SB 1548 would add a new part to Chapter 339, HRS, to establish a deposit/return fee system for glass beverage containers. Our comments on this measure do not constitute an institutional position of the University of Hawaii.

Merits of deposit/return versus advanced disposal fee systems as effective means of litter management have been exhaustively debated, here and elsewhere. Reference to our legislative files reveals testimony provided by the Environmental Center on this issue dating back to SB 1378 of the Sixth Legislature in 1972. Sufficient interest in the matter led to a study in 1979 by faculty of the College of Business Administration that reflected positions on both sides of the issue:

**Pro**
1) Significant public benefits from litter reduction;
2) More employment, but some employment dislocation;
3) Some energy conservation;
4) Stimulation of new recycling businesses.

**Con**
1) New businesses in terms of new brands in the beverage industry may be discouraged;
2) Possible decrease in aluminum can business, depending on the effects of the legislation on prompting a shift to refillable containers;
3) Significant increases in capital investment in the beverage industry;
4) Transfer of dealer expenses to the beverage consumer.

Clearly, the merits of the present argument rest on whether or not the assertion that the existing advanced disposal fee has failed to effectively deter littering is in fact the case. If so, then the experience of other states should be followed. However, we would also note that prior testimonies of the Center on this issue have noted that studies of other states' laws generally have reached conclusions which reflect the bias of the investigator.