

A BILL FOR AN ACT

RELATING TO THE ENVIRONMENT.

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

1 PART I

SECTION 1. The purpose of this Act is to:

3 (1) Repeal the main portion of the deposit beverage
4 container program on July 1, 2026,

5 (2) Provide owners of empty deposit beverage containers
6 one year to redeem their empty containers for a
7 refund; and

8 (3) Transfer remaining funds in the deposit beverage
9 container deposit special fund to a newly established
10 solar panel and electric vehicle battery recycling
11 special fund for the purposes of gathering and
12 recycling solar panels and electric vehicle batteries.

13 PART II

14 SECTION 2. The purpose of this part is to terminate the
15 requirement for deposit beverage distributors to pay the fees
16 associated with each deposit beverage container.



1 SECTION 3. Section 342G-110, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) By January 1, 2005, and ending on June 30, 2026,
4 every deposit beverage container sold in this State shall have a
5 refund value of 5 cents. Each container shall have the refund
6 value clearly indicated on it as provided in section 342G-112."

7 SECTION 4. Section 342G-111, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) By January 1, 2005, and ending on June 30, 2026,
10 every deposit beverage distributor who pays a deposit to the
11 department shall charge the dealer or consumer a deposit equal
12 to the refund value for each deposit beverage container sold in
13 Hawaii. The deposit charge may appear as a separate line item
14 on the invoice."

15 SECTION 5. Section 342G-102, Hawaii Revised Statutes, is
16 repealed:

17 [~~§342G-102 Deposit beverage container fee.~~ (a)
18 ~~Beginning on October 1, 2002, every deposit beverage distributor~~
19 ~~shall pay to the department a deposit beverage container fee on~~
20 ~~each polyethylene terephthalate, high density polyethylene, or~~
21 ~~metal deposit beverage container manufactured in or imported~~



1 into the State. The fee shall be imposed only once on the same
2 deposit beverage container. The fee shall be 0.5 cents per
3 deposit beverage container.

4 (b) Beginning on October 1, 2004, every deposit beverage
5 distributor shall pay to the department a deposit beverage
6 container fee on each deposit beverage container manufactured in
7 or imported into the State. The deposit beverage container fee
8 shall not apply to deposit beverage containers exported for sale
9 outside of the State. The fee shall be imposed only once on the
10 same deposit beverage container. The fee shall be 1 cent per
11 deposit beverage container.

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

15 (d) Beginning January 1, 2005, and every August 1
16 thereafter, the department shall notify deposit beverage
17 distributors in writing of the amount of the deposit beverage
18 container fee. The effective date of changes to the fee amount
19 shall be September 1. The fee shall be based on the redemption
20 rate calculated annually based on the redemption rate



1 information submitted to the department for the previous period
2 of July 1 through June 30. The fee amount shall be as follows:

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

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

7 (e) The director may temporarily suspend an automatic
8 increase of the deposit beverage container fee if, after
9 consultation with the auditor, it is determined that the deposit
10 beverage container deposit special fund contains sufficient
11 funds for the purposes of section 342G-104(b)."]

12 SECTION 6. Section 342G-112, Hawaii Revised Statutes, is
13 repealed.

14 **["S342G-112 Deposit beverage container requirements.** (a)
15 Except as provided in subsection (b), every deposit beverage
16 container sold in the State shall clearly indicate the refund
17 value of the container and the word "Hawaii" or the letters
18 "HI". The names or letters representing the names of other
19 states with comparable deposit legislation may also be included
20 in the indication of refund value. The refund value on every
21 deposit beverage container shall be clearly, prominently, and



1 ~~indelibly marked by painting, printing, scratch embossing,~~
2 ~~raised letter embossing, or securely affixed stickers and shall~~
3 ~~be affixed on the top or side of the container in letters at~~
4 ~~least one eighth inch in size.~~

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

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

13 PART III

14 SECTION 7. The purpose of this part is to provide owners
15 of empty deposit beverage containers one year to redeem their
16 empty containers for a refund.

17 SECTION 8. Chapter 342G, part VIII, Hawaii Revised
18 Statutes, is repealed.

19 PART IV

20 SECTION 9. (a) The department of health may establish
21 rules without regard to chapter 91, Hawaii Revised Statutes, to:



- 1 (1) Require reports related to the deposit beverage
2 container program established under chapter 342G,
3 part VIII, Hawaii Revised Statutes;
- 4 (2) Allow payments to redemptions centers to occur as
5 established under chapter 342G, part VIII, Hawaii
6 Revised Statutes; and
- 7 (3) Authorize audits to occur and penalties to be imposed,
8 after part III of this Act becomes effective. Any rules adopted
9 under this subsection shall be substantially similar to the
10 requirements under chapter 342G, part VIII, Hawaii Revised
11 Statutes, as that part existed on January 1, 2026.

12 (b) After part III of this Act becomes effective, the
13 department of health may expend moneys in the solar panel and
14 electric vehicle battery recycling special fund to make payments
15 to deposit beverage container redemptions centers.

PART V

17 SECTION 10. Chapter 342G, Hawaii Revised Statutes, is
18 amended by adding a new section to be appropriately designated
19 and to read as follows:



1 "§342G- Solar panel and electric vehicle battery

2 recycling special fund. (a) There is established the solar
3 panel and electric vehicle battery recycling special fund.

4 (b) Moneys is the solar panel and electric vehicle battery
5 recycling special fund shall be used for solar panel and
6 electric vehicle battery gathering and recycling."

7 SECTION 11. No later than twenty days prior to the regular
8 session of 2027, the department of health shall submit proposed
9 legislation for establishing a program to gather and process
10 solar panels and electric vehicle batteries for recycling.

11 SECTION 12. On the date part III of this Act becomes
12 effective, any unencumbered balance in the deposit beverage
13 container deposit special fund shall lapse to the credit of the
14 solar panel and electric vehicle battery recycling special fund.

15 SECTION 13. (a) The management and financial audit report
16 required under section 342G-107, Hawaii Revised Statutes, for
17 the 2025-2026 fiscal year shall include a status report on the
18 closing of the deposit beverage container program.

19 (b) The auditor shall conduct a management and financial
20 audit of the deposit beverage container program for fiscal year
21 2026-2027. The auditor shall submit the audit report, including



1 the status on the closing of the deposit beverage container
2 program, the amount of any unredeemed refund value, and any
3 recommendations, to the legislature and the department of health
4 no later than twenty days prior to the convening of the regular
5 session of 2028. The costs incurred by the auditor shall be
6 reimbursed by the solar panel and electric vehicle battery
7 recycling special fund established under section 342G- ,
8 Hawaii Revised Statutes. The auditor may contract the audit
9 services of a third party to conduct the audit.

PART VI

11 SECTION 14. This Act does not affect rights and duties
12 that matured, penalties that were incurred, and proceedings that
13 were begun before its effective date.

14 SECTION 15. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 16. This Act shall take effect upon its approval;
17 provided that:

18 (1) Part II shall take effect on June 30, 2026; and

19 (2) Part III shall take effect on June 30, 2027.

20

INTRODUCED BY:

J. June



H.B. NO. 2196

Report Title:

Deposit Beverage Container Program; Repeal; DOH; Special Fund

Description:

Repeals the Deposit Beverage Container program on 6/30/26. Allows redemptions to continue until 6/30/27. Establishes the solar panel and electric vehicle battery recycling special fund to assist in the gathering and recycling of solar panels and electric vehicle batteries. Requires the Department of Health to submit proposed legislation establishing a program to gather and recycle solar panels and electric vehicle batteries. Lapses any unencumbered balance remaining in the deposit beverage container deposit special fund when the Deposit Beverage Container program is repealed to the credit of the solar panel and electric vehicle battery recycling special fund.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

