Consumer Technology Association

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May 17, 2017

Senator V. Susan Sosnowski
Chair, Senate Environment and Agriculture Committee
Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

Re:

CTA Testimony on S 888 – Relating to Health and Safety – Electronic Waste Prevention, Reuse and Recycling Act – OPPOSE – May 17, 2017 Hearing, Senate Environment and Agriculture Committee

Dear Chair Sosnowski and Members of Committee on Environment and Agriculture:

The Consumer Technology Association™ (CTA) respectfully submits this written testimony to voice our opposition to <u>Senate Bill 888</u>, which would amend the Electronic Waste Prevention, Reuse and Recycling Act.

CTA is the trade association representing the U.S. consumer technology industry. CTA represents more than 2,200 companies – 80 percent are small businesses and startups; others are among the world's best known brands. For many years, CTA has supported and advanced electronics recycling as part of the industry's broader commitment to environmental sustainability.

This bill would make costly and unnecessary burdens to Rhode Island's e-waste programs without increasing opportunities for electronics recycling to Rhode Island residents. Primarily, CTA has the following concerns:

Unnecessary Expansion of Scope

This bill takes the current e-waste law and expands the covered electronic products to include printers and tablets. Expanding the law in this way would increase costs to and create unnecessary burdens on manufacturers for products that already have a free and existing collection and recycling infrastructure in Rhode Island. The law should focus on products that need help to be recycled and should not include products which the market currently takes care of on its own.

Tablets and printers already have an existing, no cost collection infrastructure in Rhode Island. In manufacturer plans currently active in 2017 in Rhode Island under the existing law, there are nine Staple and Best Buy retail locations accepting tablets and printers at no cost to Rhode Island consumers conveniently located in major population areas in four of the five Rhode Island counties. In addition, tablets have monetary value in the reuse stream and should remain available for reuse options throughout Rhode Island (including retail locations mentioned above and additional locations, buy-back programs, etc.). The existing law is limited to just recycling and, as such, could force tablets into the recycling stream when those items should remain available for reuse which is



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higher on the waste management hierarchy and should be widely encouraged. Given the place these device categories have in the existing collection and recycling/reuse infrastructure, it would be unnecessary to impose additional costs on manufacturers by incorporating them to law.

Overly Broad Delegation to RIDEM to Collect Information

CTA is concerned that SB 888 offers overly broad powers to RI Department of Environmental Management (RIDEM) to collect information. Section 23-24.10-9(k) requires that "a manufacturer shall supply any other information required by department to implement this chapter." The legislature should not delegate this expansive authority for RIDEM to determine which information is required from manufacturers. This opens to the door for RIDEM to require companies to submit business confidential information, information related to privately negotiated pricing and contracts, and other information that should be protected. The existing law and regulations provide for manufacturers to report the information necessary for the RIDEM to implement the law and understand how covered electronic products are being collected and recycled within the state.

Requirements for OEMs No Longer in the Market

In the bill under Sections 23-24.10-8(d) and 23-24.10-8(d)(4), manufacturers that have not sold units in the state for three years or more would be required to register with the RIDEM if their brands show up in RIDEM obtained return share and market share data and bear the responsibility for implementing recycling plans. Due to lag in market share/return share data, RIDEM may not be operating on the most up-to-date information aligned with existing market conditions. For manufacturers no longer in the marketplace, it can be quite difficult to track information when a brand no longer exists. Manufacturers no longer actively participating in the market should not be responsible for implementing recycling plans, and CTA recommends that these requirements not be added to the e-waste law.

Conclusion

Given these concerns, CTA opposes passage of SB 888. CTA and its members strongly support responsible electronics recycling in ways that are both effective and efficient, as evidenced by CTA's 2016 eCycling Leadership Initiative Report estimating that more than \$125 million has been spent by manufacturers on electronics recycling. However, this legislation would not achieve these goals and would only serve to increase costs and burden to manufacturers without increasing recycling opportunities for Rhode Island consumers.

CTA appreciates the opportunity to provide this testimony to the Senate Committee on Environment and Agriculture. If you have any questions regarding these comments, please do not hesitate to contact me at 703-907-7765 or walcorn@cta.tech.

Sincerely,

THE CONSUMER TECHNOLOGY ASSOCIATION



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Walter Alcorn Vice President, Environmental Affairs and Industry



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Rhode Island Resource Recovery Corporation Testimony S-888 - RELATING TO HEALTH AND SAFETY -- ELECTRONIC WASTE PREVENTION, REUSE AND RECYCLING ACT

Madam Chair and members of the committee, thank you for the opportunity to testify on this issue. My name is Dean Huff. I am the Chief Financial Officer for the Rhode Island Resource Recovery Corporation. I manage the State run program for E-Waste collection. This bill is a collaboration between RIDEM and RIRRC and improves upon the current bill which provides convenient and responsible recycling of electronic waste with the intent that the program be funded entirely by the manufacturers.

I am testifying in favor of S-888. This bill will strengthen and compliment the existing program while continuing to allow the private sector to participate and assist manufacturers in meeting their goals as opposed to a centralized State run program. The changes proposed will clarify the definition of what is considered "Covered Electronic Products" by clarifying language and adding printers to this definition. As written, this bill provides a reasonable approach to an ongoing problem and in our opinion provides the resources needed so that the original intent of the law is met, i.e., the manufacturers are responsible for the cost of the program.

As the law is currently written, manufacturers must either run their own take-back program, participate in a group program or participate in a state run program. The purposes of the law was to establish a manufacturer financed system for the collection, recycling, and reuse program for covered electronic products in Rhode Island. Due to the down turn of the recycling markets, the difficulties in obtaining information and inconsistencies in the information from manufacturers and group programs, this goal has fallen short leaving RIRRC with nearly a \$500K cumulative deficit. RIRRC receives between 1,000,000 and 1,500,000 pounds of electronic waste at our five municipal drop-off locations. RIRRC is required to maintain the five sites by law. The weight is more than what is needed to meet the obligations of the manufacturers participating in the State program. With this deficit, I feel the purpose of the original law, which requires the manufacturers to finance the collection and recycling of the E-Waste is not fully being met.

Because the law allows for manufacturers to elect to participate in several types of programs, coordination and reporting are essential so that fairness and balance is maintained between all programs. This proposed legislation addresses and strengthens the oversite and reporting issues in the current law in hope that all programs can more easily be monitored and all can operate without incurring losses.

The goal of this bill is maintain the original act in a much of its' current form as possible by allowing program alternatives for manufacturers to meet their responsibilities without the State taking over the entire program. It will strengthen the reporting and monitoring requirements and allow for enforcement, if necessary. Furthermore, we believe these changes will reduce the operating losses of RIRRC with a goal of breaking even so that the spirit of the law that holds the manufacturers responsible is met.

Thank you again for the opportunity to provide testimony on this subject.

Sincerely,
Dean Huff
Chief Financial Officer
Rhode Island Resource Recovery Corporation



Memorandum

To: Senator V. Susan Sosnowski, Chair, Senate Committee on Environment &

Agriculture

Ce: Nancy Sullivan, Committee Clerk

From: Matt Mincieli, Northeast Region Executive Director, TechNet

Date: 5/17/17

Re: TechNet opposition to Senate Bill 888 (Lombardo), RELATING TO HEALTH AND

SAFETY - ELECTRONIC WASTE PREVENTION, REUSE AND RECYCLING

ACT

TechNet (www.technet.org) is the national, bipartisan network of over 70 technology companies that promotes the growth of the innovation economy by advocating a targeted policy agenda at the federal and 50-state level. TechNet's diverse membership includes dynamic startups to the most iconic companies on the planet and represents millions of employees in the fields of information technology, e-commerce, clean energy, telecommunications, gig economy, sharing economy, venture capital, and finance. TechNet is committed to advancing the public policies and private sector initiatives that make the U.S. the most innovative country in the world.

On behalf of our membership, we respectfully oppose Senate Bill 888, because it is unnecessary to expand the product scope to include tablets and printers because manufacturers and others still want and continue to collect these devices in order to obtain value from them. The high collection rate for such devices is further evidence that the value in recycling motivates collection regardless of targets. Products with naturally high collection rates do not require inclusion in volume targets to motivate recycling or reuse. The law should focus on products that need help to be recycled and should not include products that the market currently takes care of on its own. In 2016, Minnesota amended their e-waste law to remove high value devices such as portable computers because they are not a problem in the e-waste stream.

TechNet would ask that printers not be added to the scope of the law as many technology hardware companies offer free recycling of consumer printers. There are nine Staples and Best Buy retail locations accepting tablets and printers at no cost to Rhode Island consumers conveniently located in major population areas in four of the five Rhode Island counties. However, if the Committee decides printers need to be included in the scope of the bill,

then <u>TechNet supports manufacturer share of e-waste recycling responsibility based on return share data</u>. Under the current law, this is already being applied for covered electronic devices, except televisions. The proposed bill says that TV and printer manufacturer determinations will be based on market share data, whereas all other covered electronic devices will continue to use return share.

Thank you for the opportunity to testify on SB 888 and we would respectfully ask this bill receive an unfavorable report from this Committee, as we believe it would increase costs to Rhode Island's e-waste programs, allow RIDEM to impose burdensome reporting requirements on manufacturers, all without increasing opportunities for electronics recycling for Rhode Island residents. Our membership would be happy to serve as resources should the Committee have any concerns or questions as you deliberate this important issue. Please feel free to consider us a resource and I can be reached anytime at mmincieli@technet.org.