
A BILL FOR AN ACT

RELATING TO SOLID WASTE.

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

1 SECTION 1. The legislature finds that sixty-eight fluid
2 ounce beverage containers have been sold in Hawaii for many
3 years and are a very popular size for use by larger families and
4 at parties and recreational activities. The larger container is
5 ounce-per-ounce more economical than standard twelve ounce cans.

6 The governor vetoed S.B. No. 3181, C.D. 1 (2006), based
7 primarily upon the inability to redeem and recycle the sixty-
8 eight ounce containers, making it difficult to implement. The
9 legislature finds that the widespread use of sixty-eight ounce
10 bottles warrants their inclusion in the deposit beverage
11 container program, notwithstanding technical obstacles that can
12 be remedied over time.

13 The purpose of this Act is to increase the size of the
14 eligible deposit beverage container and to strengthen the
15 deposit beverage container program.



1 SECTION 2. Section 342G-101, Hawaii Revised Statutes, is
2 amended by amending the definition of "deposit beverage
3 container" to read as follows:

4 ""Deposit beverage container" means the individual,
5 separate, sealed glass, polyethylene terephthalate, high density
6 polyethylene, or metal container less than or equal to [~~sixty-~~
7 ~~four~~] sixty-eight fluid ounces, used for containing, at the time
8 of sale to the consumer, a deposit beverage intended for use or
9 consumption in this State."

10 SECTION 3. Section 342G-102, Hawaii Revised Statutes, is
11 amended to read as follows:

12 "**§342G-102 Deposit beverage container fee.** (a) Beginning
13 on October 1, 2002, every deposit beverage distributor shall pay
14 to the department a deposit beverage container fee on each
15 polyethylene terephthalate, high density polyethylene, or metal
16 deposit beverage container manufactured in or imported into the
17 State. The fee shall be imposed only once on the same deposit
18 beverage container. The fee shall be 0.5 cents per deposit
19 beverage container.

20 (b) Beginning on October 1, 2004, every deposit beverage
21 distributor shall pay to the department a deposit beverage
22 container fee on each deposit beverage container manufactured in



1 or imported into the State. The deposit beverage container fee
2 shall not apply to deposit beverage containers exported for sale
3 outside of the State. The fee shall be imposed only once on the
4 same deposit beverage container. The fee shall be 1 cent per
5 deposit beverage container.

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

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

- 17 (1) If the redemption rate is seventy per cent or less: 1
18 cent per container; and
19 (2) If the redemption rate is greater than seventy per
20 cent: 1.5 cents per container.

21 (e) The director may temporarily suspend an automatic
22 increase of the deposit beverage container fee if, after



1 consultation with the auditor, it is determined that the deposit
2 beverage container deposit special fund contains sufficient
3 funds for the purposes of section 342G-104(b)."

4 SECTION 4. Section 342G-105, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "[+]§342G-105[+] **Deposit beverage container inventory**
7 **report and payment.** (a) [~~Beginning October 1, 2002, payment~~]

8 Payment of the deposit beverage container fee and deposits as
9 described in section 342G-110 shall be made monthly based on
10 inventory reports of the deposit beverage distributors. All
11 deposit beverage distributors shall submit to the department
12 documentation in sufficient detail that identifies[+]

13 ~~(1) The number of beverages in deposit beverage~~
14 ~~containers, by container size and type, manufactured~~
15 ~~in or imported to the State; and~~

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

20 sold, donated, or transferred, by container size and
21 type.



1 (b) The amount due from deposit beverage distributors
 2 shall be the net number of deposit beverage containers [~~imported~~
 3 ~~or manufactured into the State (the total number of containers~~
 4 ~~imported or manufactured less the total number of containers~~
 5 ~~exported for consumption outside the State)~~] sold, donated, or
 6 transferred multiplied by the sum of the prevailing deposit
 7 beverage container fee and the refund value of 5 cents. Payment
 8 shall be made by check or money order payable to the "Department
 9 of Health, State of Hawaii". All inventory reports and payments
 10 shall be made no later than the fifteenth day of the month
 11 following the end of the payment period of the previous month."

12 SECTION 5. Section 342G-111, Hawaii Revised Statutes, is
 13 amended by amending subsection (c) to read as follows:

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

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

19 ~~(2) The number of deposit beverage containers, by~~
 20 ~~container size and type, exported and intended for~~
 21 ~~consumption out of the State during the reporting~~
 22 ~~period.] the net number of deposit beverage containers~~



1 sold, donated, or transferred by container size and type. All
2 information contained in the reports, including confidential
3 commercial and financial information, shall be treated as
4 confidential and protected to the extent allowed by state law."

5 SECTION 6. Section 342G-112, Hawaii Revised Statutes, is
6 amended to read as follows:

7 **"§342G-112 Deposit beverage container requirements.** (a)
8 Except as provided in subsection (b), every deposit beverage
9 container sold in the State shall clearly indicate the refund
10 value of the container and the word "Hawaii" or the letters
11 "HI". The names or letters representing the names of other
12 states with comparable deposit legislation may also be included
13 in the indication of refund value. The refund value on every
14 deposit beverage container shall be clearly, prominently, and
15 indelibly marked by painting, printing, scratch embossing,
16 raised letter embossing, or securely affixed stickers and shall
17 be affixed on the top or side of the container in letters at
18 least one-eighth inch in size.

19 (b) Subsection (a) [~~does~~] shall not apply to any type of
20 refillable glass deposit beverage container [~~which~~] that has a
21 brand name permanently marked on it and [~~which~~] that has the
22 equivalent of a refund value of at least 5 cents, which is paid



1 upon receipt of the container by a dealer or deposit beverage
2 distributor.

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

6 ~~(d) Stickers that indicate the Hawaii refund value may be
7 purchased from the department from November 1, 2004, to
8 December 31, 2004. Surplus stickers may be redeemed at the
9 department by March 1, 2005. The cost of a sticker shall be
10 equal to the Hawaii refund value.]~~

11 (c) Containers that do not meet the definition of a
12 deposit beverage container, as specified in section 342G-101,
13 shall not indicate "Hawaii" or "HI" on the container."

14 SECTION 7. Section 342G-114, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§342G-114 Redemption centers.** (a) Prior to operation,
17 redemption centers shall be certified by the department.

18 (b) Applications for certification as a redemption center
19 shall be filed with the department on forms prescribed by the
20 department.

21 (c) The department, at any time, may review the
22 certification of a redemption center. After written notice to



1 the person responsible for the establishment and operation of
2 the redemption center and to the dealers served by the
3 redemption center, the department, after it has afforded the
4 redemption center operator a hearing in accordance with chapter
5 91, may withdraw the certification of the center if it finds
6 that there has not been compliance with applicable laws, rules,
7 permit conditions, or certification requirements.

8 (d) Redemption centers shall:

- 9 (1) Accept all types of empty deposit beverage containers
10 for which a deposit has been paid;
- 11 (2) Verify that all containers to be redeemed bear a valid
12 Hawaii refund value;
- 13 (3) Pay to the redeemer the full refund value in either
14 cash or a redeemable voucher for all deposit beverage
15 containers, except as provided in section 342G-116;
- 16 (4) Ensure each deposit beverage container collected is
17 recycled through a contractual agreement with an out-
18 of-state recycler or an in-state recycling facility
19 permitted by the department; provided that this
20 paragraph shall not apply if the redemption center is
21 operated by a recycler permitted by the department;
- 22 [~~and~~]



1 (5) Remain open at least thirty hours per week in high
2 density population areas, of which not less than five
3 hours shall be on Saturday or Sunday; and

4 [~~5~~] (6) Forward the documentation necessary to support
5 claims for payment as stated in section 342G-119.

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

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

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



1 SECTION 8. Section 342G-115, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§342G-115 Reverse vending machine requirements.** Reverse
4 vending machines may be used by redemption centers to satisfy
5 the requirements of section 342G-113. Reverse vending machines
6 shall accept any type of empty deposit beverage container,
7 except steel or bi-metal cans or unique containers defined by
8 rule, and pay out the full refund value in either cash or a
9 redeemable voucher for those containers that bear a valid Hawaii
10 refund value. If the reverse vending machine is unable to read
11 the barcode then the reverse vending machine shall reject the
12 container. The reverse vending machine shall be routinely
13 serviced to ensure proper operation and continuous acceptance of
14 empty deposit beverage containers and payment of the refund
15 value."

16 SECTION 9. Section 342G-116, Hawaii Revised Statutes, is
17 amended to read as follows:

18 **"§342G-116 Refusal of refund value payment for a deposit**
19 **beverage container.** Redemption centers [~~shall~~] and dealers may
20 refuse to pay the refund value on any broken, corroded, or
21 dismembered deposit beverage container, or any deposit beverage
22 container that:



- 1 (1) Contains a free-flowing liquid;
- 2 (2) Does not properly indicate a refund value; [~~or~~]
- 3 (3) Contains a significant amount of foreign material[~~or~~];
- 4 or
- 5 (4) Exhibits characteristics of having been previously
- 6 processed and baled."

7 SECTION 10. Section 342G-117, Hawaii Revised Statutes, is
8 amended as follows:

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

10 "(a) The department shall pay to each certified redemption
11 center a handling fee of not less than the prevailing deposit
12 beverage container fee for each deposit beverage container
13 redeemed by a consumer that is:

- 14 (1) Transported out-of-state;
- 15 (2) Received by an approved in-state company for an
16 approved end use for recycling; or
- 17 (3) Received by a department-permitted recycling
18 facility[~~or~~];

19 provided that the deposit beverage container is physically
20 received by the redemption center."

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



1 "(c) The handling fee shall be paid in addition to the
2 refund value of each empty deposit beverage container. Payments
3 for handling fees shall be based on redemption center reports
4 submitted to the department; provided that there is no
5 discrepancy in the reports. The department may choose to pay
6 the handling fee and refund value on the basis of the total
7 weight of the containers received by material type and the
8 average weight of each container type[-]; provided that the
9 deposit beverage container is physically received by the
10 redemption center."

11 SECTION 11. The department of health shall phase-in the
12 redemption of sixty-eight fluid ounce containers, beginning
13 December 1, 2007; provided that the phase-in shall be completed
14 by March 1, 2008. From December 1, 2007, until March 1, 2008, a
15 sixty-eight ounce deposit beverage container may be redeemed
16 under the deposit beverage container program, without regard to
17 whether the container bears the refund value of the container
18 and the word "Hawaii" or the letter "HI", as provided in section
19 342G-112(a), Hawaii Revised Statutes. Beginning March 1, 2008,
20 only deposit beverage containers meeting the requirements of
21 section 342G-112(a), Hawaii Revised Statutes, shall be eligible
22 for redemption.



1 SECTION 12. (a) The legislature finds that the public
2 interest in protecting the environment takes precedence over the
3 delay in implementation of redemption of sixty-eight ounce
4 beverage containers under this Act. The legislature finds that
5 the redemption rate is below the balance of the deposit beverage
6 container deposit special fund.

7 (b) The department of health shall reimburse a redemption
8 center, from the deposit beverage container deposit special
9 fund, the refund values paid to a redeemer, as defined in
10 section 342G-101, Hawaii Revised Statutes, for sixty-eight ounce
11 containers redeemed between December 1, 2007, and March 1, 2008,
12 pursuant to section 10 of this Act; provided that a redemption
13 center shall provide collection reports under section 342G-119,
14 Hawaii Revised Statutes, for the sixty-eight ounce beverage
15 containers.

16 SECTION 13. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 14. This Act shall take effect on July 1, 2007.



Report Title:

Deposit Beverage Container; Penalties

Description:

Increases the volume limit of deposit beverage containers from 64 to 68 fluid ounces. 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. Phases in redemption of 68 ounce containers. (HD1)

