JOSH GREEN, M.D.
GOVERNOR OF HAWAI'I
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I



## STATE OF HAWAII DEPARTMENT OF HEALTH KA 'OIHANA OLAKINO

P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

### Testimony in SUPPORT of HB1688 HD1 RELATING TO THE ENVIRONMENT.

### REPRESENTATIVE KYLE T. YAMASHITA, CHAIR HOUSE COMMITTEE ON FINANCE

Hearing Date: February 28, 2024 Room Number: 308

- 1 **Fiscal Implications:** This measure will impact the priorities identified in the Governor's
- 2 Executive Budget Request for the Department of Health's (Department) appropriations and
- 3 personnel priorities. This measure provides an unspecified amount of General Fund
- 4 appropriation to fund the needs assessment study and report.
- 5 **Department Testimony:** The Department supports this measure to conduct a needs assessment
- 6 study and report. The study is the first step in implementing an effective Extended Producer
- 7 Responsibility (EPR) Program for packaging and paper waste. However, the Department notes
- 8 the addition of the advisory committee and its required input on the assessment process and a
- 9 public hearing as adding to the time and resources required for the study. We therefore
- 10 respectfully request an additional year to conduct the study and amending the due date from
- December 31, 2026 to December 31, 2027. Finally, the Department is in need of funds to
- conduct the study and respectfully requests \$1,000,000 in order to successfully conduct the needs
- 13 assessment.

14

- **Offered Amendments:** None
- Thank you for the opportunity to testify.

Mitchell D. Roth Mayor

**Deanna S. Sako** *Managing Director* 



Ramzi I. Mansour
Director

Brenda Iokepa-Moses

Deputy Director

## County of Hawai'i

#### DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

345 Kekūanāoʻa Street, Suite 41 · Hilo, Hawaiʻi 96720 · cohdem@hawaiicounty.gov Ph: (808) 961-8083 · Fax: (808) 961-8086

February 27, 2024

Rep. Kyle T. Yamashita, Chair, and Members of the Committee on Finance

Dear Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance,

The County of Hawai'i Department of Environmental Management **supports** HB 1688 HD1, which would require the Department of Health to conduct a statewide needs assessment to determine the needs to transition to a more circular system with less waste generation, more reuse, and an extended producer responsibility program for packaging materials and paper products.

This bill would require DOH to consult with relevant stakeholders to advise DOH on how to structure a producer funded program; determine the resources, infrastructure, educational programs, and other initiatives needed to reach waste reduction goal scenarios; and ways to improve the current system and make recommendations for future EPR legislation.

Hawai'i County's waste hauling and landfilling costs comprise a significant part of its overall operating budget. This bill takes a step toward by establishing an advisory council in support of a future Extended Producer Responsibility program, which will address the issue of manufacturers continuing to push the costs of their packaging waste to the taxpayer, will prolong the lifespan of our only working landfill, and will help us reach our sustainability goals.

Thank you for the opportunity to provide testimony.

Ramzi Mansour, Director Department of Environmental Management, County of Hawai'i

#### REBECCA VILLEGAS

Council Member
District 7, Central Kona



Phone: (808) 323-4267 Fax: (808) 329-4786 Email:Rebecca.villegas@hawaiicounty.gov

#### HAWAI'I COUNTY COUNCIL

County of Hawaiʻi West Hawaiʻi Civic Center, Bldg. A 74-5044 Ane Keohokalole Hwy. Kailua-Kona. Hawai'i 96740

# TESTIMONY OF REBECCA VILLEGAS COUNCIL MEMBER, HAWAI'I COUNTY COUNCIL ON HB 1688, RELATING TO THE ENVIRONMENT Committee on Energy and Environmental Protection

Aloha Chair Lowen, and Members of the Committee:

Thank you for the opportunity to testify in support of HB 1688, Packaging Waste Needs Assessment. My testimony is submitted in my individual capacity as a member of the Hawai'i County Council.

I am deeply concerned about the proliferation of packaging waste in Hawaii and around the world. We must take action to hold producers financially responsible for the cost of managing packaging waste and encourage them to reduce the volume of packaging waste being landfilled and incinerated by eliminating single-use packaging, improving packaging design, or paying the costs to establish the infrastructure needed to support systems for reusable packaging and to manage packaging waste.

I am testifying in strong support of HB1688. The Needs Assessment study is a crucial first step in the development of an extended producer responsibility (EPR) program for packaging materials and paper products in Hawaii that will support waste prevention and increase their reuse, recycling, and sustainability.

For these reasons stated above, I urge the Committee on Energy and Environmental Protection to support this measure. Should you have any questions, please feel free to contact me at, (808) 323-4267

Mahalo for your consideration.

Rebecca Villegas

Council Member, Hawai'i County Council



## TESTIMONY OF TINA YAMAKI, PRESIDENT RETAIL MERCHANTS OF HAWAII FEBRUARY 28, 2024 Re: HB 1688 HD1 RELATING TO THE ENVIRONMENT

Good morning, Chair Yamashita and members of the House Committee on Finance. I am Tina Yamaki, President of the Retail Merchants of Hawaii and I appreciate this opportunity to testify.

The Retail Merchants of Hawaii was founded in 1901 and is a statewide, not for profit trade organization committed to supporting the growth and development of the retail industry in Hawaii. Our membership includes small mom & pop stores, large box stores, resellers, luxury retail, department stores, shopping malls, on-line sellers, local, national, and international retailers, chains, and everyone in between.

We support the intent of HB 1688 HD1 Relating to the Environment. This measure requires the Department of Health to conduct a statewide needs assessment and establish an advisory council to determine what would be needed to transition to a more circular system with less waste generation, more reuse, and an extended producer responsibility program for packaging materials and paper products; appropriates funds; and is effective 7/1/3000.

It is our understanding that a balanced study on waste management could assist in developing sustainable practices that reduce the impact of waste on the environment, especially when studying what other states and countries are doing.

A study could suggest alternatives that Hawaii can consider. However, Hawaii's various counties should also be taken into consideration when doing this study. A statewide blanket solution may not be feasible in certain counties as each county is unique and has its own limitations.

We also strongly feel that the study should flush out all the details needed to implement the programs and projects. The focus should take into consideration the limitations Hawaii has as an island state as well as the resources needed, the cost of implementing these projects and programs, and who is expected to pay for them. We must keep in mind that Hawaii does not have many recycling resources available, unlike other states and countries. Hawaii must ship out many of the recyclables that is often costly to do. What may work in one state or country may not work in Hawaii.

Mahalo for this opportunity to testify.

Submitted on: 2/26/2024 2:12:12 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Roy Kadota	Mr. K's Recycle & Redemption Center Inc.	Support	Written Testimony Only

#### Comments:

Chair Yamashita, Vice Chair Kitagawa and members of the House Committee on Finance,

Mr. K's Recycle & Redemption Center is in strong support of HB1688 HD1. This bill is vital to help with the costs of managing packaging waste in the state. With every island within the state facing landfill capacity issues, it is necessary that we reduce the amount of waste we generate. This needs assessment bill will help us to better understand our needs and the costs of developing better packaging waste diversion programs with the participation from producers that currently do not bear any of the costs of managing packaging waste.

We thank you for the opportunity to testify on this bill.





To: The Honorable Chair Kyle Yamashita, the Honorable Vice Chair Lisa Kitagawa, and Members of the Finance Committee.

From: Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)

Re: Hearing HB1688 HD1 RELATING TO THE ENVIRONMENT

Hearing: Wednesday, February 28, 2024, 12:00 p.m., room 308

Aloha Chair Yamashita, Vice Chair Lisa Kitagawa, and Members of the Finance Committee.

The Hawai'i Reef and Ocean Coalition (HIROC) is a group of scientists, educators, filmmakers and environmental advocates who have been working since 2017 to protect Hawaii's coral reefs and ocean. HIROC is deeply concerned about the impact the state's waste management systems can have on Hawaii's public health, coral reefs, and nearshore water quality!

The Climate Protectors Hawai'i seeks to educate and engage the local community in climate change action, to help Hawai'i show the world the way back to a safe and stable climate. The Climate Protectors Hawai'i is very concerned that the

current waste handling system, with incinerators and methane-releasing landfills, is contributing unnecessarily to greenhouse gas emissions and climate warming.

The Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i STRONGLY SUPPORT HB1688 HD1!

Hawai'i faces a rapidly-approaching landfill capacity crisis in all counties. The high costs of handling our solid waste (including for visitors) falls on county taxpayers. Recycling is limited by a lack of infrastructure and geographic isolation that substantially increases costs. Materials with value are being put in landfills or incinerators rather than reused or recycled. The public health and environment are being harmed.

Given these problems, Hawai'i needs to move from the current linear system of waste handling (use and dispose) to a more circular system (reduce, reuse, compost, and recycle what we can't reuse).

Producers of packaging and paper products who profit from our consumption should pay part of the costs. They also are in the best position to redesign packaging to reduce waste volume and save costs. Hawaii therefore should join numerous other states in establishing a system of "extended producer responsibility" (EPR).

The transition to a more circular waste handling system and EPR, however, will require substantial infrastructure and other costs. The transition should be designed carefully based on a full understanding of the infrastructure and operational needs of each county. There is no comprehensive statewide waste management plan. The counties handle waste very differently; some areas have curbside recycling while others have very little or no waste handling service. To transition effectively to circular waste handling and EPR, a statewide assessment of the needs of each county by the Department of Health, with stakeholder input, is needed.

This critically needed bill would take the first step toward tackling our waste management problems. It would require the Hawai'i Department of Health to conduct a statewide needs assessment, in consultation with stakeholders and an advisory council, to determine what is needed to transition to a more circular

waste handing system, with less waste generation, more reuse, improved collection and local processing, and an extended producer responsibility program for packaging materials and paper products.

Please pass this bill!

Mahalo!

Hawai'i Reef and Ocean Coalition and Climate Protectors Hawai'i (by Ted Bohlen)



February 28, 2024

Committee on Finance Hawaii House of Representatives State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

**RE:** Testimony in Support of H.B. 1688

Dear Chair Yamashita, Vice Chair Kitagawa and members of the House Committee on Finance:

Thank you for the opportunity to provide testimony regarding H.B. 1688. **Just Zero strongly supports this bill and urges you to pass it out of committee.** 

Just Zero is a national non-profit environmental advocacy organization that works alongside communities, policy makers, scientists, educators, organizers, and others to implement just and equitable solutions to climate-damaging and toxic production, consumption, and waste disposal practices. We believe that all people deserve Zero Waste solutions with zero climate-damaging emissions and zero toxic exposures.

The way we think about and manage waste in this country is flawed, inherently unsustainable, and deeply unjust. This unfortunately isn't surprising given that the companies that design, package, and market fast moving consumer goods are completely detached from the end-of-life management of these materials. Instead, residents, towns, and counties are stuck paying to collect and manage a waste stream they have little-to-no control over. Even worse, because these companies have no responsibility for the waste associated with their products and packaging, they are increasingly overpackaging products and using unrecyclable materials like plastic. This imposes a significant burden on Hawaii and it's residents.

H.B. 1688 is a critical first step in addressing this problem. If enacted, the bill would require the Department of Health ("DOH") to conduct a comprehensive statewide needs assessment to inform the development of an Extended Producer Responsibility ("EPR") for Packaging Program. This calculated and deliberate approach will ensure that the EPR for Packaging Program is ultimately proposed by the DOH is tailored to specifically address the waste management challenges that are unique to Hawaii.

We feel this approach is especially important given Hawaii's geographic location, proximity to existing recycling end-markets, and opportunities to develop strong local reuse, waste reduction, and recycling programs.



## I. An EPR for Packaging Program Will Help Hawaii Reduce Waste and Increase Recycling.

States across the country are grappling with increased waste volumes, stagnant recycling rates, and increased waste management and recycling costs. As a result, many states are considering implementing EPR for Packaging Programs that would shift the responsibility for paying for the end-of-life management of single-use packaging from consumers and local governments to the companies that manufacture and distribute these wasteful products. Moreover, many of these programs are also setting strong waste reduction, reuse, and recycling goals that will require regulated companies to minimize the amount of waste generated in the first place, while ensuring what is left is responsibly managed so that resources are reused and recirculated into the economy. Currently, California, Colorado, Maine, and Oregon have passed EPR for Packaging Laws.

This is especially necessary to combat the plastic production and pollution crisis that is wreaking havoc on our health and our environment. Despite being widely unrecyclable, most companies choose to package their products in plastic. Approximately, 40% of all plastic produced each year is used for packaging. Virtually none of this material is recycled. In 2021, only 5% of all plastic waste generated by U.S. households was recycled. This is unlikely to change, even with producer funded recycling systems, because most of this plastic isn't technically or economically capable of being recycled.

Well designed EPR for Packaging Programs can help reduce the amount of unnecessary plastic companies use to packaging and market their products and require them to transition to reusable packaging and more circular materials such as paper, glass, or aluminum that can be recycled effectively at consistently high rates.<sup>4</sup>

## II. States Are Increasingly Looking to Perform Comprehensive Needs Assessments Prior to Implementing an EPR for Packaging Program.

While EPR for Packaging Programs can be an incredibly effective tool to reduce waste and increase recycling, these programs can be extremely complicated and must be tailored to build

<sup>&</sup>lt;sup>1</sup> Laura Parker, Fast Facts About Plastic Pollution, National Geographic. (Dec. 20, 2018).

<sup>&</sup>lt;sup>2</sup> Greenpeace, *Circular Claims Fall Flat Again*, p. 3. (Oct. 24, 2022).

<sup>&</sup>lt;sup>3</sup> Peter Blair, *Plastic Recycling is a Lie Designed to Distract Us From Real Solutions*, Just Zero. (Feb. 8, 2024).

<sup>&</sup>lt;sup>4</sup> For instance, the rules the Maine Department of Environmental Protection has proposed to implement Maine's EPR for Packaging Program include goals that require regulated companies to reduce the amount of single-use packaging they use by 50% by 2050. The rules also require these companies to ensure that 30% of their packaging – measure by weight – is reusable or refillable by 2050%. Additionally, California's EPR for Packaging Program requires regulated companies to reduce single-use plastic packaging 25% by 2032.



on the existing waste management systems already in place. As a result, many states are looking to perform comprehensive needs assessments prior to developing and implementing an EPR for Packaging Program.

For instance, last year both Illinois and Maryland began the legislative session considering proposals to establish EPR for Packaging Programs. However, as the legislative session progressed, it became clear that more information was needed to understand the volume of packaging waste generated, how much of this material is currently being recycled, how much is currently being disposed of, how effective the existing recycling systems are, and the economic and logistical barriers holding waste reduction and recycling programs back. As a result, both states instead passed legislation requiring the competition of comprehensive needs assessment to inform the specific details of any future EPR for Packaging Program.

## III. H.B. 1688 Will Set Hawaii Up for Future Success When Pursuing an EPR for Packaging Program.

The framework of H.B. 1866 ensures that the needs assessment performed by DOH will not only evaluate all elements necessary to developing a strong, effective EPR for Packaging Program, but also that the stakeholders that are integral to Hawaii's existing waste management systems are consulted. The needs assessment requires an analysis of the existing amount of waste generated, the composition of the waste stream, how the amount and types of waste vary across different areas of the state, how this material is currently being managed, contamination within the state's recycling system, and the availability of end markets for recycled materials. This is critically important information that the state is currently lacking. Using this information, DOH, and stakeholders, can determine how to design a program that will benefit Hawaii's environment and economy.

Moreover, as the state conducts the needs assessment it can study the work being done around the country. All four states with existing EPR for Packaging Programs are currently in the process of developing the rules that will implement, administer, and enforce these programs. Many of these states will be close to implementing their programs by the time the DOH is required to propose a full EPR for Packaging Program.

Additionally, the results of Maryland's needs assessment are required to be finalized by July 30, 2024. The results of Illinois' needs assessment are required to be finalized by May 1, 2026. 9

<sup>7</sup> *Id*.

<sup>&</sup>lt;sup>5</sup> Cole Rosengren, <u>Momentum May Be Slowing for New EPR for Packaging Laws in 2023, But States Still</u> Pursue Study Bills, Waste Dive. (June 12, 2023).

<sup>&</sup>lt;sup>6</sup> *Id*.

<sup>&</sup>lt;sup>8</sup> Maryland EPR for Packaging Needs Assessment, Section 2, Subsection (c). pg. 38. (2023).

<sup>&</sup>lt;sup>9</sup> <u>Illinois Statewide Recycling Needs Assessment</u>, Section 20, Subsection (e). p 18. (2023).



Therefore, the DOH can look to the work Maryland and Illinois performed to help inform the development of Hawaii's needs assessment and proposed EPR for Packaging Program.

#### **IV.** Conclusion

The pollution, public health impacts, and costs associated with unfettered packaging generation and disposal are widespread and significant. Addressing this requires bold policy that is commensurate with the problem we are all facing. H.B. 1688 is an important step in the process of developing a comprehensive program that will help Hawaii understand the amount of waste packaging waste currently being generated, how this waste is being managed, and how a well-designed, state specific EPR for Packaging Program can help reduce waste, increase recycling, save the state and it's residents money, and create good local jobs. Just Zero strongly urges you to support H.B. 1688. Thank you for your time and consideration of this testimony.

Respectfully submitted,

Peter Blair, Esq.
Policy and Advocacy Director
Just Zero.



1919 S. Eads St. Arlington, VA 22202 703-907-7600 CTA.tech

February 28, 2024

Representative Kyle Yamashita, Chair Committee on Finance Conference Room 308 State Capitol 415 South Beretania Street Honolulu, HI 96813

Re: CTA Comments – HB1688 – Relating to the Environment.

Dear Chairperson Yamashita, Vice Chairperson Kitagawa, and Committee Members:

The Consumer Technology Association™ (CTA®) respectfully submits testimony on House Bill No. 1688 (HB1688) which appropriates funds for the Department of Health to conduct a statewide needs assessment to determine what would be needed to transition to a more circular system with less waste generation, more reuse, and an extended producer responsibility (EPR) program for packaging materials and paper products.

**CTA** is neutral on the bill as currently written and respectfully offers comments. It is our perspective that a robust needs assessment is a critical first step to understanding how EPR for packaging could be implemented in Hawaii and we strongly encourage a comprehensive stakeholder engagement process on the development of these policies in order to achieve a successful program.

For more than a decade, CTA's members have supported electronics recycling under Hawaii's Electronic Device Recycling and Recovery Law. We understand what it means for producers to be involved in the end-of-life management of products and bring that lens and experience to the dialogue on EPR for packaging. EPR is a complex policy and there is no "one size fits all" solution. Our member companies have been committed to achieving more sustainable packaging design by reducing their packaging, switching to more sustainable materials, and increasing recycled content rates.

CTA agrees that a needs assessment is a critical first step to deciding how and whether to implement EPR for packaging. While four other states are currently implementing EPR laws, the landscape of what is needed for Hawaii is likely to be much different than states in the continental US. CTA appreciates the statement made by HB1688 that stakeholders need to work together to reduce waste and ensure adequate recycling services are available to the community.

In determining recommendations for performance goals, as outlined by the bill in section 13, CTA cautions against the development of standardized performance goals across all product categories. CTA approaches the packaging conversation from the unique perspective that accompanies complex durable goods. Packaging design flexibility for producers to achieve desired environmental outcomes – including the reduction of damage to products during transport which is critical for the consumer technology industry - should be encouraged. Broad source reduction strategies impose a one size fits all approach across multiple industries and are not

CTA Comments on House Bill 1688 February 8, 2024

suitable for the electronics industry. If these policies are to be carried forward, we respectfully request that all electronics be exempt.

Additionally, while we agree that the transition to refillable or removable packaging can be an important component to increased resilience in our recycling and solid waste management systems, we do not agree that these requirements can be applied to the electronic industry as traditional consumer packaged goods. The durable goods industry is a small contributor to packaging waste overall and CTA would support packaging reduction strategies specifically tailored to our industry.

Finally, CTA supports the inclusion of a producer responsibility organization (PRO) that can be chosen by the Department to ensure that the needs assessment collects information from producers who are financially responsible for an extended producer responsibility system. This would align with a previously passed bill from 2023 in Maryland. A PRO will give producers a more robust pathway to providing feedback and being engaged in the development of a future EPR system.

CTA appreciates the opportunity to provide testimony on HB1688 and welcomes further discussion with the Committee Please do not hesitate to contact me with any questions or requests for additional information.

Sincerely,

Ally Peck

Senior Manager, Environmental and Sustainability Policy

apeck@cta.tech

C: (703) 395-4177



Scott Cassel
Chief Executive Officer/Founder

#### **Board of Directors**

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Joe Rotella RI Resource Recovery Corporation

Christina Seibert Solid Waste Agency of Northern Cook County, IL

#### **Honorary Director**

Walter Willis Solid Waste Agency of Lake County, IL

Scott Klag Formerly Metro, OR February 27, 2024

Representative Kyle T. Yamashita, Chair Representative Lisa Kitagawa, Vice-Chair House Finance Committee Hawai'i State Legislature House Conference Room 308 415 S Beretania Street Honolulu, HI 96813

RE: Support for HB 1688 HD1, Packaging Waste Needs Assessment

Dear Chair Yamashita, Vice-Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to submit testimony in <u>support</u> of **HB 1688 HD1**. This Needs Assessment bill is an important first step in the development of an Extended Producer Responsibility (EPR) program for packaging materials and paper products in Hawaii that will support waste prevention and increase their reuse, recycling, and sustainability.

The amended bill makes several important improvements to HB 1688. It expands the list of parties to be consulted in the needs assessment study and establishes an Advisory Council to advise and review the assessment process. These additions are in line with best ERP practices being established in other states. To the stakeholders previously included - county waste management departments, the packaging industry, refuse and recycling services including compost facilities, retailers, and community groups and organizations – representatives from the native Hawaiian community, environmental justice organizations, and environmental and human health scientists have been added. We also applaud that that producer responsibility organizations working on reuseable packaging will be brought into the process.

The study will assess the current recycling collection and processing infrastructure's ability to provide equitable access to services, sufficient processing capacity including up-to-date sorting technology, and markets for recovered materials and finished compost. The bill emphasizes the need to consider Hawaii as an island economy and the economic and environmental benefits from increasing reusable packaging including refill systems, locally processing recyclables and adopting EPR.

The Needs Assessment study will suggest waste reduction goals and estimate the resources and other improvements to the system necessary to reach them. This information will be crucial when taking the next step of drafting EPR packaging materials and paper products legislation. Under the amendments, the Advisory Council will work alongside the study and hold a public hearing on its results.

Packaging EPR has been successfully implemented throughout Europe and Asia for over 35 years, and in five Canadian provinces for over 15 years. Four states - Colorado, Oregon, California, and Maine - have passed EPR for packaging laws. The Needs Assessment study will evaluate how those programs are operating and how ERP best practices, including how to define a producer, are evolving.

The Product Stewardship Institute (PSI) is a national policy expert and consulting nonprofit that pioneered product stewardship in the United States along with a coalition of hundreds of state and local government officials. Since 2000, PSI has worked with numerous others to develop producer responsibility policies for many of the 136 such laws enacted for 18 industry sectors.

I urge you to **support HB 1688 HD1** for the financial and environmental health of Hawaii's economy. If you have any questions, please feel free to contact me at (617) 513-3954, or Scott@ProductStewardship.US.

Sincerely,

Scott Cassel

Chief Executive Officer/Founder



# Written Testimony of David Thorp, American Beverage Association Before the House Committee on Finance Comments on H.B. 1688, H.D.1 February 28, 2024

Good afternoon, Chair Yamashita, Vice Chair Kitagawa and members of the committees. Thank you for the opportunity to comment on H.B. 1688, H.D.1 – relating to the environment.

I am David Thorp, Vice President, State Government Affairs West, for the American Beverage Association (ABA). The ABA is the trade association representing the non-alcoholic beverage industry across the country and here in Hawaii.

#### Beverage industry's local impact on Hawaii's economy

The beverage industry is an important part of Hawaii's economy – and one of the few remaining industries still manufacturing on the Islands. Unlike most consumer products, many of our beverages, aluminum cans and plastic bottles are manufactured and distributed in Hawaii by local workers.

Non-alcoholic beverage companies in Hawaii provide 1,200 good-paying, family-supporting jobs across the state. The industry supports thousands more workers in businesses that rely in part on beverage sales for their livelihoods, such as grocery stores, restaurants and theaters.

#### **Extended Producer Responsibility Systems**

Based on our global learnings and experience with holistic EPR systems, the beverage industry understands that we therefore have a unique responsibility to lead on this issue. To expand on our past advocacy efforts, we have developed the following global principles and parameters for EPR programs. EPR has the potential to efficiently increase recovery of packaging but only under certain conditions articulated below. The overarching goals for these principles are:

- Generate strong environmental outcomes in an efficient and accountable manner.
- Provide convenient service to consumers.
- Create a financially sustainable model.
- Offer producers access to recovered material for closed loop recycling.

#### **Key Principles of EPR Systems**

- Clear scope of products affected, and programs funded.
- Centralized program management
- Transparent cost principles
- Defined role for government

All these EPR principles reflect experience in other developed economies around the world, but any program needs to be customized to the local and regional conditions including the existing infrastructure, demographics, available markets, and key stakeholders.

#### **Comments on H.B. 1688, H.D.1**

We appreciate the opportunity over the past few months to provide comments and feedback on this needs assessment proposal. We still have the following edits to address remaining concerns:

#### 1) Definition of "Producer":

ABA appreciates the desire to keep the "producer" definition simple, but the language in H.B. 1688, H.D. 1 implies that producers are packaging material suppliers, not product producers that use packaging materials, and the "producer" definition ignores paper products.

#### Current language:

"Producer" means an entity that sells packaging materials into the market and can include a brand owner, licensee, or first importer.

#### Proposed language:

"Producer" means an entity that sells paper products or packaging material directly or indirectly to consumers in the state as well as entities that package consumer goods in packaging material and can include a brand owner, licensee, or first importer.

#### 2) Definition of "Packaging materials":

Packaging materials should be limited in scope to only packaging <u>to consumers</u>, not to the industrial, commercial, or institutional sector.

#### Current language:

"Packaging materials" incudes materials used for the containment, protection, or serving of products, including but not limited to..."

#### Proposed language:

"Packaging materials" incudes materials used for the containment, protection, or serving of products to consumers, including but not limited to..."

#### 3) Organics' composting contamination:

The current bill language opens the scope of the Needs Assessment to all organics' contamination, which is outside what this study should look at. It should be clear this relates only to packaging bound for composting programs.

#### Current language:

Levels of contamination in collected packaging materials and organics for composting;

#### Proposed language:

The impact of compostable packaging on compost facilities throughout the state;

Sincerely,

David Thorp

American Beverage Association Vice President, State Government Affairs West









Chair Yamashita Vice Chair Kitagawa Members, House Committee on Finance

February 27, 2024

#### House Bill 1688-HD1 - Relating to the Environment - COMMENTS ONLY

Thank you for the opportunity to provide our comments regarding *House Bill 1688-HD1 – Relating to the Environment* (HB 1688-HD1).

The Foodservice Packaging Institute (FPI) was founded in 1933 and is the leading authority on foodservice packaging in North America. We support the responsible use of all foodservice packaging, while advocating for a fair and open marketplace for all materials. FPI's core members include raw material and machinery suppliers as well as packaging manufacturers, which represent approximately 90 percent of the industry. Additionally, some distributors and purchasers of foodservice packaging are part of FPI's affiliate membership.

The foodservice packaging industry is committed to reducing the impact of its products on the environment and is dedicated to increasing their recovery. FPI has several special interest groups that bring together the supply chain to develop and promote economically viable and sustainable recovery solutions for foodservice packaging. These special interest groups include the Paper Recovery Alliance, Plastic Recovery Group, Paper Cup Alliance and Foam Recycling Coalition (FRC). More information on these groups and their efforts can be found <a href="https://example.com/here">here</a>.

FPI is supportive of policies and initiatives that facilitate the enhanced recovery and diversion of foodservice packaging. Regarding Extended Producer Responsibility (EPR) programs, we advocate for the implementation of programs grounded in the principles of shared responsibility, fairness, and operational effectiveness and efficiency.

By proposing to complete a needs assessment to inform the development of an EPR program we are optimistic that these principles can be reflected in Hawaii's future approach. That said, we have the following recommendations concerning HB 1688-HD1 as drafted:

**Producer Definition** – Concerning the definition of "producer" we note that Section 2(c)(9) calls for the needs assessment to evaluate "an appropriate definition of "producer" for an extended producer responsibility program in Hawaii", while Section 2(14)(e) provides a definition of producer. We propose that rather than duplicate efforts concerning the definition of producer, the definition in Section 2(14)(e) should be removed and the evaluation of the appropriate definition for Hawaii remain included as part of the needs assessment.

**Advisory Board** – We are pleased to see the addition of an advisory board to HB 1688-HD1 to support the Department of Health with the needs assessment. The composition of the advisory board will be critical to its success and will need to have balanced representation of the various stakeholders. To this end, we

would recommend that the representative "from a national producer or producer trade association" be amended to two representatives, one from a national producer association and one from a national trade association.

Thank you for your consideration of our comments regarding HB 1688-HD1. We would be pleased to discuss this feedback with you.  $\frac{1}{2}$ 

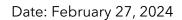
Sincerely,

**Carol Patterson** 

( RUHON)

Vice President, Government Relations

cpatterson@fpi.org





To: The Honorable Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance

From: Hawaii Environmental Change Agents (HECA) - Solid Waste Task Force

Re: HB1688 HD1 - Statewide Needs Assessment for Packaging Materials and Paper Products

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the Finance Committee,

The HECA Solid Waste Task Force is in **strong support** of this legislation that will require the Department of Health (DOH) to conduct a statewide needs assessment for packaging materials and paper products. This needs assessment is a necessary complement to the DOH's other efforts and is not redundant with work DOH is doing on an Integrated Solid Waste Management planning process or under an EPA Solid Waste Infrastructure For Recycling (SWIFR) Grant Program.

#### **Responding to Industry Testimony**

There have been three main recommendations from industry regarding this legislation that we would like to address:

- 1. Changing the "Producer" definition **This amendment is not advisable** as there is no consensus or agreement amongst industry trade groups of a "producer" definition. The definition in this bill was intentionally written to be simple and not prescriptive because a definition will be developed as part of the needs assessment.
- 2. Add a Producer Responsibility Organization up front during the needs assessment -**This amendment is not advisable** since it would give industry too much control, too early in the process by entities that are outside of the state and do not understand the unique needs in Hawaii that other states in the continental United States do not face.
- 3. Add an Advisory Council **This amendment was already made** to the bill and is currently designed to maintain a balance of perspectives from stakeholders that will engage in the development of an Extended Producer Responsibility program. We again **respectfully warn against giving too much control to industry during the needs assessment,** as it will hinder development of solutions to our packaging waste problem that are uniquely suited to the needs of Hawaii which is development of reusable packaging systems, where feasible, and infrastructure to support local processing of materials.

#### **Current Waste Management**

The state of Hawaii lacks a sustainable solid waste management system. The current practices of landfilling and incineration of packaging waste are costly - detrimental to both environmental and public health. These conventional waste management methods represent a linear waste stream in which products flow in one direction from raw material to waste. These products are generally not used to their full potential, creating excessive waste from valuable materials on a planet with finite resources. The inadequacies of existing solid waste management statewide and the resulting packaging pollution crisis demand a shift away from a linear waste system toward a circular economy.

Geographic isolation has created a dependence on imported goods, accelerating the flow of packaging materials that are brought into the state. Moreover, this isolation presents barriers to conventional solid waste management (Eckelman, 2014) and as a result, the four Hawaiian counties are running out of capacity to landfill or otherwise dispose of its solid waste. The state's high total waste generation rates from de facto population, compared to its relatively small tax base, presents a challenge for the state's ability to finance capital-intensive waste management projects through our current model. This financial strain coupled with the state's lack of existing recycling infrastructure, urge the necessity for reformation of the existing packaging waste generation model.

#### **Extended Producer Responsibility (EPR) as a Solution**

EPR policies offer an opportunity to shift towards a more circular economy by placing responsibility for a product's life cycle management on producers of the product. As EPR incentivizes producers to prioritize source reduction, reuse, and recycling, the amount of waste sent to landfills and incinerators is reduced.

Many states have implemented or are considering legislation that would require producers of packaging to assume responsibility and expenses for minimizing and managing waste. In the 2023 legislative sessions, legislators reviewed 43 bills in 14 states pertaining to Extended Producer Responsibility (EPR) standards for plastics and packaging materials. Within the past year, Maine, Illinois, and Maryland passed legislation allocating funds for an EPR needs assessment. Assessing the applicability of an EPR program for packaging in Hawaii will not only bring the state in line with broader national and global sustainability goals, but it will also showcase the state's commitment to environmental responsibility and conservation.

#### **Needs Assessment as a Prerequisite**

Prior to implementing an EPR program, it is important to assess the scope of the problem and how it's being managed currently. The state of Hawaii is currently developing a centralized integrated solid waste management plan and because the systems and capacities to manage wastes vary significantly by county, proponents are in consensus that county's needs assessments are a significant prerequisite to drive efforts toward actionable steps to reach packaging reduction targets.

Currently, the state lacks quantifiable data on waste prevention, which is the EPA's preferred strategy for environmental benefit in waste management. Moreover, there is a disparity in the availability of data among different counties. It is essential to develop a uniform and consistent dataset for all counties participating in the study to guarantee equitable implementation of a future program.

It is critical Hawaii designs an EPR program that addresses our unique needs and engages local stakeholders in designing the best structure for our context. A **well-designed EPR policy for Hawaii** will ensure that municipalities continue to bolster recycling operations but will also encourage the private sector to **prioritize redesigning packaging and operations to allow for reduction and reuse, while also funding advancements in infrastructure for local processing of materials and <b>reusable packaging systems**. The first actionable step towards this is allocating funds to a needs assessment.

Mahalo nui loa,

~HECA Solid Waste Task Force Jennifer Navarra, Ted Bohlen, Ruta Jordans, and Jolie Ryff 0



Date: February 27, 2024

To: The Honorable Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance

From: Hawaii Environmental Change Agents (HECA) – Solid Waste Task Force

Re: HB1688 HD1 - Statewide Needs Assessment for Packaging Materials

Aloha Chair Yamashita, Vice Chair Kitagawa, and members of the Finance Committee,

We are writing **in support** of HB1688 HD1 which will require the department of health to conduce a statewide needs assessment to determine what would be needed to transition to a more circular system with less waste generation, more reuse, and an extended producer responsibility program for packaging materials and paper products.

Addressing our packaging waste problem requires a shift in mindset, beyond focusing on incremental packaging improvements and focusing on recycling. It is about rethinking how we get products and services to users without creating waste. Life Cycle Assessments demonstrate that reuse of packaging has the greatest reduction in greenhouse gas emission. These systems also create local economic opportunity and green jobs – as you need service operators to recollect, sanitize, and redistribute containers back to vendors.

Since 2022, ZWHI has been working to design and implement a reuse system for food and beverage packaging in Hilo in partnership with reuse experts at Perpetual (https://www.perpetualuse.org). Perpetual is currently working with four US cities to design and implement reusable foodware systems that operate at scale. For the last year we have been conducting community outreach and have engaged 38 stakeholders and potential partners. Outreach has been conducted at 22 events engaging approximately 726 community members and included a workshop held to involve Pacific Islanders and Native Hawaiians in recognition of cultural connections to the reusable foodware project.

We are now working in partnership with the County of Hawaii and The University of Hawaii Sea Grant program and have secured two federal grants from the Environmental Protection Agency summing to 2.1 million dollars that will fund infrastructure costs (i.e. dish washing facility, vehicles, return bins) and staff costs to assist in the transition.

While we understand that reuse systems will not be fully embraced until it has been demonstrated that they can work, we want the legislature to understand that work is under way to demonstrate its feasibility with public funding. There is enormous potential of Extended

Producer Responsibility programs to fund the upfront costs of establishing infrastructure as we make the transition to more sustainable systems of reusable packaging.

Thank you for this opportunity to submit testimony.

Mahalo nui loa,

Jennifer Navarra

**Program Director** 

Zero Waste Hawai'i Island

Zero Waste Hawai'i Island's mission is to engage diverse Hawai'i Island communities to achieve zero waste.

February 26, 2024

The Hon. Nicole E. Lowen, Chair, and

Members of the Committee on Energy and Environmental Protection

The Hon. Kyle Yamashita, Chair and

Members of the Committee on Finance

Chairs Lowen and Yamashita and Committee Members,

In Support with Comments of HB1688 HD1 Relating to the Environment

HB1688 appropriately requires careful investigation before committing to expansive Extended Producer Responsibility (EPR) legislation by looking at the needs of the counties and the state and the likelihood of success of simply duplicating often immature mainland programs. I recommend the following edits to continue to clarify the scope of this bill:

Section 2(c) amendments:

- (8) An evaluation of how extended producer responsibility program laws are designed and working in other states and countries <u>and how Hawaii state and counties are different in ways that would not present the same opportunities for success</u>
- (13) How a <u>Hawaii state program for</u> extended producer responsibility can promote upstream improvement such as source reduction, packaging redesign and optimization, reduction of packaging materials that are harmful to human health or the environment, and reuse and refill practices, including:
- (A) Identifying opportunities for source reduction, reuse, and refill in packaging systems; and
  - (B) Cost and infrastructure needs to implement these systems; and

As written this provision seems to be better suited to citing the advantages of a nationwide EPR program and not one that applies in Hawaii per se. On the other hand, identifying the costs and benefits of doing an EPR program solely in Hawaii (as amended) could be informative.

Section 2(e) amendments:

"Producer" means an entity that sells packaging materials into the market and can include a brand owner, licensee, or first importer.

This will be done by the needs assessment under 2(c)(9).

"Refill" means employing packaging materials that consumers reuse.

This is confusing and not needed in the bill. The term "reuse" is sufficient, and the needs assessment will evaluate the impact of various "refilling" opportunities.

Thank you for your consideration.

Georgean Ladams

Georjean L. Adams

Submitted on: 2/26/2024 1:34:36 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Monica Stone	Individual	Support	Written Testimony Only

#### Comments:

Mahalo for receiving my testimony in strong support of *HB1688 HD1!!* 

Aloha,

Monica Stone, Kailua-Kona, 96740

Submitted on: 2/26/2024 1:41:13 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Ruta Jordans	Individual	Support	Written Testimony Only

#### Comments:

This bill will provide a needs assessment in preparation for a bill on EPR (extended producer responsibility) for our solid waste. Each county deals (or does not deal) with solid waste and specifically with packaging waste in a different way. This bill will lay the groundwork for EPR and what is needed in each county for the packaging waste part of solid waste.

Submitted on: 2/26/2024 2:58:08 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Scott Cooney	Individual	Support	Written Testimony Only

#### Comments:

Hi, please pass this EPR bill! Hawaii is so precious, and yet trash is everywhere. If companies are more responsible for the end use of their waste, there will simply be less trash - companies will start to be smarter about their packaging waste, leaving less burden on us to deal with it.

Thank you,

-Scott Cooney

Submitted on: 2/26/2024 3:27:17 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
John Harder	Zero Waste Kauai	Support	Written Testimony Only

#### Comments:

Aloha Chair Yamashita, Vice Chair Kitagawa and members of the House Committee on Finance,

As former head of both Kauai's and the State's Solid Waste programs and a member of Zero Waste Kauai, I am requesting your strong support for HB1688 HD1.

This bill is vital to help with the costs of managing packaging waste in the state.

This bill would require the Department of Health (DOH) to conduct a statewide needs assessment to determine how we could best transition to a more circular "Resource Management System", with less waste generation, more reuse, and extended producer responsibility for packaging materials and paper products.

With every island in the state facing landfill capacity issues, it is necessary that we reduce the amount of waste we generate. This needs assessment endeavor will help us to better understand how best to develop more environmentally sustainable packaging diversion programs.

Submitted on: 2/26/2024 4:49:03 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Linda Morgan	Individual	Support	Written Testimony Only

#### Comments:

"Chair Yamashita, Vice Chair Kitagawa and members of the House Committee on Finance,

Please pass HB1688 HD1. We need to reduce solid waste in Hawaii! Our islands' landfills are facing capacity issues. We must reduce the amount of waste we generate. This needs assessment bill will help us to better understand our needs and the costs of developing better packaging waste diversion programs with the participation from producers that currently do not bear any of the costs of managing packaging waste."

Mahalo for your support,

Submitted on: 2/26/2024 5:28:25 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Paul Montague	Individual	Support	Written Testimony Only

#### Comments:

"Chair Yamashita, Vice Chair Kitagawa and members of the House Committee on Finance,

Please pass HB1688 HD1. This bill is vital to help with the costs of managing packaging waste in the state. With every island within the state facing landfill capacity issues, it is necessary that we reduce the amount of waste we generate. This needs assessment bill will help us to better understand our needs and the costs of developing better packaging waste diversion programs with the participation from producers that currently do not bear any of the costs of managing packaging waste."

Mahalo for your support,

Paul Montague

Ocean View

Submitted on: 2/26/2024 10:10:32 PM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
James Trujillo	Individual	Support	Written Testimony Only

#### Comments:

Aloha from the Garden Isle,

Please accept this testimony in favor of passing HB1688

It's crucial for our island community to handle its waste responsibly. Extended Producer Responsibility is a strategy we will need to employ and reduce the cost and impact of trash hauling and landfilling our municipal waste. We are not blessed with endless land for expansive landfills nor are we blessed with endless land for expensive landfills.

We have to do better. Our children deserve better. Every island in the Aloha State has a waste management issue; some have a landfil crisis as well. It's a burden that we cannot pass on to the next generation to solve; our grandchildren deserve better.

Please pass HB1688 and lets start moving forward with sustainable solutions for better waste systems and resource management. IMUA!

With respect and aloha,

James G Trujillo

Submitted on: 2/27/2024 8:37:46 AM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Nanea Lo	Individual	Support	Written Testimony Only

#### Comments:

Chair Yamashita, Vice Chair Kitagawa and members of the House Committee on Finance,

Please pass HB1688 HD1. This bill is vital to help with the costs of managing packaging waste in the state. With every island within the state facing landfill capacity issues, it is necessary that we reduce the amount of waste we generate. This needs assessment bill will help us to better understand our needs and the costs of developing better packaging waste diversion programs with the participation from producers that currently do not bear any of the costs of managing packaging waste.

me ke aloha 'āina, Nanea Lo, Mō'ili'ili, O'ahu

Submitted on: 2/27/2024 10:33:51 AM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Dorothy Norris	Individual	Support	Written Testimony Only

#### Comments:

Please support this measure. The county can not deal with the amount of non-recyclable material coming to our island via packaging. This need needs to be addressed soon.

Submitted on: 2/27/2024 11:59:47 AM

Testimony for FIN on 2/28/2024 12:00:00 PM

<b>Submitted By</b>	Organization	<b>Testifier Position</b>	Testify
Jotis Russell-Christian	Individual	Support	Written Testimony Only

#### Comments:

Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance,

Please pass HB1688 HD1. This bill is vital to help with the costs of managing packaging waste in the state. With every island within the state facing landfill capacity issues, we must reduce the amount of waste we generate. This needs assessment bill will help us better understand our needs and the costs of developing better packaging waste diversion programs with the participation of producers that currently do not bear any of the costs of managing packaging waste.

Sincerely,

Jotis Russell-Christian