

Honolulu, Hawaii  
**FEB 08**, 2022

RE: H.B. No. 2399  
H.D. 1

Honorable Scott K. Saiki  
Speaker, House of Representatives  
Thirty-First State Legislature  
Regular Session of 2022  
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred H.B. No. 2399 entitled:

"A BILL FOR AN ACT RELATING TO WASTE MANAGEMENT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish an Extended Producer Responsibility Program;
- (2) Require certain producers of fast-moving consumer goods to register with the Department of Health and pay an annual fee based on the amount of packaging volume the covered producer places on the market each calendar year from 2023 to 2027;
- (3) Provide for the deposit of fees into an Extended Producer Responsibility Special Fund;
- (4) Provide for the expenditure of monies from the Extended Producer Responsibility Special Fund for the creation of a report that assesses the resources needed to reduce the volume of packaging waste sent to landfills or power plants that burn municipal solid waste as a fuel by fifty percent by 2026 and eighty percent by 2030; and



(5) Appropriate funds.

Your Committee received testimony in support of this measure from the Department of Health, Life of the Land, Zero Waste Hawai'i Island, Hawai'i Reef and Ocean Coalition, Hawai'i Wildlife Fund, and fifteen individuals. Your Committee received testimony in opposition to this measure from Island Plastic Bags, Inc.; Hawaii Food Industry Association; American Beverage Association; and one individual. Your Committee received comments on this measure from the Department of Budget and Finance, Association of Home Appliance Manufacturers, and American Chemistry Council.

Your Committee finds that as the State strives to fulfill its commitments to reduce waste and effectively mitigate the impacts of climate change, extended producer responsibility policies offer an opportunity to create mutually beneficial partnerships with the businesses that produce packaging waste. Extended producer responsibility policies are designed to transfer some portion of the costs of managing the waste generated by the sale of consumer goods to the entities that produce those goods. This measure requires producers to internalize the environmental and public health costs of their products and design better products and systems that reduce waste at the source and encourage the reuse of more waste materials.

Your Committee notes the testimony from the Department of Health requesting three additional positions to implement the Extended Producer Responsibility Program, of which one position would need to be funded immediately through general funds and later through the Extended Producer Responsibility Special Fund, while the other two positions would be filled once administrative rules are established and those positions can be funded by the special fund.

Your Committee has amended this measure by:

- (1) Specifying that the program year, sales prohibition start and end dates, producer registration start date, and other effective dates related to the Extended Producer Responsibility Program shall be determined by the Department of Health by administrative rules;
- (2) Authorizing the Department of Health to require third-party audits to determine compliance;



- (3) Inserting language that establishes and appropriates funds for one full-time equivalent position for the Extended Producer Responsibility Program to develop rules, oversee and manage goals and objectives related to waste management, analyze and assess waste reduction targets, and develop reports;
- (4) Changing the effective date to July 1, 2100, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2399, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2399, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on  
behalf of the members of the  
Committee on Energy &  
Environmental Protection,



NICOLE E. LOWEN, Chair



State of Hawaii  
House of Representatives  
The Thirty-first Legislature

HSCR 78-22

Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.: <b>HB 2399</b>	Committee Referral: <b>EEP, CPC, FIN</b>	Date: <b>2/03/22</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
<b>The recommendation is to:</b> <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
<b>EEP Members</b>	<b>Ayes</b>	<b>Ayes (WR)</b>	<b>Nays</b>	<b>Excused</b>
1. <b>LOWEN, Nicole E. (C)</b>	/			
2. <b>MARTEN, Lisa (VC)</b>	/			
3. <b>HASHEM, Mark J.</b>				/
4. <b>MATAYOSHI, Scot Z.</b>				/
5. <b>PERRUSO, Amy A.</b>	/			
6. <b>TODD, Chris</b>	/			
7. <b>TOKIOKA, James Kunane</b>	/			
8. <b>MATSUMOTO, Lauren</b>	/			
<b>TOTAL (8)</b>	<b>6</b>			<b>2</b>
<b>The recommendation is:</b> <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
<b>Vice Chair's or designee's signature:</b> <u><i>Lisa Marten</i></u>				
<b>Distribution:</b> Original (White) – Committee     Duplicate (Yellow) – Chief Clerk's Office     Duplicate (Pink) – HMSO				