
A BILL FOR AN ACT

RELATING TO DEPOSIT BEVERAGE CONTAINER PROGRAM.

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

1 SECTION 1. Section 342G-102.5, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "~~{}~~§342G-102.5~~{}~~ **Reverse vending machine rebate program;**
4 **standards.** (a) The department shall provide a rebate, not to
5 exceed \$3,000,000 [~~in the aggregate in any fiscal year,~~] of the
6 cost of purchasing [~~a~~] reverse vending [~~machine,~~] machines,
7 including shipping and general excise tax, purchased by a
8 [~~dealer;~~] person:

9 (1) [~~That is a certified redemption center and that~~] Who
10 agrees to maintain operations as a certified
11 redemption center for a minimum period of two years;
12 or

13 (2) [~~That~~] Who is serviced by a recycler that is a
14 certified redemption center; provided that the
15 [~~dealer~~] person has entered into a service agreement
16 with the recycler for a minimum period of two years.

17 (b) The rebate provided under this section shall be.
18 granted for reverse vending machines that:



- 1 (1) Are installed and operational by December 31, [~~2005,~~
2 2007;
- 3 [~~(2) Are located on the dealer's premises;~~
4 ~~(3)] (2) Are accessible to the general public; and~~
- 5 [~~(4)] (3) Tender vouchers or receipts for the returned
6 containers that are redeemable by the [~~dealer]~~ person
7 at a location on the [~~dealer's]~~ person's premises that
8 is accessible to the general public.~~
- 9 (c) [~~Each dealer may receive a rebate of not more than:~~
10 ~~(1) \$30,000 per retail site over five thousand square feet~~
11 ~~but less than ten thousand square feet;~~
12 ~~(2) \$60,000 per retail site over ten thousand square feet~~
13 ~~but less than seventy-five thousand square feet; or~~
14 ~~(3) \$90,000 per retail site over seventy-five thousand~~
15 square feet.] The rebate shall be fifty per cent of the actual
16 cost of each reverse vending machine placed pursuant to
17 subsection (b).
- 18 (d) [~~Prior to the purchase of a reverse vending machine,~~
19 ~~an] An application for rebate shall be made to the department on
20 forms provided by the department to certify eligibility for a
21 rebate. The application shall contain information determined by
22 the department to be required; provided that at a minimum, the~~



1 application shall require the applicant to provide the
2 following:

- 3 (1) The applicant's name;
- 4 (2) The location where each reverse vending machine will
5 be installed and operated;
- 6 (3) A projection of the number of customers expected to
7 use each reverse vending machine;
- 8 (4) The requested rebate amount;
- 9 (5) Proof of certification of the applicant's redemption
10 center or, in the case of a [~~dealer~~] person that is
11 serviced by a recycler, the executed service agreement
12 between the recycler and [~~dealer;~~] person; and
- 13 (6) The projected installation date of each reverse
14 vending machine.

15 (e) The [~~dealer or recycler~~] person or contracted recycler
16 providing the certified redemption service shall comply with all
17 rules of the department. If any [~~dealer or recycler~~] person or
18 contracted recycler is found by the department to be not in
19 compliance with the department's rules, the [~~dealer~~] person
20 shall reimburse the department for the full amount of the
21 rebate. The department may institute an action pursuant to
22 chapter 91 to recover any rebate paid under this section if the



1 ~~[dealer,]~~ person, or the recycler that has a contract with the
2 ~~[dealer]~~ person to service the reverse vending machine, fails to
3 comply with the requirements of this part or any rule adopted
4 pursuant to it.

5 (f) Amounts received under this section shall not be
6 treated as income for purposes of chapter 235 or gross proceeds
7 or gross income for purposes of chapter 237.

8 (g) A reverse vending machine shall not be considered a
9 depreciable asset and no person may claim depreciation therefor,
10 at least to the extent that the reverse vending machine has been
11 purchased with rebate funds.

12 (h) Any ~~[dealer participating in the rebate program shall~~
13 ~~not be eligible to participate in the]~~ person receiving funding
14 to cover the cost of purchase for reverse vending machines
15 through the redemption center and recycling infrastructure
16 improvement program under section 342G-114.5~~[-]~~ shall not be
17 eligible for this rebate.

18 (i) The director shall include in the deposit beverage
19 container program annual report to the legislature, a report on
20 the reverse vending machine rebate program."

21 SECTION 2. Act 228, Session Laws of Hawaii 2005, is
22 amended by amending section 6 to read as follows:



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

3 (1) This Act shall be repealed on [~~June 30, 2006,~~
4 June 30, 2008, and section 342G-104, Hawaii Revised
5 Statutes, shall be reenacted in the form in which it
6 read on the day before the effective date of this Act;
7 and

8 (2) Any action initiated by the department of health
9 pursuant to section 342G-A(e), Hawaii Revised
10 Statutes, shall be allowed to continue until final
11 resolution of the action is achieved."

12 SECTION 3. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 4. This Act shall take effect on June 29, 2006.

SB 3105 HD 2

HD 1

Report Title:

Deposit Beverage Container Program

Description:

Extends reverse vending machine rebate program to persons who are not dealers or recyclers. Extends time for new rebate.

Extends sunset date of Act 228, SLH 2005, to June 30, 2008.

(SB3105 HD1)

