STAND. COM. REP. NO. 3491

Honolulu, Hawaii

MAR 2 4 2022

RE: H.B. No. 2399

H.D. 1 S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirty-First State Legislature Regular Session of 2022 State of Hawaii

Sir:

Your Committees on Agriculture and Environment and Energy, Economic Development, and Tourism, to which was referred H.B. No. 2399, H.D. 1, entitled:

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

beg leave to report as follows:

The purpose and intent 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;
- (3) Provide for the deposit of fees into an Extended Producer Responsibility Special Fund;
- (4) Provide for the expenditure of moneys 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 and eighty percent by dates to be determined by rule; and

(5) Appropriate moneys.

Your Committees received testimony in support of this measure from the Department of Health; Hawaii State Energy Office; City and County of Honolulu Department of Environmental Services; Hawai'i County Department of Environmental Management; Maui County Department of Environmental Management; one member of the Hawai'i County Council; Institute for Local Self-Reliance; Recycle Hawaii; Hawai'i Alliance for Progressive Action; Sustainable Kohala; 808 Sweets; Aloha Baskets and Balloons; Artful Cups By Lola; Attainable Sustainable, LLC; Aunt Sue's Sugar Shack; Auntie Lucinda's Bakery; Biq Island Empanadas; Biq Island Grindz; Creative Mae Studio; Eclectic Virgo; Grace Flowers Hawaii; Hana Hou; Hana Hou Recycling; Hilo Food Hub; Hilo Town Market; Into the Realms; In Harmony Hawaii LLC; Island Motion Wear; Island Naturals Markets; Kamuela Gourmet; Koko Kai Foods LLC; Kolohe By Nature; Kuke Pule 'Ai; Lotus Garden Hilo; Mother Felter Creations; NAP Glass; Neapolitan Pizza; Oriq Media; Palace Grounds Cafe; Pop Culture Artisan Pops; Precision Palms LLC; Simply Homesteady; The Locavore Store; Upcycle Hawaii; Volcano Mushrooms; Volcano Precious Plastics; Whatta Waffle; Wild HeArtist; XLR8HI; Vespucci Collective; Zero Waste Kauai; Hawaiian Ethos; Center for Biological Diversity; Loved by the Sun; Our Revolution Hawaii; Kokua Diaper LLC; Hawai'i Wildlife Fund; Apollo Kauai; Kupuna for the Mo'opuna; 350Hawaii.org; Pacific Whale Foundation; Chamber of Sustainable Commerce; Hilo Downtown Improvement Association; Seed. World; Sea Hugger; Upstream; Climate Protectors Hawai'i; Hawai'i Reef and Ocean Coalition; Big Island Reef Keepers Hui; Kauai Women's Caucus; Association of Home Appliance Manufacturers; Surfrider Foundation; Recycle Hawai'i; Zero Waste O'ahu; Zero Waste Hawai'i Island; and eighty-three individuals. Your Committees received testimony in opposition to this measure from the Odom Corporation; Consumer Healthcare Products Association; Hawai'i Farm Bureau; ABC Stores; American Institute for Packaging and the Environment; American Chemistry Council; FCH Enterprises; Paradise Beverages; Hawaii Crop Improvement Association; CropLife America; Meadow Gold Dairies Hawaii; Island Plastic Bags, Inc.; Island Grown Foods, Inc.; Hawai'i Restaurant Association; Breezeway Consulting LLC; Hawaii Food Industry Association; Wine Institute;

American Beverage Association; Chamber of Commerce Hawaii; Retail Merchants of Hawaii; and two individuals. Your Committees received comments on this measure from the Department of Budget and Finance; Animal Health Institute; Urban Ore, Inc.; and one individual.

Your Committees find that the production of waste in Hawaii threatens human health and the environment. To mitigate such damage, the State strives to promote the public policy of reducing the production of waste. Extended producer responsibility policies are designed to transfer some of the costs associated with waste management to the entities that produce the waste. This measure establishes an Extended Producer Responsibility Program to transfer some of the costs for waste management from taxpayers to waste producers.

Your Committees have amended this measure by:

- (1) Providing that this measure shall not apply to materials used in certain products regulated by federal law; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Agriculture and Environment and Energy, Economic Development, and Tourism that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2399, H.D. 1, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2399, H.D. 1, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on behalf of the members of the Committees on Agriculture and Environment and Energy, Economic Development, and Tourism,

GLENN WAKAT, Chair

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The Senate Thirty-First Legislature State of Hawaiʻi

Record of Votes Committee on Agriculture and Environment AEN

Bill / Resolution No.:*		Committee Referral:			Date:				
HB2399 HDI	(AEN) IEET, WAM 03/23/22								
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 (WR)	Nay	Excused				
GABBARD, Mike (C)									
NISHIHARA, Clarence K. (VC)									
ACASIO, Laura									
RHOADS, Karl									
FEVELLA, Kurt									
	 			 					
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TOTAL		4	/						
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy									

*Only one measure per Record of Votes

The Senate Thirty-First Legislature State of Hawai'i

Record of Votes Committee on Energy, Economic Development, and Tourism EET

	Committee Referral: Date: 3/23/27							
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 (WR)	Nay	Excused			
WAKAI, Glenn (C)								
MISALUCHA, Bennette E. (VC)								
LEE, Chris								
RIVIERE, Gil								
FEVELLA, Kurt								
TOTAL		3	Ø	Ø	ps^			
Recommendation: Adopted Not Adopted								
Chair's or Designee's Signature: Sentt & Mulich								
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy								

^{*}Only one measure per Record of Votes