STAND. COM. REP. NO. 2826

Honolulu, Hawaii FFB 2 9 2008

RE: S.B. No. 2843 S.D. 2

Honorable Colleen Hanabusa President of the Senate Twenty-Fourth State Legislature Regular Session of 2008 State of Hawaii

begs leave to report as follows:

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 2843, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ELECTRONIC DEVICE RECYCLING,"

The purpose of this measure is to encourage the recycling of electronic devices by directing the Department of Health to establish a program for collecting and recycling electronic devices. The measure also:

- (1) Allows electronic device manufacturers to implement their own collection and recycling plans for discarded devices, subject to approval;
- (2) Creates a monitoring and enforcement mechanism for ensuring compliance with recycling plans;
- (3) Establishes the electronic device recycling fund, which is funded in part by fees collected from manufacturers that sell electronic devices in the State; and
- (4) Bans disposal of electronic devices in solid waste facilities beginning January 1, 2010.

Testimony in support of this measure was submitted by Kauai County Department of Public Works, Covanta Energy Group, and Retail Merchants of Hawaii. Comments on this measure were submitted by the Department of Health and Thomson, Inc..

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Upon further consideration, your Committee finds that the goal of this measure is to provide a method for electronic devices, when discarded, to be returned to the manufacturer for recycling. Although this measure places considerable recycling responsibilities on manufacturers of electronic devices, it also provides flexibility for manufacturers to meet their obligation to protect the environment. The Committee further finds that this measure, if implemented, would reduce the amount of waste and toxic materials from discarded electronic devices from entering the State's landfills. It would also encourage greater recycling and reuse of valuable materials and component parts inside the electronic devices.

Your Committee acknowledges that many details still need to be addressed before this measure may be enacted, including the costs of administering the program, added costs to manufacturers and consumers, and the measure's effects on other industries such as retailing, manufacturing, and waste disposal.

Accordingly, your Committee has amended this measure by:

- (1) Amending the definition of a "covered entity" by deleting the term "county household collector" and including government entities, businesses, and nonprofit organizations, regardless of size, operating on a neighbor island;
- (2) Amending the definition of "covered device" to include printers;
- (3) Inserting language into section -3 that will allow a "sell-through" period so that retailers may have the opportunity to sell any covered device that was on order or in stock before the manufacturer registered;
- (4) Inserting a provision to provide for a graduated registration fee for smaller manufacturers;
- (5) Deleting the electronic device recycling fund and instead requiring fees to be deposited into the environmental management special fund, requiring program implementation, including staffing, to be provided by that fund, and making appropriate conforming amendments to section 342G-63;

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- (6) Making all implementation dates in the electronic device recycling program take effect one year later to provide time for the department of health to develop an implementation plan with stakeholder input, including each county, and submit a report to the legislature on the progress;
- (7) Appropriating an unspecified amount from the environmental management special fund to support the planning process for the electronic device recycling program; and
- (8) Making technical nonsubstantive amendments for the purposed of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2843, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2843, S.D. 2.

Respectfully submitted on behalf of the members of the Committee on Ways and Means,

ROSALYN Q. BAKER, Chair

The Senate Twenty-Fourth Legislature State of Hawaii

Record of Votes Committee on Ways and Means WAM

Bill / Resolution No.:*	Committee Referral:		1	Date:	
SB2843,5D1	ENE, WAM		2	2/21/08	
The committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)		/			
TSUTSUI, Shan S. (VC)					
CHUN OAKLAND, Suzanne		1			
ENGLISH, J. Kalani					
FUKUNAGA, Carol					
HOOSER, Gary L.					
INOUYE, Lorraine R.					
KIM, Donna Mercado					
MENOR, Ron					
TOKUDA, Jill N.					
HEMMINGS, Fred					
WHALEN, Paul					
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TOTAL		12	O	ð	0
Recommendation: Adopted Not Adopted					
Chair's or Designee's Signature:					
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy					

^{*}Only one measure per Record of Votes