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A BILL FOR AN ACT

RELATING TO THE ENVIRONMENT.

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

1 SECTION 1. The legislature finds that Hawaii does not have a sustainable solid waste management system. Most waste created 2 in the State is landfilled or incinerated, which represents a 3 linear waste stream, is costly, and creates pollution that is 4 harmful to the health of the environment and to the residents of 5 the State. Landfills discharge leachate, a contaminated and 6 often highly toxic fluid, which has the potential for leakage 7 8 that can harm groundwater, surrounding communities, and the nearshore and marine resources downslope. On Oahu, the landfill 9 produces around nine thousand eight hundred gallons of leachate 10 per day, where the potential for leakage of leachate threatens 11 Oahu's drinking water supply. Waste that is incinerated can be 12 used to produce energy, but this process still produces air 13 pollutants, greenhouse gases, and toxic ash, as more than four 14 hundred tons of toxic ash from H-Power are buried in the 15 landfill every day. 16

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1 A linear waste management system is characterized by a 2 take-make-dispose model, where virgin resources are extracted 3 and goods are produced and then discarded, leading to waste 4 production and the depletion of resources. In a linear economy, 5 taxpayers and their local government bear the costs associated 6 with waste management. In contrast, a circular economy is 7 designed to keep resources in use for as long as possible, 8 reducing waste and promoting sustainability. A circular economy 9 prioritizes waste reduction and creates a closed-loop system 10 where producers are accountable for the cost of disposal of 11 their products, creating market-based incentives for waste 12 reduction and product redesign that reduces waste at the source 13 and facilitates reuse, composting, and recycling.

14 A zero-waste initiative in Hawaii would elevate these 15 circular economy principles and put them at the center of the 16 State's waste management strategies, broadly redirecting state 17 agencies tasked with overseeing solid waste management to 18 prioritize source reduction, reuse, refill, and composting and 19 to improve the availability of recycling services for waste that 20 cannot be avoided, reused, or composted. The adoption of a 21 zero-waste initiative would lead the shift away from the linear

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1 waste system and toward a circular economy that is more 2 sustainable, will create green jobs, and will reduce costs for 3 waste management borne by taxpayers. It would also address 4 environmental and public health concerns posed by Hawaii's 5 overflowing landfills. As a remote island state reliant on 6 tourism, extended producer responsibility is an essential 7 component of a circular economy, as it places shared 8 responsibility for a product's lifecycle, including end-of-life 9 management, onto the producers of the product. This encourages 10 more sustainable product design that leads to less waste and 11 more reusable and fully recyclable products.

12 Extended producer responsibility programs can exist for 13 almost any product type. There are existing programs in other 14 jurisdictions that cover a range of products including carpets, 15 large appliances, e-waste, packaging waste, prescription drugs, 16 batteries, paint, pesticides, tires, photovoltaic panels, used 17 motor oil, and mattresses. Under these programs, producers are 18 responsible for ensuring that services are available to reclaim 19 and recycle products when they reach the end of their useful 20 life. Countless tons of waste and virgin resources are avoided 21 when these programs are implemented. Additionally, extended

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producer responsibility programs for packaging waste exist in
 Europe and Canada and in recent years have been adopted in
 California, Colorado, Maine, and Oregon, and proposed in many
 other state legislatures.

5 The goal of this Act is to lay the foundation for the 6 creation of a sustainable future for Hawaii and its residents by 7 reducing waste, minimizing resource inputs, and promoting a 8 closed-loop system that will benefit the environment and the 9 economy.

10 The purpose of this Act is to protect the environment and 11 reduce costs to taxpayers by establishing a zero waste 12 initiative and packaging waste reduction and reuse program, with 13 participation and funding from large producers of consumer 14 packaged goods. The program shall be developed through:

15 (1) An implementation plan that:

16 (A) Requires the department of health, with the
17 assistance from each county, to develop an
18 assessment of statewide needs to determine
19 resources required to reduce packaging waste by
20 seventy per cent from the baseline amount, with
21 priority on waste prevention through eliminating

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1			unnecessary packaging and switching to reusable
2			packaging systems;
3		(B)	Establishes an advisory council composed of
4			relevant stakeholders that will advise the
5			department of health on how to structure a
6			producer-funded packaging reduction and reuse
7			program; and
8		(C)	Requires the department of health to develop the
9			packaging waste reduction and reuse program; and
10	(2)	А ра	cking waste reduction and reuse plan and program
11		that	:
12		(A)	Develops a packaging waste reduction and reuse
13			program implementation plan by December 31, 2026,
14			including decisions on producer funding after
15			public process; and
16		(B)	Beginning July 1, 2027, implements a packaging
17			waste reduction and reuse plan funded in whole or
18			in part by producers.
19	SECT	ION 2	C. Chapter 342G, Hawaii Revised Statutes, is
20	amended b	y add	ling a new part to be appropriately designated and
21	to read a	ıs fol	lows:

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1	"PART . ZERO WASTE INITIATIVE AND PACKAGING REDUCTION AND
2	REUSE PROGRAM
3	§342G-A Definitions. Whenever used in this part, unless a
4	different meaning clearly appears from the context:
5	"Advisory council" means the packaging waste advisory
6	council established pursuant to section 342G-C.
7	"Baseline amount" means the weight and number of items of
8	packaging waste each county determines was sent to its
9	landfills, a power plant that burns municipal solid waste as a
10	fuel, or both, during calendar year 2024.
11	"Brand" means a name, symbol, word, or mark that identifies
12	a product, rather than its components, and attributes the
13	product to the owner of the brand.
14	"Consumer packaged goods" means a product that is sold
15	quickly and at a relatively low cost, such as prepared food and
16	beverages in food service, packaged foods, non-deposit
17	beverages, household cleaning products, toiletries, personal
18	care products, cosmetics, over-the-counter drugs, pet supplies,
19	and other products, as determined by the department upon
20	considering the recommendations of the advisory council.

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1	"Covered producer" means a packaging producer selling a						
2	large amount of consumer packaged goods in the State, as						
3	determined by the department upon considering the						
4	recommendations of the advisory council, but shall not include						
5	producers of low or medium amounts as defined by rule by the						
6	department.						
7	"Packaging reduction" means the reduction of the weight and						
8	number of items of packaging used to provide products for						
9	consumption.						
10	"Person" means any individual, partnership, firm,						
11	association, public or private corporation, limited liability						
12	company, not-for-profit organization, public benefit						
13	corporation, public authority, federal agency, the State or any						
14	of its political subdivisions, trust, estate, or any other legal						
15	entity.						
16	"Producer", with respect to packaging material, means:						
17	(1) Any person, except for the State or any of its						
18	political subdivisions, that manufactures or uses in a						
19	commercial enterprise, sells, offers for sale, or						
20	distributes the packaging material in the State under						
21	the brand of the manufacturer;						

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1	(2)	An entity that is not the manufacturer of the				
2		packaging material but is the owner or licensee of a				
3		trademark under which the covered product is used in				
4		commercial enterprise, sold, offered for sale, or				
5		distributed in the State, whether or not the trademark				
6		is registered; or				
7	(3)	An entity that imports the packaging material into the				
8		United States or the State for use in a commercial				
9		enterprise, sale, offer for sale, or distribution in				
10		the State.				
11	"Ret	"Returnable" means that a product can be conveniently				
12	returned	after use to a reuse or return system.				
13	"Reu	sable packaging" means a product or packaging that is:				
14	(1)	Reusable, refillable, or returnable;				
15	(2)	Non-toxic;				
16	(3)	Safe for washing and sanitizing according to				
17		applicable state food safety laws; and				
18	(4)	Part of a system that achieves multiple cycles of use,				
19		equitable access, and reduce waste.				
20	"Reuse and refill" means the return of packaging back into					
21	the economic stream for use in the same kind of application					

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intended for the original packaging, without changing the
 original composition or purpose of the product or the components
 thereof.

"Zero waste" means the conservation of all resources by
means of responsible production, consumption, reuse, and
recovery of products, packaging, and materials without burning
and with no discharges to land, water, or air that threaten the
environment or human health.

9 \$342G-B Hawaii zero waste initiative. (a) There is
10 established within the department a Hawaii zero waste initiative
11 with the goal of sending zero waste to the landfill or to
12 incineration.

(b) The department shall, by rule, establish dates and interim goals under the Hawaii zero waste initiative by which the State shall achieve a twenty-five per cent, fifty per cent, and seventy-five per cent reduction in the amount of waste going to the landfill or incineration.

18 (c) Under the Hawaii zero waste initiative, the department 19 shall:

20 (1) Facilitate a transition from a linear economy to a
21 circular economy;

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1 (2)Establish policies and programs that reduce waste and 2 consumption and maximize reuse, refill, composting, 3 and recycling; (3) 4 Seek to reduce the amount of toxic and hazardous waste 5 that is imported into the State and poses a risk to air quality, water quality, and groundwater resources 6 7 and otherwise creates dangerous pollution when used or 8 disposed of; 9 Where feasible, seek market-based solutions that (4) 10 internalize the external costs to producers that have 11 been borne by taxpayers in the past, beginning with 12 considering programs for products that have successful 13 extended producer responsibility programs in other 14 jurisdictions, including but not limited to carpets, 15 large appliances, electronic waste, packaging waste, 16 prescription drugs, batteries, paint, pesticides, tires, photovoltaic panels, used motor oil, and 17 18 mattresses; 19 (5) Seek to learn from policies implemented in other 20 jurisdictions, while also considering the State's 21 unique needs and the needs of each county;

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1	(6)	Work with other state agencies, counties, and the			
2		private sector to implement the Hawaii zero waste			
3		initiative;			
4	(7)	Conduct public outreach and education statewide about			
5		the Hawaii zero waste initiative; and			
6	(8)	Provide an annual report to the legislature on the			
7		progress and implementation of the Hawaii zero waste			
8		initiative.			
9	§342	G-C Packaging waste advisory council; duties;			
10	establish	ed. (a) On or before January 1, 2025, the department			
11	shall establish a packaging waste advisory council, which shall				
12	advise the department on the needs assessment pursuant to				
13	section 342G-D and packaging waste reduction and reuse plan				
14	pursuant to section 342G-F.				
15	(b)	The advisory council shall:			
16	(1)	Provide recommendations to the department on how best			
17		to achieve a seventy per cent reduction in packaging			
18		waste sent to landfills or incinerated;			
19	(2)	Advise the department in the development of a			
20		producer-funded packaging waste reduction and reuse			
21		program that addresses the following:			

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1	(A)	The types of materials being used for packaging
2		by product, products eligible for reuse and
3		refill, and products targeted for waste reduction
4		and diversion;
5	(B)	The costs to transition to systems that reduce
6		waste or encourage reusable packaging and the
7		portion of those costs that will be covered by
8		producers;
9	(C)	The programs and infrastructure that are needed
10		in Hawaii to divert packaging waste from
11		landfilling and incineration and the costs of
12		developing and running those waste diversion
13		programs;
14	(D)	The needs and costs to improve Hawaii's packaging
15		materials collection systems and sorting and
16		processing facilities, including the portion of
17		the costs that will be covered by producers;
18	(E)	The size of producers to be included as covered
19		producers engaged in the packaging waste
20		reduction and reuse program;

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1	(F)	The metrics that should be utilized to determine
2		the amount of fees collected from producers;
3	(G)	The metrics that should be used to determine the
4		baseline amount of packaging generated by each
5		producer and for subsequent reporting, noting
6		that weight alone shall not be considered a
7		sufficient metric since transitioning to single-
8		use plastic to meet the requirements of reduction
9		is not considered acceptable;
10	(H)	The covered products to include in the packaging
11		waste reduction and reuse program;
12	(I)	The packaging material requirements that
13		producers shall follow and the timeline for
14		meeting such requirements;
15	(J)	The state and county staffing needs to support
16		the packaging waste reduction and reuse program;
17	(K)	The administrator of the packaging waste
18		reduction and reuse program; and
19	(L)	Viable alternative packaging solutions for
20		locally made and imported products;

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1 (3) For non-ex-officio members only, be subject to section 2 26-34; and 3 (4) Perform any relevant analysis and make appropriate 4 recommendations for the legislature, department, 5 counties, and other stakeholders in developing 6 criteria for reuse and refill programs. 7 The advisory council's recommendations shall include how to 8 transition each county to develop and integrate new programming, 9 or expand existing programming, to achieve the goals of the 10 packaging waste reduction and reuse program to be developed and 11 implemented pursuant to section 342G-F. 12 (C) The advisory council shall consist of the following 13 members: 14 The director of health or the director's designee, who (1)15 shall serve as the chair of the advisory council; 16 (2) The chairs of the standing committees in the senate and the house of representatives with primary subject 17 18 matter jurisdiction over the environment or the 19 chairs' designees;

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1	(3)	A representative from the city and county of Honolulu			
2		department of environmental services with experience			
3		in sustainable waste management;			
4	(4)	A representative from the county of Maui department of			
5		environmental management with experience in			
6		sustainable waste management;			
7	(5)	A representative from the county of Kauai department'			
8		of public works with experience in sustainable waste			
9		<pre>management;</pre>			
10	(6)	A representative from the county of Hawaii department			
11		of environmental management with experience in			
12		sustainable waste management;			
13	(7)	One representative of a community organization in each			
14		of the four counties that has focused on packaging			
15		waste reduction, nominated by the chair;			
16	(8)	One expert in governmental activities regarding			
17		programs to achieve packaging waste reduction			
18		nationally and internationally, selected by the chair;			
19	(9)	Three representatives of large producers of packaging			
20		waste from consumer packaging goods in Hawaii,			
21		nominated by the chair;			

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1 (10)One representative from a Hawaii small business that 2 manufactures products in the State, nominated by the 3 chair; 4 (11)Two national experts in reusable packaging who are not 5 affiliated with any packaging producers in Hawaii, 6 nominated by the chair; and 7 (12)Two representatives from recycling and waste hauling 8 businesses working in Hawaii, nominated by the chair. 9 The members of the advisory council shall serve for (d) 10 two-year terms and may be reappointed by the chair. The members 11 shall serve without compensation but shall be reimbursed by the 12 department for expenses, including travel expenses, necessary 13 for the performance of their duties. 14 The chair shall determine how often the advisory (e) 15 council shall meet. The council meetings shall be open to the 16 public and are subject to chapter 92. The department shall 17 provide administrative support to the advisory council. The 18 department may hire a facilitator to administer the advisory 19 council.

20 §342G-D Needs assessment. (a) The department, with
21 assistance from each county and advice and input from the

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1 advisory council, shall develop a statewide needs assessment, 2 which shall detail the resources needed to reduce packaging 3 waste from each respective county's baseline amount by seventy 4 per cent by 2030; provided that for a county with a population 5 greater than five hundred thousand: 6 (1)The needs assessment shall detail the resources needed 7 to reduce the county's packaging waste that the county 8 sends to a landfill or to a power plant that burns 9 municipal solid waste as a fuel; and 10 (2) The county shall categorize its resource needs by 11 method of packaging waste disposal. 12 (b) The department shall compile the needs assessments and 13 consolidate them along with any recommendations made by the 14 counties and work with the advisory council to develop an 15 implementation plan as described in section 342G-F; provided 16 that priority shall be given to packaging reuse and refill 17 programs. 18 **§342G-E Packaging waste special fund**. (a) There is

19 established in the state treasury the packaging waste special 20 fund into which shall be deposited:

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1	(1)	All fees, payments, and penalties collected by the		
2		department pursuant to this part;		
3	(2)	Any appropriation by the legislature into the special		
4		fund;		
5	(3)	Any grant or donation made to the special fund; and		
6	(4)	Any interest earned on the balance of the special		
7	fund.			
8	(b)	The packaging waste special fund shall be administered		
9	by the de	partment.		
10	§342	G-F Packaging waste reduction and reuse plan and		
11	program;	implementation. (a) The department shall develop a		
11 12		implementation . (a) The department shall develop a funded waste reduction and reuse plan to implement a		
	producer-			
12	producer- packaging	funded waste reduction and reuse plan to implement a		
12 13	producer- packaging of a seve	funded waste reduction and reuse plan to implement a waste reduction and reuse program to achieve the goal		
12 13 14	producer- packaging of a seve	funded waste reduction and reuse plan to implement a waste reduction and reuse program to achieve the goal nty per cent reduction of the amount of packaging waste in landfills or incinerated in the State by 2030. The		
12 13 14 15	producer- packaging of a seve deposited	funded waste reduction and reuse plan to implement a waste reduction and reuse program to achieve the goal nty per cent reduction of the amount of packaging waste in landfills or incinerated in the State by 2030. The		
12 13 14 15 16	producer- packaging of a seve deposited plan shal	funded waste reduction and reuse plan to implement a waste reduction and reuse program to achieve the goal nty per cent reduction of the amount of packaging waste in landfills or incinerated in the State by 2030. The 1:		
12 13 14 15 16 17	producer- packaging of a seve deposited plan shal (1)	<pre>funded waste reduction and reuse plan to implement a waste reduction and reuse program to achieve the goal nty per cent reduction of the amount of packaging waste in landfills or incinerated in the State by 2030. The l: Identify covered producers and covered products;</pre>		
12 13 14 15 16 17 18	producer- packaging of a seve deposited plan shal (1) (2)	<pre>funded waste reduction and reuse plan to implement a waste reduction and reuse program to achieve the goal nty per cent reduction of the amount of packaging waste in landfills or incinerated in the State by 2030. The l: Identify covered producers and covered products; How fees shall be set;</pre>		

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provided that reduction shall not be measured by reducing the
 weight of packaging as it is against the goals of the State to
 increase the use of single-use plastics.

4 By July 1, 2026, the department shall issue a draft (b) 5 implementation plan designed to achieve a seventy per cent 6 reduction of packaging waste deposited in landfills or 7 incinerated in the State by 2030 for review and comment by the 8 advisory council. Within sixty calendar days after receiving 9 the draft plan, the advisory council shall provide 10 recommendations based on majority vote. Any advisory council 11 member who does not endorse the recommendations of the council 12 may submit a separate written recommendation to the department 13 reflecting a minority opinion. The department shall consider 14 the recommendations of the advisory council in developing the final draft for public review. By December 31, 2026, the 15 16 department shall publish a final draft implementation plan for 17 public review and comment pursuant to chapter 91. The public 18 shall have ninety calendar days to provide written and oral 19 comment. The department shall consider public input in 20 developing a final plan.

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1 (c) On or before July 1, 2027, the department shall 2 publish a final packaging waste reduction and reuse 3 implementation plan, including an implementation strategy 4 designed to achieve a seventy per cent reduction of packaging 5 waste deposited in landfills or incinerated in the State by 6 2030, with funding in whole or in part from covered producers 7 beginning on July 1, 2026. 8 §342G-G Hiring process initiation. The department and 9 counties shall prepare to implement the packaging waste 10 reduction and reuse program beginning July 1, 2027. 11 §342G-H Rules. The department may adopt rules pursuant to 12 chapter 91 necessary to implement this part. 13 **§342G-I Annual report.** The department shall submit an 14 annual report to the legislature no later than twenty days prior 15 to the convening of each regular session, beginning one year 16 after the establishment of the packaging waste reduction and 17 reuse program. The report shall contain a summary of the 18 following: 19 (1)Progress made toward achieving the seventy per cent 20 packaging waste reduction goal, including the amount 21 of packaging eliminated by weight and number of items;

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1	(2)	The needs assessments;	
2	(3)	Moneys deposited into the packaging waste spec	ial
3		fund;	
4	(4)	The use of any moneys from the packaging waste	special
5		fund; and	
6	(5)	Any other findings and recommendations, includ	ling any
7		proposed legislation.	
8	§342	2G-J Applicability. This part shall not apply	to any
9	material	that is regulated by the department as a deposi	.t
10	beverage	or used in the packaging of a product that is r	egulated
11	as a drug	g, medical device, or dietary supplement by the	United
12	States Fo	ood and Drug Administration under the Federal Fo	od,
13	Drug, and	d Cosmetic Act or the Dietary Supplement Health	and
14	Education	n Act of 1994."	
15	SECT	FION 3. There is appropriated out of the genera	1]
16	revenues	of the State of Hawaii the sum of \$	or so
17	much ther	reof as may be necessary for fiscal year 2023-20)24 and
18	the same	sum or so much thereof as may be necessary for	fiscal
19	year 2024	4-2025 to be deposited into the packaging waste	special
20	fund esta	ablished pursuant to section 342G-E, Hawaii Revi	sed
21	Statutes.		

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1 SECTION 4. There is appropriated out of the packaging 2 waste special fund established pursuant to section 342G-E, 3 Hawaii Revised Statutes, the sum of \$ or so much 4 thereof as may be necessary for fiscal year 2023-2024 and the 5 same sum or so much thereof as may be necessary for fiscal year 6 2024-2025 for the department of health to fund contractors or two full-time equivalent (2.0 FTE) permanent packing reduction 7 8 coordinator positions; provided that one coordinator position 9 shall administer the packaging reduction program and assist the 10 counties and one coordinator position shall develop rules, 11 oversee and manage goals and objectives related to packaging 12 waste reduction, and develop reports. 13 The sums appropriated shall be expended by the department 14 of health for the purposes of this Act.

SECTION 5. There is appropriated out of the packaging waste special fund established pursuant to section 342G-E, Hawaii Revised Statutes, the sum of \$ or so much thereof as may be necessary for fiscal year 2023-2024 and the same sum or so much thereof as may be necessary for fiscal year 2024-2025 to fund and manage the packaging waste advisory

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council established pursuant to section 342G-C, Hawaii Revised
 Statutes, including any facilitator.
 The sums appropriated shall be expended by the department
 of health for the purposes of this Act.

5 SECTION 6. This Act shall take effect on June 30, 3000.

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Report Title:

Packaging Waste Reduction and Reuse Plan and Program; Department of Health; Producer; Appropriation

Description:

Establishes the Hawaii zero waste initiative to, among other things, manage the State's transition to zero solid waste to the landfill and to incineration. Establishes the packaging waste advisory council. Requires the department of health to develop an assessment of statewide needs to determine the resources required to reduce packaging waste by seventy percent from the baseline amount. Establishes a packaging waste reduction and reuse program. Appropriates funds. Effective 6/30/3000. (HD1)

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