



## The Buzz

Erika Engle

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# Both sides of the debate are singing the Bottle Bill blues

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The so-called Bottle Bill has become law and is costing retailers and consumers more money, with promised nickel-back redemption to come with the new year.

The law passed in 2002 allows distributors of beverage containers to assess retailers a half-penny handling fee per container. That gets passed on to the consumer to capitalize the fund that will pay for administration of the full measure of the law.

"As of Oct. 1 of this year, that handling fee will go up to a full penny," said Ed Thompson, executive director of the Hawaii Food Industry Association.

Vending machine companies have not been immune. They pay more to stock machines and thus, charge more.

"I think our business is going to go down," said Howard Merl, president of **Acme Vending Corp.**

His customers are complaining about the disappearance of their

50-cent soda machines.

"We're going to lose a lot of sales from that," he said.

"I'm actually personally in favor of (the Bottle Bill), but The Acme Vending Corp. probably isn't," he said. "I wish that people would recycle voluntarily. I do."

The HFIA and the Retail Merchants of Hawaii have a Web site set up fighting the Bottle Bill and proposing alternatives at [www.hibevfee.com](http://www.hibevfee.com).

The bill's intent is to increase recovery and recycling of beverage containers to reduce litter, stress on landfills and keep Hawaii beautiful. The idea is to charge consumers a 5-cent deposit on each container, making it worth the buyer's while to turn in cans and bottles and get their nickels back.

That part kicks in Jan. 1.

However, the rulemaking required to get the full measure of the law implemented is far from complete.

"We've had a good, healthy two-and-a-half years to do this," said Jeff Mikulina, chairman of the Sierra Club Hawaii Chapter.

While the club supports the current law, it sees a need for clarification and amendment, so that redemption centers would get timely payments from the fund, Mikulina said.

He's not optimistic, though.

"The beverage industry has defeated over 1,000 bottle bills since 1986," Mikulina said.

In the state of Oregon, however, "the beverage industry runs the (beverage container reclamation) program," Mikulina said.

This year's bill has been referred to committee. Actually several committees.

"The writing is pretty much on the wall there, when a bill gets referred to five committees."

Mikulina said the local beverage industry is doing what it can to make sure the bottle bill just goes away.

"The industry would like to see that happen, that the bottle bill just doesn't start up," Thompson said.

"On the retailers' side, this is still the law and we want to be prepared. The retailers have been doing their best, as far as being good corporate citizens."

The bottle bill, "is probably the most inefficient way, it's targeting just one segment, just beverage containers, which make up 2 to 7 percent of the total waste stream, but yet it's going to cost a lot more than that to achieve the purpose of recycling." He supports curbside recycling.

The Sierra Club says the curbside program proposed by the beverage industry would be "vastly more expensive" and not nearly as effective.

Each group has its own research.

Should the bill survive, the rulemaking must still survive reviews by the state Attorney General, the Small Business Regulatory Review Board, public hearings and it must receive the governor's signature.

Some opponents see the deposit and handling fee as a tax.

"If you look at our current system, you pay taxes, the government comes to your house to shlep (garbage) to the landfill and bury it and baby-sit it for eternity.

"But after you finish your beer, you have a choice. Free markets are about choice. You can sacrifice your nickel and they'll come to your house, or you can keep your nickel," by redeeming the bottle or can, said Mikulina.

However, because the rulemaking is not complete, bottlers aren't having containers printed to reflect eligibility for the 5-cent redemption. They're also not purchasing redemption equipment.

Oh, and there would be no can-crushing under the law, because machines would not be able to read the bar code ensuring

redemption eligibility.

The seemingly simple issue is hugely complex and this column just scratches the tip of the iceberg.

Why isn't anything simple?

"I don't know," Thompson said.

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