
A BILL FOR AN ACT

RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM.

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

PART I

REVERSE VENDING MACHINE REBATE PROGRAM

SECTION 1. The legislature finds that the deposit beverage container program has encouraged increased recycling of glass, plastic, and aluminum beverage containers in the State.

However, the legislature finds that more could be done to make the recycling program easier and more accessible to the public, thereby encouraging yet more recycling of containers. The legislature also finds that access to recycling facilities may be improved by increasing the number of redemption centers and reverse vending machines that are available to the public.

Currently, the department of health offers a rebate to qualified persons who install a reverse vending machine and maintain operations as a redemption center. However, this rebate program will expire on June 30, 2009. The legislature further finds that recycling throughout the State may be increased by extending the reverse vending machine rebate program and

increasing its financial incentives. Additionally, the

1 legislature finds that each county has the potential to increase
2 recycling by planning and operating its own recycling programs.

3 Accordingly, the purpose of this part is to:

4 (1) Extend the reverse vending machine rebate program and
5 increase the financial incentives offered by the
6 program; and

7 (2) Appropriate moneys to the counties to plan and operate
8 county recycling programs.

9 SECTION 2. Section 342G-102.5, Hawaii Revised Statutes, is
10 amended by amending subsections (a) and (b) to read as follows:

11 "(a) The department shall provide a rebate of [~~fifty~~]
12 _____ per cent of the actual cost of each reverse vending
13 machine, including shipping and general excise tax, and up to
14 _____ per cent of the operating cost during the first two
15 years for each reverse vending machine purchased by a person:

16 (1) [~~That~~] Who agrees to maintain operations as a
17 certified redemption center for a minimum period of
18 two years; or

19 (2) [~~That~~] Who is serviced by a recycler that is a
20 certified redemption center; and

21 (3) [~~That~~] Who has entered into a service agreement with
22 the recycler for a minimum period of two years;

1 provided that rebates shall not exceed \$3,000,000 in the
2 aggregate in any fiscal year.

3 (b) A rebate provided under this section shall be granted
4 for a reverse vending machine that:

5 (1) Is installed and operational by [~~December 31, 2007;~~]
6 June 30, 2012;

7 (2) Is accessible to the general public; and

8 (3) Tenders vouchers or receipts for the returned
9 containers that are redeemable by the person at a
10 location on the person's premises that is accessible
11 to the general public."

12 SECTION 3. Act 228, Session Laws of Hawaii 2005, as
13 amended by Act 231, Session Laws of Hawaii 2006, is amended by
14 amending section 6 to read as follows:

15 "SECTION 6. This Act shall take effect upon its approval;
16 provided that:

17 (1) This Act shall be repealed on June 30, [~~2009,~~] 2014,
18 and section 342G-104, Hawaii Revised Statutes, shall
19 be reenacted in the form in which it read on the day
20 before the effective date of this Act; and

21 (2) Any action initiated by the department of health
22 pursuant to section 342G-A(e), Hawaii Revised

1 Statutes, shall be allowed to continue until final
2 resolution of the action is achieved."

3 SECTION 4. There is appropriated out of the deposit
4 beverage container deposit special fund the sum of \$
5 or so much thereof as may be necessary for fiscal year 2009-2010
6 for grants-in-aid to the several counties to plan and operate
7 county recycling programs designed to increase recycling rates.
8 The specific county appropriations are as follows:

- 9 (1) City and county of Honolulu \$
- 10 (2) Hawaii county \$
- 11 (3) Maui county \$
- 12 (4) Kauai county \$.

13 The sum appropriated shall be expended by the respective
14 counties for purposes of this Act.

15 **PART II**

16 **REDEMPTION CENTERS**

17 SECTION 5. Section 342G-113, Hawaii Revised Statutes, is
18 amended to read as follows:

19 **"§342G-113 Redemption of empty deposit beverage**
20 **containers.** (a) Except as provided in subsection (b), a dealer
21 shall:

- 1 (1) Operate a redemption center by July 1, 2005, and shall
2 accept all types of empty deposit beverage containers
3 with a Hawaii refund value;
- 4 (2) Pay to the redeemer the full refund value for all
5 deposit beverage containers that bear a valid Hawaii
6 refund value; and
- 7 (3) Ensure each deposit beverage container collected is
8 recycled, and forward documentation necessary to
9 support claims for payment [~~as stated in~~] in
10 accordance with section 342G-119 or rules adopted
11 under this part.
- 12 (b) Subsection (a) shall not apply to any dealer:
- 13 (1) Who is located in a high density population area as
14 defined by the director in rules, and within two miles
15 of a certified redemption center that is operated
16 independently of a dealer;
- 17 (2) Who is located in a rural area as defined by rule;
- 18 (3) Who subcontracts with a certified redemption center to
19 be operated on the dealer's premises;
- 20 (4) Whose sales of deposit beverage containers are only
21 via vending machines;

1 (5) Whose place of business is less than five thousand
2 square feet of interior space;

3 (6) Who can demonstrate physical or financial hardship, or
4 both, based on specific criteria established by rule;
5 or

6 (7) Who meets other criteria established by the director.

7 Notwithstanding paragraphs (1) and (2), the director may allow
8 the placement of redemption centers at greater than prescribed
9 distances to accommodate geographical features while ensuring
10 adequate consumer convenience.

11 (c) Regardless of the square footage of a dealer's place
12 of business, dealers who are not redemption centers shall post a
13 clear and conspicuous sign at the primary public entrance of the
14 dealer's place of business that specifies the name, address, and
15 hours of operation of the closest redemption center locations.

16 (d) If there is no redemption center within the two-mile
17 radius of a dealer due to the criteria described in subsection
18 (b), then the respective county and the State shall determine
19 the need for a redemption center in that area. If a redemption
20 center is deemed necessary, then the State, with assistance from
21 the county, shall establish the redemption center with funding
22 from the deposit beverage container deposit special fund.

1 (e) Businesses that sell deposit beverages for on-premises
2 consumption, such as hotels, bars, and restaurants, shall
3 collect used deposit beverage containers from the patron and
4 either use a certified redemption center for the collection of
5 containers or become a certified redemption center.

6 (f) Any dealer having greater than seventy-five thousand
7 square feet of interior space and to which subsection (b) (3),
8 (4), or (6) cannot be applied, shall operate a redemption center
9 and shall accept all types of empty deposit beverage containers
10 that bear a valid Hawaii refund value."

11 **PART III**

12 **GENERAL PROVISIONS**

13 SECTION 6. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 7. This Act shall take effect on July 1, 2009;
16 provided that part II of this Act shall take effect on
17 October 1, 2009.

Report Title:

Deposit Beverage Container Program; Retail Dealer; Redemption Center

Description:

Extends the reverse vending machine rebate program and increases the financial incentives. Appropriates moneys to the counties to plan and operate county recycling programs. Effective October 1, 2009, requires retail dealers with more than seventy-five thousand square feet of retail space to operate redemption centers. (SD1)