267
FAX: (808) 323-4786
EMAIL: Rebecca.villegas@hawaiicounty.gov

HAWAI'I COUNTY COUNCIL

West Hawai'i Civic Center, Bldg. A
74-5044 Ane Keohokalole Hwy. Kailua-Kona, Hawai'i 96740

March 21, 2022

TESTIMONY OF REBECCA VILLEGAS
COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL
ON HB 1642 HD2, RELATING TO POSTCONSUMER RECYCLED CONTENT
Committee on Agriculture and Environment
Committee on Energy, Economic Development, and Tourism
Monday, March 21, 2022 at 1:00pm

Aloha Chair Gabbard, Chair Wakai, and Members of the Committees:

I thank you for the opportunity to testify in support of HB 1642 HD2. My testimony is submitted in my individual capacity as a member of the Hawai'i County Council and Chair of the Hawai'i County Council Climate Resilience and Natural Resource Management Committee.

The purpose of this Act is to establish minimum postconsumer recycled content requirements for deposit beverage containers.

Minimum postconsumer recycled content requirements for deposit beverage containers are needed to reduce waste, transition the State toward a circular economy, and encourage interest in recycling among deposit beverage distributors. The implementation of a minimum postconsumer recycled content requirement for deposit beverage containers will divert waste from landfills and direct them to recycling, thus reducing waste.

It is also important to adjust the minimum postconsumer recycled content percentage required pursuant to this section; report requirements by deposit beverage distributors of deposit beverage containers subject to this part; provide penalties or fees; and any other matters as may be necessary in order to implement this part.

For the reasons stated above I urge the Committee on Agriculture and Environment, and the Committee on Energy, Economic Development, and Tourism to support this measure as well. Should you have any questions, please feel free to contact me at (808) 323-4267.

Mahalo for your consideration.

A handwritten signature in black ink, appearing to read "Rebecca Villegas".

Rebecca Villegas
Council Member, Hawai'i County Council