



STATE OF HAWAII
DEPARTMENT OF HEALTH
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In reply, please refer to:
File:

SENATE COMMITTEE ON WAYS AND MEANS

S.B. 2824, RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM

**Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Director of Health**

**February 23, 2012
9:00 a.m.**

1 **Department's Position:** The Department of Health strongly supports this measure.

2 **Fiscal Implications:** This measure would likely increase revenue by an unknown amount.

3 **Purpose and Justification:** This bill proposes to eliminate the exemption for dietary supplements from
4 the Deposit Beverage Container (DBC) Program.

5 Dietary supplements were excluded from the DBC Program along with drugs, medical foods and
6 infant formula. The dietary supplement exemption relies entirely on the federal Food and Drug
7 Administration's (FDA) regulation of the product category. However, FDA's regulatory approach of
8 these products gives manufacturers free reign to declare a product a dietary supplement or not.

9 The ambiguity of product labeling makes it very difficult for the DBC Program to make
10 consistent eligibility determinations on potential dietary supplements. These difficulties are frustrating
11 to both the deposit program and beverage distributors because of the disproportionate time and effort
12 involved in dealing with these products. The department believes that deleting the "dietary supplement"
13 exemption is the most efficient way of allowing more consistent eligibility determinations.

14 It should be clear that the exemption for drugs, medical food and infant formula remains in the

1 law. The department has no intention of modifying this exemption.

2 Thank you for the opportunity to testify on this measure.

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Sierra Club Hawai'i Chapter

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SENATE COMMITTEE ON WAYS AND MEANS

February 23, 2012, 9:00 A.M.
(Testimony is 1 page long)

TESTIMONY IN SUPPORT OF SB 2824 WITH PROPOSED AMENDMENTS

Aloha Chair Ige and Committee Members -

The Sierra Club, Hawai'i Chapter, **supports** SB 2824, which extends the deposit beverage container program to include dietary supplements. We suggest, however, this bill be amended to reflect the language contained in SB 2420 so as to include hard spirits and wine bottles in the beverage container program.

Hawaii's bottle law has proven to be an overwhelming success for Hawaii's environment, with **over 930 million bottles and cans diverted from Hawaii's landfills annually**. Beyond waste diversion, our recycling law reduces litter, creates jobs, and provides opportunities for churches, charities, and schools to fundraise. The recycling program proves that a little change can make a big difference.

Despite its success with redeeming over four billion beverage containers, **the bottle law can be improved**. Some drinks are utilizing a loophole -- a "dietary supplement" exemption -- in order to evade complying with our beverage container (HI-5) law. There is no logical basis to exempt these beverages from our incredibly successful recycling program and to allow certain distributors to have an advantage in the marketplace.

Expanding our beverage container program to include hard spirits and wine bottles is a necessary and logical expansion of our recycling policy. The advance deposit fee of one cent is plainly not working. Millions of bottles and containers are not being recycled (according to numbers provided by the industry, approximately 21,917,760 bottles of wine were sold in Hawaii in 2009).

Assuming Hawaii is within the national average of 25% recycling, approximately 15 million bottles of wine are discarded into our landfills or incinerators each year. But this is a big assumption. Recent newspaper articles indicate some recyclers are starting to refuse alcohol containers because the profit generated is minimal and these items are not a part of the HI-5 system.

If we want to move Hawaii to a sustainable future and help solve our growing landfill crisis, we need to start taking the “small changes” necessary to eliminate our problems. Including dietary and alcohol containers would be an important start.

Thank you for the opportunity to testify.