



# F.A.Q. Grocers & Retailers

## *Hawaii Deposit Beverage Container Program*

### **Does this law require me to become a redemption center?**

A grocer or retailer is required to be a redemption center if:

- They are located in a high-density population area on the island of Oahu; and
- No redemption centers exist within 2 miles of their store.

You can meet the requirement of having to become a redemption center by either providing redemption services on your own or by contracting with a recycler to run a redemption center for you.



*Reverse Vending Machines can help the redemption process.*

### **What stores are not required to provide a redemption center?**

Stores are not required to provide a redemption center if they:

- Have less than 5,000 ft<sup>2</sup> of retail space;
- Are located in a rural area (rural areas include Hawaii, Kauai, and Maui counties);
- Can prove hardship (Department of Health may waive the requirement); or
- Only sell deposit beverage containers via vending machines.

### **Does this law increase my costs?**

Registered distributors pay a container fee (*effective September 1, 2015 the fee will be 1¢ per container*) and a 5¢ deposit to the Department of Health (DOH) for each deposit beverage container. This cost will be passed on to you. You will pass the cost of the 5¢ deposit on to the consumer. However, like the registered distributors, you as retailers may choose whether you will pass the fee along to your customers.

By Hawaii state law, the fee is to be determined annually and will be based on the statewide redemption rate of the Deposit Beverage Container program. When the rate is below 70%, the container fee will be set to 1¢ per container. When the redemption rate is above 70%, the container fee will be set to 1.5¢ per container. Each year, the Department will provide notification by August 1 of any changes that would become effective on September 1 of that year.

### **Can the deposit charge appear as a separate line item on the receipt?**

Yes. This way the customer can easily see how much they paid in deposit costs.

### **What if I have unlabeled beverage containers on my store shelves?**

Unlabeled deposit beverage containers shall not be sold. If a deposit beverage container lacks the required HI 5¢ label then the container must be labeled before sale. Labeling can be accomplished by applying a sticker with “HI 5¢” to the container. Stickers need to be strong enough to stay on the containers when they get wet.

Grocers or retailers that apply stickers to deposit beverage containers must report and pay the deposit and fee for those containers.

Reporting forms and payment instructions are available on our website at <http://health.hawaii.gov/hi5/distributors/>.

### **How can this law benefit my business?**

Providing a redemption center or a Reverse Vending Machine (RVM) on your property will give customers an added incentive to patronize your store. RVM’s have the option to issue redemption amounts in the form of a voucher or cash. If an RVM dispenses a voucher the customer must enter the store to redeem the voucher with their next purchase. Vouchers can be printed with store coupons as an added incentive.

## **For more information contact:**

Department of Health  
Solid and Hazardous Waste Branch  
Phone: (808) 586-4226  
Web: <http://health.hawaii.gov/hi5/>

