
A BILL FOR AN ACT

RELATING TO SOLID WASTE.

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

1 SECTION 1. Section 342G-102, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§342G-102 Deposit beverage container fee.** (a) Beginning
4 on October 1, 2002, every deposit beverage distributor shall pay
5 to the department a deposit beverage container fee on each
6 polyethylene terephthalate, high density polyethylene, or metal
7 deposit beverage container manufactured in or imported into the
8 State. The fee shall be imposed only once on the same deposit
9 beverage container. The fee shall be 0.5 cents per deposit
10 beverage container.

11 (b) Beginning on October 1, 2004, every deposit beverage
12 distributor shall pay to the department a deposit beverage
13 container fee on each deposit beverage container manufactured in
14 or imported into the State. The deposit beverage container fee
15 shall not apply to deposit beverage containers exported for sale
16 outside of the State. The fee shall be imposed only once on the
17 same deposit beverage container. The fee shall be 1 cent per
18 deposit beverage container.



1 (c) No county shall impose or collect any assessment or
2 fee on deposit beverage containers for the same or similar
3 purpose that is the subject of this chapter.

4 (d) Beginning January 1, 2005, and every August 1
5 thereafter, the department shall notify deposit beverage
6 distributors in writing of the amount of the deposit beverage
7 container fee. The effective date of changes to the fee amount
8 shall be September 1. The fee shall be based on the redemption
9 rate calculated annually based on the redemption rate
10 information submitted to the department for the previous period
11 of July 1 through June 30. The fee amount shall be as follows:

12 (1) If the redemption rate is seventy per cent or less: 1
13 cent per container; and

14 (2) If the redemption rate is greater than seventy per
15 cent: 1.5 cents per container.

16 (e) The director may temporarily suspend an automatic
17 increase of the deposit beverage container fee, if after
18 consultation with the auditor, it is determined that the deposit
19 beverage container deposit special fund contains sufficient
20 funds for the purposes of section 342G-104(b)."

21 SECTION 2. Section 342G-105, Hawaii Revised Statutes, is
22 amended to read as follows:



1 " ~~[†]~~ §342G-105 ~~[†]~~ **Deposit beverage container inventory**
2 **report and payment.** (a) Beginning October 1, 2002, payment of
3 the deposit beverage container fee and deposits as described in
4 section 342G-110 shall be made monthly based on inventory
5 reports of the deposit beverage distributors. All deposit
6 beverage distributors shall submit to the department
7 documentation in sufficient detail that identifies[+
8 ~~(1) The number of beverages in deposit beverage~~
9 ~~containers, by container size and type, manufactured~~
10 ~~in or imported to the State; and~~
11 ~~(2) The number of these deposit beverage containers, by~~
12 ~~container size and type, exported and intended for~~
13 ~~consumption out of the State during the reporting~~
14 ~~period.]~~
15 the number of deposit beverage containers sold, by container
16 size and type.

17 (b) The amount due from deposit beverage distributors
18 shall be the ~~[net]~~ number of deposit beverage containers
19 ~~[imported or manufactured into the State (the total number of~~
20 ~~containers imported or manufactured less the total number of~~
21 ~~containers exported for consumption outside the State)] sold~~
22 multiplied by the sum of the prevailing deposit beverage



1 container fee and the refund value of 5 cents. Payment shall be
2 made by check or money order payable to the "Department of
3 Health, State of Hawaii". All inventory reports and payments
4 shall be made no later than the fifteenth day of the month
5 following the end of the payment period of the previous month."

6 SECTION 3. Section 342G-111, Hawaii Revised Statutes, is
7 amended as follows:

8 1. By amending subsection (c) to read:

9 "(c) Each deposit beverage distributor shall generate and
10 submit to the department a monthly report on[+

11 ~~(1) The number of deposit beverage containers, by~~
12 ~~container size and type, manufactured in or imported~~
13 ~~into the State; and~~

14 ~~(2) The number of deposit beverage containers, by~~
15 ~~container size and type, exported and intended for~~
16 ~~consumption out of the State during the reporting~~
17 ~~period.]~~

18 the number of deposit beverage containers sold, by container
19 size and type. All information contained in the reports,
20 including confidential commercial and financial information,
21 shall be treated as confidential and protected to the extent
22 allowed by state law."



1 2. By amending subsection (f) to read:

2 "(f) The amount due from a deposit beverage distributor
3 shall be the [~~net~~] number of deposit beverage containers sold
4 multiplied by the sum of the prevailing deposit beverage
5 container fee and the deposit value of 5 cents. Payment shall
6 be made by check or money order payable to the "Department of
7 Health, State of Hawaii". All reports and payments shall be
8 made no later than the fifteenth day of the month following the
9 end of the previous payment period."

10 SECTION 4. Section 342G-112, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§342G-112 Deposit beverage container requirements.** (a)
13 Except as provided in subsection (b), every deposit beverage
14 container sold in the State shall clearly indicate the refund
15 value of the container and the word "Hawaii" or the letters
16 "HI". The names or letters representing the names of other
17 states with comparable deposit legislation may also be included
18 in the indication of refund value. The refund value on every
19 deposit beverage container shall be clearly, prominently, and
20 indelibly marked by painting, printing, scratch embossing,
21 raised letter embossing, or securely affixed stickers and shall



1 be affixed on the top or side of the container in letters at
2 least one-eighth inch in size.

3 (b) Subsection (a) [~~does~~] shall not apply to any type of
4 refillable glass deposit beverage container [~~which~~] that has a
5 brand name permanently marked on it and [~~which~~] that has the
6 equivalent of a refund value of at least 5 cents, which is paid
7 upon receipt of the container by a dealer or deposit beverage
8 distributor.

9 (c) All deposit beverage containers that do not indicate
10 the Hawaii refund value by January 1, 2005, and are intended for
11 sale shall be sold with stickers as specified in subsection (d).

12 (d) Stickers that indicate the Hawaii refund value may be
13 purchased from the department from November 1, 2004, to December
14 31, 2004. Surplus stickers may be redeemed at the department by
15 March 1, 2005. The cost of a sticker shall be equal to the
16 Hawaii refund value.

17 (e) Containers that do not meet the definition of a
18 deposit beverage container, as specified in section 342G-101,
19 shall not indicate the Hawaii refund value."

20 SECTION 5. Section 342G-114, Hawaii Revised Statutes, is
21 amended to read as follows:



1 **"§342G-114 Redemption centers.** (a) Prior to operation,
2 redemption centers shall be certified by the department.

3 (b) Applications for certification as a redemption center
4 shall be filed with the department on forms prescribed by the
5 department.

6 (c) The department, at any time, may review the
7 certification of a redemption center. After written notice to
8 the person responsible for the establishment and operation of
9 the redemption center and to the dealers served by the
10 redemption center, the department, after it has afforded the
11 redemption center operator a hearing in accordance with chapter
12 91, may withdraw the certification of the center if it finds
13 that there has not been compliance with applicable laws, rules,
14 permit conditions, or certification requirements.

15 (d) Redemption centers shall:

16 (1) Accept all types of empty deposit beverage containers
17 for which a deposit has been paid;

18 (2) Verify that all containers to be redeemed bear a valid
19 Hawaii refund value;

20 (3) Pay to the redeemer the full refund value in either
21 cash or a redeemable voucher for all deposit beverage
22 containers, except as provided in section 342G-116;



1 (4) Ensure each deposit beverage container collected is
2 recycled through a contractual agreement with an out-
3 of-state recycler or an in-state recycling facility
4 permitted by the department; provided that this
5 paragraph shall not apply if the redemption center is
6 operated by a recycler permitted by the department;
7 and

8 (5) Forward the documentation necessary to support claims
9 for payment as stated in section 342G-119.

10 (e) Redemption centers' redemption areas shall be
11 maintained in full compliance with applicable laws and with the
12 orders and rules of the department, including permitting
13 requirements, if deemed necessary, under chapter 342H.

14 (f) The department shall develop procedures to facilitate
15 the exchange of information between deposit beverage container
16 manufacturers, distributors, and retailers and certified
17 redemption centers, including but not limited to universal
18 product code information for reverse vending machine purposes.
19 The procedures developed by the department shall allow for a
20 reasonable time period between the introduction of a new deposit
21 beverage product and the deadline for submitting universal



1 product code information to certified redemption centers
2 operating reverse vending machines.

3 (g) Consumers may request that the refund value be
4 computed by container count only if the consumer is redeeming
5 not more than fifty containers of each material type per visit."

6 SECTION 6. Section 342G-116, Hawaii Revised Statutes, is
7 amended to read as follows:

8 **"§342G-116 Refusal of refund value payment for a deposit**
9 **beverage container.** Redemption centers shall refuse to pay the
10 refund value on any broken, corroded, or dismembered deposit
11 beverage container, or any deposit beverage container that:

- 12 (1) Contains a free-flowing liquid;
13 (2) Does not properly indicate a refund value; [~~or~~]
14 (3) Contains a significant amount of foreign material[~~-~~];
15 or
16 (4) Exhibits characteristics of being previously processed
17 and baled."

18 SECTION 7. Section 342G-117, Hawaii Revised Statutes, is
19 amended as follows:

20 1. By amending subsection (a) to read:

21 "(a) The department shall pay to each certified redemption
22 center a handling fee of not less than the prevailing deposit



1 beverage container fee for each deposit beverage container
2 redeemed by a consumer that is:

3 (1) Transported out-of-state;

4 (2) Received by an approved in-state company for an
5 approved end use for recycling; or

6 (3) Received by a department-permitted recycling
7 facility[-];

8 provided that the deposit beverage container is physically
9 received by the redemption center."

10 2. By amending subsection (c) to read:

11 "(c) The handling fee shall be paid in addition to the
12 refund value of each empty deposit beverage container. Payments
13 for handling fees shall be based on redemption center reports
14 submitted to the department; provided that there is no
15 discrepancy in the reports. The department may choose to pay
16 the handling fee and refund value on the basis of the total
17 weight of the containers received by material type and the
18 average weight of each container type[-]; provided that the
19 deposit beverage container is physically received by the
20 redemption center."

21 SECTION 8. Statutory material to be repealed is bracketed
22 and stricken. New statutory material is underscored.



1 SECTION 9. This Act shall take effect upon its approval.



Report Title:

Deposit Beverage Container; Penalties

Description:

Requires distributors to report container numbers sold and make fee payments on that basis. Permits calculation of redemption value by container count in certain instances. Allows refusal of refund for previously processed and baled containers. Permits the director of health to suspend an automatic increase of the deposit beverage container fee. (HB639 HD2)

