

February 21, 2013

Senator David Y. Ige, Chair Senator Michelle N. Kidani, Vice Chair Committee on Ways and Means

HAWAII STATE SENATE Hawaii State Capitol 415 South Beretania Street Honolulu, HI 96813

HEARING: Friday, February 22, 2013 9:00 a.m. Conference Room 211

Re: CEDIA's opposition to Senate Bill 1135, SD1, in its current form

Dear Senator Ige, Senator Kidani, and members of the committee:

On behalf of the Custom Electronic Design & Installation Association (CEDIA), thank you for allowing us the opportunity to provide written testimony opposing Hawaii Senate Bill 1135, SD1, in its current form, legislation that amends and expands the Electronic Device and Television Recycling program.

CEDIA's concerns with Senate Bill 1135, SD1, in its current form include the broad and problematic definitions of "covered electronic device," "electric devices" and "peripheral".

CEDIA is the professional trade association representing companies that specialize in planning and installing electronic systems for the home. These systems include residential networking, home automation / communication, media rooms, home theaters, single /multi-room entertainment, and integrated whole-house subsystems providing control over lighting, security, and heating, ventilation & air conditioning (HVAC) systems.

CEDIA represents four member companies who work in the residential electronic systems industry in Hawaii. All of these companies are electronic systems contractors (ESCs), many of which are independent retailers and installers representing a vital part of small business in Hawaii.

CEDIA participated on the Department of Health's Hawaii Electric Device Recycling Task Force and was glad to serve as a resource throughout the task force's work. Electronic waste is an important issue for CEDIA's Hawaii-based members, and we look forward to a workable legislative solution that takes into account Hawaii's unique situation, along with the needs of the residential electronic systems industry.

As currently written, Senate Bill 1135, SD1, has the following very broad and problematic definitions:

"Covered electronic device": (1) Means [a computer, computer printer, computer monitor, or portable computer with a screen size greater than four inches measured diagonally;] electronic equipment intended for use by consumers and businesses, such as televisions and their peripherals; computers and their peripherals; and similar devices used by consumers and businesses; and (Page 1, lines 10 -17).

"Electric devices" means any device or appliance that operates on electricity." (Page 4, lines 17 - 18).

<u>"Peripheral" means any electrically powered device intended for use with a computer, television</u> or similar device. (Page 7, lines 10 - 11).

CEDIA raises concern with these broad and problematic definitions and feels the expanded definitions listed in Senate Bill 1135, SD1, would impact a substantial number of industries and countless number of product categories.

From the perspective of the residential electronic systems industry, the expanded definitions in Senate Bill 1135, SD1, would include such product categories including, but not limited to: motorized window shades, motorized screens, and television lifts. These are important product categories for electronic systems contractors, but would unintentionally be defined into the expanded product scope. This could discourage these specialty equipment manufacturers to sell products in or into Hawaii and make it more difficult for electronic systems contractors to provide solutions to their customer's electronic systems projects.

These are examples of how Senate Bill 1135, SD 1, would impact some of the product categories used in the residential electronic systems industry - one of numerous industries that would be impacted by the expanded definitions of Senate Bill 1135, SD1. CEDIA strongly encourages an examination of the definitions of "covered electronic device," "electric devices" and "peripheral" before moving Senate Bill 1135, SD 1, forward.

On behalf of CEDIA, thank you for the opportunity to share our concerns on Hawaii Senate Bill 1135, SD1, in its current form. CEDIA looks forward to working with members of the Committee on Ways and Means, Department of Health staff, and other industry stakeholders on this important issue to Hawaii and the residential electronic systems industry. Thank you for your time and consideration.

Respectfully submitted,

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Darren Reaman Director of Public Policy Custom Electronic Design & Installation Association (CEDIA) (800) 669-5329 ext. 144 <u>dreaman@cedia.org</u>



Consumer Electronics Association

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Submitted Via WAMtestimony@capitol.hawaii.gov

February 20, 2013

Senator David Ige Chair, Committee on Ways and Means Hawaii State Capitol 415 South Beretania Street Honolulu, HI 96813

Re: S.B.1135, S.D. 1 Relating to Recycling

Decision Making: Friday, February 22, 2013 at 9:00am

Dear Chairs Ige and Members of the Committee of Ways and Means:

On behalf of the Consumer Electronics Association (CEA)[®], I am writing to provide comments regarding S.B. 1135, S.D. 1, which proposes to amend and expand the Hawaii electronics recycling law.

CEA represents more than 2,000 companies involved in the design, development, manufacturing, distribution and integration of audio, video, in-vehicle electronics, wireless and landline communications, information technology, home networking, multimedia and accessory products, as well as related services that are sold through consumer channels.

CEA opposes S.B. 1135, S.D.1 as drafted, but continues to be open to further discussion with stakeholders regarding this measure. CEA participated in the meetings of the Electronics Device Task Force, and appreciates the time and effort the Department of Health and other stakeholders expended in exploring the options to improve Hawaii's electronics recycling law.

CEA also sincerely appreciates the effort made by the Senate Joint Committees on Energy and Environment and Judiciary and Labor to work on language in S.B. 1135, S.D. 1 in an attempt to address the concerns of the stakeholders. In particular, CEA believes that the narrowed scope of the products is a good first step towards making the bill workable for the consumer electronics industry. At this time, while CEA cannot ultimately support the measure as drafted, we are open to continuing discussion the bill and the related technical issues to see if mutual agreement can be reached to improve the current electronics recycling law.

For the above reasons, CEA asks that the measure include a defective effective date, to continue to move this bill forward as a vehicle to facilitate further discussions.

Thank you very much for the opportunity to submit written comments on this measure.

Sincerely, THE CONSUMER ELECTRONICS ASSOCIATION

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Walter Alcorn Vice President, Environmental Affairs and Industry Sustainability



Senator David Y. Ige, Chair Senator Michelle N. Kidani, Vice Chair Committee on Ways and Means

HEARING Friday, February 22, 2013 9:00 am Conference Room 211 State Capitol, Honolulu, HI 96813

RE: <u>SB1135, SD1. Relating to Recycling</u>

Chair Ige, Vice Chair Kidani, and Members of the Committee:

Retail Merchants of Hawaii (RMH) is a not-for-profit trade organization representing 200 members and over 2,000 storefronts, and is committed to support the retail industry and business in general in Hawaii. The retail industry is one of the largest employers in the state, employing 25% of the labor force.

RMH is appreciative of the thoughtful effort in the SD1 to address the comments and concerns of the stakeholders, especially given the limited turn-around time to meet Legislative deadlines. However, there are still a number of troublesome issues, including definitions (covered electronic device, electric device, and peripheral), and logistics with compliance with the manufacturers' responsibilities provisions that preclude our supporting SB1135, SD1.

RMH reiterates our request that the Legislature focus on the current Hawaii Electronic Device Recycling Program as a basic framework. First we should address the concerns with this program, then, as stakeholders, we must reaffirm our goal to amend and refine this program to assure its success.

Once this is accomplished, we will have a workable template to include other items. At that time, there should be a review of electric products in the marketplace and a determination made regarding their impact on the waste stream and the feasibility of recycling. These products would then be prioritized and an orderly and cost-effective phase-in developed.

RMH is eager to continue the dialogue. Thank you for the opportunity to comment.

-Carol Pringill

Carol Pregill, President

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Email: communications@uluponoinitiative.com

SENATE COMMITTEE ON WAYS AND MEANS Friday, February 22, 2013 — 9 a.m. — Room 211

Ulupono Initiative Supports SB 1135 SD1, Relating to Recycling

Dear Chair Ige, Vice Chair Kidani and Members of the Committees:

My name is Brandon Lee, Associate at the Ulupono Initiative, a Hawai'i-based impact investment firm that strives to improve the quality of life for the people of Hawai'i by working toward solutions that create more locally grown food, increase renewable energy, and reduce/recycle waste. I was also a member of the Electronic Waste Task Force that provided input on the original language for this bill.

SB 1135 SD1 is the culmination of input from a wide variety of stakeholders to update a statewide policy to handle the ever-growing stream of electronic waste in Hawai'i. In 2011, an estimated 7,000 tons of electronic waste were generated on O'ahu. This quantity is expected to grow as more electronic products are consumed by the public, and as the pace of technological change and obsolescence continues at an extremely high rate. One trend that will drive quantities in the near-term is the transition from cathode ray tube (CRT) monitors to LCD flat panel monitors, resulting in large quantities of CRT material in the short-term and eventual increases in LCD material. In addition, LCD monitors are expected to have a shorter lifespan than CRT monitors, leading to a higher long-term waste generation rate.

Ultimately, as electronic waste grows as a share of our total waste stream, governmental and/or private entities will have to collect and dispose of this material, while likely passing those costs onto the residents of Hawai'i. Therefore, setting up an efficient recycling collection system will help the people of Hawai'i both economically and environmentally over the long term.

Much of the discussion related to this bill centers on the definition of what is considered an electronic device, the weight requirement, and the convenience requirement. However, some parts of the current electronic waste and television recycling program have not worked as intended. Some of this bill's least-discussed provisions attempt to fix these issues. Whether this committee decides to strengthen or weaken the bill, we ask the committee pass out these provisions to fix the current system:

First, Ulupono Initiative invests in projects that include recycling. However, for Ulupono or any investor to put money into a project, we need to have accurate numbers to drive our funding decisions. Currently, it is challenging to obtain accurate electronic waste numbers, particularly on the neighbor islands. A large part of the problem is that much of the data is self-reported or not reported at all. This skews the accuracy of the data and is not helpful to both policymakers and government administrators. Furthermore, this is not fair to the businesses within the industry that do accurately report their data. This bill gives the Department of Health the authority to provide tangible financial penalties for failure

Pacific Guardian Center, Mauka Tower 737 Bishop Street, Suite 2350, Honolulu, HI 96813

808 544 8960 o | 808 544 8961 f www.uluponoinitiative.com to report and the ability to verify data via audits. Having accurate data allows the public and private sector to be proactive in finding feasible solutions to a growing electronic waste problem.

Secondly, in the current system, many businesses were allowed to create a mail-back only option to
recycle their electronic products. Mail-back only programs involve shipping electronic goods back to
the original manufacturer located outside of Hawai'i. The effect of this was that many residents ended
up not recycling. In particular, this mail-back only policy was detrimental on the neighbor islands where
some companies implemented a mail-back only policy and nothing else. The program is prohibitively
expensive and time consuming for both the resident and business. The challenging experience of the
neighbor islanders with mail-back only programs was one of the reasons why having a convenience
requirement was important to the county governments. This bill includes a much-needed provision to
remove the mail-back only option.

I have also attached a document that includes the top lessons learned from other states that have implemented various forms of electronic waste laws.

We believe that by working together, we can help reduce electronic waste and improve the quality of life for Hawai'i's residents. Thank you for the opportunity to testify.

Respectfully,

Brandon Lee Associate



TAKE IT BACK. MAKE IT GREEN. RECYCLE RESPONSIBLY.

Ten Lessons Learned From State E-Waste Laws

What have we learned from the 25 states that have passed e-waste laws?



Twenty five states have passed laws that mandate recycling programs for electronic waste. Twenty three of the 25 laws use some form of the "producer responsibility" approach (whereby manufacturers have financial responsibility for recycling their old products), although they do this in a few different ways, and with different details.

What have we learned from these state laws? What approach works best?

While some of these state programs are still getting underway, we now have enough data from different states to draw some conclusions about what's working best, and what elements should be included in state bills. Of course, we will learn more as the existing programs mature, and as other states launch new programs. But we can already glean some important lessons.

What results in high collection volumes?

Let's start with the most basic question – are any of the state programs actually getting people to bring back their products for recycling? We have long heard the manufacturers complain, "We can't go into their houses and <u>make</u> consumers give us their old products." But some states are seeing very high volumes even in the first year of their programs. Why?

The states with the highest volumes of e-waste (on a per capita basis) are Minnesota, Washington, and Oregon. States with very low per capita collection volumes are TX, VA, OK and WV.

	State	Year	Total Lbs Collected	Pounds Per Person in State
	0	2010		
Highest volumes	Oregon	2010	24,149,774	6.31
	Washington	2010	39,467,798	5.92
	Minnesota	2009-2010	33,082,679	6.37
Lowest volumes	Texas	2010	24,370,894	0.97
	Virginia	2010	4,439,446	0.56
	West Virginia	2009	1,646,155	0.51
	Oklahoma	2009	817,277	0.22

See a full list of all state programs and volumes collected starting on page 8.

The logical question is: What's working in MN, WA, and OR, that's not happening in the other states? Why are MN, WA, and OR collecting six times the volume of the others? Even if you "adjust" the data in these states to compare results on the same product categories (removing the data on TV's collected in MN, WA, and OR since the TX, VA, and OK programs don't collect TVs), the leading states numbers are still much higher.

We have learned several lessons from these state programs about collection volumes. The first six lessons below relate to collection volumes, and the remaining address other issues in the programs.

Lesson 1:

States see high collection volumes when laws either make the collection very convenient, or they establish collection goals

All of the states with good results have laws that either make the e-waste collection infrastructure very convenient, or they actually establish specific goals that manufacturers must meet.

<u>Convenient Collection</u>: In Washington and Oregon, the laws establish convenience requirements: there must be a collection site in every county and in every city over 10,000 people. In Washington, 92% of residents now have a convenient collection site within 10 miles of their home. (Source: Northwest Product Stewardship Council.)

<u>Collection Goals</u>: In Minnesota, the manufacturers have specific collection goals each year, which are tied to how much they sold in the state in the previous year. In Year 1, the goal was 60% by weight, rising to 80% by weight in Year 2. (Other states have adopted this model, but we don't have data yet.) If the manufacturers collect less than their goals, they must pay a fairly high price per pound for each pound they fell short (a higher price than they'd pay by actually doing it).

Policy conclusion:

Bills should include some kind of driver for high collection – either convenience requirements or collection goals or a combination of both.

Lesson 2:

Some states with higher collection numbers have a variety of collector types because their laws cover collection costs.

States (like WA and OR) with some of the highest collection numbers also generally have a variety of types of collectors – municipal governments, private companies (includes recyclers, retailers), and non-profits. (They have a fairly small number of government collection sites.) Both of these state laws require the manufacturers to cover the costs of collecting e-waste as well as the cost of recycling it. The Washington law states that manufacturer plans must, "Fairly compensate collectors for providing collection services." While some local governments in other states will do e-waste collection without being compensated (they use taxpayer funds to cover those costs), other collector types are unlikely to participate if the law doesn't cover their collection costs.

Policy conclusion:

Bills should encourage diversity of collector types: government, private (recyclers, retailers), non-profits by covering the costs of collection

Lesson 3:

Most manufacturers will only do what the law requires them to do and not more

We have been disappointed to learn this lesson. But it's becoming clear that if states don't spell out clear convenience requirements or establish collection goals, most of the manufacturers won't make any significant effort to collect used electronics. Texas, Oklahoma, Virginia, and Missouri passed laws that require the computer companies to operate takeback programs, but the laws don't specify any particular level of performance. Companies are free to do whatever they want (including not doing much at all). We now have two years of data from Texas, analyzed by the Texas Campaign for the Environment (which they had to obtain by FOIA requests – another lesson here – put public reporting in the law). In Year 1 (2009), Dell was the only company that took the law seriously, collecting about 15 of the 18 million lbs collected statewide. In Year 2, the volumes increased, but still only a handful of companies, notably Dell, Samsung, Sony, and a small San Antonio company called Altex, collected 92% percent of the volume. Of the 78 companies selling computers in Texas in 2010, 36 of them collected zero pounds. Computer giant HP collected only 45,931 pounds. By comparison, Dell collected 10 million pounds.

Policy conclusion:

Bills should include clear and high expectations for performance, or your program will underperform.

Lesson 4:

Many manufacturers will stop collecting when they hit their goals, so goals should be high and set as minimums, not ceilings.

In the first year of Minnesota's program, we saw that once manufacturers hit their collection goals, they put the brakes on collecting. Many collectors over-collected e-waste there, thinking they could sell it to the manufacturers who would need it to meet their goals. But some were left holding onto those pounds, once manufacturers reached their marks and didn't want to go over. This was a problem for those collectors, but it was also a problem for consumers. Collection programs that were free (to consumers) as long as the manufacturers were paying for the collection would suddenly have to start charging collection fees once the manufacturers hit their goals. This is disruptive to these programs, and we know that for some consumers, if they must pay to recycle, they won't recycle.

Oregon's program was so successful in its first year that it became clear about half way through the year that companies were on track to exceed the statewide targets. One group of manufacturers put the brakes on their recycling efforts, dropping some recyclers from their program, and telling Goodwill to stop participating in some collection events. [See "Oregon's electronics recycling too successful for some manufacturers," <u>The Oregonian, May 12, 2009</u>.]

Some states now allow manufacturers to accrue credit for "over-collecting" (beyond their goal), which can be sold to other companies, or which can be carried over to the following year (up to 25%).

Illinois is a good example of what happens if you set your goal too low. In Year 1 (2010), companies had to meet a goal of 2.5 pounds per person, and the idea was that the goal would slowly increase over time, based on the volumes collected. But the first year goal was not mandatory, and if it turned out that their actual collection numbers were below this level, then the goal would be reduced by up to 10%. This created a clear incentive for the companies to do little in Year 1, and in fact they did little – collecting only 2.12 lbs per person, despite having a very large scope of products covered for free recycling. Now, the Illinois bill sponsor is seeking to amend the law to set the goal higher.

Policy conclusion:

- Set your collection goals high enough to generate real collection activity
- Don't link your initial goal setting to the manufacturers' collection activity (or inactivity) or you will start off with a very low goal
- Set minimum recycling goals, not goals that act as "ceilings"
- Because manufacturers will stop collection when they hit their goal, consider bills that combine both collection goals and convenience requirements. New York State did this, and it seems like a good solution to make sure there is ongoing collection year round. (Program began collecting in 2011, so no data yet.)

Lesson 5:

Manufacturers will focus efforts on urban areas, not rural ones

This is an obvious one but it's worth mentioning. It costs less for manufacturers to collect e-waste in densely populated areas, than in rural ones. This is one reason why some states (WA, OR, NY) have included some convenience language that requires collection in every county. Minnesota used a different approach – they allowed manufacturers to earn extra credit (1.5 times) for products collected in their rural counties towards their annual goal.

Policy conclusion:

States with large rural areas need to include a strategy that (like convenience measures or rural collection credits) that will make sure that your rural constituents are not neglected.

Lesson 6:

Landfill bans boost recycling levels.

Many states laws enact landfill bans, sometimes to coincide with the beginning of their collection program, sometime phased in a year or two later. But States see a spike in volumes when the bans go into effect. Maine began its collection program in January of 2006, but the landfill ban didn't take effect until July 2006. In the first six months they collected 1,291,202 lbs, but in the six months after the landfill ban took effect they collected 2,869,372 lbs. Some of that increase may have been due to maturing of the program, but since it was largely based on an existing infrastructure, they believe that the landfill ban had a big impact.

Policy conclusion:

Include in your e-waste law a disposal ban that prevents e-waste from being discarded into the municipal waste stream (landfills or incinerators)

Lesson 7:

States need to be proactive to make sure e-waste is handled responsibly.

The recycling industry has a history of "bad actors" – companies who use various low-road strategies to manage the products they collect. Some export them to developing countries. Some have stockpiled e-waste in warehouses and then disappeared, leaving behind a toxic waste dump. Some send it to processors using prison labor (particularly the federal prison UNICOR program). Some basically dump it here in the U.S. (such as the collector that loaded computers from a university in Minnesota onto a barge on a lake and then sank it). Some processors are not stooping to those measures, but they run operations that are not as safe for their workers or the environment as they should be.

We don't have federal laws that adequately regulate this industry. Some states have created their own recycling standards that recyclers must adhere to. But for most states, this step is simply too challenging – particularly for verifying compliance. Fortunately we now have two new voluntary standards and certification programs that can help here: e-Stewards and R2. While we believe that e-Stewards is a far superior standard (the R2 standard still allows exporting to developing countries and use of prison labor), states want to provide options. States can, however, show a preference for the much higher e-Stewards standard.

Policy conclusion:

- Include language in your bill that requires all processors and refurbishment vendors handling e-waste collected in your state programs to be certified to either the R2 or e-Stewards Standards, showing a preference for e-Stewards.
- Include language that forbids the use of prison labor for e-waste collected in your state program.

Lesson 8:

We want to encourage reuse, but e-waste laws can inadvertently discourage reuse if we are not careful

The last thing we want to do is to create laws that discourage legitimate reuse of products here in the U.S. (We do not support exporting non-working or untested products to developing countries, as this is usually a cover for e-waste dumping.) But there are many entities – from large commercial recyclers to small, locally based non-profits – who will reuse and refurbish used equipment for resale or sometimes for placement in non-profits or needy communities. Lawmakers need to be sure that programs don't reward recycling units more than reusing them. (This is the situation in the California program, where recyclers are only reimbursed for units recycled, but not reused. So reusable units are mostly diverted for recycling.)

Illinois has created an incentive for reuse by awarding extra credit to manufacturers toward their goals for units reused instead of recycled. Washington awards a bonus for equipment collected through charities whose main role is reuse. Washington State's law initially inadvertently disadvantaged small reuse entities that do very "light" refurbishment and local resale by including them in the restriction that collectors doing refurbishment must register as processors. They later modified their law to exempt these small guys.

Policy conclusion:

Analyze your bill language to make sure reuse is not discouraged, and include language to award extra credit toward goals for units that are actually reused.

Lesson 9:

Consumers want to be able to bring back everything – including televisions and printers

State laws must specify the "scope of products" that can be returned for free recycling. The first states to pass e-waste laws specified very narrow scopes of products, typically just computers, monitors, laptops and sometimes TVs (but some didn't even include TVs). This was often because that's politically as much as they could get passed at the time. States passing bills more recently (like New York) have been able to establish much larger scopes of products, including a wide range of computer and television peripherals, as well as basic consumer devices. Anecdotal reports from collectors show that consumers want to be able to bring back all the used electronics they have, not just a few of them, especially the larger ones (like TVs and printers). People are more likely to use programs that allow them to bring back all the items they have ready for recycling or disposal. In some states, the highest proportion of e-waste coming back (by weight) is in televisions (over 60% in WA and OR). Some states have already gone back to the legislature to amend their laws to expand their scope of products. See our list of which products are covered by each state law.

Policy conclusion:

- Include a broad scope of products for free recycling.
- Since new products emerge all the time, use more general terms to describe these products.
- If possible, create an administrative procedure for adding to the scope of products, without going back to the legislature.

Lesson 10:

Transparency and reporting helps us to understand better what's happening in the programs

Currently, most companies do not voluntarily report (publicly) the volumes they collect in each state. The companies will promise legislators that they will operate robust takeback programs, but the only way we will know how successful they are is if we get clear reporting by each company, available to the public. For instance, in Texas, the companies report their volumes to the State, but the Texas law does not require the State to make this collection information public, so the State does not do so. An NGO there must file a Freedom of Information Act (FOIA) request each year to get that information and release it publicly. And the 2009 and 2010 numbers revealed that companies were making vastly different levels of effort. In some states, the manufacturers lobby to get this information exempted from FOIA requests.

Because these programs are still fairly new, reporting is an important way for us to evaluate the effectiveness of the programs, and to compare the different approaches between states.

The State should put out a report at least annually (but quarterly is better) on the volumes that each manufacturer has collected.

In some states companies must submit plans for approval. In Washington, the plans are made public only after they are approved. So local residents, businesses, or governments have no opportunity to comment or make suggestions on the plans before they are approved.

Policy recommendation:

Include language that requires

- quarterly reporting from manufacturers to the State on collection volumes, by category and not exempt from FOIA disclosures
- quarterly public reporting by the State on the volumes collected by manufacturers
- making manufacturer plans (if required) public both when they are submitted (draft plans) and after they are approved
- manufacturers to hold a public meeting on their proposed plans or at least provide opportunities for comments, that the State could view in its approval process

Find more information on state e-waste laws on our website.

Last updated: May 10, 2011



TAKE IT BACK. MAKE IT GREEN. RECYCLE RESPONSIBLY.

How much e-waste is collected in states with electronics recycling laws?

Twenty five states have passed e-waste recycling laws, and all but two are based on "Producer Responsibility." Many programs are only just getting started. Only a few states report breakdowns by product type. This chart is updated regularly as data becomes available.

 \blacksquare means the item is collected for free recycling but the state doesn't provide collection data by category. (Figures in purple estimated or annualized.) **KEY to Other Products:** C = Cell phone, CB = Converter box for TV, D = DVD player, DPF = Digital Picture Frames; F=Fax, G = Game console, K=Keyboard, M = Mouse, MP= MP3 player, S = Scanner, Sat = Satellite receiver or cable receiver. V= VCR

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State		Year	Monitors	TVs	Computers	Laptops	Printers	Other Products See key above	TOTAL LBs COLLECTED	Notes	# Reg. Mfgrs	Population ¹	Disposal Ban Effective Date	# sites	People per site ²	Lbs per capita ³
	Year 1	2005	V	V	not covered	Ø	not covered		64,809,498			35,795,255	In 2002 &			1.81
California	Year 2	2006	Ø	Ø	not covered	V	not covered		127,979,144		None,	35,979,208	2006			3.58
	Year 3	2007	V		not covered		not covered	Portable DVD	185,190,929		Mfgrs don't	36,226,122				5.17
	Year 4	2008	Ø	Ø	not covered	V	not covered	players with	216,062,581		partici	36,580,371				5.91
	Year 5	2009	V	V	not covered		not covered	LCD screens added	167,876,682		-pate	36,961,664				4.54
	Year 6	2010	Ø	Ø	not covered	V	not covered	uuucu	172,570,839			37,253,956		580 col	lectors	4.63
Hawaii	Year 1	2010	V	Not until 2011	N	Ø	Ø		3,235,432	Only IT in 2010	49	1,360,301				2.38
		Jan-Jun '10	3,324,947	4,674,583	2,771,516	Reported	1,689,124	1,159,071	30,183,168		52	12,830,632	2012	144	89,102	2.35
Illinois	Year 1		24%	34%	20%	under Computers	12%	C,D,F, G, K, M, MP, S, V								
	Year 1	2006	1,205,726	2,954,848	not covered	Laptops	not covered		4,160,574			1,317,308	7/20/06			3.16
Maine	Year 2	2007	1,393,775	3,290,682	not covered	reported	not covered	4095 unk	4,688,552			1,314,963				3.57
	Year 3	2008	1,421,399	3,853,020	not covered	under "monitors"	not covered		5,274,419	Printers, DPF,		1,319,691				4.00
	Year 4	2009	2,145,256	5,767,036	not covered	monitors	not covered		7,912,292	Games added		1,318,301				6.00
	Year 5	2010	1,203,511	3,935,723	not covered		198,895	158 games	5,338,287	for 2010		1,328,361				4.02
Maryland		2006	Was a pilot pr	rogram with li	mited funding	. Permanent	program estab.	eff. Oct 2007								
	Year 1	2007	Volumes reported are from municipal (mostly county) collection programs that go beyond products covered by law (computers and displays).					908,135	FY 07-08: Total includes 2.2 M lbs pd by produ	illion	5,634,242				0.16	
	Year 2	2008	Manufacturer registration fees used as grants to reimburse some municipal costs (see box to right of total lbs.)			urse some		12,610,690			5,658,655				2.23	
	Year 3	2009						17,393,976	FY 09-10: Tota		5,699,478				3.05	
										includes 9 milli paid for by pro						

State		Year	Monitors	TVs	Computers	Laptops	Printers	Other Products See key above	TOTAL LBs COLLECTED	Notes	# Reg. Mfgrs	Population ¹	Disposal Ban Effective Date	# sites	People per site ²	Lbs per capita ³
	Year 4	2010							17,042,374		60	5,773,552		30		2.95
Minnesota	Year 1	2007 - 08	\square	Ø	V		V	Fax, DVD, K,	33,600,000		79	5,191,206	7/1/06			6.47
	Year 2	2008 - 09	\square	Ø	Ø		M		30,293,194		72	5,230,567				5.84
	Year 3	2009 - 10	\square	Ø	Ø	M	M		33,082,679		71	5,266,214				6.37
North Carolina	Year 1	2010	Ø	Ø	Ø	Ø	☑ as of July 2010	K, M, S as of July 2010	9,148,000		78	9,535,483	7/1/2011			.096
Oklahoma	Year 1	2009	\square	not covered	Ø		not covered		817,277			3,687,050	No ban			0.22
Oklanoma	Year 2	2010	Ø	not covered	Ø		not covered		2,554,632		36	3,751,351				1.47
	Year 1	2009	6,144,774	10,817,023	2,031,941		not covered		18,993,738			3,825,657				4.96
Oregon		%	32.40%	57.00%	10.70%	Reported	not covered									
	Year 2	2010	6,520,439	14,972,860	2,897,973	under computer	not covered		24,149,774			3,825,657	1/1/2010	264	14,491	6.31
		%	27.0%	62.0%	12.0%	computer	not covered									
Rhode Island	Year 1	2009	$\mathbf{\nabla}$	Ø	Ø	V	not covered		2,823,369		46	1,053,209	1/1/08			2.68
Kilode Island	Year 2	2010		Ø	V		not covered		Not available			1,052,567				
Texas	Year 1	2009	Ø	not covered	Ø	M	not covered		15,247,207			24,782,302				0.62
	Year 2	2010	Ø	not covered	M	V	not covered		24,370,894			25,145,561				0.97
	Year 1	Jul – Dec				V	not covered		3,782,500	Actual 2Qs	37	7,882,590				0.96
Virginia	partial	2009	M	not covered			not covered		7,565,000 4	Annualized		(6 mos x 2)				
	Year 2	2010	Ø		Ø	Ŋ	not covered		4,439,446 ⁵			7,882,590				0.56
	Year 1	2009	12,287,734	22,350,612	3,910,328	Reported	not covered		38,548,674			6,664,195				5.78
Washington		%	31.90%	58.00%	10.10%	under	not covered						NA ⁶			
	Year 2	2010	10,738,240	24,969,639	3,759,919	computer	not covered		39,467,798			6,664,195		280	23,801	5.92
		%	27.20%	63.30%	9.50%		not covered									
West	Year 1	2009-10		in programs pa ne producers o			921,270 lb by counties 2009	724,435 lbs by mfgrs 2009	1,646,155	For 2009 Prelim data.		1,819,777	1/1/2011			0.51
Virginia				Ø	M		not covered									
	Year 2	2010-11	M	Ø	Ø	M	not covered			No data yet.						
Wisconsin	Year 1	Jan — Jun 2010	V	Ø	V	V	Ø	D, F, K, M, V	10,328,779	Only 6 months	69	5,686,986	9/1/10	329	17,286	3.63
	Year 2	Jul 2010 – June 2011	M	Ø	V	Ø	Ø	D, F, K, M, V	35,470,000	First full year	82	5,686,986	5, 1, 10	400	14,217	6.24
Other St	ates Whie	ch Began Col	llection in 20	10 or schedu	led to begir	collection i	n 2011 or late	r. (No data avai	lable yet)							
Connecticut	Year 1	2011	Ø		V	V	Ø			Data in 2012	60	3,518,288	1/1/2011	123	28,604	

State		Year	Monitors	TVs	Computers	Laptops	Printers	Other Products See key above	TOTAL LBs COLLECTED	Notes	# Reg. Mfgrs	Population ¹	Disposal Ban Effective Date	# sites	People per site ²	Lbs per capita ³
Indiana	Year 1	Apr 2010 – Mar 2011	Ŋ	Ø	M	Ŋ	not covered	F, K, DVD, V		Later in 2011			1/1/2011			
Michigan	Year 1	Apr 2010 – Mar 2011	$\mathbf{\Sigma}$	V	M	Σ	Added in year 2			Later in 2011	27					
Missouri	Year	2010-11	Ø	not covered	Ø	V	not covered			Later in 2011						
New Jersey	Year 1	2011	Ø	V	Ø	V	not covered			Data in 2012			1/1/2011			
New York	Year 1	Apr 2011 – Mar 2012	Ŋ	V	V	Ŋ	V	C, CB, D,F, G, K, M, MP, S, Sat, V		Data in 2012			4/1/11 and 1/1/12			
Pennsylvania	Year 1	2012	Ø	Ø		Ø	Ø	К		Data in 2013			1/1/2013			
South Carolina	Year 1	July 2011- Jun 2012	Ø	Ø	V	V	Ø			Data in 2012			7/1/2011			
Vermont	Year 1	July 2011 – Jun 2012	V	V	V	V	Ŋ	К. М		Data in 2012			1/1/2011			

Comparing data between the states.

To make fair comparisons, it's important to know that these programs are not all accepting the same products, and some collect from more than just households. (See whose products are covered on our <u>chart summarizing laws</u>.) For instance, the California program accepts e-waste from all entities – business, consumers, etc. CA experts estimate that <u>at least half</u> the volume there comes from business. So those numbers should be expected to be higher than states that are only collecting from residents.

For more information on state laws: <u>http://www.electronicstakeback.com/promote-good-laws/state-legislation/</u>

¹ Population stats through 2009 from US Census annual July estimates: <u>http://www.census.gov/popest/states/NST-ann-est.html</u> . 2010 Census data: <u>http://2010.census.gov/2010census/data/</u>

²⁰¹¹ Census information not yet available.

² We divide total population by the number of regular collection sites (meaning those operating year round). Of course, one would need to look at the location of the sites to assess whether all areas of the state are covered, but this statistic provides a very general metric for comparing the number of sites offered between states.

³ Pounds per capita (pounds per person in the state) is used to compare collection volumes between states with different populations.

⁴ Program went into effect mid-year, so manufacturers were required to report only July – Dec 2009 collection totals. Because this was only 6 months of collection, we multiplied the volumes time 2 to estimate an annual amount (for comparison's sake). However, according to the Virginia Dept of Environmental Quality, some companies reported annual totals in their 2009 numbers. So our annualized 2009 number was likely overstated.

⁵ According to the VA DEQ, some companies have still not reported their 2010 numbers. We will revise this total, if these manufacturers report any volumes. ⁶ Washington did not include a statewide disposal ban in its law, but some counties have established disposal bans (including King County).

<u>SB1135</u>

Submitted on: 2/20/2013 Testimony for WAM on Feb 22, 2013 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Marjorie Ziegler		Support	No

Comments:

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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<u>SB1135</u>

Submitted on: 2/19/2013 Testimony for WAM on Feb 22, 2013 09:00AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

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



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

In reply, please refer to: File:

SENATE COMMITTEE ON WAYS & MEANS

S.B. 1135, S.D. 1, RELATING TO RECYCLING

Comments of Loretta J. Fuddy, A.C.S.W., M.P.H. Director of Health

> February 22, 2013 9:00 a.m.

1 **Department's Position:** The Department of Health strongly supports this measure.

2 Fiscal Implications: Undetermined.

3 **Purpose and Justification:** This bill has two purposes: first to improve the existing electronic and

4 television recycling program which has not reached its full potential and, second, to expand the program

5 to include electronic products that are currently disposed of in landfills.

6 Hawaii has struggled to manage our waste while protecting the environment for decades. Our

7 geographic and economic isolation have driven our strategy to conserve our natural resources, reduce

8 waste, and divert as much waste as possible from our landfills.

9 Both private and public recycling programs that address paper, metal, glass and plastic materials

10 have grown over the years. Today, the rapid pace of innovation within the consumer electronics

11 industry has made electronic waste a growing component of our waste stream. We must now take the

next step to meet the 50% waste recycling goal set by the legislature and develop effective recycling

13 programs for e-waste.

14 This bill proposes changes that will strengthen the existing program in two ways. First,

15 establishing convenience requirements for manufacturer's recycling programs will make it easier for *Promoting Lifelong Health & Wellness*

NEIL ABERCROMBIE GOVERNOR OF HAWAII

manufacturers to sponsor inconvenient programs such as those requiring the public to mail back items to 2 be recycled. 3 Second, this bill will institute mandatory recycling goals for manufacturers and increase the 4 5 amount of material collected and recycled. Our experience has shown that the current program's voluntary goals are simply ignored. These changes alone would increase recycling and reduce the 6 amount of e-waste being dumped in landfills. 7 8 This bill has been shaped by the input of the Hawaii Electric Device Recycling Task Force. When instructed by the 2012 legislature to examine the e-waste issue in greater depth, the department 9 organized a task force that represents a broad range of stakeholders. Four meetings were held where 10 substantive and productive discussions took place. 11 Reaching consensus amongst such a diverse group is difficult but the department encouraged all 12 points of view and incorporated many of the members' suggestions into this bill. We remain open to 13 ideas that will help to shape an effective e-waste recycling program for Hawaii and look forward to 14 more discussion during this session. 15 Our goal is to create social and physical environments that promote and support good health for 16 all. 17 Thank you for the opportunity to testify on this measure. 18 19 20 21 22

Hawaii consumers to recycle their electronics or televisions. The existing law has allowed many

1

William P. Kenoi Mayor

Walter K.M. Lau Managing Director





Dora Beck, P.E. Acting Director

County of Hawai'i DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

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February 21, 2013

COMMITTEE ON WAYS AND MEANS

Senator David Y. Ige, Chair Senator Michelle N. Kidani, Vice Chair Hawai'i State Capitol Honolulu, Hawai'i 96813

HEARING DATE:

DATE: Friday, February 22, 2013 TIME: 9:00 a.m.

PLACE: Conference Room 211, State Capitol, 415 South Beretania Street, Honolulu

Re: Testimony in "Conditional" Support of Senate Bill 1135, Amends and Expands the Electronic Device and Television Recycling program

Dear Senators Ige, Kidani and Committee Members,

The County of Hawai'i Department of Environmental Management is pleased to submit testimony in "conditional" support of the SB 1135 which proposes amendments to the existing Hawai'i Electronic Waste & Television Recycling and Recovery Law passed in 2008 and implemented in January 2010. The condition is to remove the proposed amendments that provide the option for manufacturers to join a "Representative Organization" to avoid the \$5,000.00 annual registration fee.

The County suggests a "tiered" fee system that lowers the annual fees for smaller manufacturers and increases them for the larger ones. Avoidance of annual registration fees results in less funding for other programs within the State. For example, this could result in underfunding such that the State Department of Health will not be able to ensure that manufacturers on all the islands are in compliance with the law. There is also concern that avoidance of annual registration fees could negatively impact the County's receipt of State grant funds for their electronic collections program. This County received \$100,000 in State grant funds to assist the electronics collection events. Without sufficient funds from the manufacturers through registration fees, it would seem that such programs will suffer.

The amendments proposed in the original version resolved most of the concerns that the County of Hawai'i have been communicating for the past several years and most recently during discussions at

task force meetings with the State Department of Health. These amendments share the responsibility of recycling between manufacturers and the Counties or general taxpayers.

Some of the manufacturers and their representatives have claimed that the cost of recycling electronics will add to the cost of purchasing electronics. Currently, taxpayers fund the clean-up of illegal dumping and the cost of landfills. It would seem reasonable that a person or business that has the ability to purchase new electronics and receive the benefits of such would also be able to afford to pay for the proper recycling and disposal. Recycling and disposal costs should be distributed in a fair and equitable fashion. Two (2) businesses in our County that were collecting and recycling electronics have gone out of business due to reasons attributed to lack of sufficient financial support from manufacturers.

Thank you for considering this testimony.

Best Regards, Dora Beck

Dora Beck, P.E. ACTING DIRECTOR

cc: Mayor William Kenoi Kevin Dayton, Executive Assistant, Mayor's Office Greg Goodale, Hawai'i County Solid Waste Division Chief Linda Peters, Hawai'i County Recycling Coordinator



February 21, 2013

Senate Ways and Means Committee Hawaii State Capitol 415 South Beretania Street Honolulu, HI 96813

RE: SB 1135 - Oppose unless Amended

Dear Senators,

I am writing to inform you of Apple's continued concern with SB 1135. As you may know, Apple has been the leading recycling partner in Hawaii for many years. Over the last 3 years, Apple has recycled over 3.8 million pounds of electronic waste in the state. We started our program in partnership with the University of Hawaii, the Community Colleges and others, before any state recycling laws were in place, and worked closely with the Legislature in crafting the current program that promotes and encourages electronics recycling in Hawaii while allowing companies flexibility in their operations.

We are proud to continue to be the electronics recycling leader in Hawaii, and have concerns that the language in SB 1135 would have the unintended consequences that would not reward the recycling practices the state most wants to support. Also, the proposed recycling regime will impose unnecessary costs on manufacturer electronics collection programs.

Reuse should be eliminated from SB 1135

The bill's exemption for reuse would distort all reporting and take away from the goal of actually getting products properly recycled. Each of those devices will end up in the waste stream at some point. Allowing manufacturers to subtract reused devices from their true marketshare significantly undercounts the amount of devices being placed into the stream of commerce and distorts manufacturer take back obligations. Thus, rewarding businesses that have a significant reselling market while penalizing those who may actually be doing more real recycling.

Market share should be based upon national numbers

Apple is concerned about how market share will be determined. Others states have occasionally utilized sources for market share data that give extremely skewed numbers. Reliance on manufacturer reporting of weight sold into a state has also proven problematic in the past and results in higher targets unfairly being attributed to those who provide accurate information. This is because many companies sell through resellers and have no accurate data about how much of their products are actually sold in Hawaii. This leads to significant undercounting of obligations, and would result in companies falsely appearing to have a

stronger recycling program than they do. Currently, Hawaii just lists total weight recycled, which is a much clearer metric to compare the various programs. To the extent Hawaii needs to determine a "share", Apple suggests that the State use IDC data for determining market share using national numbers and dividing by population.

Geographic requirements need clarification

Apple's current voluntary program reaches across the islands to each major county. Under SB 1135, the geographic requirements in the bill appear unclear and potentially unworkable. Requiring all manufacturers to set up quarterly collection in every county in the state (including a county as small as Kalawao) is inefficient and costly. Additionally, the language focusing on population centers over 25,000 people is unnecessary. Assuming that all manufacturers are required to collect weight in Hawaii, they will do so wherever that weight is available in sufficient quantities. Having a flexible system will allow greatest collection without undue costs, and if an area remains underserved, then future legislation can work to address that.

Increasing in state recycling

One request we would make is that the bill allow companies to break down electronics for their materials. Currently, Hawaii does not allow electronics to be disassembled to their component materials (glass, metal, plastics, etc.) to be shipped back to manufacturers for use in new products. Rather the disassembly has to happen off island. This change would allow companies like Apple to hire local workers to perform this task and help components get put back into new products more efficiently.

Please feel free to reach out to me with any questions about Apple's current recycling program or our concerns with the bill at <u>foulkes@apple.com</u> or call me directly at 408-974-2503.

Very truly yours,

D. Michael Foulkes
Director
State & Local Government Affairs & Political Compliance
MS: 169-4GA
1 Infinite Loop
Cupertino, CA 95014