



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**WRITTEN
TESTIMONY ONLY**

**Testimony COMMENTING on HB 1351
RELATING TO THE ELECTRONIC DEVICE RECYCLING FUND**

REPRESENTATIVE CHRIS LEE, CHAIR
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Hearing Date: 2/14/2017
Time: 8:30 a.m.

Room Number: 325

1 **Fiscal Implications:** This measure appropriates an unspecified amount out of the general
2 revenues of the State of Hawaii.

3 **Department Testimony:** This measure broadens the uses of the electronic device recycling
4 fund to include: (1) reimbursement for collection services associated with the handling and
5 collecting of electronic devices for recycling, (2) funding administrative, audit, and compliance
6 activities associated with collection and payment of all fees, payments, and penalties imposed by
7 the department pursuant to this chapter, (3) conducting electronic recycling education and
8 demonstration projects; and (4) supporting the handling and transportation of the electronic
9 devices collected to end-markets. This measure also appropriates funds out of the general funds
10 to the Department to reimburse the counties of Hawaii, Kauai, and Maui for expenses incurred
11 during 2015 and 2016 related to the services associated with handling and collecting electronic
12 devices.

13 The Department appreciates efforts to allow the money in the electronic device recycling
14 fund to be used to support county electronics collections. The Department would like to offer an
15 amendment that will allow money from the fund to go towards supporting County electronics
16 collections, while still giving the Department the authority to enforce Chapter 339D, Hawaii
17 Revised Statutes. The Department also would like to note that Section 2 of this measure should
18 not include reimbursement by the Department because we are unable to create retroactive

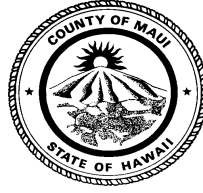
1 contracts for fiscal years that have already ended. The Department asks that the reimbursement
2 to the counties are made directly from the general fund to the counties.

3 **Offered Amendments: [§339D-10] Electronic device recycling fund.** (a) There is
4 established in the state treasury the electronic device recycling fund into which shall be deposited
5 all fees, payments, and penalties collected by the department pursuant to this chapter.

6 (b) The electronic device recycling fund shall be administered by the department of
7 health. Moneys in the fund shall be expended by the director ~~[solely]~~ for the purpose of
8 implementing and enforcing this chapter. **Moneys may also be expended by the director to**
9 **support County electronics collections.**

10 Thank you for the opportunity to testify on this measure and we appreciate the
11 legislature's support of the state's recycling programs.

ALAN M. ARAKAWA
MAYOR



200 South High Street
Wailuku, Maui, Hawai'i 96793-2155
Telephone (808) 270-7855
Fax (808) 270-7870
E-mail:

OFFICE OF THE MAYOR
Ke`ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

February 13, 2017

TESTIMONY OF ALAN M ARAKAWA
MAYOR
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON ENERGY & ENVIRONMENTAL PROTECTION

Tuesday, February 14, 2017
8:30AM, Conference Room 325

HB 1351 RELATING TO THE ELECTRONIC DEVICE RECYCLING FUND.

Honorable Chris Lee, Chair
Honorable Nicole E. Lowen, Vice Chair
Honorable Members of the House Committee on Energy & Environmental Protection.

Thank you for this opportunity to testify in **SUPPORT** of HB1351.

The intention of the State law managing electronic waste was for the Department of Health (DOH) to use a portion of the fees collected from electronic manufacturers to support county collection costs. The system worked well.

In 2015, the Attorney General ruled DOH had misinterpreted the law, and that while funds would continue to be collected from manufacturers, DOH was not able to reimburse counties for collection expenses.

HB1351 will correct the language so that DOH has the legal authority to implement the intention of the original law and disburse funds to the Counties. No new taxes or fees are proposed. We just want the "initial system of funding", be restored.

Therefore, I strongly urge the passage of this bill.

Sincerely,

Alan M. Arakawa
Mayor, County of Maui

February 13, 2017

Submitted via Capitol Website

Representative Chris Lee
Chair, House Committee on Energy & Environmental Protection

**Re: HB 1351 Relating to The Electronic Device Recycling Fund
Hearing: Tuesday, February 14, 8:30 a.m., Room 325**

Dear Chair Lee and Members of the Committee on Energy & Environmental Protection:

On behalf of the Consumer Technology Association (CTA)™, I am writing to provide **comments** on HB 1351, which proposes to amend the existing statutes relating to the electric device recycling program.

CTA represents more than 2,200 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.

HB 1351 clarifies purposes for which moneys from the electronic device recycling fund may be expended, and makes an appropriation to reimburse the counties of Hawaii, Kauai, and Maui for expenses incurred during 2015 and 2016 related to the collection services associated with handling and collecting electronic devices for recycling.

Many of CTA's member companies pay into the electronic recycling device fund on an ongoing basis under the program outlined in HRS Chapter 339D. CTA supports the intent of HB 1351, insofar as it directs that monies collected in the fund be used for electronics recycling related activities. However, CTA believes the current language in the bill is overly restrictive and will impede the Department of Health's ability to administer the program going forward. As an example of this, CTA does not believe that the Department should be required to reimburse certain vendors for collection services. Instead, in the past, the Department has worked collaboratively with the counties and provided support of existing county recycling activities, and that has been effective.

CTA has been in discussions with the Department, and understands that the Department will propose amendments to clarify its ability to distribute the funds to the counties to support electronics recycling activities. We believe that affording DOH the flexibility to direct these funds is the most efficient manner in which to handle administration of the program.

Thank you for the opportunity for our industry to comment on HB 1351. If you would like to discuss our recommendations further please do not hesitate to contact me at (703) 907-7765 or WAlcorn@cta.tech, or Allison Schumacher at 703-907-7631 or ASchumacher@cta.tech.

Sincerely,
THE CONSUMER TECHNOLOGY ASSOCIATION



Walter Alcorn
Vice President, Environmental Affairs and Industry Sustainability

From: Marty McMahon, Program Administrator, Maui County Recycling (mauimart@gmail.com)

Re: SB418

To Those Concerned:

Thank you for taking time to consider this bill, which I think is vital to the proper and safe handling of electronic waste in the future.

When the state law managing electronic waste was put into effect several years ago, the Department of Health used some of the monies collected from electronic manufacturers through fees, to support county efforts at collecting electronic waste. The system worked well. The State DoH was able to oversee the process, making sure all safety regulations were followed, and was able to closely track poundage, type of material recycled, and disposition. The County received funds to help it manage the ever-increasing amount of used electronics discarded.

In 2015, the Attorney General ruled that the DoH had misinterpreted the law, and that while funds would be collected from manufacturers, the DoH was not able to disburse some of those funds for County collection efforts. It is vital these funds, the "initial system of funding", be restored.

When the law began, our County collected 800,000 pounds of electronic waste, in 2011. In 2016, we collected more than 1,500,000 pounds, and estimate we will collect 1,700,000 pounds in 2017. The majority of this waste is commercial, which is hazardous waste (we are inspected by the State Hazardous Waste Inspector) and by federal law cannot be put into the landfill. It must be shipped to the mainland for proper and safe recycling.

Trucking, shipping, and processing costs are extremely expensive, especially for CRT glass (the heavy glass in old televisions). The total cost of the Recycling program is more than \$1.1 million a year, and includes collections, Hawaii and mainland trucking, shipping costs, and recycling. Especially expensive is the recycling of CRT glass (the heavy leaded glass in old televisions). Currently between 90 and 92% of the entire program cost is borne by agreements with manufacturers, who help pay for the recycling as mandated by the State law. What the manufacturers don't directly pay for is collections, which account for the remaining 8 to 10% of the program costs.

SB418 and HB1351 make sure that most of the collection costs will be paid for via DoH reimbursements, relieving the County of a large financial burden over the coming years.

No new taxes or fees are needed. We just want the first system re-instated. We hope your committee will pass this bill to general consideration, and it becomes law.

I remain, respectfully yours,

Marty McMahon