THE SENATE
THIRTY-THIRD LEGISLATURE, 2025
STATE OF HAWAII

S.B. NO. 1067 S.D. 1

A BILL FOR AN ACT

RELATING TO DEPOSIT BEVERAGE CONTAINER RECYCLING.

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

SECTION 1. Chapter 342G, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"**§342G- Eligibility standards for grants; deployment of reverse vending machines.** Applications for grants offered pursuant to section 342G-104(b)(6), shall be made to the department of health and contain the information as required by rules adopted by the department of health. At a minimum, the applicant shall:

(1) Be licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the recycling activities or provide the services for which a grant is awarded, including all requirements of a redemption center;

(2) Provide a detailed plan outlining the scope, objectives, and projected impact of the recycling

project or projects and a clear breakdown of how grant funds will be used;

(3) Agree to use state funds exclusively for the purposes of this recycling program;

(4) Indicate capability to properly use the grant for the purpose of the grant program;

(5) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, disability, or any other characteristic protected under applicable federal or state law;

(6) Agree not to use state funds for purposes of entertainment or perquisites;

(7) Comply with other requirements as the department of health may prescribe, including reporting, documenting, and auditing requirements;

(8) Comply with all applicable federal, state, and county statutes, rules, and ordinances;

(9) Agree to indemnify and save harmless the State and its officers, agents, and employees from and against any

and all claims arising out of or resulting from activities carried out or projects undertaken with funds provided hereunder and procure sufficient insurance to provide this indemnification if requested to do so by the department of health; and

(10) Agree to make available to the department of health all records the applicant may have relating to the grant, to allow state agencies to monitor the applicant's compliance with this section."

SECTION 2. Section 342G-104, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Moneys in the deposit beverage container deposit special fund shall be used to reimburse refund values and pay handling fees to redemption centers. The department may also use the money to:

(1) Fund administrative, audit, and compliance activities associated with collection and payment of the deposits and handling fees of the deposit beverage container program;

(2) Conduct recycling education and demonstration projects;

(3) Promote recyclable market development activities;

(4) Support the handling and transportation of the deposit beverage containers to end-markets;

(5) Hire personnel to oversee the implementation of the deposit beverage container program, including permitting and enforcement activities; [~~and~~]

(6) Provide grants to deploy reverse vending machines in the State; and

[~~(6)~~] (7) Fund associated office expenses."

SECTION 3. Section 342G-113, Hawaii Revised Statutes, is amended to read as follows:

"**§342G-113 Redemption of empty deposit beverage containers.** (a) [~~Except as provided in subsection (b), a~~] A dealer shall:

(1) Operate a redemption center by July 1, 2005, and shall accept all types of empty deposit beverage containers with a Hawaii refund value[~~.~~] of the kind, size, and brand sold by the dealer;

(2) Pay to the redeemer the full refund value for all deposit beverage containers that bear a valid Hawaii refund value; and

(3) Ensure each deposit beverage container collected is recycled, and forward documentation necessary to support claims for payment as stated in section 342G-119 or rules adopted under this part.

(b) Subsection (a) shall not apply to any dealer:

[~~(1) Who is located in a high-density population area as defined by the director in rules, and within two miles of a certified redemption center that is operated independently of a dealer;~~

~~(2)~~] (1) Who is located in a rural area as defined by rule;

[~~(3)~~] (2) Who subcontracts with a certified redemption center to be operated on the dealer's premises;

[~~(4)~~] (3) Whose sales of deposit beverage containers are only via vending machines; or

[~~(5)~~] (4) Whose place of business is less than [~~five thousand~~] _____ square feet of interior space[~~;~~

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

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

~~Notwithstanding paragraphs (1) and (2), the~~].

(c) The director may allow the placement of redemption centers at greater than prescribed distances to accommodate geographical features while ensuring adequate consumer convenience.

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

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

(e) Regional centers for the redemption of refillable beverage containers may be established in addition to, but not

as substitutes for, the means established for the redemption of empty deposit beverage containers prescribed in subsection (a).

[~~(e)~~] (f) Businesses that sell deposit beverages for on-premises consumption, such as hotels, bars, and restaurants, shall collect used deposit beverage containers from the patron and either use a certified redemption center for the collection of containers or become a certified redemption center."

SECTION 4. (a) The department of health shall establish a reverse vending machine pilot program to provide grants to deploy reverse vending machines in the State.

(b) The department of health shall adopt rules pursuant to chapter 91, Hawaii Revised Statutes, to establish standards for the distribution of grants to deploy reverse vending machines under the reverse vending machine pilot program.

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on December 31, 2050.

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Report Title:
DOH; Deposit Beverage Container Deposit Special Fund; Beverage Dealers; Redemption Centers; Refillable Beverage Containers; Regional Centers; Reverse Vending Machine Pilot Program

Description:
Repeals certain exemptions for beverage dealers from the requirement to operate redemption centers and amends the types of containers they must accept for redemption. Allows the establishment of regional centers for the redemption of refillable beverage containers but not as substitutes for dealers' means to receive deposit beverage containers. Requires the Department of Health to establish a Reverse Vending Machine Pilot Program to use the Deposit Beverage Container Deposit Special Fund to provide grants to deploy reverse vending machines. Establishes eligibility standards to receive grants from the Department of Health to deploy reverse vending machines. Effective 12/31/2050. (SD1)

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