

JAN 17 2025

A BILL FOR AN ACT

RELATING TO DEPOSIT BEVERAGE CONTAINER REDEMPTION.

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

1 SECTION 1. The legislature finds that the state deposit
2 beverage container program is currently underutilized.
3 According to a 2024 report by the Container Recycling Institute,
4 only fifty-five per cent of eligible containers were redeemed in
5 Hawai'i in 2023 - the lowest annual redemption rate since the
6 program was initiated in 2005, and the third worst in the nation
7 among states with container deposit laws.

8 The legislature further finds that a significant
9 contributing factor of declining redemption rates is the
10 scarcity and inaccessibility of bottle redemption centers
11 statewide. States with substantially higher redemption rates,
12 such as Michigan and Oregon, require retailers who sell deposit
13 beverages to accept the return of empty deposit beverage
14 containers for redemption, making it convenient for consumers to
15 redeem their empty deposit beverage containers.

16 Although Hawai'i requires dealers of deposit beverage
17 containers for off-premises consumption to accept and redeem the



1 empty containers, exceptions within the statute make the law
2 ineffective. Dealers located outside of a high density
3 population area on the island of O'ahu are not required to redeem
4 the qualifying containers. Furthermore, even dealers located on
5 O'ahu are exempt if they are located within two miles of another
6 redemption center, only sell deposit beverage containers via
7 vending machines, or operate a store with less than five
8 thousand square feet of retail space. The director of health is
9 also authorized to allow the placement of redemption centers
10 outside of the required parameters due to geographical features.
11 These exemptions have resulted in a scarcity of redemption
12 centers in many areas, disincentivizing residents from redeeming
13 empty deposit beverage containers because of the inconvenience
14 and significant travel often required to do so.

15 The legislature also finds that these exemptions undermine
16 the purpose of container deposit laws and that existing law
17 should contain a uniform provision requiring all dealers of
18 deposit beverage containers to operate as redemption centers.

19 Accordingly, the purpose of this Act is to promote
20 increased bottle redemption by repealing the existing exemptions
21 for certain dealers of deposit beverage containers and requiring



1 every dealer to accept and redeem those containers when they are
2 returned.

3 SECTION 2. Section 342G-113, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§342G-113 Redemption of empty deposit beverage**

6 **containers.** (a) [~~Except as provided in subsection (b), a~~] A
7 dealer shall:

8 (1) Operate a redemption center [~~by July 1, 2005,~~] and
9 shall accept all types of empty deposit beverage
10 containers with a Hawaii refund value;

11 (2) Pay to the redeemer the full refund value for all
12 deposit beverage containers that bear a valid Hawaii
13 refund value; and

14 (3) Ensure each deposit beverage container collected is
15 recycled, and forward documentation necessary to
16 support claims for payment as stated in section
17 342G-119 or rules adopted under this part.

18 [~~(b) Subsection (a) shall not apply to any dealer:~~

19 ~~(1) Who is located in a high density population area as~~
20 ~~defined by the director in rules, and within two miles~~



1 ~~of a certified redemption center that is operated~~
2 ~~independently of a dealer;~~

3 ~~(2) Who is located in a rural area as defined by rule;~~

4 ~~(3) Who subcontracts with a certified redemption center to~~
5 ~~be operated on the dealer's premises;~~

6 ~~(4) Whose sales of deposit beverage containers are only~~
7 ~~via vending machines;~~

8 ~~(5) Whose place of business is less than five thousand~~
9 ~~square feet of interior space;~~

10 ~~(6) Who can demonstrate physical or financial hardship, or~~
11 ~~both, based on specific criteria established by rule;~~

12 ~~or~~

13 ~~(7) Who meets other criteria established by the director.~~

14 ~~Notwithstanding paragraphs (1) and (2), the director may allow~~
15 ~~the placement of redemption centers at greater than prescribed~~
16 ~~distances to accommodate geographical features while ensuring~~
17 ~~adequate consumer convenience.~~

18 ~~(c) Regardless of the square footage of a dealer's place~~
19 ~~of business, dealers who are not redemption centers shall post a~~
20 ~~clear and conspicuous sign at the primary public entrance of the~~



1 ~~dealer's place of business that specifies the name, address, and~~
2 ~~hours of operation of the closest redemption center locations.~~

3 ~~(d) If there is no redemption center within the two mile~~
4 ~~radius of a dealer due to the criteria described in subsection~~
5 ~~(b), then the respective county and the State shall determine~~
6 ~~the need for a redemption center in that area. If a redemption~~
7 ~~center is deemed necessary, then the State, with assistance from~~
8 ~~the county, shall establish the redemption center with funding~~
9 ~~from the deposit beverage container deposit special fund.~~

10 ~~(e)]~~ (b) Businesses that sell deposit beverages for
11 on-premises consumption, such as hotels, bars, and restaurants,
12 shall collect used deposit beverage containers from the patron
13 and either use a certified redemption center for the collection
14 of containers or become a certified redemption center."

15 SECTION 3. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 4. This Act shall take effect on July 1, 2026.

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INTRODUCED BY: Karl Rhoad

S.B. NO. 724

Report Title:

Deposit Beverage Container Program; Dealers of Deposit Beverage Containers; Redemption Centers; Exemptions; Repeal

Description:

Repeals the exemptions for certain dealers of deposit beverage containers and related provisions. Requires all dealers of deposit beverage containers to operate as redemption centers. Effective 7/1/2026.

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

