



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

In reply, please refer to:
File:

HOUSE COMMITTEE ON FINANCE

S.B. 1135 S.D. 2 H.D. 1, RELATING TO RECYCLING

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

April 1, 2013
2:00 P.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, such as computer and TV peripherals, that are currently disposed of in
6 our landfills.

7 Hawaii has struggled to manage our waste while protecting the environment for decades. Our
8 geographic and economic isolation have driven our strategy to conserve our natural resources, reduce
9 waste, and divert as much waste as possible from our landfills.

10 Both private and public recycling programs that address paper, metal, glass and plastic materials
11 have grown over the years. Today, the rapid pace of innovation within the consumer electronics
12 industry has made electronic waste a growing component of our waste stream. We must now take the
13 next step to meet the 50% waste recycling goal set by the legislature and develop effective recycling
14 programs for e-waste.

1 This bill proposes changes that will strengthen the existing program in two ways. First,
2 establishing convenience requirements for manufacturer's recycling programs will make it easier for
3 Hawaii consumers to recycle their electronics or televisions. The existing law has allowed many
4 manufacturers to sponsor inconvenient programs such as those requiring the public to mail back items to
5 be recycled.

6 Second, this bill will institute mandatory recycling goals for manufacturers and increase the
7 amount of material collected and recycled. We would like the recycling goals to be set at the originally
8 proposed amounts of: 60 per cent for 2014; 70 per cent for 2015; and 80 per cent for 2016 and
9 thereafter. Our experience with computer and printer manufacturers have shown that without any goals
10 required in the law, some manufacturers will setup mail back only recycling programs that result in zero
11 pounds of e-waste being collected from Hawaii. These changes alone would increase recycling and
12 reduce the amount of e-waste being dumped in our landfills.

13 Also, please restore the effective date of this bill to July 1, 2013 as proposed in the
14 Administration's original version.

15 This bill has been shaped by the input of the Hawaii Electric Device Recycling Task Force.
16 When instructed by the 2012 legislature to examine the e-waste issue in greater depth, the department
17 organized a task force that represents a broad range of stakeholders. Four meetings were held where
18 substantive and productive discussions took place.

19 Reaching consensus amongst such a diverse group is difficult but the department encouraged all
20 points of view and incorporated many of the members' suggestions into this bill. We remain open to
21 ideas that will help to shape an effective e-waste recycling program for Hawaii and look forward to
22 more discussion during this session.

23 Our goal is to create social and physical environments that promote and support good health for
24 all. Thank you for the opportunity to testify on this measure.

Promoting Lifelong Health & Wellness

Date: 3/29/13

Representative Sylvia Luke, Chair of the House Finance Committee
Representative Scott Nishimoto, Vice Chair of the House Finance Committee

From: Mike Gleason, President & CEO The Arc of Hilo

Re: **Testimony on SB 1135 SD2 HD1– Relating to Recycling being heard at 2pm on 4/1**

Collecting and selling donated goods including electronics is a small but important fundraising program for our organization. Not only does it support our programs monetarily but also supports training in a retail setting for our participants with disabilities which leads to employment.

The Arc of Hilo submits this testimony in support of the intent of SB 1135 but not its current form. The need to maintain our island home for future generations is of great importance to us but we are concerned that the current form of SB1135 creates some barriers for our operations which could present issues of cost to us.

Currently, SB1135 contains reporting requirements for collectors including a mandatory 5-year record keeping process, annual reports, and state audits. Although we would be exempt from paying the annual collectors registration fee, we would still need to comply with reporting requirements. While we agree that timely and accurate record-keeping is essential for any project to succeed, we respectfully request more time to analyze the financial impact these increased administrative duties may have on our agency. Without time to fully understand this increased cost to our operations, this bill in its current form may harm our ability as a non-profit to deliver on these services.

We respectfully ask that you defer decision making on SB 1135 to allow us time to better examine the impact that SB 1135 will have on our ability to serve our community.

Thank you for this opportunity to share our thoughts and concerns,

Mike Gleason
President & CEO
The Arc of Hilo

FINTestimony

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 28, 2013 9:16 PM
To: FINTestimony
Cc: mz@conservehi.org
Subject: *Submitted testimony for SB1135 on Apr 1, 2013 14:00PM*

SB1135

Submitted on: 3/28/2013

Testimony for FIN on Apr 1, 2013 14:00PM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Marjorie Ziegler	Conservation Council for Hawai'i	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, 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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Representative Sylvia Luke, Chair
Representative Scott Y. Nishimoto, Vice Chair
Representative Aaron Ling Johanson, Vice Chair
Committee on Finance

HEARING Monday, April 01, 2013
2:00 pm
Conference Room 325
State Capitol, Honolulu, HI 96813
Agenda #1



RE: **SB1135, SD2, HD1, Relating to Recycling**

Chair Luke, Vice Chairs Nishimoto and Johanson, 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 opposes SB1135, SD2, HD1, which amends and expands the Electronic Waste and Television Recycling Program.

We do not disagree with the intent of SB1135, SD2, HD1; however, as written it is unworkable and does not fully address the concerns of the stakeholders, particularly those of the producers and manufacturers that bear the responsibility of implementing this program. Problematic are compliance logistics, broad definitions, and uncertainty over fees.

- In Section 1: “§339D-A Recycling goals. Subsection (a) prescribes that “*The department shall use the best available information to establish the weight of all **electric devices** sold in the State.*”...” as a basis for establishing recycling goals for “**electronic device manufacturers or representative organizations.**” The terms “covered electronic devices or electric devices” are used when referencing affected products; however, Section 3 provides separate definitions for covered electronic devices and electric devices. Further, Sections 4, 5, and 7 all refer to **covered electronic device manufacturers or representative organizations.**
- In Section 2, §339D- (page 7), the Department of Health is granted authority to adopt rules to refine the definitions of “**covered electronic devices,**” “**electric device,**” and “**peripheral**” as it deems necessary. We believe that clearer definitions should be included in the statute.
- Section 5, subsection (b) (1) allows the Department of Health to determine the **registration fees** for electronic device manufacturers or representative organizations based on an analysis of the department’s needs and the number of manufacturers registering with the department. We believe that setting fees for government programs this encompassing is the purview of the Legislature.

RMH is appreciative of having had the opportunity to participate on the electric device recycling task force; the issue of electronic waste merits mindful and serious consideration. We respectfully urge this committee to **hold SB1135, SD2, HD1.** We ask that the Legislature focus on the current Hawaii **Electronic Device Recycling Program** as a basic framework, and, via further discussions with the stakeholders, secure amendments to assure its success. Once this is accomplished, we will have a workable template with which to expand. 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. Thank you for your consideration.

Carol Pregill, President

RETAIL MERCHANTS OF HAWAII
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To: The Honorable Sylvia Luke, Chair of the House Finance Committee,
The Honorable Scott Nishimoto, Vice Chair of the House Finance Committee

From: Ryan Kusumoto, VP, Business Operations
Laura Smith, President/CEO
Goodwill Industries of Hawaii, Inc.

Date: March 29, 2013

Re: **Testimony on SB 1135 SD2 HD1– Relating to Recycling**

Goodwill Industries of Hawaii, Inc. (Goodwill) is a statewide human service non-profit organization whose mission is to help people find and succeed in employment, to become self-sufficient. With offices on Oahu, Maui, Hilo, Kona and Kauai, last year Goodwill served over 15,000 people, placing more than 1,500 into jobs in our community.

While we support of the intent of SB 1135 and its goal of increasing electronic recycling in the state of Hawaii, this bill in its present form would have an economic impact on our organization and for that reason we need to oppose this at this time.

The importance of ensuring that electronic waste (e-waste) is properly recycled and managed cannot be understated and Goodwill has a strong desire to be a part in that movement. Goodwill, however, has some concerns over language in SB 1135 that could seriously undermine our efforts to contribute to this cause.

Our major concern regards the permitting and reporting requirements that collectors would be subject to under this bill. While we appreciate the waiver of the \$250 annual registration fee for non-profits, we are concerned over the requirements that we obtain necessary business and environmental permits to collect these goods. This requirement is not well defined and we are unsure what it would mean for us from a fiscal and operational standpoint. Additionally reporting requirements we would be subject to including the need to maintain a minimum of five years of records, covering both the annual amount collected and tracking bills or weight tickets to end use recyclers as well as being prepared for possible audit, will cause increased administrative costs to our organization as we would need to implement an extensive tracking system to ensure accurate record keeping for electronic devices covered by this bill was in place.

This would divert resources from the job placement and training services we provide in order to support the requirements of this bill and would negatively impact Goodwill's ability to serve the community and possibly create a situation where we would need to become further dependent on the state for the additional funds required to maintain our human services programs at their current level.

We would request that you consider deferring SB 1135 this session to allow us more time to fully understand the impact it will have on our nonprofit organization and to work towards solutions that will benefit all of us. Thank you for the opportunity to share our thoughts and concerns about this bill.



Consumer Electronics Association

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Submitted Via FINtestimony@capitol.hawaii.gov

March 30, 2013

**Representative Sylvia Luke
Chair, Committee on Finance**

Re: S.B.1135, S.D.2, H.D.1 Relating to Recycling
Hearing: Monday, April 1, 2013 at 2:00 pm, Room 308

Dear Chair Luke and Members of the Committee:

On behalf of the Consumer Electronics Association (CEA)[®], I am writing to provide testimony regarding S.B. 1135, S.D.2, H.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 **strongly opposes** S.B. 1135, S.D.2, H.D.1 as drafted. 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. While we appreciate that the current draft of the bill at least clarifies product scope to make the proposed electronics recycling program more manageable, we have the following serious concerns that the bill in its current form is unworkable:

- CEA has concerns about a formulaic approach to either pounds goals or convenience standards. The weight requirements in the bill are arbitrary, and do not take into account the evolving nature of the consumer electronics product makeup.
- CEA introduced the concept of a collective representative industry organization several months ago during the task force meetings as an alternative process to achieve widespread coverage. However, this approach depends on not having a formulaic approach, and instead relies on active and constructive engagement with county recycling coordinators and other local stakeholders. This approach will require more time to develop understanding between the various stakeholders. CEA therefore opposes the use of the term "representative organization" within the context of this legislation as it ultimately undermines and confuses our industry's budding efforts to develop sustainable and collaborative recycling activities in other states.

- The current H.D. 1 would require DOH to set mandatory collection targets and require the counties to “negotiate” the price for manufacturers to acquire electronic devices necessary to meet the state mandated target. This could put our industry in an untenable position of having to pay a premium price, in addition to the registration fees, to comply with this law for any county seeking to enhance revenues to pay for their solid waste program.
- The current version of the bill raises antitrust issues that have not been addressed.

CEA also notes that this bill would have unintended economic consequences – the bill would shift all costs for collection, shipping and recycling to electronics manufacturers who choose to have their products sold in Hawaii. Added costs could mean that some manufacturers who sell products in Hawaii will either lose money on every product sold in the State, have to raise their prices, or end up providing fewer consumer choices for electronics in Hawaii than those available on the mainland.

CEA notes that collection and recycling activity is increasing across all the islands, even without a change in the law. By DOH’s data, TV collections were up 43% in 2012 -- under the existing law, that means that the TV recycling target for 2013 will accordingly go up 43%.

Ultimately, we would suggest that the current recycling programs, which barely have had a year of full implementation, be given more time before rushing to a conclusion that a major overhaul is needed.

CEA notes that it remains amenable to discussions during the interim regarding improvements to the existing electronics recycling law. These improvements might include addressing neighbor island concerns, eliminating the “mail back only” option, expanding consumer outreach, expanding the categories of devices that can be accepted by the manufacturers, and increasing the minimum recycling standards. However, we feel that the current bill does not take the manufacturer’s perspective into account -- as the industry directly affected by the law, we strongly feel that additional discussion is necessary before any law is passed.

For the above reasons, we respectfully urge you to defer this measure. Thank you very much for the opportunity to submit testimony.

Sincerely,

THE CONSUMER ELECTRONICS ASSOCIATION



Walter Alcorn
Vice President, Environmental Affairs and Industry Sustainability



Big Brothers Big Sisters Hawaii

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March 25, 2013

Representative Sylvia Luke
Chair, House Finance Committee

Representative Scott Nishimoto
Vice Chair, House Finance Committee

Re: Testimony in Opposition to SB1135, HD1

Representative Luke, Nishimoto and Members of the Committee:

Aloha. Big Brothers Big Sisters Hawaii has been collecting used goods for more than 25 years on Oahu and Maui. Aside from providing a service to thousands of households by accepting their donated goods for re-use or recycling, our collection operation generates unrestricted funds that help us carry out our mission to help children facing adversity succeed in life. We are also proud of the fact that this method of earning financial support for our programs makes us that much less dependent on taxpayer funds.

Although we support SB1135's intent to make the recycling of electronic devices more efficient, we are concerned about rules that would be applied to nonprofit organizations being classified as a "representative organization, or a collector" of electronic devices.

As language in the bill is currently drafted, certain requirements such as to maintain detailed records for a minimum of 5 years, provide annual reports and be subject to audit could make it too costly to continue our collection of the donations. In addition to added administrative time, we would need to develop new methods to accurately measure each donated item we collect.

We respectfully request that you consider deferring SB1135 to allow us more time to fully understand how it will affect nonprofit organizations such as ours.

Thank you for the opportunity to share our thoughts and request about this bill.

Dennis Brown
President/CEO

Big Brothers Big Sisters Hawaii is comprised of:

Big Brothers Big Sisters
of Hawaii Island

Big Brothers Big Sisters
of Honolulu

Big Brothers Big Sisters
of Kauai

Big Brothers Big Sisters
of Maui



March 29, 2013

Representative Sylvia Luke, Chair, State House Finance Committee

Representative Scott Nishimoto, Vice Chair, State House Finance Committee

From: Glen Hayashida, CEO
National Kidney Foundation of Hawaii

Re: **Testimony on SB 1135 SD2 HD1– Relating to Recycling**

Each year in Hawaii thousands of computers, monitors, copiers, fax machines, printers, televisions, and other electronic items become "obsolete" in the eyes of consumers. Rapid advances in technology and an expanding demand for new features accelerate the generation of "old" electronic equipment ("e-waste"). The result is a growing challenge for businesses, residents, and local governments as they search for ways to reuse, recycle, or properly dispose of this equipment.

We understand this challenge and it is our understanding that SB1135 is trying to address this issue. Although we have some understanding of the challenge, we have not been included in on the discussions and thus have not had an opportunity to be part of the solution or to assess the total impact this will have on our organization.

The National Kidney Foundation of Hawaii (NKFH) benefits from the donation of clothes and house hold items, which includes some of the electronics defined in this bill. It is a very valuable source of revenue for NKFH.

The NKFH submits this testimony in support of the intent of SB1135 however not in its current form. While there is certainly a need to address this issue for the environment and for future generations, we are concerned that SB1135 creates additional challenges for our operations both foreseen and without time, could present situations of unintended consequences.

Currently, SB1135 contains reporting requirements for collectors including a mandatory 5-year record keeping process, annual reports, and state audits. Although we would be exempt from paying the annual collectors registration fee, we would still need to comply with reporting requirements. While we agree that timely and accurate record-keeping is essential for any project to succeed, we respectfully request more time to analyze the financial impact these increased administrative duties may have on our agency. Without time to fully understand this increased cost to our operations, this bill in its current form may harm our ability as a non-profit to deliver on these services.

We respectfully ask that you defer decision making on SB1135 to allow us time to better examine the impact that SB1135 will have on our ability to serve our community.

Thank you for this opportunity to share our thoughts and concerns.

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Email: communications@uluponoinitiative.com

SENATE HOUSE COMMITTEE ON WAYS AND MEANS FINANCE

Monday, April 1, 2013 — 2 p.m. — Room 308

Ulupono Initiative Supports SB 1135 SD2 HD1, Relating to Recycling

Dear Chair Luke, Vice Chairs Nishimoto and Johanson, 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 SD2 HD1 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

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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.

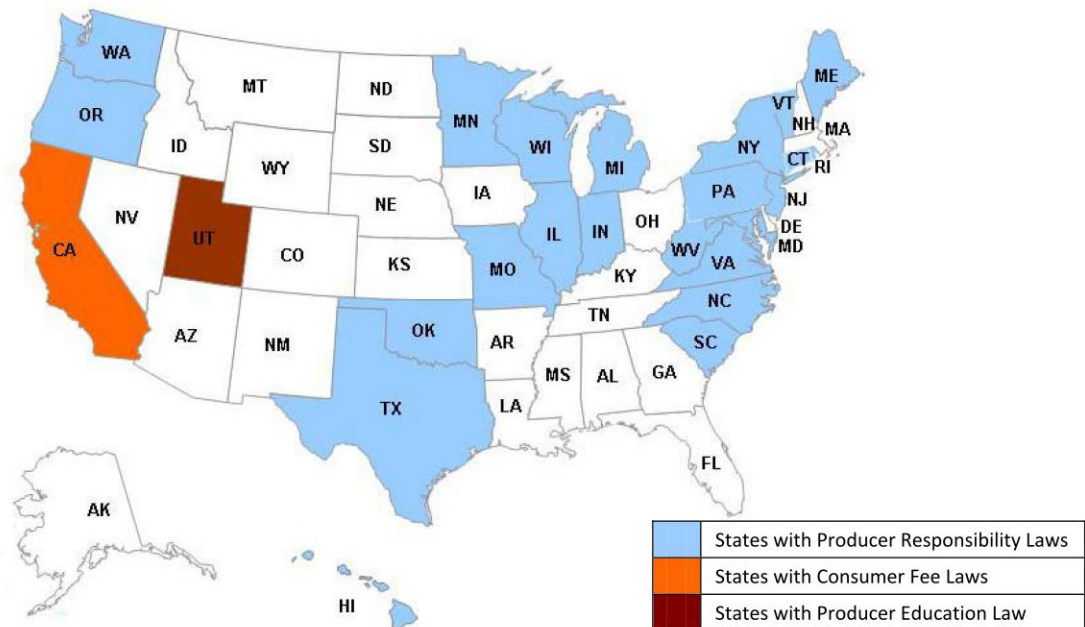
Respectfully,

Brandon Lee
Associate



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 make 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
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.

Convenient Collection: 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.)

Collection Goals: 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," [The Oregonian, May 12, 2009](#).]

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

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.

☑ 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

Last updated: Sept 26, 2011

State	Year	Monitors	TVs	Computers	Laptops	Printers	Other Products See key above	TOTAL LBS COLLECTED	Notes	# Reg. Mfgers	Population ¹	Disposal Ban Effective Date	# sites	People per site ²	Lbs per capita ³	
California	Year 1	2005	☑	☑	not covered	☑	not covered	64,809,498		None, Mfgers don't participate	35,795,255	In 2002 & 2006			1.81	
	Year 2	2006	☑	☑	not covered	☑	not covered	127,979,144			35,979,208					3.58
	Year 3	2007	☑	☑	not covered	☑	not covered	185,190,929	Portable DVD players with LCD screens added			36,226,122				5.17
	Year 4	2008	☑	☑	not covered	☑	not covered	216,062,581				36,580,371				5.91
	Year 5	2009	☑	☑	not covered	☑	not covered	167,876,682				36,961,664				4.54
	Year 6	2010	☑	☑	not covered	☑	not covered	172,570,839				37,253,956		580 collectors		4.63
Hawaii	Year 1	2010	☑	Not until 2011	☑	☑	☑	3,235,432	Only IT in 2010	49	1,360,301				2.38	
Illinois	Year 1	Jan-Jun '10	3,324,947	4,674,583	2,771,516	Reported under Computers	1,689,124	1,159,071	30,183,168		52	12,830,632	2012	144	89,102	2.35
			24%	34%	20%		12%	C,D,F, G, K, M, MP, S, V								
Maine	Year 1	2006	1,205,726	2,954,848	not covered	Laptops reported under "monitors"	not covered	4,160,574			1,317,308	7/20/06			3.16	
	Year 2	2007	1,393,775	3,290,682	not covered		not covered	4,688,552	4095 unk			1,314,963			3.57	
	Year 3	2008	1,421,399	3,853,020	not covered		not covered	5,274,419		Printers, DPF, Games added for 2010		1,319,691			4.00	
	Year 4	2009	2,145,256	5,767,036	not covered		not covered	7,912,292				1,318,301			6.00	
	Year 5	2010	1,203,511	3,935,723	not covered		198,895	158 games	5,338,287				1,328,361			4.02
Maryland		2006	Was a pilot program with limited 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 Million lbs pd by producers		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.)						12,610,690			5,658,655				2.23
	Year 3	2009							17,393,976	FY 09-10: Total includes 9 million lbs paid for by producers,		5,699,478				3.05

State	Year	Monitors	TVs	Computers	Laptops	Printers	Other Products See key above	TOTAL LBS COLLECTED	Notes	# Reg. Mfgers	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	☑	☑	☑	☑	Fax, DVD, K,	33,600,000		79	5,191,206	7/1/06			6.47	
	Year 2	2008 - 09	☑	☑	☑	☑		30,293,194		72	5,230,567				5.84	
	Year 3	2009 - 10	☑	☑	☑	☑		33,082,679		71	5,266,214				6.37	
	Year 4	2010														
North Carolina	Year 1	2010	☑	☑	☑	☑	☑ 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	☑	not covered	☑	☑	not covered	817,277			3,687,050	No ban			0.22	
	Year 2	2010	☑	not covered	☑	☑	not covered	2,554,632		36	3,751,351				1.47	
Oregon	Year 1	2009	6,144,774	10,817,023	2,031,941	Reported under computer	not covered	18,993,738			3,825,657				4.96	
		%	32.40%	57.00%	10.70%		not covered									
	Year 2	2010	6,520,439	14,972,860	2,897,973		not covered	24,149,774			3,825,657	1/1/2010	264	14,491	6.31	
	%	27.0%	62.0%	12.0%	not covered											
Rhode Island	Year 1	2009	☑	☑	☑	☑	not covered	2,823,369		46	1,053,209	1/1/08			2.68	
	Year 2	2010	☑	☑	☑	☑	not covered	Not available			1,052,567					
Texas	Year 1	2009	☑	not covered	☑	☑	not covered	15,247,207			24,782,302				0.62	
	Year 2	2010	☑	not covered	☑	☑	not covered	24,370,894			25,145,561				0.97	
Virginia	Year 1 partial	Jul - Dec 2009	☑	not covered	☑	☑	not covered	3,782,500	Actual 2Qs	37	7,882,590				0.96	
							not covered	7,565,000 ⁴	Annualized		(6 mos x 2)					
	Year 2	2010	☑		☑	☑	not covered	4,439,446 ⁵			7,882,590				0.56	
Washington	Year 1	2009	12,287,734	22,350,612	3,910,328	Reported under computer	not covered	38,548,674			6,664,195				5.78	
			%	31.90%	58.00%		10.10%	not covered					NA ⁶			
	Year 2	2010	10,738,240	24,969,639	3,759,919		not covered	39,467,798			6,664,195		280	23,801	5.92	
	%	27.20%	63.30%	9.50%	not covered											
West Virginia	Year 1	2009-10	Counties run programs partly funded by producer fees. Some producers operate own programs.				921,270 lb by counties 2009	724,435 lbs by mfgers 2009	1,646,155	For 2009 Prelim data.		1,819,777	1/1/2011			0.51
			☑	☑	☑	☑	not covered									
Year 2	2010-11	☑	☑	☑	☑	not covered			No data yet.							
Wisconsin	Year 1	Jan - Jun 2010	☑	☑	☑	☑	☑	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	☑	☑	☑	☑	☑	D, F, K, M, V	35,470,000	First full year	82	5,686,986		400	14,217	6.24
Other States Which Began Collection in 2010 or scheduled to begin collection in 2011 or later. (No data available yet)																
Connecticut	Year 1	2011	☑	☑	☑	☑	☑				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. Mfgers	Population ¹	Disposal Ban Effective Date	# sites	People per site ²	Lbs per capita ³
Indiana	Year 1	Apr 2010 – Mar 2011	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	not covered	F, K, DVD, V		Later in 2011			1/1/2011			
Michigan	Year 1	Apr 2010 – Mar 2011	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Added in year 2			Later in 2011	27					
Missouri	Year	2010-11	<input checked="" type="checkbox"/>	not covered	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	not covered			Later in 2011						
New Jersey	Year 1	2011	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	not covered			Data in 2012			1/1/2011			
New York	Year 1	Apr 2011 – Mar 2012	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	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	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	K		Data in 2013			1/1/2013			
South Carolina	Year 1	July 2011- Jun 2012	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>			Data in 2012			7/1/2011			
Vermont	Year 1	July 2011 – Jun 2012	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	K, M		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 [chart summarizing laws](#).) For instance, the California program accepts e-waste from all entities – business, consumers, etc. CA experts estimate that at least half 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: <http://www.electronicstakeback.com/promote-good-laws/state-legislation/>

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

March 29, 2013

House Committees on Finance
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

RE: SB 1135 - Oppose unless Amended

Dear Representatives:

I am writing to inform you of Apple's continued concern with SB 1135 and to propose several modest amendments to address those concerns.

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.

This gives a unique perspective in evaluating the legislation before you. The current bill contains several positive changes from the original draft of SB 1135. Significantly, the current draft:

- 1) **Treats All Covered Devices Equally** – This is a significant improvement from the previous approach, which treated televisions differently from computers and other electronic devices. Placing all products on equal footing is important to ensuring a successful program moving forward.
- 2) **Allows Demanufacture** – The new definition of recycling appears to allow for demanufacture to be performed in the state. This is a major step forward that will employ more Hawaii residents, while allowing for a more cost-efficient handling of materials. Apple's major voluntary recycling efforts would be aided by this law change.

Despite these positives, we still have some concerns/questions with remaining language in the bill. In particular, we would like the following changes to be made.

- 1) **Definition of Covered Electronic Device** – The definition of covered electronic device is currently limited to equipment intended for use by consumers and businesses. Covered electronics sold to educational

institutions should also be included as this is often where consumers donate their used equipment and where we find a large share of the disposal issue in the Islands.

- 2) **Role of Counties** – The vaguely defined terms outlining the role of counties is concerning. What happens if one organization buys all available waste or enters into an agreement to do so? This could either eliminate someone from participating or begin an unnecessary bidding war for covered devices. We recommend removing this provision from the bill.
- 3) **Reuse Should Not be Included** – The bill would allow reused electronic devices to count towards recycling goals. However, reuse is not recycling. Products that have a second life will ultimately return to the waste stream. This double counting does not help further the ultimate goal of this bill – manufacturer responsibility. Rather it benefits certain business models. The provision also is very vague. Will off-lease equipment that is returned to a manufacturer’s private label program for resale count? Will donations to covered entities count? How will any of this be tracked and reported? We recommend removing this provision from the bill.

Attached please find a draft of amendments that Apple would like to see incorporated into the bill. Many thanks and please feel free to reach out to me with any questions about Apple’s current recycling program or our concerns with the bill at foulkes@apple.com or call me directly at 408-974-2503.

Very truly yours,



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

Suggested Amendments

Amendment 1

SECTION 1. Chapter 339D, Hawaii Revised Statutes, is amended by adding seven new sections to part II, to be appropriately designated and to read as follows:

"§339D–A Recycling goals. (a) The department shall use the best available information to establish the weight of all electric devices sold in the State, including but not limited to the reports submitted pursuant to section 339D–C, state and national sales data, and other reliable commercially available, supplemental sources of information.

(b) No later than September 1, 2013, and annually thereafter, the department shall notify each electronic device manufacturer or representative organization of its recycling obligation.

(c) Each electronic device manufacturer or representative organization shall collect and recycle a goal amount, by weight, of their products sold in the State two years prior as follows, unless amended by rule pursuant to chapter 91:

- (1) For 2014, _____ per cent;
- (2) For 2015, _____ per cent; and
- (3) For 2016 and thereafter, _____ per cent.

~~—(d) Electronic device manufacturers and representative organizations may count reused electronic devices towards their recycling goal amount.~~

(e) Electronic device manufacturers and representative organizations may collect any electronic device or electric device to meet their recycling goal amount.

(f) Collectors of covered electronic devices on behalf of electronic device manufacturers or representative organizations may limit the type of electronic devices or electric devices that they will accept and may limit the number of items that they will accept from a single person; provided that they shall clearly indicate those limits on signage at their collection sites and on their promotional literature.

Amendment 2

~~**§339D–I Role of counties.** Nothing in this chapter is intended to require any county agency to include covered electronic devices in any waste management activities or programs intended to increase or provide opportunities for recycling. Any county agency that collects covered electronic devices in the course of waste management activities or programs intended to increase or provide opportunities for recycling may make electronic devices or electric devices collected in the activities or programs available to individual electronic device manufacturers or representative organizations; provided that the electronic device manufacturer or representative organization shall fairly compensate or reimburse the counties for their cost of collecting the electronic devices or electric devices with the compensation or reimbursement to be negotiated between the county and the electronic device manufacturer or representative organization."~~

Amendment 3

""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, **educational institutions** and businesses, such as televisions and their peripherals; computers and their peripherals; and similar devices used by consumers and businesses; and



**Testimony of Joyce Masamitsu
Director of Public Policy for Verizon
Before the
House Committee on Finance
S.B. 1135 S.D. 2 H.D.1
April 1st, 2013**

The Honorable Representative Sylvia Luke
Chair, House Committee on Finance
Hawaii State House of Representatives

***RE: Testimony Senate Bill 1135 S.D. 2 H.D.1 – Electronic Device Recycling Act
OPPOSE***

Dear Chair Luke and the Members of the Committee,

Verizon opposes Senate Bill 1135 S.D. 2 H.D.1, which seeks to expand the existing state electronic recycling program. While Verizon embraces the author's intent to support green initiatives, we believe the bill will have the opposite effect by discouraging existing recycling programs. Indeed, S.B. 1135 S.D. 2 H.D.1 appears to penalize companies that have proactively adopted green initiatives, including the recycling of electronic goods.

Today, Verizon has two different national programs in place that promote green initiatives for device recycling, refurbishing and reuse. First, our customers can participate in our popular Device Trade-In Program that allows customers to trade in their unwanted devices for a gift card. Customers can then redeem their gift card for other products and services. This program is not limited to Verizon equipment; we accept qualified equipment from other carriers as well.

Second, Verizon customers can chose to "donate" their unwanted device or accessories to HopeLine, an organization that helps victims of domestic violence. Verizon collects donated equipment in our stores sends it to HopeLine. We also provide a prepaid HopeLine envelope whenever we ship new or replacement devices to our customers so that they may donate their unwanted device directly to HopeLine. Verizon supports the HopeLine organization as part of our National Campaign to help victims of domestic violence, by providing equipment, free wireless service and grants. Last year, Verizon Wireless awarded victims of domestic violence \$10,000 in grants; 173 wireless phones with 228,000 minutes of service (estimated value \$22,800) to shelters and domestic violence agencies throughout the state of Hawaii.

As written, S.B. 1135 S.D. 2 H.D.1 would interfere with national programs that Verizon has in place today, that benefit our customers and promote green, recycling initiatives. The Legislature should instead consider a more moderate approach to the existing Electronic Recycling Program for the state of Hawaii that would allow local businesses to establish the best recycling programs that are most appropriate for their customers and business operations.

For the reasons stated above, Verizon must respectfully Oppose Senate Bill 1135 S.D. 2 H.D.1, and requests Chair Luke and Members of the Committee to “*defer*” this legislation from further consideration.

Respectfully Submitted,

A handwritten signature in black ink that reads "Joyce Masamitsu". The signature is written in a cursive, flowing style.

Joyce Masamitsu



Dan Youmans
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April 1, 2013

Rep. Sylvia Luke, Chair
House Committee on Finance

*Re: Testimony on Senate Bill 1135 SD2 HD1
Hearing before the Committee on Finance
April 1, 2012, 2 p.m., Room 308*

Committee Chair Luke:

AT&T urges the Committee on Finance to **defer** action on Senate Bill 1135 SD2 HD1. We believe much more stakeholder work needs to be done, especially in the areas of mandating certain recycling obligations and the potential economic impact of this bill. This is essential due to the costly nature of these new regulations on businesses offering a wide-range of electronic devices to consumers.

Many businesses, including AT&T, already have successful recycling programs for the electronic devices we sell. We offer a free and convenient recycling program to our customers as well as anyone who wants to dispose of used cell phones, tablet computers, and peripherals. These devices can simply be dropped off at anytime at any of our retail stores throughout the state of Hawaii. We will refurbish or recycle these devices, and the revenue we generate from the reusable materials goes toward the "Cell Phones for Soldiers" program. This service provides free long-distance calling for members of the U.S. Military serving overseas.

Any new legislation concerning electronic waste recycling should provide flexibility so that voluntary programs like AT&T's are not discouraged. We are especially concerned about mandates on recycling obligations that would be costly and unrealistic.

We urge the Committee to consider the impact of this legislation, especially on Hawaii's economy. Certainly businesses that are already doing the right thing through effective voluntary recycling programs should not see their costs of doing business in Hawaii increase. Therefore, we request that the Committee defer further action on Senate Bill 1135 SD2 HD1 for further discussion.

Respectfully Submitted,

Dan Youmans, AT&T