STAND. COM. REP. NO. 463

Honolulu, Hawaii **FEB 1 9 2021** RE: S.B. No. 587 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2021 State of Hawaii

Sir:

Your Committee on Agriculture and Environment, to which was referred S.B. No. 587 entitled:

"A BILL FOR AN ACT RELATING TO STATEWIDE COMPOSTING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- Require the Department of Health to update its co-composting rules by January 1, 2021, and every five years thereafter;
- (2) Require the Department of Health to establish a multitiered registration and permitting system for compositing facilities; and
- (3) Allow composting and co-composting in agricultural districts.

Your Committee received testimony in support of this measure from the Kōkua Hawai'i Foundation, Hawai'i Youth Climate Coalition, Zero Waste Big Island, Surfrider Maui Chapter, Climate Protectors Hawaii, Down to Earth Organic & Natural, and nine individuals. Your Committee received testimony in opposition to this measure from the Department of Health. Your Committee received comments on this measure from the Hawai'i Farm Bureau.



STAND. COM. REP. NO. 463 Page 2

Your Committee finds that the use of composted organics with their vast stores of macro- and micro- nutrients greatly improves the health of all soils in ways that protect and enhance natural systems, while imported, petroleum-based, and energy-intensive fertilizers destabilize a healthy soil microbiome. This measure furthers the State's waste management goals and ensures progress toward managing the State's waste by addressing the urgent need to expand the State's capacity for capturing and processing the organic waste its residents and visitors generate.

Your Committee further finds that food waste is the second largest component that enter the waste stream and accounts for twenty-five percent of all materials sent to landfills. Nearly fifty percent of organic materials disposed of in incinerators and landfills can be diverted for bioconversion, including composting. Your Committee also finds that the regulation of co-composting in the State is under the purview of the Department of Health Solid and Hazardous Waste Branch. Existing regulations have not been updated in over twenty years, and currently a single application applies to all co-composting operations regardless of size or scope. The mandated tiered permitting system proposed in this measure would seek to greatly increase the number of permitted facilities and makes the permitting and infrastructure requirements more accessible. Additionally, county environmental and waste management agencies have indicated that diverting organics from their waste streams will be essential in extending the life of their landfills and preventing more landfill siting and the associated environmental justice impacts. Schools would greatly benefit from project-based learning associated with resource rescue, soil health and school garden lessons; farmers would be able to generate nutritive soil amendments; and entrepreneurs would be able to operate initiatives to offset greenhouse gas offsets from sequestration. Your Committee finds that updating the co-composting regulations and permitting process will greatly increase the number of operators diverting organics from landfills and incinerators, thereby aiding the State and counties in reaching their sustainability, resilience, and fiscal qoals.

Your Committee has heard concerns from the Department of Health that Class III and Class IV compositing facilities should not be exempt from oversight due to issues of stability, pathogens, and other contaminants. In addition, fire potential



STAND. COM. REP. NO. 463 Page 3

poses a risk to the safety of nearby residents if the facilities do not have proper procedural concerns. Open burning of the pile could offset positive environmental impacts of compositing. By exempting facilities in the proposed Class III and Class IV from the Department of Health's regulations and permitting authority, the Department of Health would be unable to evaluate the potential impact of the operation and require appropriate controls that are protective of human health and the environment. The Department of Health would also lose the ability to effectively respond to complaints involving Class III and Class IV composting facilities. The Department of Health also acknowledges that it is attempting to maximize its efficiencies through flexibility in the current rules and revised permitting forms and is planning on updating chapter 11-58.1, Hawaii Administrative Rules.

Your Committee has amended this measure by:

- Extending regulation reform deadlines from January 1, 2022, to January 1, 2023;
- (2) Providing that the Department of Health shall update its rules regarding composting and co-compositing every ten years, rather than every five years, to allow for the Department of Health to realistically prepare rules and regulations updates;
- (3) Deleting the definitions of Class I, II, III, and IV solid waste compositing facilities;
- (4) Deleting language that would have established requirements for Class I, II, III, and IV solid waste composting facilities;
- (5) Requiring the Department of Health to update its administrative rules to create a multi-tiered registration and permitting system for composting and co-composting facilities that includes an exclusion tier under which a compositing or co-composting operation is exempt from requirements for registration or permitting from the Department of Health; and
- (6) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



STAND. COM. REP. NO. 46 Page 4

As affirmed by the record of votes of the members of your Committee on Agriculture and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 587, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 587, S.D. 1, and be referred to your Committee on Judiciary.

> Respectfully submitted on behalf of the members of the Committee on Agriculture and Environment,

MIKE GABBARD, Chair



The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*	Committee	Committee Referral:		Date:	
5B 587	AEN,	JDC		02/17/20	021
The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (W	R) Nay	Excused
GABBARD, Mike (C)		\checkmark			
NISHIHARA, Clarence K. (VC)		\checkmark			
ACASIO, Laura		\checkmark			
RHOADS, Karl					
FEVELLA, Kurt					
TOTAL		5			
Recommendation:			Not Adopted		
Chair's or Designed's Signature:					
Distribution: Original	Yellow eport Clerk's Office		Pink Drafting Age	Pink Goldenrod Drafting Agency Committee File Copy	

*Only <u>one</u> measure per Record of Votes