

February 18, 2014

Senate Committee on Ways and Means
The Honorable David Y. Ige, Chair
The Honorable Michelle Kidani, Vice Chair
Hawai'i State Capitol
Honolulu, HI 96813

RE: Hawai'i SB 2857 SD1 (Kim): Electronic Device Recycling Act

Dear Senators Ige, Kidani, and Committee Members,

The Technology Association of America (TechAmerica) appreciates the opportunity to express our concerns with **SB 2857 SD1 (Kim)**, as amended on February 10. While we appreciate the progress made thus far with the bill, and support the effective management of electronic waste in the State of Hawai'i, we believe that this bill still needs important improvements in order for it to represent a successful expansion of the State's existing electronics waste law.

Landfill Ban

First, if Hawai'i wishes to impose mandatory recycling obligations on electronics manufacturers, a landfill ban should be considered concurrently with that decision. Aggressive mandatory recycling rates are challenging enough for manufacturers to meet when the available supply of covered electronics is dependent upon consumers' willingness to return their used goods to collection sites. This problem is compounded when there is no legal disincentive for consumers to dispose of such products improperly. Thus, to help ensure that an adequate supply of covered electronics is available for collection by manufacturers who are required to meet inflexible recycling rates, the law should include a landfill ban on covered electronic devices and covered televisions.

Convenient Collection Requirements

The manufacturer recycling plan requirements in SB 2857 SD1 includes a number of elements intended to make collection more convenient for consumers. While some recent changes to this section are positive – such as creating a collection incentive for less populous islands – some of the requirements would still be overly burdensome and not particularly helpful in driving greater collection of covered products. For example, the frequency with which collection services would be required is still too high and too prescriptive. Rather than requiring what in practice may be an overabundance of collection events and services, more flexibility in this section would allow manufacturers to use their resources in more strategic and efficient ways to help meet or exceed their annual collection requirements.

Scope of Products

The scope of products covered in the bill is also of concern. While we appreciate the design challenges inherent in collection programs of this type, we believe the bill could benefit from a more balanced product scope as it relates to setting targets. That being said, it is important to note that the business-to-business (B2B) waste stream is somewhat unique in that, due to existing collection systems, infrastructure, and collection provisions in B2B sales contracts, these products are being collected and

recycled at a higher rate than non-B2B sales. In recognition of the existing infrastructure and high recycling rates already being achieved, we believe it would make more sense for the bill to treat B2B devices the same way that it currently treats “peripherals”. In other words, while B2B products would not count towards establishing a manufacturer’s annual recycling obligation, they could still be collected and count towards meeting the obligation. This would create a new incentive for collection of B2B products without jeopardizing the existing infrastructure and contractual relationships that currently exist, and that are helping achieve high collection rates in the B2B products stream.

Mandatory Recycling Rates

The bill currently requires that, starting in 2015, each covered manufacturer must collect and recycle the equivalent of 50% by weight of its sales into Hawai'i over the prior two years. This rate is likely too high over the long term and would not allow for fluctuations in the electronics waste stream. Achieving such a high rate is made more difficult because, again, manufacturers will be dependent upon consumer behavior without the benefit of a landfill ban. Thus, we think the 50% requirement should be eliminated in favor of a more flexible solution.

We appreciate your thoughtful consideration of our views. Again, TechAmerica continues to have concerns with SB 2857 SD1 (Kim), and believe the changes identified above would greatly improve the bill. If you have any questions, please do not hesitate to contact me at (202) 682-4448 or kevin.callahan@techamerica.org.

Sincerely,



Kevin Callahan
Director, State Government Affairs

cc: The Honorable Donna Mercado Kim, Hawaii State Senate
Members of the Senate Ways and Means Committee