

Honolulu, Hawaii

MAR 13 , 2020

RE: S.B. No. 2721
S.D. 1
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Energy & Environmental Protection, to which was referred S.B. No. 2721, S.D. 1, 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 require the Department of Health to develop a risk-based selection process for the Deposit Beverage Container Program to select reports submitted by distributors and redemption centers for audit.

Your Committee received testimony in support of this measure from the Department of Health. Your Committee received testimony in opposition to this measure from Reynolds Recycling, Inc. Your Committee received comments on this measure from the American Beverage Association and Hawaii Food Industry Association.

Your Committee finds that audits of the Deposit Beverage Container Program are inefficient, as the audits can only reveal a small or negligible difference between the amount of money that should have been reimbursed and the amount actually reimbursed. This measure will optimize these audits and ensure that all eligible beverage containers being redeemed are accurately accounted for and appropriately reimbursed.



Your Committee has amended this measure by:

- (1) Changing its effective date to July 1, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Energy & Environmental Protection that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2721, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2721, S.D. 1, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

Respectfully submitted on
behalf of the members of the
Committee on Energy &
Environmental Protection,

Nicole E. Lowen

NICOLE E. LOWEN, Chair



