STAND. COM. REP. NO. 48

Honolulu, Hawaii Feb NS, 2011

RE: H.B. No. 1521 H.D. 1

Honorable Calvin K.Y. Say Speaker, House of Representatives Twenty-Sixth State Legislature Regular Session of 2011 State of Hawaii

Sir:

Your Committees on Energy & Environmental Protection and Economic Revitalization & Business, to which was referred H.B. No. 1521 entitled:

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

beg leave to report as follows:

The purpose of this bill is to protect Hawaii's natural beauty, reduce electronic waste, and increase the recycling of electronics. Among other things, this bill:

- Requires electronic device manufacturers to report annually to the Department of Health (DOH) on its sales, by weight, of certain electronic devices in the State to the extent known;
- (2) Requires DOH to determine an electronic device manufacturer's market share annually and establishes a formula for calculating market share;
- (3) Requires DOH to notify electronic device manufacturers of their recycling responsibility as required by law;
- (4) Removes the liability of electronic device manufacturers for any loss or misuse of electronic data or other information that may have been stored on an electronic device that is recovered or recycled;



STAND. COM. REP. NO. 484

- (5) Requires certain electronic devices to be recycled in accordance with all applicable federal, state, and county laws;
- (6) Requires state or county agencies that purchase or lease certain electronic devices to require prospective offerors to be in compliance with recycling and recovery requirements of electronic device manufacturers and certify this compliance or risk being disqualified as a prospective offeror;
- (7) Establishes, as a condition to an electronic device manufacturer's plan to establish, conduct, and manage a collection, transportation, and recycling program for electronic waste, a requirement that the plan provide for recycling certain electronic devices in an amount equal in weight to its market share of these electronic devices sold in the State;
- (8) Requires DOH to establish an electronic device recycling education program for consumers; and
- (9) Changes the penalty for failure of an electronic device manufacturer to recycle its market share allocation from 50 cents per pound for each pound not recycled to an unspecified amount per pound.

The Department of Public Works of the County of Kauai, Department of Environmental Management of the County of Maui, Sierra Club-Hawaii Chapter, and several concerned individuals testified in support of this bill. The Department of Environmental Services of the City and County of Honolulu, Department of Environmental Management of the County of Hawaii, and Retail Merchants of Hawaii testified in support of the intent of this measure. DOH, the Consumer Electronics Association, and the Information Technology Industry Council testified in opposition to this bill. Sims Recycling Solutions provided comments.

With the sale of ever increasing numbers of electronic devices such as computers and televisions, waste from these devices is a growing problem. Since many of these devices contain potentially toxic materials, removing them from landfills greatly reduces the chances that these materials will leach into the soil and groundwater. In addition, recycling electronic devices would



STAND. COM. REP. NO. **484** Page 3

result in the reuse of many valuable components and materials that are found in these devices. In an effort to reduce the amount of solid waste in Hawaii's waste stream and landfills, a mandatory recycling program for computers, televisions, and other electronic devices was established in 2008.

However, concerns have been raised that the statutorily established recycling program has confused consumers regarding their recycling options and at times has been an inconvenient burden for consumers resulting in their improper recycling of their electronics. This measure attempts to address these issues.

Your Committees note that county agencies responsible for overseeing solid waste and electronic waste disposal have stated that, although this measure is a step in the right direction, further clarifications and clear definitions of the minimum requirements for a manufacturer's recycling program need to be made. Accordingly, your Committees have amended this bill by:

- Clarifying the definition of "covered electronic device" to include televisions with a diagonal screen size of nine inches or larger;
- (2) Changing the definition of "covered television" to simply "television", removing the television screen size requirement, expanding the definition to include any television marketed or intended for use by a person rather than a household, and deleting duplicative language establishing exemptions from the definition of "television" as these exemptions are presently encompassed in the definition of "covered electronic device";
- (3) Amending the definition of "covered entity" to include a person;
- (4) Deleting the definition of "household"; and
- (5) Amending the conditions placed on an electronic device manufacturer's plan to establish, conduct, and manage a collection, transportation, and recycling program for electronic waste by:
  - (A) Deleting language prohibiting the collection of fees if an electronic device is brought to a central location for recycling with certain



STAND. COM. REP. NO. 48 Page 4

exceptions for removal of the electronic device by an electronic manufacturer from an electronic owner's premises if the removal is not in conjunction with the delivery of a new device;

- (B) Stipulating that the plan shall include a description of the methods for the convenient collection of covered electronic devices at no cost to the covered entities and shall provide collection services of covered electronic devices in each county of the state;
- (C) Stipulating that, for United States Postal Zip Code areas with a population greater than 25,000, the plan shall provide at least one of the following services:
  - (i) A staffed drop-off site;
  - (ii) Alternative collection service such as onsite pick-up service; or
  - (iii) Collection events which are periodically held at an easily accessible, central location; and
- (D) Prohibiting mail-back only plans.

Technical, nonsubstantive amendments have also been made for clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Energy & Environmental Protection and Economic Revitalization & Business that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1521, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1521, H.D. 1, and be referred to the Committee on Finance.

## HB1521 HD1 HSCR EEP-ERB HMS 2011-2305

STAND. COM. REP. NO. 484 Page 5

Respectfully submitted on behalf of the members of the Committees on Energy & Environmental Protection and Economic Revitalization & Business,

ANGUS L.K. MCKELVEY, Chair

Por HERMINA MORITA, Chair

HB1521 HD1 HSCR EEP-ERB HMS 2011-2305

State of Hawaii House of Representatives The Twenty-sixth Legislature

## Record of Votes of the Committee on Energy & Environmental Protection

Bill/Resolution No.:	Committee Referral:	Date					
HB 1521	EEP/ERB, F	IN	2-15-2011				
□ The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold   Pass short form bill with HD to recommit for future public hearing (recommit)							
EEP Members	Ayes	Ayes (WR)	Nays	Excused			
1. MORITA, Hermina M. (C)							
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2. COFFMAN, Denny (VC)			· · · ·				
3. CABANILLA, Rida T.R.				V			
4. CARROLL, Mele							
		<u> </u>					
5. CHANG, Jerry L.				<			
6. CHONG, Pono							
		And the second					
7. HAR, Sharon E.							
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8. HERKES, Robert N.			et the second second second	34			
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9. ITO, Ken		and the second states of the					
10. NAKASHIMA, Mark M.							
11 BURERE CU							
11. RIVIERE, Gil							
12. THIELEN, Cynthia							
		-					
TOTAL (12)	8	0	0	4			
The recommendation is: Adopted If joint referral, did not support recommendation.							
Vice Chair's or designee's signature: NEMM MOM							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

State of Hawaii House of Representatives The Twenty-sixth Legislature

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## Record of Votes of the Committee on Economic Revitalization& Business

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The recommendation is to: □ Pass, unamended (as is) Yeass, with amendments (HD) □ Hold   □ Pass short form bill with HD to recommit for future public hearing (recommit)						
ERB Members	Ayes	Ayes (WR)	Nays	Excused		
1. McKELVEY, Angus L.K. (C)	~			. <u> </u>		
	·					
2. CHOY, Isaac W. (VC)						
3. AWANA, Karen L.						
4. BROWER, Tom						
5. EVANS, Cindy	~					
6 MASHEM Mort I						
6. HASHEM, Mark J.						
7. NISHIMOTO, Scott Y.	~					
8. TOKIOKA, James Kunane						
o. 10KIOKA, James Kullane	· ·					
9. TSUJI, Clift	~					
10. MARUMOTO, Barbara C.				·		
11. PINE, Kymberly Marcos						
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TOTAL (11)	9		Ø	_ /		
The recommendation is: Adopted If joint referral, did not support recommendation.						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						