

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 243

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Energy and Environment, to which was referred S.B. No. 243 entitled:

"A BILL FOR AN ACT RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM,"

begs leave to report as follows:

The purpose of this measure is to increase convenience for consumers and facilitate participation in the Deposit Beverage Container Program by requiring all retail dealers with more than seventy-five thousand square feet of retail space to operate redemption centers.

Testimony in support of this measure was submitted by one state agency and three organizations. Three public citizens submitted comments. Testimony in opposition was submitted by two organizations. Written testimony presented to your Committee may be reviewed on the Legislature's website.

Your Committee finds that sustaining high container redemption levels in the Deposit Beverage Container Program depends on conveniently located redemption centers for customers. To date, there have been many challenges to locating independently operated redemption centers within a two-mile radius of retail dealers and providing more convenient locations in rural areas.

Your Committee further finds retail dealers in other states with similar redemption programs are also required to be redemption centers. However, in the past, the Legislature has recognized that many retail dealers in Hawaii have limited retail

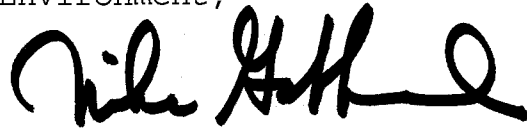


space in their establishments and that their floor space is extremely valuable. Therefore, the high cost of doing business in Hawaii may be prohibitive to establishing redemption areas within smaller retail establishments.

Since its inception in 2004, the Deposit Beverage Container Program has been successful in collecting over one hundred thousand tons of plastic, glass, and aluminum containers for recycling. The Program recycled over six hundred and eighty million containers in 2008 alone. The Department of Health reports that the redemption rate is seventy-two per cent, and the Program's goal is to achieve an eighty per cent redemption rate. Reaching that goal will not be easy because it will require more effort to turn the last few non-participants into recyclers. A telephone survey in 2008 reported that twenty-seven per cent of consumers who do not recycle say that recycling is too much of a hassle. By bringing the redemption centers to the consumers, and increasing the overall number of redemption centers, consumers can incorporate recycling into their normal routine rather than having to make special trips.

As affirmed by the record of votes of the members of your Committee on Energy and Environment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 243 and recommends that it pass Second Reading and be referred to the Committee on Health.

Respectfully submitted on
behalf of the members of the
Committee on Energy and
Environment,



MIKE GABBARD, Chair



