HB 2832
RELATING TO BEVERAGE CONTAINERS

Statement for
House Committees on
Ecology and Environmental Protection
Consumer Protection and Commerce
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HB 2832 would add a new chapter relating to beverage containers to the
Hawaii Revised Statutes. This chapter would require the establishment of a
refundable deposit system for beverage containers. This statement does not
reflect an institutional position of the University.

Beverage container legislation similar to that proposed in HB 2832 has been
introduced for several successive years.

Positions taken by many proponents and opponents of the beverage container
legislation are exemplified in the conclusions of a study of the probable effects
of a refundable deposit system by Hugh Folk, James Strachen and James Wills of
the University of Hawaii College of Business Administration:

Pro
1) Significant public benefits from litter reduction;
2) More employment, but some employment dislocation;
3) Some energy conservation;
4) New businesses in recycling will be stimulated.

Con
1) New businesses in terms of new brands in the beverage industry may be dis-
couraged;
2) Aluminum can producers will suffer a loss, the magnitude of which would depend
on the extent to which the legislation prompts a shift to refillable containers;
3) Capital Investment would increase greatly in the beverage industry;
4) An increase in the expenses of the dealers would be transferred to the beverage
consumer.

AN EQUAL OPPORTUNITY EMPLOYER
If the advantages of beverage container deposit legislation are seen to be greater than the disadvantages, then the role of the health department as the administering agency of the recycling system proposed by this legislation should be better defined. Will additional personnel be required to handle the deposit and recycle fund? What will be the source of the funding? Will the additional resources needed be met through the health department budget?

To be self-enforcing, this bill needs popular support that can only be attained if the system is simple and convenient for the consumer. Reduced litter as an incentive is much less attractive than a zero net increase in cost of beverages to the consumer after the convenient return of the containers.