



DEPARTMENT OF HEALTH

News Release

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**DEPOSIT BEVERAGE CONTAINER PROGRAM A MORE EFFICIENT
OPERATION ON ITS FIRST BIRTHDAY**

HONOLULU – “HI5,” Hawai‘i’s Deposit Beverage Container (DBC) program marked its first anniversary with a growing number of participants and redemption centers, and a higher than projected monthly redemption rate.

The Department of Health (DOH) reports that the redemption rate for July-December 2005 was 72 percent, while the overall rate for 2005 was 61 percent.

“Six months after the program started, the recycling program achieved a monthly redemption rate of 70 percent, compared to 20 percent when the program was launched a year ago,” said Laurence Lau, Environmental Health Administration deputy director, Department of Health. “We are pleased with the high recycling rate in the first year, and we are continuing to work with our recyclers and the community to make the program more efficient and convenient. A goal this year is to improve customer service at redemption sites through customer service training.”

Over the course of the first year, the number of redemption sites statewide increased from 44 to 74. Recycling companies participating in the program report added more than 150 new employees to accommodate their expanded operations—104 for one company alone.

“The first year of the recycling program has been an educational period for residents, redemption center operators, and the agencies administering it,” Lau said.

From its inception, changes have been made to the program based on consumer feedback and experience. Recycling companies hired new staff and expanded hours to meet the community’s needs. They also made substantial investments in equipment, expanded their existing business or added a recycling component.

The Department of Health will add more state regulators to ensure that containers are properly labeled and redemption centers are recycling according to specifications.

Since deposits began to be charged in October 2004 through December 2005, more than one billion deposit beverage containers were sold and more than half a billion containers were redeemed for recycling at redemption centers, which opened Jan. 1, 2005.

The Health Department reported this week that the DBC program helped recycle 55 million beverage containers in December, a redemption rate of 52 percent. This rate is lower than the previous five months, which exceeded a 70 percent rate.

“There are several likely reasons for the decline,” Lau said. “The number of containers sold in December increased by about 25 percent, due to the holidays. Consumers may not have recycled them yet. Also, small distributors are

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allowed to report sales semi-annually (June and December), so these figures were included in the December sales. Reporting data tends to lag, and distributors' procedures are not completely consistent, so our figures are constantly being updated."

O'ahu recycled 66% of the total number of containers redeemed during the month of December followed by Maui at 15%, the Big Island at 14% and Kauai at 6%. In general redemption rates on all islands are in line with the de facto population breakdown, which includes both residents and visitors:

Oahu = 69%
Maui = 13%
Big Island = 12%
Kauai = 6%

The HI5 program enters its second year with DOH working to hire more inspectors and other staff to better administer the program and to improve accountability by verifying distributor and recycler reports to ensure all funds are being paid in and out accurately.

According to Lau, the second year will also see a continued expansion of redemption center locations, with priority given to underserved areas.

The state has called for proposals to expand and improve the centers, and a total of \$3 million dollars will be awarded to deserving centers selected via a competitive bidding process. "We received very innovative and impressive proposals and believe the public will be pleased with what is on the horizon," Lau added.

The high redemption rate illustrates that Hawai'i residents are recycling for reasons beyond just the five-cent return. "They are participating because it means cleaner streets, parks and beaches," said Lau. "It also allows schools and nonprofit groups a fundraising resource that, thus far, has been very popular."

Hawai'i is the eleventh state to establish a container deposit bill system. Its first-year recycling rates stack up well. Massachusetts implemented a bottle bill in 1982. An average of 77 percent of the containers covered by the law have been recycled each year since then, the state reported in 2002. California's bottle bill doubled the beverage container recycling rate in 10 years, from about 37 percent prior to legislation (1987) to 80 percent in 1997.

Based on reports from distributors submitted to DOH, over 900 million beverage containers were sold in Hawaii in 2005. The five-cent deposit is applied to beverages in specified glass, plastic and metal containers. Milk, wine and spirits are exempt. DOH manages the funds and works with counties and recycling companies statewide to set up and run redemption centers.

For more information on the state's Deposit Beverage Container Program, visit www.hawaii.gov/health or www.hi5deposit.com.

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