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# A BILL FOR AN ACT

RELATING TO INTEGRATED SOLID WASTE MANAGEMENT.

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

1           SECTION 1. The legislature finds that counties are facing  
2 serious challenges in managing solid waste and reducing waste in  
3 landfills. Landfills are not sustainable options for waste  
4 management in island communities. Alternative solutions,  
5 including material recycling, energy recycling, and composting  
6 can be far more beneficial but require significant resources to  
7 develop. All of the counties need to make recycling easier and  
8 more accessible to the public, but limited funds are hampering  
9 their efforts to be more aggressive. There is currently an  
10 excess of approximately \$20,000,000 in the state deposit  
11 beverage container deposit special fund, which is the result of  
12 unclaimed and unutilized deposits that have accumulated since  
13 the beginning of the program in January 2005.

14           The legislature further finds that the counties can  
15 increase the amount of deposit beverage containers, or HI-5  
16 containers, that are recycled through the deposit beverage  
17 container program, and the amount of other materials that are  
18 recycled, by promoting the use of community recycling bins,



1 implementing curbside collection programs, providing assistance  
2 to multi-family complexes, providing assistance to businesses,  
3 and establishing public recycling receptacles.

4 The purpose of this Act is to permit the department of  
5 health to distribute excess moneys in the deposit beverage  
6 container deposit special fund to the counties to support the  
7 establishment and maintenance of beverage bottle and related  
8 county-run recycling programs.

9 SECTION 2. Section 342G-104, Hawaii Revised Statutes, is  
10 amended to read as follows:

11 **"§342G-104 Deposit into deposit beverage container deposit**  
12 **special fund; use of funds.** (a) There is established in the  
13 state treasury the deposit beverage container deposit special  
14 fund, into which shall be deposited:

15 (1) All revenues generated from the deposit beverage  
16 container fee as described under sections 342G-102 and  
17 342G-105;

18 (2) All revenues generated from the deposit beverage  
19 container deposit as described under sections 342G-105  
20 and 342G-110; and

21 (3) All accrued interest from the fund.



1 (b) Moneys in the deposit beverage container deposit  
2 special fund shall be used to reimburse refund values, pay  
3 handling fees to redemption centers, fund the reverse vending  
4 machine rebate program under section 342G-102.5, and fund the  
5 redemption center and recycling infrastructure improvement  
6 program established pursuant to section 342G-114.5. The  
7 department may also use the money to:

- 8 (1) Fund administrative, audit, and compliance activities  
9 associated with collection and payment of the deposits  
10 and handling fees of the deposit beverage container  
11 program;
- 12 (2) Conduct recycling education and demonstration  
13 projects;
- 14 (3) Promote recyclable market development activities;
- 15 (4) Support the handling and transportation of the deposit  
16 beverage containers to end-markets;
- 17 (5) Hire personnel to oversee the implementation of the  
18 deposit beverage container program, including  
19 permitting and enforcement activities; ~~and~~
- 20 (6) Support the implementation and operation of beverage  
21 bottle and related county-run recycling programs; and
- 22 ~~(6)~~ (7) Fund associated office expenses.



1           (c) Any funds that accumulate in the deposit beverage  
2 container deposit special fund shall be retained in the fund  
3 unless determined by the auditor to be in excess, after  
4 adjustments to the deposit beverage fee, pursuant to the  
5 management and financial audits conducted in accordance with  
6 section 342G-107[-]; provided that in determining the amount of  
7 funds that are in excess, the auditor shall deduct operational  
8 expenses authorized by the legislature, including beverage  
9 bottle recycling contracts, and establish a reserve amount as  
10 deemed necessary by the auditor to ensure cash flow.

11           (d) Any funds determined by the auditor to be excess  
12 pursuant to subsection (c) shall constitute abandoned deposits  
13 and shall be allocated to the counties pursuant to subsections  
14 (e) and (f), to be used to support the implementation and  
15 operation of beverage bottle and related county-run recycling  
16 programs; provided that in determining the amount of funds to be  
17 dispersed to a county, the department shall prorate the  
18 abandoned deposits based on the amount of deposit beverage  
19 container deposits collected in that county.

20           (e) At the end of calendar year 2008, fifty per cent of  
21 any funds that remain in the deposit beverage container deposit  
22 special fund and that are determined by the auditor to be in



1 excess pursuant to subsection (c) shall be allocated by the  
2 department to the counties on a prorated basis, as set forth in  
3 subsection (d).

4 (f) At the end of calendar year 2009 and each calendar  
5 year thereafter, seventy-five per cent of any funds that remain  
6 in the deposit beverage container deposit special fund and that  
7 are determined by the auditor to be in excess pursuant to  
8 subsection (c) shall be allocated by the department to the  
9 counties on a prorated basis, as set forth in subsection (d)."

10 SECTION 3. Statutory material to be repealed is bracketed  
11 and stricken. New statutory material is underscored.

12 SECTION 4. This Act shall take effect on July 1, 2050.



**Report Title:**

Integrate Solid Waste Management; Recycling

**Description:**

Permit the department of health to distribute excess moneys in the deposit beverage container deposit special fund to the counties to support the establishment and maintenance of beverage bottle and related county-run recycling programs.  
(SB2711 SD2)

