



S.L. 2010-67 (SENATE BILL 887): Amend Electronics Recycling Law

2009-2010 General Assembly

Committee:		Date:	July 20, 2010
Introduced by:	Sen. Vaughan	Prepared by:	Jennifer McGinnis
Analysis of:	S.L. 2010-67		Staff Attorney

SUMMARY: *Session Law 2010-67 (Senate Bill 887, 2010 Session) repeals the existing Part in the General Statutes that governs the management and recycling of discarded computer equipment and discarded televisions, and creates a new Part in its stead. The new Part primarily changes the requirements applicable to management of discarded computer equipment; the requirements applicable to television manufacturers and retailers are largely left unchanged.*

BACKGROUND: The act was the product of an extensive stakeholder working group that involved computer equipment and television manufacturers, retailers, local governments, and the Department of Environment and Natural Resources (Department).

CURRENT LAW:

In 2007, as part of the Solid Waste Management Act of 2007 (S.L. 2007-550, SB 1492), the General Assembly enacted provisions to manage certain discarded electronic equipment (Part 2E, Article 9, Chapter 130A of the General Statutes). Key provisions of the legislation included requirements for each manufacturer of computer equipment sold in the State to:

- Register with the Department.
- Pay a \$10,000 initial registration fee and a \$1,000 annual renewal registration fee.
- Submit a plan to the Department for the recycling or reuse of computer equipment produced by the manufacturer and discarded in the State.
- Pay all costs associated with the development and implementation of its plan.

The legislation also prohibited the disposal of discarded computer equipment in landfills or by incineration effective January 1, 2012.

In 2008, legislation was enacted primarily to add televisions to the equipment required to be collected for recycling and to delay the effective date of provisions concerning discarded computer equipment to January 1, 2010 (originally, most of the recycling provisions were scheduled to come into effect January 1, 2009). In addition, televisions were added as items banned from landfills.

BILL ANALYSIS:

Provisions governing computer equipment manufacturers – Computer equipment manufacturers are required to register with the Department by August 1, 2010, and within 90 days thereafter submit a plan

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for reuse or recycling of computer equipment. A manufacturer is required to implement one of three plans to collect and recycle computer equipment discarded by consumers¹ in the State as follows:

1. Level I – The plan must:

- Provide that the manufacturer will take responsibility for discarded computer equipment that it manufactured.
- Describe any direct take-back program to be implemented. Authorized collection methods include a mail-back process, physical collection sites open during normal business hours, and collection events.
- Provide for environmentally sound management practices to transport and recycle discarded computer equipment.
- Include a consumer recycling education program on the laws governing the recycling and reuse of discarded computer equipment and on the methods available to consumers to comply with those requirements. The manufacturer must operate a toll-free telephone number to answer questions from consumers about computer recycling options.

A manufacturer who develops, submits, and implements a Level I recycling plan must pay an initial registration and annual renewal fee of \$15,000 to the Department.

2. Level II – Under this plan a manufacturer may offer additional options to collect other types of electronic equipment that do not constitute discarded computer equipment, and may assess a nominal fee for collection of these other types of electronic equipment. The plan must include all of the elements of a Level I plan, and, in addition, the plan must:

- Provide that the manufacturer will take responsibility for discarded computer equipment that was manufactured by other manufacturers, as well as equipment that it manufactured.
- Provide that the manufacturer will: (i) maintain physical collection sites (available to consumers during normal business hours, at a minimum) to receive discarded computer equipment from consumers in the 10 most populated municipalities in the State; and (ii) host at least two collection events annually within the State.

A manufacturer who develops, submits, and implements a Level II recycling plan must pay an initial registration fee \$10,000 and an annual renewal fee of \$7,500 to the Department.

3. Level III – As with a Level II plan, a manufacturer may collect other electronic devices (not constituting discarded computer equipment) and charge a nominal fee for those collections. The plan must include all of the elements of a Level I plan, and, in addition, the plan must:

- Provide that the manufacturer will take responsibility for discarded computer equipment that was manufactured by other manufacturers, as well as equipment that it manufactured.
- Provide that the manufacturer will: (i) maintain physical collection sites (available to consumers during normal business hours, at a minimum) to receive discarded computer equipment from consumers in 50 of the State's counties, of which 10 of those counties shall be the most populated counties in the State; and (ii) host at least two collection events annually within the State.

A manufacturer who develops, submits, and implements a Level III recycling plan must pay an initial registration fee of \$10,000 and an annual renewal fee of \$2,500 to the Department.

¹ An occupant of a single detached dwelling unit or a single unit contained within a multiple dwelling unit who used a covered device primarily for personal or home business use, or a nonprofit organization with fewer than 10 employees that used a covered device in its operations.

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Provisions governing television manufacturers – The provisions applicable to television manufacturers remain the same as those enacted in 2008, requiring these manufacturers to do all of the following: register with the Department; pay a \$2,500 initial registration fee and a \$2,500 annual renewal registration fee; annually recycle the manufacturer's market share allocation of televisions; and document due diligence assessments of recyclers that the manufacturer contracts with, including an assessment of compliance with environmentally sound recovery standards adopted by the Department.

General provisions – The act:

- Provides that manufacturers, collectors, recyclers and retailers are not be liable in any way for data and information left on equipment collected pursuant to the law.
- Prohibits the sale of new computer equipment and televisions by a manufacturer, or delivery to a retailer for sale, unless the computer equipment and televisions are labeled properly, a manufacturer has registered with the Department, and the manufacturer is otherwise in compliance with the applicable provisions of the act. A retailer is not responsible, however, for an unlawful sale if the manufacturer's registration expired or was revoked after the retailer took possession of the television. Similar provisions were included in the legislation enacted in 2007 and 2008. The bill contains a new provision that a retailer would not be subject to enforcement action by the Department for a first violation occurring during the one year period following enactment of the law.
- Directs that fees collected from computer equipment and television manufacturers be credited to the Electronics Management Account. The Department is authorized to use all of the proceeds of the fee imposed on television manufacturers and up to 10% of the proceeds of the fee imposed on computer equipment manufacturers for administration of the requirements of the legislation. The Department must distribute the remaining funds annually to eligible local governments for local programs that manage discarded computer equipment, televisions, and other electronic devices.
- Prohibits the disposal of discarded computer equipment and televisions in landfills or by incineration effective July 1, 2011. Similar provisions were included in the legislation enacted in 2007 and 2008.
- Requires annual reports from both computer equipment and television manufacturers to the Department on collection and recycling activities. The Department is required to report information on collection and recycling activities to the Environmental Review Commission (ERC) as part of the Department's annual solid waste management report.
- Requires the ERC to study the feasibility of requiring recycling of (i) other electronic equipment (not televisions or computer equipment as defined in the bill), and (ii) computer equipment discarded by small businesses, and report its findings and recommendations, including any legislative proposals, to the 2011 Regular Session of the General Assembly upon its convening. The ERC is also tasked with monitoring and reviewing electronic recycling programs in other states on an ongoing basis and reporting its findings and recommendations to the General Assembly periodically.

EFFECTIVE DATE: The provisions generally become effective August 1, 2010, unless otherwise noted.

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