

LORETTA J. FUDDY, A.C.S.W., M.P.H. DIRECTOR OF HEALTH

In reply, please refer to:

File:

STATE OF HAWAII DEPARTMENT OF HEALTH P. O. BOX 3378 HONOLULU, HI 96801-3378

July 16, 2012

SUBJECT: Notice of Hawaii Deposit Beverage Container Program's Container Fee Increase from 1 to 1.5 cents

The State of Hawaii, Department of Health (DOH) is sending you this notice to inform you that the Hawaii Deposit Beverage Container (DBC) Program's Container Fee will increase from 1 to 1.5 cents per container on September 1, 2012.

State law requires the container fee to increase by a half cent when the state's redemption rate exceeds 70 percent. This funding method has existed in the law from its inception. As the redemption rate climbs, fewer unclaimed deposits remain in the fund to support the cost of recycling. Thus, the container fee must be raised to sustain the program.

The DOH has delayed raising the container fee for 4 years. After careful consideration of the fiscal year 2012 redemption rate of 77 percent and evaluation of the current deposit special fund balance, it was determined the current fee must finally be raised to maintain the solvency and operation of the DBC Program.

Distributors can find information about the Hawaii DBC Program online at: <u>www.hi5deposit.com</u>.

You may contact the Hawaii DBC Program at (808) 586-4226 with any questions or comments regarding this information.

Sincerely,

Sary Gil

Deputy Director for Environmental Health