
A BILL FOR AN ACT

RELATING TO THE DEPOSIT BEVERAGE CONTAINER PROGRAM.

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

- 1 SECTION 1. Section 36-27, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
3 "(a) Except as provided in this section, and
4 notwithstanding any other law to the contrary, from time to
5 time, the director of finance, for the purpose of defraying the
6 prorated estimate of central service expenses of government in
7 relation to all special funds, except the:
- 8 (1) Special out-of-school time instructional program fund
 - 9 under section 302A-1310;
 - 10 (2) School cafeteria special funds of the department of
 - 11 education;
 - 12 (3) Special funds of the University of Hawaii;
 - 13 (4) State educational facilities improvement special fund;
 - 14 (5) Convention center enterprise special fund under
 - 15 section 201B-8;
 - 16 (6) Special funds established by section 206E-6;
 - 17 (7) Housing loan program revenue bond special fund;



- 1 (8) Housing project bond special fund;
- 2 (9) Aloha Tower fund created by section 206J-17;
- 3 (10) Funds of the employees' retirement system created by
- 4 section 88-109;
- 5 (11) Hawaii hurricane relief fund established under chapter
- 6 431P;
- 7 (12) Hawaii health systems corporation special funds and
- 8 the subaccounts of its regional system boards;
- 9 (13) Tourism special fund established under section 201B-
- 10 11;
- 11 (14) Universal service fund established under section 269-
- 12 42;
- 13 (15) Emergency and budget reserve fund under section 328L-
- 14 3;
- 15 (16) Public schools special fees and charges fund under
- 16 section 302A-1130;
- 17 (17) Sport fish special fund under section 187A-9.5;
- 18 (18) Glass advance disposal fee established by section
- 19 342G-82;
- 20 (19) Center for nursing special fund under section 304A-
- 21 2163;



- 1 (20) Passenger facility charge special fund established by
- 2 section 261-5.5;
- 3 (21) Court interpreting services revolving fund under
- 4 section 607-1.5;
- 5 (22) Hawaii cancer research special fund;
- 6 (23) Community health centers special fund;
- 7 (24) Emergency medical services special fund;
- 8 (25) Rental motor vehicle customer facility charge special
- 9 fund established under section 261-5.6;
- 10 (26) Shared services technology special fund under section
- 11 27-43;
- 12 (27) Automated victim information and notification system
- 13 special fund established under section 353-136;
- 14 ~~[(28) Deposit beverage container deposit special fund under~~
- 15 ~~section 342G-104;~~
- 16 ~~+(29)]~~ (28) Hospital sustainability program special fund
- 17 under Act 217, Session Laws of Hawaii 2012, as amended
- 18 by Act 141, Session Laws of Hawaii 2013;
- 19 ~~[(30)]~~ (29) Nursing facility sustainability program special
- 20 fund under Act 156, Session Laws of Hawaii 2012;



1 ~~[(31)]~~ (30) Hawaii 3R's school improvement fund~~[(+)]~~ under
2 section 302A-1502.4; and
3 ~~[(32)]~~ (31) After-school plus program revolving fund under
4 section 302A-1149.5,
5 shall deduct five per cent of all receipts of all special funds,
6 which deduction shall be transferred to the general fund of the
7 State and become general realizations of the State. All
8 officers of the State and other persons having power to allocate
9 or disburse any special funds shall cooperate with the director
10 in effecting these transfers. To determine the proper revenue
11 base upon which the central service assessment is to be
12 calculated, the director shall adopt rules pursuant to chapter
13 91 for the purpose of suspending or limiting the application of
14 the central service assessment of any fund. No later than
15 twenty days prior to the convening of each regular session of
16 the legislature, the director shall report all central service
17 assessments made during the preceding fiscal year."

18 SECTION 2. Section 237-24.75, Hawaii Revised Statutes, is
19 amended to read as follows:



1 "§237-24.75 Additional exemptions. In addition to the
2 amounts exempt under section 237-24, this chapter shall not
3 apply to:

4 ~~[(1) Amounts received as a beverage container deposit~~
5 ~~collected under chapter 342G, part VIII;~~

6 -~~(2)~~] (1) Amounts received by the operator of the Hawaii
7 convention center for reimbursement of costs or
8 advances made pursuant to a contract with the Hawaii
9 tourism authority under section 201B-7; and

10 ~~[(3)]~~ (2) Amounts received by a professional employer
11 organization that is registered with the department of
12 labor and industrial relations pursuant to chapter
13 373L, from a client company equal to amounts that are
14 disbursed by the professional employer organization
15 for employee wages, salaries, payroll taxes, insurance
16 premiums, and benefits, including retirement,
17 vacation, sick leave, health benefits, and similar
18 employment benefits with respect to covered employees
19 at a client company; provided that this exemption
20 shall not apply to amounts received by a professional
21 employer organization after:



1 (A) Notification from the department of labor and
2 industrial relations that the professional
3 employer organization has not fulfilled or
4 maintained the registration requirements under
5 this chapter; or

6 (B) A determination by the department that the
7 professional employer organization has failed to
8 pay any tax withholding for covered employees or
9 any federal or state taxes for which the
10 professional employer organization is
11 responsible.

12 As used in this paragraph, "professional employer
13 organization", "client company", and "covered
14 employee" shall have the meanings provided in section
15 373L-1."

16 SECTION 3. Section 373L-7, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "[+]§373L-7[+] Payroll cost exemption. At the end of each
19 calendar year, the department shall provide the names, date of
20 registration, and contact information of all professional
21 employer organizations that have successfully complied with the



1 requirements of this chapter to the department of taxation. The
2 exemption provided under section [~~237-24.75(3)~~] 237-24.75(2)
3 shall only apply to professional employer organizations that
4 fulfill and maintain the registration requirements under this
5 chapter."

6 SECTION 4. Section 445-231, Hawaii Revised Statutes, is
7 amended by amending the definition of "beer keg" to read as
8 follows:

9 "Beer keg" means a metal container used to hold five
10 gallons or more of liquid that is stamped, engraved, stenciled,
11 or otherwise marked with the name of a brewery manufacturer;
12 provided that a deposit beverage container, as defined under
13 section [~~342G-101,~~] 342G-1, shall not be considered a beer keg."

14 SECTION 5. Section 708-835.8, Hawaii Revised Statutes, is
15 amended by amending subsection (2) to read as follows:

16 "(2) For the purposes of this section, "beer keg" means a
17 metal container used to hold five gallons or more of liquid that
18 is stamped, engraved, stenciled, or otherwise marked with the
19 name of a brewery manufacturer; provided that a deposit beverage
20 container, as defined under section [~~342G-101,~~] 342G-1, shall
21 not be considered a beer keg."



1 SECTION 6. Section 235-18, Hawaii Revised Statutes, is
2 repealed.

3 [~~"§235-18~~] ~~Deposit beverage container deposit exemption.~~
4 ~~This chapter shall not apply to amounts received as a deposit~~
5 ~~beverage container deposit collected under part VIII of chapter~~
6 ~~342G."~~]

7 SECTION 7. Chapter 342G, part VIII, Hawaii Revised
8 Statutes, is repealed.

9 SECTION 8. The director of finance shall transfer any
10 unencumbered balance remaining, as of June 30, 2015, in the
11 special fund that is repealed by this Act to the credit of the
12 general fund.

13 SECTION 9. This Act shall take effect upon its approval;
14 provided that the amendments made to section 36-27, Hawaii
15 Revised Statutes, by section 1 of this Act shall not be repealed
16 when section 36-27, Hawaii Revised Statutes, is reenacted
17 pursuant to section 34 of Act 79, Session Laws of Hawaii 2009.

18

INTRODUCED BY: *Samuel O'Keefe*
Angela Brown
[Signature]
JAN 22 2015

H.B. NO. 167

Report Title:

Deposit Beverage Container Program

Description:

Repeals the Deposit Beverage Container Program and all references to the program.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

