A BILL FOR AN ACT

RELATING TO DEPOSIT BEVERAGE CONTAINERS.

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

1	SECT	ION 1. Section 342G-104, Hawaii Revised Statutes, is						
2	amended t	o read as follows:						
3	"§3 4	2G-104 Deposit into deposit beverage container deposit						
4	special f	fund; use of funds. (a) There is established in the						
5	state tre	asury the deposit beverage container deposit special						
6	fund, into which shall be deposited:							
7	(1)	All revenues generated from the deposit beverage						
8		container fee as described under sections 342G-102 and						
9		342G-105;						
10	(2)	All revenues generated from the deposit beverage						
11	container deposit as described under sections 342G-105							
12		and 342G-110;						
13	(3)	All accrued interest from the fund.						
14	(b)	Moneys in the deposit beverage container deposit						
15	special f	und shall be used to reimburse refund values and pay						
16	handling	fees to redemption centers. The department may also						
17	use the m	noney to:						

1	(1)	Fund administrative, audit, and compliance activities
2		associated with collection and payment of the deposits
3		and handling fees of the deposit beverage container
4		program;
5	(2)	Conduct recycling education and demonstration
6		projects;
7	(3)	Promote recyclable market development activities;
8	(4)	Support the handling and transportation of the deposit
9		beverage containers to end-markets;
10	(5)	Hire personnel to oversee the implementation of the
11		deposit beverage container program, including
12		permitting and enforcement activities; [and]
13	(6)	Purchase and maintain reverse vending machines
14		pursuant to subsection (c); and
15	[(6)]	(7) Fund associated office expenses.
16	[-(c)	Any funds that accumulate in the deposit beverage
17	container	deposit special fund shall be retained in the fund
18	unless de	termined by the legislature to be in excess.
19	(c)	There is established within the deposit beverage
20	container	deposit special fund a reverse vending machine
21	endowment	subaccount. All accrued interest pursuant to

1	subsection (a)(3) shall be deposited into the subac	count. The						
2	department shall expend moneys in the subaccount to	purchase and						
3	maintain reverse vending machines pursuant to section	ion 342G-						
4	115(d).							
5	(d) All moneys in excess of \$ remains	ining on						
6	balance in the deposit beverage container deposit s	special fund						
7	on June 30 of each year shall lapse to the credit of	of the state						
8	general fund. On July 1 of each year, the director of finance							
9	may transfer any excess funds in the deposit beverage container							
10	deposit special fund to the state general fund."							
11	SECTION 2. Section 342G-113, Hawaii Revised Statutes, is							
12	amended by amending subsections (a) and (b) to read	d as follows:						
13	"(a) Except as provided in subsection (b), a	dealer shall:						
14	(1) Operate a redemption center by July 1, 20	005, and shall						
15	accept all types of empty deposit beverag	ge containers						
16	with a Hawaii refund value;							
17	(2) Pay to the redeemer the full refund value	e for all						
18	deposit beverage containers that bear a	valid Hawaii						
19	refund value; and							
20	(3) Ensure each deposit beverage container co	ollected is						
21	recycled, and forward documentation neces	ssary to						

1		support claims for payment as stated in section 342G-
2		119 or rules adopted under this part[-];
3	provided	that a dealer with or more locations in the State
4	shall hav	e at least one reverse vending machine in operation at
5	each loca	tion pursuant to section 342G-115(b).
6	(b)	Subsection (a) shall not apply to any dealer:
7	(1)	Who is located in a high density population area as
8		defined by the director in rules, and within two miles
9	•	of a certified redemption center that is operated
10		independently of a dealer;
11	(2)	Who is located in a rural area as defined by rule;
12	(3)	Who subcontracts with a certified redemption center to
13		be operated on the dealer's premises;
14	(4)	Whose sales of deposit beverage containers are only
15		via vending machines;
16	(5)	Whose place of business is less than five thousand
17		square feet of interior space;
18	(6)	Who can demonstrate physical or financial hardship, or
19		both, based on specific criteria established by rule;
20		[or]
21	(7)	With fewer than locations in the State; or

1 $[\frac{(7)}{1}]$ (8) Who meets other criteria established by the 2 director. 3 Notwithstanding paragraphs (1) and (2), the director may allow 4 the placement of redemption centers at greater than prescribed 5 distances to accommodate geographical features while ensuring 6 adequate consumer convenience." 7 SECTION 3. Section 342G-115, Hawaii Revised Statutes, is 8 amended to read as follows: 9 "\$342G-115 Reverse vending machine requirements. (a) 10 Reverse vending machines may be used by redemption centers to 11 satisfy the requirements of section 342G-113. 12 (b) A dealer with or more locations in the State shall satisfy the requirements of section 342G-113 by using at 13 14 least one fully operating reverse vending machine at each 15 location where it engages in the sale of beverages in deposit 16 beverage containers to consumers for off-premises consumption in 17 the State. 18 (c) Reverse vending machines shall accept any type of 19 empty deposit beverage container and pay out the full refund 20 value in either cash or a redeemable voucher for those 21 containers that bear a valid Hawaii refund value. If the

1	reverse	vending	machine	is	unable	to	read	the	barcode	then	the
		_									

- 2 reverse vending machine shall reject the container. The reverse
- 3 vending machine shall be routinely serviced to ensure proper
- 4 operation and continuous acceptance of empty deposit beverage
- 5 containers and payment of the refund value.
- 6 (d) The department shall purchase and maintain reverse
- 7 vending machines to assist dealers with meeting the requirements
- 8 of subsection (b) with moneys in the reverse vending machine
- 9 endowment subaccount pursuant to section 342G-104(c)."
- 10 SECTION 4. Statutory material to be repealed is bracketed
- 11 and stricken. New statutory material is underscored.
- 12 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:

JAN 25 2023

Report Title:

Deposit Beverage Container Program; Reverse Vending Machines; Dealers; Requirements

Description:

Requires deposit beverage container dealers with more than a certain number of locations in the State to have at least one operating reverse vending machine at each location. Establishes a reverse vending machine endowment subaccount within the deposit beverage container deposit special fund to purchase and maintain reverse vending machines to assist dealers in meeting these requirements. Specifies that moneys in excess of an unspecified amount in the deposit beverage container deposit special fund shall lapse to the general fund at the end of every fiscal year.

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