

STAND. COM. REP. NO. 2719

Honolulu, Hawaii

FEB 14 2020

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

Honorable Ronald D. Kouchi  
President of the Senate  
Thirtieth State Legislature  
Regular Session of 2020  
State of Hawaii

Sir:

Your Committees on Commerce, Consumer Protection, and Health and Agriculture and Environment, to which was referred S.B. No. 2721 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to require the Department of Health to implement the Auditor's recommendations for the Deposit Beverage Container Program, including developing a risk-based selection process to select reports submitted by distributors and redemption centers for audit.

Your Committees received testimony in support of this measure from the Department of Health, American Beverage Association, and one individual. Your Committees received testimony in opposition to this measure from Reynolds Recycling.

Your Committees find that since January 2005, the Deposit Beverage Container Program has assisted residents to recycle by helping to remove these containers from the waste stream and reduce litter in the community. The program certifies independent recycling companies to operate certified redemption centers statewide who provide Hawaii consumers with refunds of the five-cent deposit fee that is paid for eligible containers. The Department of Health then pays each certified redemption center a



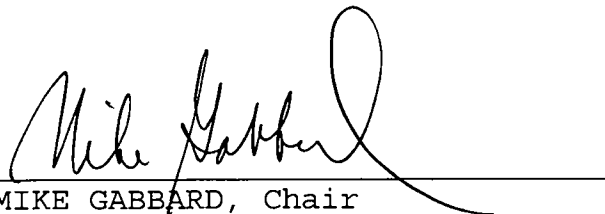
handling fee of not less than five cents for each deposit beverage container redeemed. This measure ensures that distributor and redemption center reports are accurate and account for all the eligible beverage containers entering the State, later redeemed, and subsequently reimbursed.

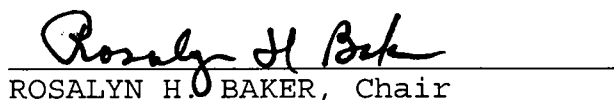
Your Committees have amended this measure by:

- (1) Clarifying the requirements of a distributor and redemption center;
- (2) Expanding the types of equipment that can be used to accurately and securely record deposit beverage container redemption transactions to include electronic devices; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Health and Agriculture and Environment that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2721, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2721, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on  
behalf of the members of the  
Committees on Commerce,  
Consumer Protection, and Health  
and Agriculture and  
Environment,

  
MIKE GABBARD, Chair

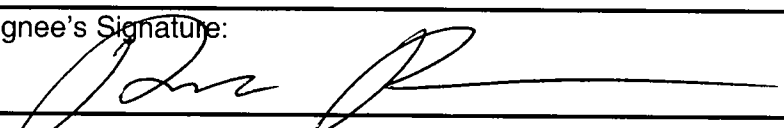
  
ROSALYN H. BAKER, Chair





The Senate  
Thirtieth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Agriculture and Environment**  
**AEN**

Bill / Resolution No.:* <b>SB 2721</b>	Committee Referral: <b>CPH/AEN, JDC</b>	Date: <b>02/11/2020</b>		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
GABBARD, Mike (C)	X			
RUDERMAN, Russell E. (VC)	X			
RHOADS, Karl	X			
THIELEN, Laura H.				X
FEVELLA, Kurt				X
<b>TOTAL</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report     Clerk's Office     Drafting Agency     Committee File Copy				

\*Only one measure per Record of Votes