



DEPARTMENT OF HEALTH

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COSTCO WHOLESALE CORPORATION PAYS \$5K PENALTY FOR HI-5 VIOLATIONS

HONOLULU – Costco Wholesale Corporation has paid a fine of \$4,799.40 for violating State deposit beverage container (DBC) requirements.

On April 24, 2017, the Hawaii State Department of Health (DOH) sent a Request for Information letter to Costco requesting that the company submit sales information for auditing purposes. Despite more than 15 emails and telephone calls, Costco remained non-cooperative in providing the requested information in violation of the DBC Program audit authority specified in Hawaii Revised Statutes §342G-121.

DOH issued a Notice of Violation and Order (NOVO) against the company on June 13, 2017. Costco paid an administrative fine of \$4,799.40 on July 12, 2017. Costco also provided the requested sales information and submitted a letter summarizing its procedure for generating sales data, satisfying the compliance requirements set forth in the NOVO.

Darren Park, manager of the department's Deposit Beverage Container Program, said it is important for wholesalers and distributors to comply with requests from the DOH which administers the "HI-5" recycling program.

"The program relies on self-reported data, so the department conducts audits and inspection activities to ensure accuracy and completeness of information submitted, which helps to prevent fraud and financial harm to the State," Park said. "Overall, the recycling program reduces litter at our parks and beaches and has kept billions of bottles and cans out of our garbage."

More than 600 million deposit beverage containers are recycled annually at certified redemption centers that otherwise would be landfilled or end up littering Hawaii's environment. Since 2005, Hawaii's residents have recycled nearly 8 billion deposit beverage containers through the DBC Program.

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