#### THE SENATE TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

# A BILL FOR AN ACT

PROPOSED 2

S.B. NO. <sup>2559</sup> S.D. 2

Proposed 2

RELATING TO ENVIRONMENTAL PROTECTION.

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

1 SECTION 1. The legislature finds that single-use plastic and paper checkout bags present a hazard to the environment. 2 3 Single-use checkout bags are not only a source of unsightly 4 litter, they are a significant source of environmental 5 degradation that crowds landfills with non-biodegradable waste, pollutes the oceans, endangers marine life, requires fossil 6 7 fuels to manufacture, and in the case of paper bags, contributes 8 to deforestation.

9 Around the world, plastic pollution contributes to clogged 10 waterways and damaged marine ecosystems and eventually finds its 11 way into the oceans through storm drains and watersheds. Polyethylene, or polythene, is the most widely used plastic, 12 13 with an annual production of approximately eighty million metric 14 Polyethylene is primarily used for packaging materials tons. 15 and is the most common material for plastic shopping bags. 16 Commercial polyethylene is not considered to be biodegradable, 17 and most commercial polyethylene waste ends up in landfills or 18 Once in the ocean, polyethylene plastic products the oceans. SB2559 HD1 PROPOSED LRB 10-2122.doc

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float on the surface where, over time, sunlight and wave action 1 2 cause them to break into smaller particles, but they never 3 disappear entirely. Plastic bags and other plastic pollution 4 pose a particular hazard for Hawaii's environment and marine 5 wildlife. The "Great Pacific Garbage Patch", a giant 6 concentration of floating marine debris twice the size of Texas, 7 moves seasonally with the currents in the north Pacific Ocean 8 and frequently deposits plastic bags and other debris on the 9 Northwest Pacific Islands and on the main islands of Hawaii. 10 The legislature further finds that the State has a 11 compelling interest in protecting its precious natural 12 environment by decreasing the amount of waste that flows into 13 its landfills. This Act follows the lead of several cities and 14 counties in the United States and several foreign countries that 15 have adopted laws that discourage the use of non-biodegradable 16 plastic and non-recyclable paper checkout bags. Because 17 Hawaii's economy, culture, and the livelihood of its people 18 depend heavily on preserving its natural environment, the 19 legislature finds that the State will benefit by encouraging the

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20 use of reusable shopping bags.

21 The purpose of this Act is to reduce the State's production
22 of waste and the negative impact on the environment by

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establishing a disposable checkout bag offset fee. The Act, however, does not apply to all businesses or prohibit all plastic bag distribution. SECTION 2. Chapter 342H, Hawaii Revised Statutes, is

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

7 "PART . DISPOSABLE CHECKOUT BAG OFFSET FEE
8 §342H-A Definitions. As used in this part, unless the
9 context otherwise requires:

10 "Business" means any commercial enterprise or 11 establishment, including sole proprietorships, joint ventures, 12 partnerships, and corporations, or any other legally cognizable 13 entity, and includes all employees of the business or any 14 independent contractors associated with the business.

15 "Disposable checkout bag":

16 (1) Means a bag made of paper or plastic, other than
17 plastic greater than 2.25 millimeters thick, whether
18 recyclable or non-recyclable, that is provided by a
19 business to a customer, and is designed for one-time
20 use to transport merchandise; and

21 (2) Does not include:

1 Bags used by customers inside a business to (A) 2 package bulk items such as fruits, vegetables, 3 nuts, grains, candies, or small hardware items; 4 (B) Bags used to contain or wrap frozen foods, meat 5 or fish, flowers or potted plants, or other items to contain dampness; 6 7 (C) Bags used to protect prepared foods or bakery 8 goods; Bags provided by pharmacists to contain 9 (D) prescription medications; 10 11 (E)Newspaper bags; 12 (F)Door hanger bags; Laundry or dry cleaning bags, including bags 13 (G) 14 provided by hotels to guests to contain wet or 15 dirty clothing; 16 Bags sold in packages containing multiple bags (H) 17 intended for use as garbage, pet waste, or yard 18 waste bags; or 19 Bags used to contain live animals, such as fish (I) 20 or insects sold in pet stores.

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1 "Reusable bag" means a bag with handles that is 2 specifically designed and manufactured for multiple reuse and 3 is: 4 (1)Made of cloth or other machine washable fabric; or 5 (2)Made of other durable material suitable for re-use, 6 including plastic that is at least 2.25 millimeters 7 thick. 8 §342H-B Distribution of disposable checkout bags; offset 9 (a) Beginning January 1, 2011, all businesses in the fee. 10 State shall charge and collect an offset fee of five cents for 11 each disposable checkout bag that is provided to customers. 12 (b) Businesses subject to the requirements of this part shall indicate on each customer transaction receipt the number 13 14 of disposable checkout bags provided and the amount of the offset fee charged. 15 16 (c) Nothing in this part shall preclude businesses from 17 making reusable bags available for sale to customers. 18 §342H-C Remittance of offset fees. (a) Not later than 19 the fifteenth day of each month, each business subject to the 20 requirements of this part shall remit to the department an 21 amount equal to forty per cent of the offset fees collected 22 pursuant to section 342H-B during the previous month; provided SB2559 HD1 PROPOSED LRB 10-2122.doc

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1 that the portion of offset fees retained by a business shall be 2 considered taxable revenue. Payments and receipts shall be 3 reported on forms prescribed by the director and containing 4 information as deemed necessary for the proper administration of 5 this part.

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6 (b) Businesses shall be subject to penalties and interest7 for late or underpaid offset fees.

8 (c) All offset fees collected by the department pursuant
9 to this part shall be deposited into the general fund.

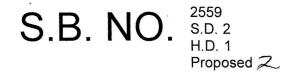
10 §342H-D Violations. It shall be a violation of this part 11 for any business that is subject to the requirements of this 12 part to pay or otherwise reimburse a customer for any portion of 13 the offset fee.

14 Violations of this part or any rule adopted pursuant to 15 this part shall be subject to a fine of not less than \$1,000 for 16 each violation.

17 §342H-E Preemption. The provision of this part shall
18 preempt the powers of any county to regulate the use of
19 disposable checkout bags.

20 §342H-F Rules. The director shall adopt rules, pursuant 21 to chapter 91, as may be necessary for the purposes of this 22 part."

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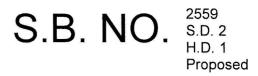


SECTION 3. In codifying the new sections added by section
 3 of this Act, the revisor of statutes shall substitute
 appropriate section numbers for the letters used in designating
 the new sections in this Act.

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SECTION 4. This Act shall take effect on July 1, 2010.





## Report Title: Environmental Protection; Plastic Checkout Bags; Offset Fee

#### Description:

Requires businesses in the State to collect a 5 cent offset fee for each plastic or paper disposable checkout bag provided to a customer. Allocates the offset fee: 3 cents to the business and 2 cents to the general fund. Effective 7/1/2010.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

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EEP/EBM 10:30 am 3/16/2010

Master 1 - Printshop

#### Cyndi Apana

From: Sent: To: Subject: ENETestimony 3 Friday, March 12, 2010 10:54 AM EEPtestimony FW: Bill # SB2559 hearing date 3/16/10

Room 012B Date

Time Cat AF AS

Type 1 2

-----Original Message-----From: Katherine Killebrew [mailto:katyek@mac.com] Sent: Friday, March 12, 2010 7:44 AM To: ENETestimony Subject: Bill # SB2559 hearing date 3/16/10

#### aloha,

I'm writing in support of SB 2559. There is so much plastic pollution in the ocean and on the surrounding shorelines. It interferes with the natural evolution of marine wildlife. Please take this step toward cleaning up our island home. Stop referring to it as "marine debris" and call it as it is...PLASTIC POLLUTION...

thank you,
katye killebrew
www.plasticpollutioncoalition.org

Katye Killebrew 2140 Aha Niu Place Honolulu, Hawaii 96821 808-734-3499 Home 808-864-6281 Cell katyek@mac.com

Cyndi Apana		
From: Sent: To:	mailinglist@capitol.hawaii.gov Friday, March 12, 2010 1:55 PM EEPtestimony	
Cc: Subject:	kauaibrad@hotmail.com Testimony for SB2559 on 3/16/2010 10:30:00 AM	

Date\_\_\_\_\_\_ Time\_\_\_<u>355</u> Cat AF AS AX (B Type 1 2 WI

Bill No.

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Brad Parsons Organization: Aloha Analytics Address: Phone: E-mail: <u>kauaibrad@hotmail.com</u> Submitted on: 3/12/2010

Comments: Aloha Representatives:

We support SB 2559 whether it be as a plastic bag ban or as a modest fee on paper and plastic bags. We recognize the intended goals to be met by this bill are two part: 1) Eventual reduction in the use of environmentally unhealthy, non-biodegradable plastic and resource depleting paper bags. and 2) Fiscal revenue generation for the State and merchants during this difficult time of transition.

We consider a modest fee to mean anything between 5 and 10 cents per bag. And we view it as generous that 40% of that may be retained by the collecting merchant with 60% going to the State, thereby making this proposal acceptable to merchants as they have testified.

By our calculations there are about 300 million single use bags distributed on Oahu per year and as many as 400 million statewide. At only 5 cents a bag that's as much as \$20 million to be collected each year and split between the State and merchants.

Elsewhere a 15 cent fee per bag has dropped demand for single-use bags by 90%. We believe a 10 cent fee per bag would drop demand for single-use bags by as much as 50% and that a 5 cent fee per bag will likely drop demand for plastic/paper bags by substantially less than 50%.

As a result, we believe that useful revenue will be generated by a fee of 5 to 10 cents, but that significant reduction in demand for single-use bags in Hawaii is less likely with a 5 cent fee and more likely with a 10 cent fee.

Either way, this bill should be a responsible and palatable revenue generator of between \$20 to \$40 million to be split as you see fit. Those are significant revenue and reasons to keep this bill moving forward.

One last point. We do not see an incompatability between this bill in current form and two pending passed ordinances on the Neighbor Islands. In fact, they allow for fees to be charged. Therefore, we believe Counties that have already acted proactively on this matter should be \*respected\* and that their actions not be altered with this bill.

Mahalo, Brad Parsons,

1

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, March 12, 2010 6:37 PM
То:	EEPtestimony
Cc:	mekpgc@aol.com
Subject:	Testimony for SB2559 on 3/16/2010 10:30:00 AM

Bill No. 5B2559

Date 21(2)Time 1837Cat AF AS AX B Type 1 2 WI

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Paul Carpenter Organization: Individual Address: 287 E.18th St.,Apt.6C Brooklyn,New York 11226 Phone: 718 208 4516 E-mail: <u>mekpgc@aol.com</u> Submitted on: 3/12/2010

Comments:

Here in Brooklyn, the New York Borough famous for its trees, it is becoming increasingly difficult to find one without at least a few plastic bags attached to its branches. I hope this bill will inspire yet further legislation targeting this environmental disaster since it has become abundantly evident that the general public is unwilling to make the slightest effort to ease the problem.

From: Sent: To: Cc: Subject: mailinglist@capitol.hawaii.gov Saturday, March 13, 2010 2:21 PM EEPtestimony danamariekai@hotmail.com Testimony for SB2559 on 3/16/2010 10:30:00 AM

Bill No.

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Dana Richardson Organization: Individual Address: PO Box 4462 Kailua Kona, HI Phone: E-mail: <u>danamariekai@hotmail.com</u> Submitted on: 3/13/2010

Date Time Cat AF AS AX B.) Type 1 2

Comments:

please ban the use of single plastic bags they are devastating to our environment and especially the marine life! We can survive using re-usable bags \*

From:	
Sent:	
To:	
Cc:	
Subject:	

mailinglist@capitol.hawaii.gov Sunday, March 14, 2010 8:35 AM EEPtestimony bob.gould@stanfordalumni.org Testimony for SB2559 on 3/16/2010 10:30:00 AM

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: oppose Testifier will be present: No Submitted by: Robert Gould Organization: Individual Address: 44-365 Kaneohe Bay Dr. Kaneohe, HI Phone: 808-254-5242 E-mail: <u>bob.gould@stanfordalumni.org</u> Submitted on: 3/14/2010

Bill No.<u>513253</u>4

Time Cat AF AS AX B Type 1 2

Comments:

I think this bill is misguided in its entirety. Outlawing the distribution of plastic shopping bags will only raise costs. It will not stop the proliferation of bags in landfills because most people reuse the shopping bags to hold trash, and they will then just have to purchase plastic bags for their trash again, raising their costs even more.

Clark .

From:	mailinglist@capitol.hawaii.gov
Sent:	Sunday, March 14, 2010 9:22 AM
То:	EEPtestimony
Cc:	gretchen.gould@stanfordalumni.org
Subject:	Testimony for SB2559 on 3/16/2010 10:30:00 AM

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: oppose Testifier will be present: No Submitted by: Gretchen Gould Organization: Individual Address: 44-365 Kaneohe Bay Dr. Kaneohe, HI Phone: 808-254-5242 E-mail: gretchen.gould@stanfordalumni.org Submitted on: 3/14/2010

Bill No. 5B 2559

3/14 Date 922 Time Cat AF AS AX B Type 1 2 WI

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Comments:

NO, do not pass this bill. We already have positive incentives and people are beginning to follow them. This is just another scam to make money and I resent you pretending it is green Gretchen Gould, Kaneohe

From: Sent: To: Cc: Subject: mailinglist@capitol.hawaii.gov Sunday, March 14, 2010 5:28 PM EEPtestimony lisahuyn@gmail.com Testimony for SB2559 on 3/16/2010 10:30:00 AM

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Lisa Eller Organization: Individual Address: Phone: E-mail: <u>lisahuyn@gmail.com</u> Submitted on: 3/14/2010

Bill No. 200 <u>•</u>.

Date Time Cat AF AS AX B Type 1

Comments:

Marine debris not only negatively impact Hawaii's economy by degrading its precious natural resources but also threatens the health of the Northwestern Hawaiian Islands. This debris gathers in large amounts around the islands, where they can harm and kill the island's marine species. I support this bill as a small, manageable step toward lessening the marine debris we send to the ocean.

From: mailinglist@capitol.hawaii.gov	
Sent: Monday, March 15, 2010 6:26 AM	
To: EEPtestimony	
Cc: hawaii@claudiaferrari.com	
Subject: Testimony for SB2559 on 3/16/2010 1	0:30:00 AM

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Claudia Ferrari Organization: Individual Address: P.O.Box 643 Haleiwa, HI Phone: 8086380605 E-mail: <u>hawaii@claudiaferrari.com</u> Submitted on: 3/15/2010

BII No. 3132559

Date 626 Time Cat AF AS AX B Type 1 2 WI

Comments:

I am a North Shore resident and I frequent the beach everyday. There is not ONE DAY that I don't pick up plastic bags flying all over the beach. It is sad how many bags are flying around and end up at the beach. Mostly bags flying around are from Foodland. The trash pick up on the North Shore is quite awful too, Everyday there is overflowing trash cans with flying trash around. Please, consider to ban the plastic bags on the North Shore or enforce them to use a biodegradable bags. Mahalo for your time.

From: Sent: To: Subject: ENETestimony Monday, March 15, 2010 9:52 AM EEPtestimony FW: SB2559 Hearing 3/16/10

Date Time Type

From: NW Womens Surfcamps [mailto:surfcamps@freedomnw.com] Sent: Friday, March 12, 2010 9:11 AM To: ENETestimony Subject: SB2559 Hearing 3/16/10

Please submit as testimony in support of the Plastic Bag Bill.

I live in Seaside, Oregon, along the north coast here. I lived in Hawaii for 7 years, along the north shore there. I bring Retreats to Kauai in April, sharing with women the beauty of the islands. I've been a supporting member of a group here in Oregon, called Coastwatch. They are a sister group of the Oregon Shores Conservation Coalition. These two nonpolitical conservation groups have spent years taking actions to preserve the beauty of the Oregon Coast. One huge part of them is our Adopt a Beach program. Individuals and groups can adopt their own mile and steward it in many faceted ways. We seasonally walk our mile and prepare an observation report, then submit for compilation with Coastwatch for community and legislative actions. Plastic pollution is one of the priorities we as beach stewards are monitoring. In the 15+ years walking my mile here, the plastic pollution of bags, containers, plastic objects and plastic floats has easily tripled. Just walking along the open beaches daily in Seaside. I can easily collect a large bag of plastic and garbage. Most of this plastic debris will simply be sucked back into the ocean, where it threatens bird, fish and mammals habitat and survival, which ultimately effects ours as humans. The health of our oceans needs to be a priority for all of us. Putting a 5 cent tax on plastic bags in Hawaii will have several positive results- first, citizens and visitors will either start bringing in their own bags to use or they will ask not to have their items bagged. Second, the millions of plastic bags used each year in Hawaii will dramatically drop, reducing plastic pollution on land, beaches and in the ocean, the expense of recycling all the plastic bags will drop dramatically, and the expense of disposing of plastic through waste management with our precious landfill will be reduced. Third, once citizens change this simple habit, they will discover other means to reduce plastic garbage in their lives. It's this critical awareness by all of our citizens that will person by person eliminate the scourge of plastic bags in the Hawaiian Islands beautiful landscapes and environment. Please pass this plastic bag tax and let's all reduce our personal and business uses of plastic bags! Thank you, Lexie Hallahan, Director NWWSC

Lexie Hallahan Director NWWSC Cell: 503-440-5782 Land: 503-738-0758 http://www.nwwomenssurfcamps.com "Let the beauty you love be what you do"

From:	mailinglist@capitol.hawaii.gov
Sent:	Monday, March 15, 2010 11:34 PM
To:	EEPtestimony
Cc:	rob@electronicinsight.com
Subject:	Testimony for SB2559 on 3/16/2010 10:30:00 AM

Bill No. <u>5132559</u> Date <u>3/15</u> Time 2334 Cat AF AS AX B Type 1 2 WI

Testimony for EEP/EBM 3/16/2010 10:30:00 AM SB2559

Conference room: 325 Testifier position: support Testifier will be present: No Submitted by: Robert Barreca Organization: Surfrider Foundation Address: 3535 Maluhia St Honolulu, HI Phone: 808-224-1905 E-mail: rob@electronicinsight.com Submitted on: 3/15/2010

Comments:

I support a 5 cent (or even 10 cent) fee on single-use plastic/paper bags. Single-use bags are bad because they...

- clog our landfills,

- blow into the ocean and kill turtles/whales,

- photodegrade but never biodegrade, leaving small bits of plastic in our ocean that absorb toxic chemicals and then those bits end up in our food chain

- take petroleum (for plastic) or trees (for paper) to produce, and more.

A consumer fee will still allow people who really need to use plastic bags, but for those that don't they can purchase a reusable bag that costs 99 cents! Please support this bill.